Town Commission

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

NOTICE OF VIRTUAL TOWN COMMISSION MEETING

Pursuant to Executive Order 20-69 issued by the Governor and the Town Local Declaration of Public Emergency, a VIRTUAL Town Commission meeting will be held on Tuesday, June 23, 2020, at 6:30 p.m. and broadcast from Town Hall.

The June 23, 2020 Town Commission meeting will be held as a VIRTUAL MEETING with elected officials and Town staff participating through video conferencing. This virtual meeting will be broadcasted live for members of the public to view on the Town's website (www.lbts-fl.gov), Comcast Channel 78, and AT&T U-verse Channel 99.

Members of the public may submit comments via email to public_comments@lbts-fl.gov Any comments received will be provided to the Commission and included in the minutes. Public comments submitted via email are to be limited to a 400-word limit. The comment must include the persons name and address, and identify the agenda item to be addressed, if the comment is for a specific agenda item. The deadline to submit public comment will occur when the Mayor closes public comment for the virtual meeting, or for the item.

A copy of the agenda for the virtual Town Commission meeting can be accessed on the Town's website, at https://www.lauderdalebythesea-fl.gov/341/Agendas-Video.

Please note that Governor DeSantis' Executive Order Number 20-69 suspended the requirements of Section 286.011, Florida Statutes, the Florida Sunshine law, that a quorum be present and that a local government body meet at a specific public place. The Executive Order also allows local government bodies to utilize communications media technology, such as telephonic and video conferencing for local government body meetings.

Should any person desire to appeal any decision of the Town Commission with respect to any matter to be considered at this meeting, that person shall ensure that a verbatim record of the proceedings is made including all testimony and evidence upon which any appeal may be based (Section 286.0105, Fla. Stat).

IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT AND FLORIDA STATUTE 286.26, PERSONS WITH DISABILITIES NEEDING SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE TOWN CLERK NO LATER THAN TWO (2) DAYS PRIOR TO THE MEETING AT (954) 640-4200 FOR ASSISTANCE.

Broadcast from Jarvis Hall

Virtual Town Commission Meeting

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VIRTUAL TOWN COMMISSION MEETING

Tuesday, June 23, 2020, 6:30 PM
Broadcast from Jarvis Hall

1.CALL TO ORDER, MAYOR CHRIS VINCENT

2.PLEDGE OF ALLEGIANCE TO THE FLAG

3.INVOCATION - Moment of Silence

4.ADDITIONS, DELETIONS, DEFERRALS OF AGENDA ITEMS

5.PRESENTATIONS

5.a Presentation of the Comprehensive Annual Financial Report (Lucila Lang, Finance Director)

CoverPage - CAFR.docx
Letter to the Mayor, Commissioners and Town Manager.pdf.pdf
2019 FINAL REPORT - TOWN OF LAUDERDALE-BY-THE SEA.pdf

6.PUBLIC COMMENTS

7.PUBLIC SAFETY DISCUSSION

7.a AMR May 2020 Report (Chief Brooke Liddle, AMR)

CoverPage.docx
Copy of Copy of AMR LBTS Times 5-2020.xlsx

8.TOWN MANAGER REPORT

8.a June Finance Report (Lucila Lang, Finance Director)

CoverPage.docx
April 2020 Revenue_Expenditure Report.pdf
APRIL CASH-INVESTMENT REPORT_ APRIL 2020.xlsx

8.b Town Manager Report (Bill Vance, Town Manager)

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ACTION PLAN.pdf

9.TOWN ATTORNEY REPORT

10.APPROVAL OF MINUTES

10.a June 9, 2020 Town Commission Meeting Minutes (Tedra Allen, Town Clerk)

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060920 LBTS Commission 1st draft minutes.docx

11.CONSENT AGENDA

11.a HR Compensation Consultants, LLC proposal for Market Study (Lisa Slagle, Senior Office Specialist)`

Agenda Memo - HRCC.docx

Attachment 1 -Amendment 1- HRCC.pdf

Attachment 2 - Proposal from HRCC for Market Study.pdf

Attachment 3- Resolution 2020-25.docx

12.OLD BUSINESS

13.NEW BUSINESS

13.a July/August Meeting Schedule (Tedra Allen, Town Clerk)

Cover Page - July/August Schedule.docx

13.b Waiver of Lien Release Application Fee – 1931 Waters Edge (Linda Connors, Development Services Director)

CoverPage 1931 Water's Edge Waiver of Application Fee.docx

Request to Remove Lien.pdf

14.COMMISSIONER COMMENTS

15.ORDINANCES 1st Reading

15.a Ordinance 2020-06 - AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING THE TOWN'S CODE OF ORDINANCES AT CHAPTER 2 "ADMINISTRATION," ARTICLE II "TOWN COMMISSION," BY CREATING SECTION 2-27 "WAIVER OF CODE REQUIREMENTS"; AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE. (Linda Connors, Development Services Director)

Ord 2020-06.docx

Ex1 Ordinance 2020-06 - Chapter 2 Code Waiver.docx

16.ORDINANCES 2nd Reading

17.RESOLUTIONS - PUBLIC COMMENTS

18.ADJOURNMENT

THE TOWN OF LAUDERDALE-BY-THE-SEA WILL FURNISH APPROPRIATE AUXILIARY AIDS AND SERVICES NECESSARY TO AFFORD INDIVIDUALS AN EQUAL OPPORTUNITY TO PARTICIPATE IN MEETINGS OF THE TOWN COMMISSION. IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT AND FLORIDA STATUTE 286.26, PERSONS WITH DISABILITIES NEEDING SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT THE TOWN CLERK NO LATER THAN TWO (2) DAYS PRIOR TO THE MEETING AT (954) 640-4200 FOR ASSISTANCE.

IF ANY PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE TOWN COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING OR HEARING, HE/SHE WILL NEED A RECORD OF THE PROCEEDINGS AND FOR SUCH PURPOSES MAY NEED TO INSURE THAT A VERBATIM RECORDING OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

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Agenda Item No: 5.a

Town Commission Agenda Item Report

Meeting Date: June 23, 2020
Submitted by: Lucila Lang
Submitting Department: Finance
Item Type: Presentations
Agenda Section: PRESENTATIONS

Subject Title:
Presentation of the Comprehensive Annual Financial Report (Lucila Lang, Finance Director)

Explanation: The external audit of the Town's financial records for the fiscal year ending September 30, 2019 (Fiscal Year 2018-2019) has been completed and the staff and auditors have prepared the attached Comprehensive Annual Report (CAFR) (Exhibit 1) for that fiscal year.

Recommendation: Motion to accept the FY19 Comprehensive Annual Financial Report

Attachments:

1. Comprehensive Annual Financial Report.

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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June 11, 2020

To the Honorable Mayor, Town Commissioners and Town Manager
Town of Lauderdale By-The-Sea,
Broward County, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lauderdale By-The-Sea, Broward County, Florida (the "Town") for the fiscal year ended September 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 12, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town are described in Note 1 to the financial statements There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the fiscal year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Town's financial statements were:

> Management's estimate of the useful lives of capital assets is based on information obtained from the experience of other governments as adapted for differences in application and environment. We evaluated the key factors and assumptions used to develop the estimate of the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the liability for Other Post-Employment Benefits (OPEB) is based on information received from the Town's actuary. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the liability for net pension liability of the Town's defined benefit pension plans is based on information received from the Pension Plans' actuaries. We evaluated the key factors and assumptions used to develop the estimates and determined that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the allowance for doubtful accounts is based on historical water and sewer revenues, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

> The litigation claims and assessments disclosure in Note 11 pertaining to lawsuits filed against the Town.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 11, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison schedule - general fund, schedule of changes in the net pension asset and related ratios - Volunteer Firefighters Pension Plan, schedule of contributions - Volunteer Firefighters Pension Plan, the schedules of proportionate share of net pension liability and pension contributions - Florida Retirement System, and the schedule of funding progress - Other Post-Employment Benefit Plan, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining fund statements and budgetary comparison schedules which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on them.

Restriction on Use

This information is intended solely for the use of the Honorable Mayor, Town Commissioners and management of the Town and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Grau & Associates

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Prepared By:

The Finance Department

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
FISCAL YEAR ENDED SEPTEMBER 30, 2019

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TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
FISCAL YEAR ENDED SEPTEMBER 30, 2019

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Town of
LAUDERDALE-BY-THE-SEA
4501 Ocean Drive, Lauderdale-by-the-Sea, Florida 33308-3610
Telephone: (954) 640-4200 / Fax (954) 640-4236

June 11, 2020

Honorable Mayor and Commissioners:

State law requires that all general purpose local governments publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to these requirements, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Town of Lauderdale-By-The-Sea for the fiscal year ended September 30, 2019.

This report consists of management's representations concerning the finances of the Town of Lauderdale-By-The-Sea. Consequently, we assume full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the Town has established an internal control framework that is designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP (Generally Accepted Accounting Principles). Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Grau & Associates, a licensed certified public accounting firm, has audited the Town's financial statements. The goal of the independent audit was to provide reasonable assurance that the Town's financial statements for the fiscal year ended September 30, 2019, are free of material misstatement. 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 auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Lauderdale-By-The-Sea's financial statements for the fiscal year ended September 30, 2019 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.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Lauderdale-By-The-Sea's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The Town of Lauderdale-By-The-Sea, incorporated in 1947, is located between the Atlantic Ocean and the Intracoastal Waterway in the east-central part of Broward County, Florida directly north of Fort Lauderdale and 33 miles south of Palm Beach County. The Town of Lauderdale-By-The-Sea is primarily a residential community but, because of the Town's prime seaside location, the hospitality industry has historically been significant to the Town's economy and character. The major industries within the Town are hospitality, retail (including restaurants), finance, insurance and real estate. Most residents are retired or employed in South Florida. The Town is 1.5 square miles in land area and has a year-round population of approximately 6,500 residents. We estimate the peak seasonal population to be approximately 12,000.

The Town of Lauderdale-By-The-Sea provides a full range of municipal services for its citizens. These include executive administration, financial accounting and reporting, public works, parks and recreation facilities, and planning and zoning. Police, fire prevention and suppression, emergency medical service, building inspections, code enforcement, and parking enforcement are all delivered via contracts with third party providers: Broward's Sherriff's Office for police services, the Lauderdale-By-the-Sea Volunteer Fire Department for fire services, American Medical Response for emergency medical services, C.A.P. Government for building inspections, Calvin, Giordano & Associates for code enforcement, and Republic Parking for parking enforcement. Water service is provided to our residents and businesses by the cities of Fort Lauderdale and Pompano Beach. Sewer services are provided to residents and commercial businesses in the north end of Town by the city of Pompano Beach. The Town provides sewer collection and transmission services in the south portion of Town, but the wastewater is transmitted to the city of Pompano Beach, which then transports it to Broward County's Wastewater Treatment Plant on Copans Road for treatment and disposal.

The Town operates under a Commission-Manager form of government. Policy-making and legislative authority are vested in the Town Commission, which consists of a Mayor, a Vice-Mayor and three Commissioners. Commissioners (including the Vice Mayor) are elected for four-year terms and must live in a specified district, but are elected at large (by voters of the entire Town). The Mayor serves a two-year term and is also elected at large. The Town Commission is responsible for setting Town policy, setting most Town fees, passing ordinances, adopting and amending the annual budget, approving large purchases, adopting resolutions, and appointing the Town Manager and Town Attorney.

The Town Manager is the chief executive officer of the Town. The Town Manager is responsible for carrying out the policies of the Commission, enforcing the Town's code of ordinances, appointing, directing, and removing all Town employees, overseeing the Town's contracts, preparing and submitting the annual budget, and overseeing the day-to-day operations of the Town.

The Town Commission meets in regular session on the second and fourth Tuesday of each month at 6:30 p.m. in Jarvis Hall, 4501 Ocean Drive, Lauderdale-By-The-Sea, Florida. The Commission schedules additional workshops and meetings on an as-needed basis.

The Town's Budget

The annual budget serves as the Town of Lauderdale-By-The-Sea's financial planning and control mechanism. All departments of the Town submit requests for funding to the Town Manager and these requests are the starting point for developing a proposed budget. The Finance/Budget Director reviews revenue trends and projects revenue for the current and upcoming fiscal year. The Broward County Property Appraiser advises the Town in late June or early July of the valuation of properties in the Town and the ad valorem tax millage rate required to raise the same amount of tax revenue as in the preceding year.

The Town Manager seeks budget policy direction from the Town Commission, then crafts a budget consistent with that policy direction and presents it to the Commission for review in July of each year. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the Town's fiscal year. The budget is legally enacted through the passage of a resolution which adopts the budget by fund and department. This administration's policy is that the classification detail at which expenditures may not legally exceed appropriations is at the department level. The Town Manager is authorized to transfer part or all of the unencumbered balance of an appropriation within a department; however, any revisions that alter the total appropriations of any department must be approved by the Town Commission.

Budget-to-actual comparisons are reported monthly to the Town Commission by the Finance Director. Revenue and expenditure projections for the current fiscal year are provided to the Commission during the budget preparation process.

Economic Condition

As shown in the following chart, the Town of Lauderdale-By-The-Sea's taxable assessed value for fiscal year 2019 increased by $124,650,662 or approximately 5.0%. Fiscal year 2019 marks the culmination of the recovery since property values in fiscal year 2009 and subsequently declined.

Tax Roll Year	Fiscal Year	WCC Taxable Values		Year-to-Year Comparison		Year-to-FY2009 Comparison	
2008	2009	$2,117,169,658	*	($204,731,570)	-8.80%	($204,731,570)	-8.80%
2009	2010	$1,911,499,581	*	($205,670,077)	-9.70%	($410,401,647)	-17.70%
2010	2011	$1,766,370,472	*	($145,129,109)	-7.60%	($555,530,756)	-23.90%
2011	2012	$1,729,711,519	*	($36,658,953)	-2.10%	($592,189,709)	-25.50%
2012	2013	$1,758,499,775	*	$28,788,256	1.70%	($563,401,453)	-24.30%
2013	2014	$1,811,104,269	*	$52,604,494	3.00%	($510,796,959)	-22.00%
2014	2015	$1,928,187,948	*	$117,083,679	6.50%	($393,713,280)	-17.00%
2015	2016	$2,073,594,801	*	$145,406,853	7.50%	($248,306,427)	-10.70%
2016	2017	$2,219,593,247	*	$145,998,446	7.00%	($102,307,981)	-4.40%
2017	2018	$2,376,152,413		$156,559,166	7.10%	$54,251,185	2.30%
2018	2019	$2,500,803,075		$124,650,662	5.00%	$70,399,477	2.7%

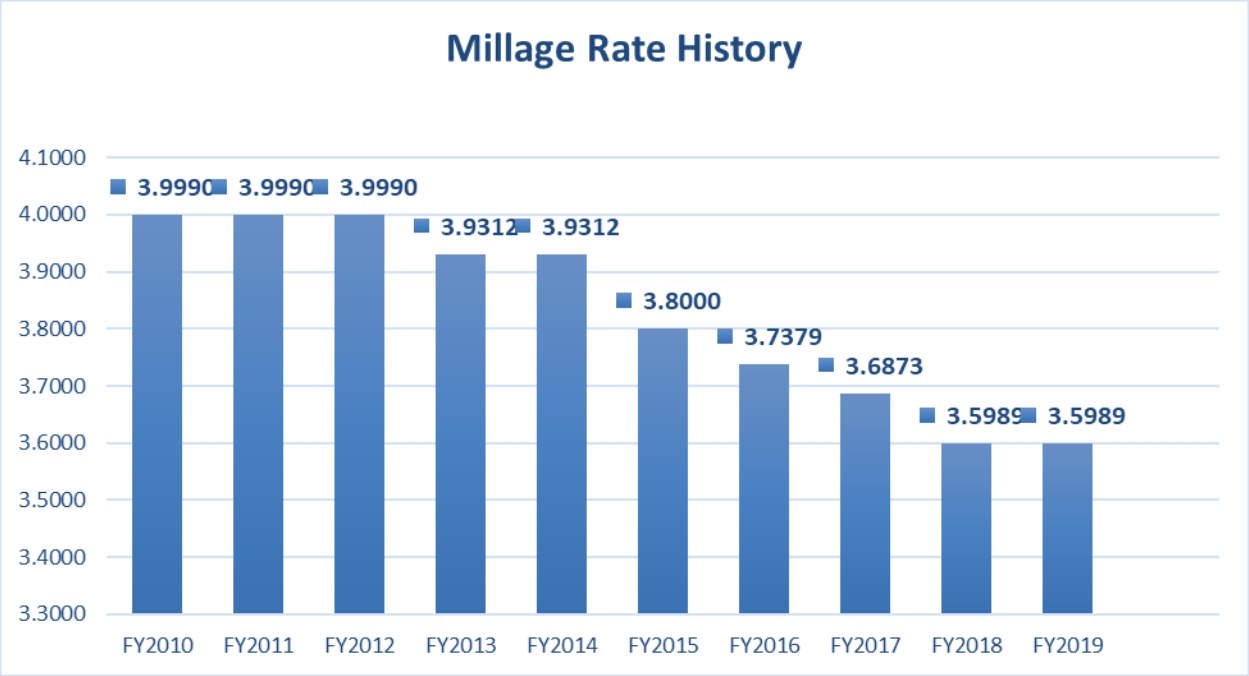
* Total Taxable Value with certificates (Source: Taxable Value Report, BCPA)

The following chart shows the size of the labor force, the number employed and unemployed, and the unemployment rate for the Fort Lauderdale-Pompano Beach-Deerfield Beach metropolitan area for each of the past eleven years. The table shows that the unemployment rate reached a high of 10.2 percent in 2010 and has steadily declined since then. During the same period, the size of the labor force has continued to increase. This is a good indicator that the local economy is doing well.

Year	Labor Force	Employed	Unemployed	Unemployment Rate
2009	981,779	887,079	94,700	9.60%
2010	953,592	855,943	97,649	10.20%
2011	963,707	873,140	90,567	9.40%
2012	978,286	902,489	75,797	7.70%
2013	987,928	923,202	64,726	6.60%
2014	995,699	937,586	58,113	5.80%
2015	991,365	941,948	49,417	5.00%
2016	1,013,909	967,406	46,503	4.60%
2017	1,036,383	996,992	39,391	3.80%
2018	1,043,978	1,011,659	32,319	3.10%
2019	1,054,173	1,024,315	29,858	2.80%

Source: United States Department of Labor, Bureau of Labor Statistics

As indicated in the following chart, during fiscal year 2019 the Town dropped the millage rate to 3.5989 per 1,000 of assessed taxable value, the third lowest millage rate of any city in Broward County.



Fund Balances - Governmental Funds, As of September 30, 2019

The table below shows the balances of the governmental funds as of September 30, 2019. The unassigned balance of the general fund was $5,842,049. The other significant component of the general fund balance is the $2,500,000 assigned to the emergency reserve. The balance of $44,586 is the prepaid items as of September 30, 2019 which consists primarily of property, liability, and health insurance, contractual services.

As of September 30, 2019, the balance of the capital projects fund was $4,257,279. Of that amount, $677,566 is contractually restricted to be used to make El Mar Drive more pedestrian friendly. This represents the balance of a $1,000,000 settlement the Town received from Pier Pointe Developers in fiscal year 2009. The remaining $3,579,713 is for future capital projects.

The Town's non-major funds are the fire fund and the law enforcement trust fund (LETF). As of September 30, 2019 these funds had $1,399,241 and $13,586 which are legally restricted to be used for fire protection and law enforcement purposes, respectively.

	General Fund	Capital Projects Fund	Non-Major Funds	Total Governmental Funds
Fund balances				
Nonspendable:				
Prepaid items	$ 44,586	$ -	$ -	$ 44,586
Restricted for:				
Fire department	-	-	1,399,241	1,399,241
Law enforcement	-	-	13,586	13,586
El Mar beautification per contract	-	677,566	-	677,566
Assigned to:				
Emergency reserve	2,500,000	-	-	2,500,000
Capital projects	-	3,579,713	-	3,579,713
Unassigned	5,842,049	-	(92,391)	5,749,658
Total fund balances	$ 8,386,635	$ 4,257,279	$ 1,320,436	$ 13,964,350

Proprietary Funds

As of September 30, 2019, the unrestricted balance of the sewer fund was $1,328,660, and the unrestricted balance of the parking fund was $4,672,274. The table below shows the history of the proprietary fund unrestricted balances over the past ten years.

Year	Sewer Fund	Parking Fund	Total Proprietary Funds
2010	$ 1,529,090	$ 138,844	$ 1,667,934
2011	$ 1,750,052	$ 136,550	$ 1,886,602
2012	$ 1,500,755	$ 810,907	$ 2,311,662
2013	$ 1,512,624	$ 1,309,848	$ 2,822,472
2014	$ 1,281,780	$ 1,384,554	$ 2,666,334
2015	$ 1,546,085	$ 2,744,722	$ 4,290,807
2016	$ 1,424,365	$ 3,814,981	$ 5,239,346
2017	$ 1,103,464	$ 2,764,649	$ 3,868,113
2018	$ 1,033,340	$ 3,979,300	$ 5,012,640
2019	$ 1,328,660	$ 4,672,274	$ 6,000,934

Acknowledgements

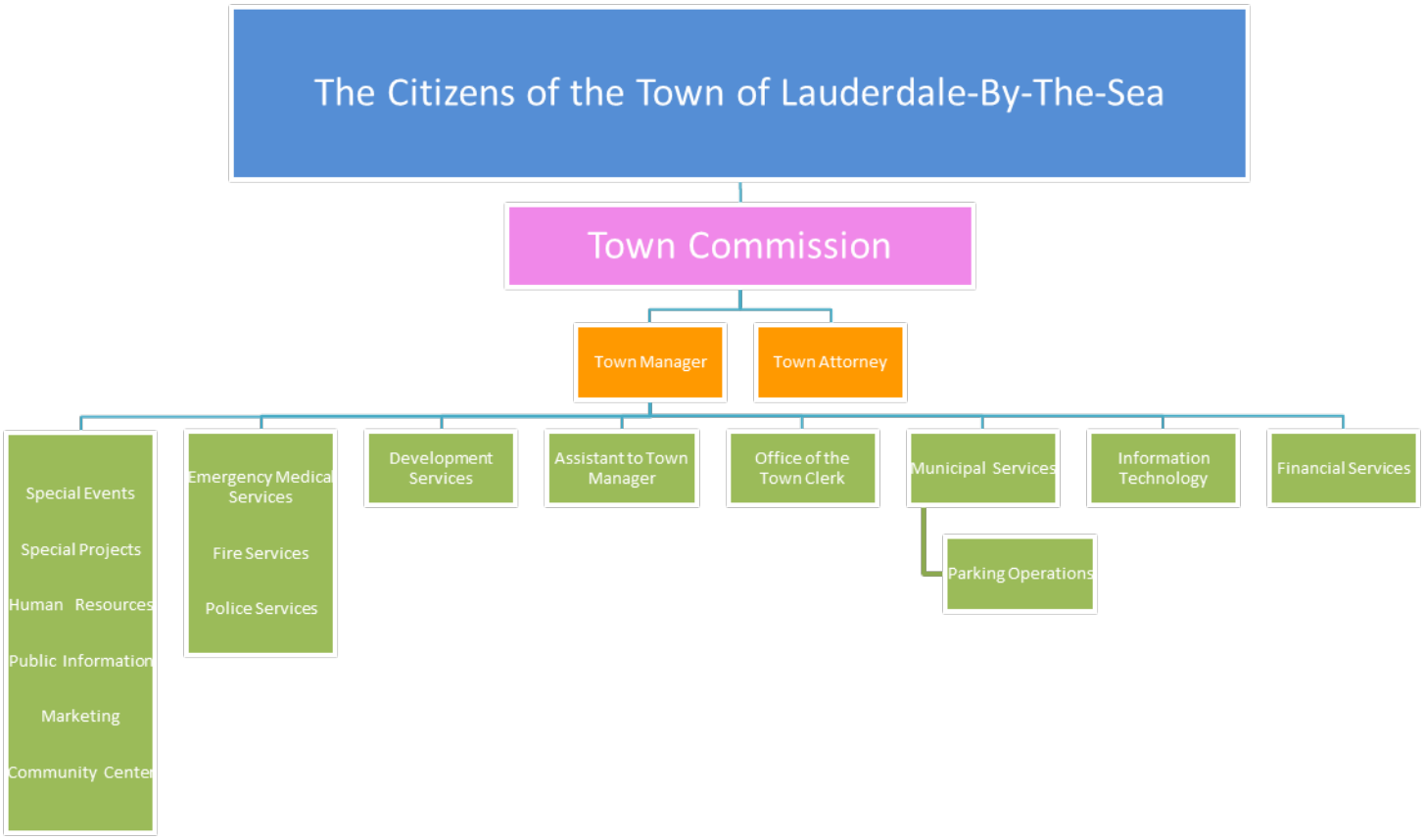
The preparation of this report could not have been accomplished without the efficient and dedicated services of Edner Saint-Jean and Sara Del Villar De Estevez of our Finance staff. We would also like to extend our thanks to the firm of Grau & Associates for their cooperation, assistance and professional conduct of the Town's annual audit. Finally, we wish to acknowledge the Town Commission for their commitment to sound accounting, transparency, financial management and the diligent manner in which they exercise their financial oversight responsibilities

Respectfully submitted,

Bill Vance
Town Manager

Lucila Lang
Finance Director

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
ORGANIZATION CHART
SEPTEMBER 30, 2019



TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TOWN OFFICIALS
SEPTEMBER 30, 2019

TOWN COMMISSION

CHRIS VINCENT
Mayor

BUZ OLDAKER
Vice-Mayor

EDMUND MALKOON
Commissioner

ELLIOT SOKOLOW
Commissioner

RANDY STRAUSS
Commissioner

TOWN ATTORNEY
Susan L. Trevarthen

MANAGEMENT TEAM

TOWN MANAGER
William Vance

ASSISTANT TO TOWN MANAGER
Neysa Herrera

MUNICIPAL SERVICES DIRECTOR
Kenneth Rubach

DEVELOPMENT SERVICES DIRECTOR
Linda Connors

FINANCE DIRECTOR
Lucila Lang

TOWN CLERK
Tedra Smith

CHIEF OF EMERGENCY MEDICAL SERVICES
Brooke Liddle

FIRE CHIEF
Judson Hopping

POLICE CHIEF
Thomas Palmer

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INDEPENDENT AUDITOR'S REPORT

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Town Commission and Town Manager
Town of Lauderdale-By-The-Sea, 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 Town of Lauderdale-By-The-Sea, Florida ("Town"), as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Town'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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, 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 Town, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and other required supplementary information 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining fund statements and budgetary comparison schedules 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. In our opinion, the combining fund statements and budgetary comparison schedules 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 June 11, 2020, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely 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 Town's internal control over financial reporting and compliance.

Grau & Associates

June 11, 2020

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MANAGEMENT'S DISCUSSION ANALYSIS
(MD&A)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Town of Lauderdale-By-The-Sea financial performance provides an overview of the Town's financial activities for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal in the introductory section and in conjunction with the Town's basic financial statements.

Financial Highlights

The assets of the Town of Lauderdale-By-The-Sea exceeded its liabilities at the close of the most recent fiscal year by $53,209,632 (net position). Of this amount, $15,641,359 (unrestricted net position) may be used to meet the ongoing obligations to citizens and creditors. The Town's net position increased by $2,253,947 from the prior fiscal year primarily as a result of the Town's parking fund having generated operating income of $1,694,043 during the fiscal year. During fiscal year 2019 the Town started reconstruction of the roadway, island, and parking on Poinciana / Bougainvilla. This project included a roadway as well as parking space reconfiguration. Also included was expansion of an existing island dividing Bougainvilla & Poinciana which received landscape and hardscape improvement. The A1A Parking lot was expanded to include the property located at 4410 Bougainvilla Drive (i.e., the former Majestica Apartment Building). The project was initially set to be completed in two phases. The first phase was completed in February 2019 and the second phase is expected to be substantially completed in November 2019 and Final Completion in December 2019.Lighting was not originally contemplated within Phase 2 and was since added with remaining funds from the project, the lighting component is anticipated to be completed by Summer 2020. Friedt Park Courtyard was scheduled to complete prior to the end of FY19 however several design modifications were made, most notably removing additional proposed parking spaces. This project is anticipated to be completed by Fall 2020.

At the close of the fiscal year 2019, the Town of Lauderdale-By-The-Sea's governmental funds reported combined ending fund balances of $13,964,350 an increase of $1,869,758 from the prior fiscal year.

At the end of the current fiscal year, unassigned fund balance for the general fund was $5,842,049 or approximately 54.34% of total general fund expenditures. It is the Town's intent to continue to use the general fund balance to pay for capital projects.

Long-Term Debt

The Town has no debt in any of its governmental or proprietary funds.

Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. For governmental activities, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide financial statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of third parties.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town of Lauderdale-By-The-Sea's basic financial statements which have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

Government-wide financial statements The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of Lauderdale-By-The-Sea's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town of Lauderdale-By-The-Sea's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as *net position*. Over time, increases or decreases in net position may serve as a useful indictor of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town'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 periods (e.g., uncollected taxes).

The government-wide financial statements distinguish functions of the Town of Lauderdale-By- The-Sea 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 costs through user fees and charges (*business-type activities*). The governmental activities of the Town of Lauderdale-By-The-Sea include general government, public safety, and physical environment, recreation, and transportation services. The business-type activities of the Town of Lauderdale-By-The-Sea include parking and sewer operations.

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 Town of Lauderdale-By-The-Sea, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Town of Lauderdale-By-The- Sea's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds *Governmental 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 the governmental fund statement of revenues,

Overview of the Financial Statements (Continued)

Expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of Lauderdale-By-The-Sea maintains five individual governmental funds (general, capital projects, and three special revenue funds). Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, capital projects fund, and the total of the three special revenue funds. The general fund and capital projects funds are both considered to be major funds. The three special revenue funds are all considered to be non-major funds.

The Town adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds The Town of Lauderdale-By-The-Sea maintains one type of proprietary fund, enterprise funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its parking and sewer operations.

The proprietary fund statements 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 sewer and parking operations, both of which are considered to be major funds of the Town of Lauderdale-By- The-Sea.

Fiduciary funds The Town is the sponsor for the Volunteer Firefighters' Pension Plan. The *Pension Trust Fund* uses the accrual basis of accounting and is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the balance sheet. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations.

Notes to the basic 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.

Government-Wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of the Town of Lauderdale-By-The-Sea's financial position. The Town's total net position was $53,209,632 at the close of the most recent fiscal year.

By far the largest portion of the Town of Lauderdale-By-The-Sea's net position reflects its investment in capital assets (e.g., roadways, improvements, equipment, buildings, and land). The Town uses these capital assets to provide services to citizens; consequently, they are not available for future spending. A portion of the Town of Lauderdale-By-The-Sea's net position is subject to external restrictions regarding how they may be used such as the remaining balance ($677,566) of the $1 million settlement received from Pier Pointe which is contractually restricted to El Mar Drive improvements. The remaining balance of unrestricted net position may be used to meet the Town's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position, both for the Town as a whole, as well as for its separate governmental and business-type activities.

Governmental activities Governmental activities increased the Town's net position by $287,522 in fiscal year 2019. The increase represents the extent to which the cost of operations and depreciation expense exceeded ongoing program and general revenues.

Business-type activities Business-type activities increased the Town of Lauderdale-By-The-Sea's net position by $1,966,425, $1,668,135 of which, is attributable to the parking fund.

Key components of the Town's net position are reflected in the following table:

Net Position
September 30,

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	$ 15,320,451	$ 13,135,163	$ 6,529,310	$ 6,052,240	$ 21,849,761	$ 19,187,403
Capital assets, net	21,699,644	22,702,253	13,778,236	12,800,105	35,477,880	35,502,358
Total assets	37,020,095	35,837,416	20,307,546	18,852,345	57,327,641	54,689,761
Deferred outflows of resources	1,199,904	1,618,034	115,570	136,794	1,315,474	1,754,828
Long-term liabilities	3,467,159	3,155,488	326,779	300,238	3,793,938	3,455,726
Other liabilities	904,730	848,874	293,963	850,514	1,198,693	1,699,388
Total liabilities	4,371,889	4,004,362	620,742	1,150,752	4,992,631	5,155,114
Deferred inflows of resources	417,648	308,148	23,204	25,642	440,852	333,790
Net position:						
Investment in capital assets	21,699,644	22,702,253	13,778,236	12,800,105	35,477,880	35,502,358
Restricted for:						
El Mar beautification per contractual agreement	677,566	677,566	-	-	677,566	677,566
Fire department	1,399,241	1,140,910	-	-	1,399,241	1,140,910
Law enforcement	13,586	12,439	-	-	13,586	12,439
Unrestricted	9,640,425	8,609,772	6,000,934	5,012,640	15,641,359	13,622,412
Total net position	$ 33,430,462	$ 33,142,940	$ 19,779,170	$ 17,812,745	$ 53,209,632	$ 50,955,685

Government-Wide Financial Analysis (Continued)

Key elements of the change in net position are reflected in the following table:

Changes in Net Position
For the Fiscal Year Ended September 30,

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for services	$ 2,602,751	$ 2,730,633	$ 3,812,958	$ 3,414,989	$ 6,415,709	$ 6,145,622
Operating grants and contributions	193,393	84,696	-	-	193,393	84,696
General Revenues:						
Property taxes	8,699,738	8,271,252	-	-	8,699,738	8,271,252
Franchise taxes and utility taxes	1,854,540	1,794,609	-	-	1,854,540	1,794,609
Grants and contributions not restricted to specific programs	1,037,907	1,029,976	-	-	1,037,907	1,029,976
Unrestricted investment earnings	89,366	25,317	34,778	6,561	124,144	31,878
Miscellaneous revenues	253,023	207,760	17,770	7,500	270,793	215,260
Total revenues	14,730,718	14,144,243	3,865,506	3,429,050	18,596,224	17,573,293
Expenses:						
General government	2,747,262	2,535,113	-	-	2,747,262	2,535,113
Public safety	7,849,047	7,427,617	-	-	7,849,047	7,427,617
Transportation	2,012,708	1,977,665	-	-	2,012,708	1,977,665
Recreation	472,021	444,051	-	-	472,021	444,051
Physical environment	1,362,158	1,435,206	-	-	1,362,158	1,435,206
Sewer	-	-	976,783	855,750	976,783	855,750
Parking	-	-	922,298	765,668	922,298	765,668
Total expenses	14,443,196	13,819,652	1,899,081	1,621,418	16,342,277	15,441,070
Increase in net position	287,522	324,591	1,966,425	1,807,632	2,253,947	2,132,223
Net position - beginning	33,142,940	32,818,349	17,812,745	16,005,113	50,955,685	48,823,462
Net position - ending	$ 33,430,462	$ 33,142,940	$ 19,779,170	$ 17,812,745	$ 53,209,632	$ 50,955,685

Property tax revenue increased by $428,486 primarily as the result of the Town increasing taxes by approximately $350,000 in order to raise funds for future capital projects.

In the governmental funds, revenue from charges for services decreased by $127,882. Grants and contributions not restricted to specific programs increased by $7,931. Franchise tax and utility tax revenues increased by $59,931.

In the proprietary funds, revenue from charges for services increased by $397,969 due to a $18,993 increase in sewer revenue and a $378,976 increase in parking revenue.

Government-Wide Financial Analysis (Continued)

General Government expense increased by $212,149 and Public Safety expense increased by $421,430. Transportation expense increased by $35,043. The increase is the result of increased costs within Municipal Services including staff, contracts, equipment maintenance, storm drain maintenance, building maintenance, street maintenance and other operating expenses. The cost increase is also related to partial upgrade of the Town technology in 2019 and maintenance of the server.

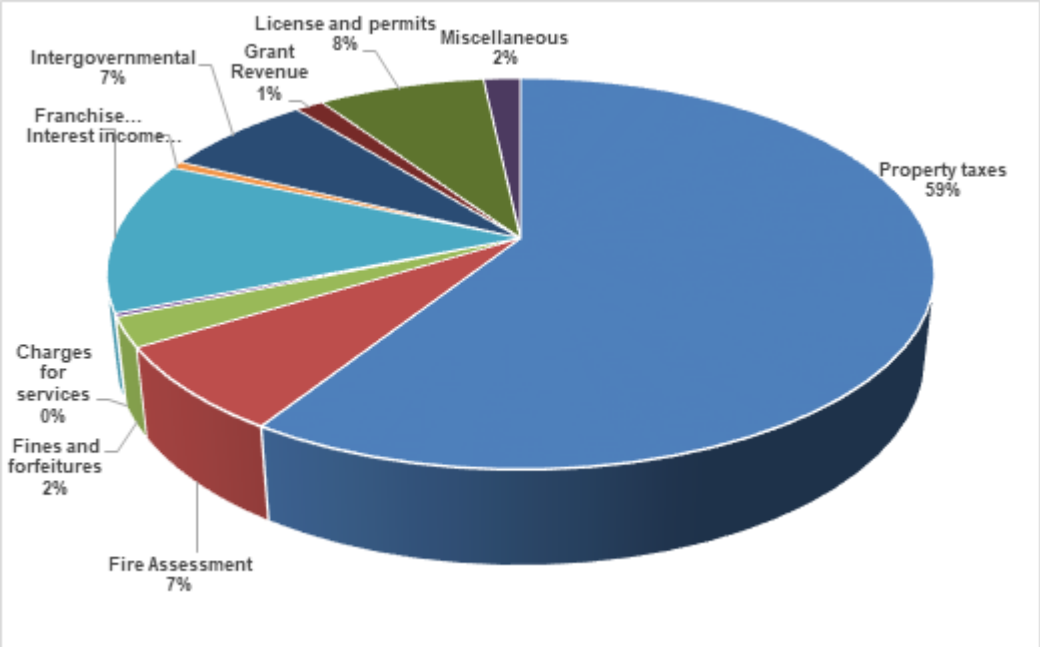
Recreation expense increased by $27,970. This is due primarily to the purchase of a portable stage for Jarvis Hall, sound stage lights, and removing fence for Tennis Courts.

Physical Environment expense declined by $73,048 primarily because of a large one-time expenditure in fiscal 2018. Specifically, the Town purchased new A/C unit for the Volunteer Fire Department as well as building improvements are in progress.

Sewer expense increased by $121,033 primarily as a result of increased professional services, payments to Pompano for wastewater treatment, and pump station maintenance. Parking expense increased by $156,630 due to an increase in fees to Paymentech for credit card processing, the sweeper lease and an increase of parking meter parts/supplies.

Revenues – Governmental Activities

The pie chart shows the major categories of revenue in the governmental funds and the percentage of governmental fund revenue represented by each category.



Financial Analysis of the Town's Funds

As noted earlier, the Town of Lauderdale-By-The-Sea uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town of Lauderdale-By-The-Sea's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Lauderdale-By-The-Sea's governmental funds reported combined ending fund balances of $13,964,350 an increase of $1,869,758 from the prior fiscal year.

The general fund is the primary operating fund of the Town. At the end of the fiscal year 2019, the fund balance of the general fund was $8,386,635, an increase of $1,142,559. The increase is the result of revenues being $649,764 more than budgeted and spending $766,140 less than budgeted. The more significant revenue surplus items were as follows: Property taxes ($122,163), Franchise and utility taxes ($136,880), and Fines and forfeitures ($274,760). There was less spending than expected on Business Development & marketing ($66,502) and General Administration (202,052).

The fund balance of the capital projects fund increased by $627,511 to $4,257,279 as budgeted transfers from the General Fund and interest income exceeded expenditures. There was no significant expenditure in the Capital Fund.

Proprietary funds. The Town of Lauderdale-By-The-Sea's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Revenues increased from the prior fiscal year in the proprietary funds. Parking revenues increased by $378,976 from the prior fiscal year. Sewer revenues increased by $18,993 as the result of a 2 ½ percent rate increase. Operating expenses in the sewer fund increased by $121,033. The increase is a result of several factors including a 64% ($62,948) increase in the payments to the City of Pompano Beach for wastewater treatment. As well as an increase in expenditures related to pump station and sewer line maintenance in the amount of $76,387, and an increase in professional expenditures related to the installation of cured-in-place sewer lining in the amount of $15,658. Operating expenses in the parking fund increased by $149,225 primarily due to a partial payment for the Bougainvilla Parking Renovation in the amount $94,320 and contractual services to process credit card parking meters payments and lease payments associated with South Ocean/Flamingo East LLC and Wens Holdings, LLC approximatively $55,000. The unrestricted net position of the Sewer and Parking Funds combined at the end of the fiscal year amounted to $6,000,934, an increase of $988,294 from the prior fiscal year. The increase is primarily the result of the parking fund generating operating income of $1,694,043.

General Fund Budgetary Highlights

The differences in the actual revenues and expenditures as compared to the budget are summarized as follows:

Ad valorem taxes are budgeted at 95% of anticipated revenue to provide an allowance for uncollected taxes and adjustment in property values as a result of appeals that occur after the millage rate is set. The Broward County Value Adjustment Board did lower the property valuations of many properties in Town after the millage rate was adopted. Property tax collections amounted to 96.5% of possible revenues.

Utility taxes came in at 108.7% of budgeted levels. Franchise fee collections came in at 106.9% of budgeted levels. Utility taxes increased 0.4% from the prior fiscal year and franchise fees declined 3.8% from the prior fiscal year.

General Fund Budgetary Highlights (Continued)

Intergovernmental revenues collected were 93.3% of budget.

Actual expenditures of the general fund were approximately 6.7% less than budgeted.

Please refer to the Budgetary Comparison Schedule for more detailed information.

Capital Assets

The Town of Lauderdale-By-The-Sea's investment in capital assets for its governmental and business type activities as of September 30, 2019, amounted to $35,477,880 (net of accumulated depreciation). These are investments in capital assets which include land, buildings, infrastructure, and improvements other than buildings, machinery and equipment.

Additional information on the Town of Lauderdale-By-The-Sea's capital assets can be found in Note 7 of this report.

Economic Factors and Next Year's Budget

According to Greater Fort Lauderdale Alliance Broward County's job report indicated a 4.2 percent unemployment rate in March 2020. This rate was 1.1 percentage points higher than the region's year ago rate of 3.1 percent. Nonagricultural employment increased by 2,500 jobs (+0.3 percent) over the year, with an employment of 864,500 in the Fort Lauderdale-Pompano Beach-Deerfield Beach MSA (Broward County). The region's jobless rate is 0.1 percentage point lower than the state rate of 4.3 percent. The labor force was 1,036,617, up 5,319 (+0.5 percent) over the year. There were 43,658 unemployed residents in the region.

In preparing the fiscal year 2020 budget, the Town provided funding for the following projects:

- A1A Commercial Street Lightning Upgrade
- Neighborhood Street Lightning
- Bel Air Seawall Repair
- Palm Club Sewer
- Improve the Friedt Municipal Park.
- Town Hall Complex-Jarvis Hall exterior Flooring and Railing
- Datura Portal Upgrade -Shelter Replacement

Requests for Information

This financial report is designed to provide a general overview of the Town of Lauderdale-By-The-Sea's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Budget and Finance, Town of Lauderdale-By-The-Sea, 4501 Ocean Drive, Lauderdale-By-The-Sea, Florida 33308, or at financedepartment@lbts-fl.gov.

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BASIC FINANCIAL STATEMENTS

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 14,277,620	$ 6,325,966	$ 20,603,586
Investments	255,011	-	255,011
Accounts receivable, net	289,617	190,590	480,207
Internal balances	2,246	(2,246)	-
Prepaid items	44,586	15,000	59,586
Net pension asset - Volunteer Firefighters Pension Plan	451,371	-	451,371
Capital assets:			
Nondepreciable capital assets	2,078,487	9,741,907	11,820,394
Depreciable capital assets, net	19,621,157	4,036,329	23,657,486
Total assets	37,020,095	20,307,546	57,327,641
DEFERRED OUTFLOWS OF RESOURCES			
Volunteer Firefighters Pension Plan	59,759	-	59,759
Other Post Employment Benefits	15,721	1,445	17,166
Florida Retirement System Pension Plan	1,124,424	114,125	1,238,549
Total deferred outflows of resources	1,199,904	115,570	1,315,474
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
Liabilities:			
Accounts payable and other liabilities	611,397	270,076	881,473
Contracts and retainage payable	23,620	-	23,620
Accrued liabilities	145,827	7,191	153,018
Unearned revenues	97,502	16,696	114,198
Deposits	26,384	-	26,384
Noncurrent liabilities due within one year	11,549	-	11,549
Noncurrent liabilities:			
Net Other Post Employment Benefit obligation	123,642	11,361	135,003
Net pension liability - Florida Retirement System	3,228,025	315,418	3,543,443
Due in more than one year	103,943	-	103,943
Total liabilities	4,371,889	620,742	4,992,631
Deferred inflows of resources:			
Volunteer Firefighters Pension Plan	186,425	-	186,425
Florida Retirement System Pension Plan	231,223	23,204	254,427
Total deferred outflows of resources	417,648	23,204	440,852
Net position:			
Investment in capital assets	21,699,644	13,778,236	35,477,880
Restricted for:			
El Mar beautification per contractual agreement	677,566	-	677,566
Law enforcement	13,586	-	13,586
Fire department	1,399,241	-	1,399,241
Unrestricted	9,640,425	6,000,934	15,641,359
Total net position	$ 33,430,462	$ 19,779,170	$ 53,209,632

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position: Governmental Activities	Net (Expenses) Revenue and Changes in Net Position: Business-type Activities	Total
Primary government:						
Governmental activities:						
General government	$ 2,747,262	$ 1,502,532	$ -	$ (1,244,730)	$ -	$ (1,244,730)
Public safety	7,849,047	1,100,219	-	(6,748,828)	-	(6,748,828)
Transportation	2,012,708	-	-	(2,012,708)	-	(2,012,708)
Recreation	472,021	-	193,393	(278,628)	-	(278,628)
Physical environment	1,362,158	-	-	(1,362,158)	-	(1,362,158)
Total government activities	14,443,196	2,602,751	193,393	(11,647,052)	-	(11,647,052)
Business-type activities:						
Sewer	976,783	1,196,617	-	-	219,834	219,834
Parking	922,298	2,616,341	-	-	1,694,043	1,694,043
Total business-type activities	1,899,081	3,812,958	-	-	1,913,877	1,913,877
Total primary government	$ 16,342,277	$ 6,415,709	$ 193,393	(11,647,052)	1,913,877	(9,733,175)
General revenues:						
Property taxes				8,699,738	-	8,699,738
Franchise taxes and utility taxes				1,854,540	-	1,854,540
Grants and contributions not restricted to specific programs				1,037,907	-	1,037,907
Unrestricted investment earnings				89,366	34,778	124,144
Miscellaneous revenues				253,023	17,770	270,793
Total general revenues and transfers				11,934,574	52,548	11,987,122
Change in net position				287,522	1,966,425	2,253,947
Net position - beginning				33,142,940	17,812,745	50,955,685
Net position - ending				$ 33,430,462	$ 19,779,170	$ 53,209,632

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Major Funds			
	General Fund	Capital Projects Fund	Non-Major Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 8,547,083	$ 4,297,230	$ 1,433,307	$ 14,277,620
Investments	255,011	-	-	255,011
Accounts receivable, net	289,617	-	-	289,617
Due from other funds	121,683	-	20,429	142,112
Prepaid items	44,586	-	-	44,586
Total assets	$ 9,257,980	$ 4,297,230	$ 1,453,736	$ 15,008,946
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and other liabilities	$ 594,096	$ -	$ 17,301	$ 611,397
Contracts and retainage payable	-	23,620	-	23,620
Accrued liabilities	145,827	-	-	145,827
Due to other funds	31,644	15,831	92,391	139,866
Unearned revenue	73,394	500	23,608	97,502
Deposits	26,384	-	-	26,384
Total liabilities	871,345	39,951	133,300	1,044,596
Fund balances:				
Nonspendable:				
Prepaid items	44,586	-	-	44,586
Restricted for:				
Fire department	-	-	1,399,241	1,399,241
Law enforcement	-	-	13,586	13,586
El Mar beautification per contract	-	677,566	-	677,566
Assigned to:				
Emergency reserve	2,500,000	-	-	2,500,000
Capital projects	-	3,579,713	-	3,579,713
Unassigned	5,842,049	-	(92,391)	5,749,658
Total fund balances	8,386,635	4,257,279	1,320,436	13,964,350
Total liabilities and fund balances	$ 9,257,980	$ 4,297,230	$ 1,453,736	$ 15,008,946

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

Fund balance - governmental funds		$ 13,964,350
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial assets and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the assets of the government as a whole.		
Cost of capital assets	40,812,637	
Accumulated depreciation	(19,112,993)	21,699,644
The net pension asset is not reported as a fund asset in the governmental fund financial statements, but is reported as an asset in the government-wide financial statements.		451,371
Deferred outflows of resources related to the pension and other post employment benefits are recorded in the statement of net position.		1,199,904
Deferred inflows of resources related to the pension are recorded in the statement of net position.		(417,648)
Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund financial statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.		
Compensated absences		(115,492)
Net pension liability - Florida Retirement System		(3,228,025)
Other Post Employment Benefit obligation		(123,642)
Net position of governmental activities		$ 33,430,462

See notes to the financial statements

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Major Funds			
	General Fund	Capital Projects Fund	Non-Major Funds	Total Governmental Funds
Revenues:				
Property taxes and fire assessments	$ 8,699,738	$ -	$ 1,055,588	$ 9,755,326
Franchise fees and utility taxes	1,854,540	-	-	1,854,540
Intergovernmental	1,037,907	-	-	1,037,907
Fines and forfeitures	357,287	-	-	357,287
Charges for services	10,678	-	33,953	44,631
Licenses and permits	144,711	-	1,000,534	1,145,245
Interest income and other	58,024	22,435	8,907	89,366
Grant revenue	193,393	-	-	193,393
Miscellaneous revenues	251,414	-	1,609	253,023
Total revenues	12,607,692	22,435	2,100,591	14,730,718
Expenditures:				
Current:				
General government	2,390,798	50,104	18,038	2,458,940
Public safety	5,842,450	-	1,839,274	7,681,724
Transportation	1,733,786	-	-	1,733,786
Recreation	460,021	-	-	460,021
Physical environment	221,694	-	-	221,694
Capital outlay	102,964	144,820	57,011	304,795
Total expenditures	10,751,713	194,924	1,914,323	12,860,960
Excess (deficiency) of revenues over (under) expenditures	1,855,979	(172,489)	186,268	1,869,758
Other financing sources (uses):				
Transfers in	99,580	800,000	13,000	912,580
Transfers out	(813,000)	-	(99,580)	(912,580)
Total other financing sources (uses)	(713,420)	800,000	(86,580)	-
Net change in fund balances	1,142,559	627,511	99,688	1,869,758
Fund balances, beginning	7,244,076	3,629,768	1,220,748	12,094,592
Fund balances, ending	$ 8,386,635	$ 4,257,279	$ 1,320,436	$ 13,964,350

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Net change in fund balances - total governmental funds	$	1,869,758
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of certain of those assets is eliminated and capitalized as capital assets.		278,928
Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense on the statement of activities.		(1,281,537)
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the fund financial statements. The details of the differences are as follows:		
Change in compensated absences		8,058
Change in Other Post Employment Benefit obligation		3,443
Changes related to the FRS net pension liability (NPL)		(537,703)
Changes related to the Volunteer Firefighters Pension Plan NPL		(53,425)
Change in net position of governmental activities	$	287,522

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2019

	Enterprise Funds		
	Sewer Utility System	Parking	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 1,344,926	$ 4,981,040	$ 6,325,966
Accounts receivable, net	176,745	13,845	190,590
Due from other funds	-	11,215	11,215
Prepaid items	-	15,000	15,000
Total current assets	1,521,671	5,021,100	6,542,771
Noncurrent Assets:			
Capital Assets:			
Land	-	8,717,073	8,717,073
Equipment	39,504	192,053	231,557
Buildings and utility plant	4,199,413	1,469,187	5,668,600
Construction in progress	1	1,024,833	1,024,834
Total capital assets	4,238,918	11,403,146	15,642,064
Less accumulated depreciation	(1,677,746)	(186,082)	(1,863,828)
Net capital assets	2,561,172	11,217,064	13,778,236
Total noncurrent assets	2,561,172	11,217,064	13,778,236
Total assets	4,082,843	16,238,164	20,321,007
DEFERRED OUTFLOWS OF RESOURCES			
Florida Retirement System Pension Plan	57,065	57,060	114,125
Other Post Employment Benefits	636	809	1,445
Total deferred outflows of resources	57,701	57,869	115,570
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
Current Liabilities:			
Accounts payable	$ 61,850	$ 208,226	$ 270,076
Accrued liabilities	1,092	6,099	7,191
Due to other funds	13,461	-	13,461
Unearned revenue	-	16,696	16,696
Total current liabilities	76,403	231,021	307,424
Long-Term Liabilities:			
Other Post Employment Benefit Obligation	4,999	6,362	11,361
Net pension liability - Florida Retirement System	157,708	157,710	315,418
Total long-term liabilities	162,707	164,072	326,779
Total Liabilities	239,110	395,093	634,203
Deferred inflows of resources:			
Florida Retirement system Pension Plan	11,602	11,602	23,204
Total deferred outflows of resources	11,602	11,602	23,204
Net position:			
Investment in capital assets	2,561,172	11,217,064	13,778,236
Unrestricted	1,328,660	4,672,274	6,000,934
Total net position	$ 3,889,832	$ 15,889,338	$ 19,779,170

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Enterprise Funds		
	Sewer Utility System	Parking	Total
Operating revenues:			
Charges for services	$ 1,196,617	$ 2,616,341	$ 3,812,958
Total operating revenues	1,196,617	2,616,341	3,812,958
Operating expenses:			
Operating, administrative and maintenance	908,391	873,082	1,781,473
Depreciation and amortization	68,392	49,216	117,608
Total operating expenses	976,783	922,298	1,899,081
Operating income	219,834	1,694,043	1,913,877
Nonoperating revenues (expenses):			
Interest income	7,094	27,684	34,778
Other income	-	17,770	17,770
Total nonoperating revenues (expenses)	7,094	45,454	52,548
Change in net position	226,928	1,739,497	1,966,425
Net position - beginning	3,662,904	14,149,841	17,812,745
Net position - ending	$ 3,889,832	$ 15,889,338	$ 19,779,170

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Enterprise Funds		
	Sewer Utility System	Parking	Total
Cash Flows From Operating Activities			
Receipts from customers and users	$ 1,117,301	$ 2,589,910	$ 3,707,211
Payments to suppliers	(1,142,152)	(802,797)	(1,944,949)
Payments to employees	(154,387)	(102,974)	(257,361)
Net cash provided (used) by operating activities	(179,238)	1,684,139	1,504,901
Cash Flows Provided (Used) By Noncapital Financing Activities			
Miscellaneous	-	17,770	17,770
Net cash provided (used) by noncapital financing	-	17,770	17,770
Cash Flows Provided (Used) By Capital and Related Financing Activities			
Purchase of capital assets	-	(1,095,739)	(1,095,739)
Net cash provided (used) by capital and related financing activities	-	(1,095,739)	(1,095,739)
Cash Flows Provided (Used) By Investing Activities			
Interest received	7,094	27,684	34,778
Net cash provided (used) by investing activities	7,094	27,684	34,778
Net increase (decrease) in cash	(172,144)	633,854	461,710
Cash and cash equivalents, beginning	1,517,070	4,347,186	5,864,256
Cash and cash equivalents, ending	$ 1,344,926	$ 4,981,040	$ 6,325,966
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities operating income (loss):	$ 219,834	$ 1,694,043	$ 1,913,877
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	68,392	49,216	117,608
Changes in assets and liabilities:			
(Increase)/Decrease in accounts receivable	(24,157)	(5,700)	(29,857)
(Increase)/Decrease in interfund receivable	1,460	(424)	1,036
(Increase)/Decrease in deferred outflows of resources	10,660	10,564	21,224
Increase/(Decrease) in accounts payable	(410,997)	(60,780)	(471,777)
Increase/(Decrease) in accrued liabilities	480	5,133	5,613
Increase/(Decrease) in interfund payable	(56,619)	(32,821)	(89,440)
Increase/(Decrease) in unearned revenue	-	12,514	12,514
Increase/(Decrease) in Other Post Employment Benefit	(1,054)	(369)	(1,423)
Increase/(Decrease) in net pension liability	13,982	13,982	27,964
Increase/(Decrease) in deferred inflows of resources	(1,219)	(1,219)	(2,438)
Total adjustments	(399,072)	(9,904)	(408,976)
Net cash provided (used) by operating activities	$ (179,238)	$ 1,684,139	$ 1,504,901

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2019

	Pension Trust Fund
ASSETS	
Cash	$ 212,092
Investments, at fair value:	
US government obligations	80,279
Corporate bonds	644,186
Foreign bonds	50,573
Common stock	1,392,688
Accrued investment income	5,870
Total assets	2,385,688
Liabilities	
Accounts payable	2,659
Total liabilities	2,659
NET POSITION	
Net position restricted for pensions	$ 2,383,029

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Pension Trust Fund
ADDITIONS	
Contributions:	
Plan member	$ 13,913
Employer	13,913
State	52,752
Total contributions	80,578
Investment income (loss):	
Net appreciation in fair value of investments	99,035
Interest and dividends	45,652
Less: investment expenses	9,890
Net investment income (loss)	134,797
Total additions	215,375
DEDUCTIONS	
Pension benefits	91,580
Refunds of contributions	6,559
Administrative expenses	35,131
Total deductions	133,270
Net increase (decrease)	82,105
Net position restricted for pensions:	
Beginning	2,300,924
Ending	$ 2,383,029

See notes to the financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Lauderdale-By-The-Sea, Florida ("Town") was incorporated in 1947. The Town operates under a Commission-Manager form of government and provides a full range of municipal services, including public safety (police and fire), parks and recreation, public works, building, zoning and code enforcement, and general administrative services. The Town also operates two enterprise activities: sewer and parking.

The basic financial statements of the Town have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

1. Financial Reporting Entity

The financial statements were prepared in accordance with governmental accounting standards, which establish standards for defining and reporting on the financial reporting entity. 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 Town, organizations for which the Town is financially accountable and other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Town is financially accountable for a component unit if it appoints a voting majority of the organization's governing 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 to, or impose specific financial burdens on the Town. The Town is financially accountable for a component unit if an organization is fiscally dependent on it and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Town regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board. A blended component unit, although a legally separate entity, is, in substance, part of the Town's operations and so data from this unit is combined with data of the Town. Based upon the application of these criteria, there were no organizations that met the criteria described above.

2. Government-Wide and Fund Financial Statements

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 Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and inter-governmental revenues, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges for support. Interfund services provided and used are not eliminated in the process of consolidation.

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 or segment. *Program revenues* include: 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-Wide and Fund Financial Statements (Continued)

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.

3. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting,* as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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 provider 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 Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, if any, are recorded only when payment is due.

The Town's fiduciary fund is presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the Town, these funds are not incorporated into the government-wide financial statements.

Property taxes, charges for services, franchise fees and other taxes, intergovernmental revenues, and interest associated with the current fiscal period are considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred. Other receipts and fees, including fines, become measurable and available when cash is received by the Town and are recognized as revenue at that time.

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all or most of the Town's general activities except those required to be accounted for in another fund.

The *Capital Projects Fund* is used to account for the acquisition and construction of major capital facilities.

The Town reports the following non-major governmental funds:

The *Police Training and Forfeiture Fund* is used to account for the portion of traffic citation revenue dedicated to police training, the confiscation of property and the related authorized law enforcement expenditures.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The *Building Fund* is used to account for the building permitting revenue and related permitting and enforcement activities.

The *Fire Fund* is used to account for the fire assessment revenues dedicated to fire protection and fire prevention services and the related authorized volunteer fire department expenditures.

The Town reports the following major proprietary funds:

The *Sewer Utility Fund* accounts for the activities associated with providing sewer services within the Town.

The *Parking Fund* accounts for parking meter revenue in the Town's business district.

Additionally, the Town reports the following fiduciary fund:

The *Pension Trust Fund* accounts for the activities of the Volunteer Fire Department's Pension Plan and the accumulation of resources for pension benefits.

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 Town's various utility functions and various other functions of the Town. 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. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total position. 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 Town's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as needed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. New Accounting Standards Adopted

During fiscal year 2019, the Town adopted the following new accounting standards as follows:

GASB 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 obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

GASB Statement No. 88 - *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*

The objective of this Statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt.

5. Capital Assets

Capital assets which include property, plant and equipment, and all infrastructure assets (e.g., roads, bridges, sidewalks, bike paths, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The Town has elected to retroactively apply the capitalization requirements of GASB Statement No. 34 to major general infrastructure assets acquired since 1980.

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

Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the fiscal year ended 2019, there was no interest to be capitalized.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30 - 50
Utility plant	25 - 75
Infrastructure	50
Improvements other than buildings	25
Furniture, fixtures, machinery and equipment	5 - 10

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Deposits and Investments

Town administration is authorized to invest in those instruments authorized by the Florida statutes.

Investments are measured at amortized cost or fair value as required by generally accepted accounting principles. Additional information regarding the fair value measurement of investments and amortized cost is disclosed in Note 2.

Cash and cash equivalents, for purposes of the statement of cash flows, include cash and investments which are defined as short-term, highly liquid investments with original maturities of twelve months or less.

7. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either 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.

8. Receivables

Receivables include amounts due from other governments and others for services provided by the Town. Receivables are recorded and revenues are recognized as earned or as specific program expenditures/expenses are incurred. Allowances for uncollectible receivables, if any, are based upon historical trends and the periodic aging of receivables.

9. Prepaid Items

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

10. Compensated Absences

Town employees are granted vacation in varying amounts based on length of service and sick leave at the rate of one day per month. For employees hired after September 30, 2011, up to 15 days of annual leave may be carried forward from one calendar year into the next calendar year. Accumulated leave in excess of 15 days must be used by December 31st of each calendar year or it will be lost. In the event of termination, an employee is reimbursed for accumulated vacation days. Up to 60 days of sick leave may be accrued and carried forward into the next year. Employees hired prior to October 1, 2011 are reimbursed for 25% of accumulated sick leave upon leaving Town employment in good standing. Employees hired after September 30, 2011 will be reimbursed for 0% - 15% of accumulated sick leave, depending on their number of years of continuous service.

The cost of accumulated vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee retirements or resignations. The general fund has been used to liquidate these amounts.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Long-Term Obligations

In the government-wide financial statements, and in the proprietary fund types in the fund 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. Bond premiums and discounts are deferred and amortized ratably over the life of the bonds using the straight-line method. Bonds are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

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, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

12. Unearned Revenue

Unearned revenue arises when resources are received by the Town before it has a legal claim to them.

13. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue, and Capital Projects Funds. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at fiscal year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget.

14. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Net Position

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position of the government-wide and proprietary funds is categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets is that portion of net position that relates to the Town's capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct or improve those assets, excluding unexpended proceeds.

Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of either of the other two components.

16. Fund Equity

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The Town can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution or ordinance) of the Town Commission, the Town's highest level of decision-making authority. Commitments may be changed or lifted only by the Town Commission taking the same formal action (resolution or ordinance) that imposed the constraint originally.

Assigned fund balance – Includes spendable fund balance amounts established by the Town Commission that are intended to be used for specific purposes that are neither considered restricted nor committed.

The Town first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

17. Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, deferred inflows/outflows, the disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenditures/expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, pension and postretirement obligations, and useful lives and impairment of tangible and intangible assets, among others. Actual results could differ from these estimates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

18. Pensions

Volunteer Firefighters Pension Fund
Plan member contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits paid directly to participants and refunds of contributions are recognized when due and payable in accordance with the terms of the plan. The Town funds the contributions to its Volunteer Firefighters Pension Plan based on the actuarial required contribution. The net pension asset is reported in the government-wide financial statements and represents the difference between the plan's fiduciary net position and the total pension liability.

Florida Retirement System
In the government-wide statement of net position, liabilities are recognized for the Town's proportionate share of the net pension liability for the Florida Retirement System pension plan and Retiree Health Insurance Subsidy Program. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Florida Retirement System defined benefit pension plan (FRS Pension Plan) and the Retiree Health Insurance Subsidy Program defined benefit pension plan (HIS Program), and additions to/deductions from the FRS Pension Plan's and the HIS Program's fiduciary net position have been determined on the same basis as they are reported by the FRS Pension Plan and the HIS Program plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits
All of the Town's deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act.* Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral of the depository to be held subject to his or her order. The Treasurer, by rule, shall establish minimum required collateral pledging levels. The pledging level may range from 25% to 125% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any potential losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

Investments - Town
The Town has adopted an investment policy in accordance with Florida Statutes to establish guidelines for the efficient management of its cash reserves. The Town is authorized to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, the State Board of Administration investment pool, any intergovernmental investment pools authorized pursuant to Chapter 163 of the Florida Statutes, SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency, and securities of any interest in any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio is limited to obligations of the U.S. government, its agencies and instrumentalities and to repurchase agreements fully collateralized by such U.S. government obligations and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments – Town (Continued)

The State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund ("Florida PRIME") is a"2a-7 like" pool. A "2a-7 like" pool is an external investment pool that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, which comprises the rules governing money market funds. Thus, the pool operates essentially as a money market fund. The Town has reported its investment in Florida PRIME at amortized cost for financial reporting purposes.

As of September 30, 2019, the Town had the following investments:

	Amortized Cost	Credit Risk	Weighted Average Maturity
Investment in Local Government Surplus Funds Trust Fund (Florida PRIME)	$ 255,011	S&P AAAm	37 days
	$ 255,011		

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 Town's investment policy limits investments to the highest ratings issued by two of the nationally recognized statistical rating organizations (NRSRO) (Standard and Poor's and Moody's investment services).

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 Town has an investment policy of structuring the investment portfolio in such a manner as to provide sufficient liquidity to pay obligations as they come due. The Town's investment policy limits the maturities on individual investments to no more than two years.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Town's investment policy states that assets shall be diversified to control the risk of loss resulting from concentration of assets to a specific maturity, instrument, issue, dealer, or bank through which these securities are bought and sold.

Fair Value Measurement – When applicable, the Town measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the Town has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments – Town (Continued)

For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, the Town's investments have been reported at amortized cost above.

External Investment Pool – With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2019, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

Investments - Volunteer Firefighter's Pension Plan

As of September 30, 2019, the Pension Plan had the following investments:

	Fair Value
Fixed income	
US government obligations	$ 80,279
Corporate bonds	644,186
Foreign bonds	50,573
Equities	
Common stocks	1,392,688
	$ 2,167,726

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments - Volunteer Firefighter's Pension Plan (Continued)

Credit Risk - For investments, credit risk is generally 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. Fixed income securities shall be one of the four highest classifications of Standard & Poor's or Moody's. The composite credit ratings of applicable investments by type are currently unavailable.

Concentration Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The investment policy of the Plan contains limits 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 the total assets of the portfolio.

Foreign currency risk – Foreign current risk is the risk that fluctuations in currency exchange rate may affect transactions conducted in currencies other than U.S. Dollars as well as the carrying value of foreign investments. The Plan's exposure to foreign currency risk derives mainly from its investments in international debt securities and international equity mutual funds. The Plan participates in international equity mutual funds but does not own any foreign individual equity securities. The Plan's exposure to foreign currency risk is $92,341.

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 Plan does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the sensitivity of the fair values of the investments over time for the Plan to market interest rate fluctuations is provided in the following table.

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments - Volunteer Firefighter's Pension Plan (Continued)

As of September 30, 2019, the Plan's debt security investments had the following maturities:

	Maturity	Fair Value
Federal Farm Credit Bank	March 13, 2026	$ 26,283
Federal Farm Credit Bank	March 7, 2028	27,583
Federal Home Loan Bank	November 7, 2025	26,414
Goldman Sachs Group	December 13, 2019	25,003
National Rural Utilities Cooperative	June 15, 2020	25,039
Praxair	September 24, 2020	25,067
Kroger	November 1, 2021	25,391
Colgate-Palmolive	November 15, 2021	25,337
John Deere Capital	March 15, 2022	25,474
US Bancorp	July 15, 2022	25,581
Wells Fargo	January 24, 2023	25,459
Burlington North Santa Fe	March 15, 2023	25,767
Public Service Electric & Gas	May 15, 2023	25,316
JP Morgan Chase	September 10, 2024	26,601
Lowe's	September 15, 2024	36,324
Commonwealth Edison	November 1, 2024	25,986
Bank of America	August 1, 2025	26,945
Suntrust Bank	November 3, 2025	27,319
IBM	February 19, 2026	26,565
IBM	January 27, 2027	26,430
Apple	February 9, 2027	26,727
Johnson & Johnson	January 15, 2028	26,293
Dowdupont Inc	November 15, 2028	28,596
Stanley Black & Decker	November 15, 2028	28,448
Anheuser-Bush Inbev	January 23, 2029	29,057
Charles Schwab Corp	February 1, 2029	27,838
Lam Research Corp	March 15, 2029	27,622
Royal Bank of Canada	October 30, 2020	25,106
Schlumberger Investment	September 14, 2021	25,467
		$ 775,038

Custodial credit risk – Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The Plan has no formal policy for custodial risk. The underlying securities that comprise the Plan's investments are registered and held by the custodial bank, not in the Plan's name.

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments - Volunteer Firefighter's Pension Plan (Continued)

Fair Value Measurement – When applicable, the Plan measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the Plan has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table summarizes the Plan's investments within the fair value hierarchy at September 30, 2019:

	Fair Value	Level 1	Level 2
US government obligations	$ 80,279	$ 80,279	$ -
Corporate bonds	644,186	-	644,186
Foreign bonds	50,573	-	50,573
Common stock	1,392,688	1,323,282	69,406
	$ 2,167,726	$ 1,403,561	$ 764,165

The investments were valued using the following approaches:

- U.S. government obligations were valued using prices quoted in active markets by a third party pricing service based on actual trades in the securities.
- Corporate bonds, certain common stock and foreign bonds were valued by a third party pricing service based on a combination of matrix pricing, actual observable trades in similar securities, and yield curve analysis.
- Other common stock and foreign stock were valued at the regular trading session closing price on the exchange or market in which such securities are principally traded. Certain common stock were valued by a third party pricing service based on a combination of matrix pricing, actual observable trades in similar securities, and yield curve analysis.

NOTE 3 – PROPERTY TAXES

Property taxes are assessed as of January 1 each year and are first billed (levied) and due the following November 1.

Under Florida law, the assessment of all properties and the collection of all county, municipal, school board and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws for the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills ($10 per $1,000 of assessed taxable valuation). The millage rate assessed by the Town for the fiscal year ended September 30, 2019 was 3.5989 mills.

The tax levy of the Town is established by the Commission prior to October 1 of each year, and the County Property Appraiser incorporates the millage into the local tax levy, which includes Broward County, Broward County School Board and special taxing districts.

All property is reassessed according to its fair market value as of January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

All real and tangible personal property taxes are due and payable on November 1 each year. Broward County mails to each property owner on the assessment roll a notice of the taxes due and Broward County also collects the taxes for the Town. Taxes may be paid upon receipt of such notice from Broward County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April of the year following the year in which taxes were assessed. 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, 2019.

NOTE 4 – RECEIVABLES

Receivables for the Town's funds including the applicable allowances for uncollectible accounts as of September 30, 2019 were as follows:

Receivables:	General Fund	Sewer Utility System	Parking	Total
Billed	$ -	$ 211,420	$ 13,845	$ 225,265
Taxes	22,351	-	-	22,351
Intergovernmental	68,571	-	-	68,571
Franchise fees and taxes	156,924	-	-	156,924
Other	44,957	-	-	44,957
Gross receivables	292,803	211,420	13,845	518,068
Less allowance for uncollectibles	(3,186)	(34,675)	-	(37,861)
Net total receivables	$ 289,617	$ 176,745	$ 13,845	$ 480,207

NOTE 5 – UNEARNED REVENUES

Unearned revenue reported in the governmental funds and the basic financial statements as of September 30, 2019 was as follows:

	Governmental Activities	Business-type Activities
Business tax receipts	$ 45,261	$ -
El Mar streetscape improvements	31,100	-
Other	21,141	16,696
	$ 97,502	$ 16,696

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at September 30, 2019 were as follows:

	Receivable	Payable
General Fund	$ 121,683	$ 31,644
Capital Projects Fund	-	15,831
Building Fund	-	92,391
Fire Fund	20,429	-
Sewer Utility System Fund	-	13,461
Parking Fund	11,215	-
	$ 153,327	$ 153,327

The outstanding balances between funds result primarily from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

Interfund transfers for the fiscal year ended September 30, 2019 were as follows:

	Transfers In	Transfers Out
General Fund	$ 99,580	$ 813,000
Capital Projects Fund	800,000	-
Building Fund	-	77,580
Fire Fund	13,000	22,000
	$ 912,580	$ 912,580

Transfers between the general fund and capital projects fund were to fund capital improvement projects. Transfer from building fund to general fund were for allocated administrative costs. Transfers from the fire fund to and from the general fund were to move revenues from the fund where collection occurred to the fund where funds have been reallocated for use, in accordance with the fiscal year 2019 budget.

NOTE 7 – CAPITAL ASSETS

Capital assets for the governmental activities for the fiscal year ended September 30, 2019 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	$ 1,939,254	$ 16,154	$ -	$ 1,955,408
Construction in progress	-	123,079	-	123,079
Total capital assets, not being depreciated	1,939,254	139,233	-	2,078,487
Capital assets, being depreciated:				
Building and building improvements	4,330,188	56,303	-	4,386,491
Improvements other than buildings	26,125,642	5,248	-	26,130,890
Furniture, fixtures, machinery and equipment	1,426,183	60,843	-	1,487,026
Motor vehicles	810,321	17,301	-	827,622
Infrastructure	5,902,121	-	-	5,902,121
Total capital assets, being depreciated	38,594,455	139,695	-	38,734,150
Less accumulated depreciation:				
Building and building improvements	1,510,419	85,013	-	1,595,432
Improvements other than buildings	9,205,495	932,368	-	10,137,863
Furniture, fixtures, machinery and equipment	1,461,719	98,462	-	1,560,181
Motor vehicles	737,220	53,087	-	790,307
Infrastructure	4,916,603	112,607	-	5,029,210
Total accumulated depreciation	17,831,456	1,281,537	-	19,112,993
Total capital assets, being depreciated, net	20,762,999	(1,141,842)	-	19,621,157
Governmental activities capital assets, net	$ 22,702,253	$ (1,002,609)	$ -	$ 21,699,644

Capital assets for the business-type activities for the fiscal year ended September 30, 2019 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	$ 8,717,073	$ -	$ -	$ 8,717,073
Construction in progress	184,319	840,515	-	1,024,834
Total capital assets, not being depreciated	8,901,392	840,515	-	9,741,907
Capital assets, being depreciated:				
Buildings and utility plant	5,592,172	255,224	(178,796)	5,668,600
Equipment	231,557	-	-	231,557
Total capital assets, being depreciated	5,823,729	255,224	(178,796)	5,900,157
Less accumulated depreciation:				
Buildings and utility plant	1,824,721	86,159	(178,796)	1,732,084
Equipment	100,295	31,449	-	131,744
Total accumulated depreciation	1,925,016	117,608	(178,796)	1,863,828
Total capital assets, being depreciated, net	3,898,713	137,616	-	4,036,329
Business-type activities capital assets, net	$ 12,800,105	$ 978,131	$ -	$ 13,778,236

NOTE 7 – CAPITAL ASSETS (Continued)

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

Governmental activities:	
General government	$ 38,628
Public safety	73,979
Transportation	53,087
Recreation	12,000
Physical environment	1,103,843
Total depreciation expense, governmental activities	$ 1,281,537
Business-type activities:	
Sewer utility	$ 68,392
Parking	49,216
Total depreciation expense, business-type activities	$ 117,608

NOTE 8 – LONG-TERM LIABILITIES

Changes in long-term liabilities for governmental activities for the fiscal year ended September 30, 2019 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	$ 123,550	$ 178,373	$ (186,431)	$ 115,492	$ 11,549
	$ 123,550	$ 178,373	$ (186,431)	$ 115,492	$ 11,549

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

NOTE 9 – OPERATING LEASES (LESSOR)

On February 28, 2013, the Town entered into an agreement to lease certain real property for use as a restaurant. The initial term of the lease is for a period of five years commencing on March 1, 2013 and ending February 28, 2018, with an option for additional five year renewal options. The lease was renewed through February 28, 2023. Minimum future rental payments on this lease as of September 30, 2019 are as follows:

Fiscal Year Ending September 30,	Annual Minimum Payments
2020	$ 74,940
2021	77,188
2022	79,503
2023	33,533
Total	$ 265,164

Included in the buildings and building improvements classification in Note 7 is the building which is currently being leased. The cost of the building is $1,406,644 and at September 30, 2019, the accumulated depreciation is $376,668. For the fiscal year ended September 30, 2019, rental income received from the lease was approximately $72,000.

NOTE 10 – OPERATING LEASES (LESSEE)

On September 8, 2015, the Town entered into an agreement to lease a certain parcel of land from Flamingo East, LLC ("Lessor") for use as a public parking lot. The term of the lease is for a period of twenty years commencing on September 8, 2015 and ending September 7, 2035, with an option for two additional ten year renewal options. Beginning October 1, 2015, the Town shall pay Lessor, on a monthly basis, rent in an amount equal to 50% of the prior month's net parking revenues (as defined in the lease agreement). Beginning May 1, 2016, or upon completion of the construction of the new parking lot, whichever occurs first, the Town shall pay the Lessor, on a monthly basis, rent in an amount equal to 85% of the prior month's net parking revenues.

On November 10, 2015, the Town entered into an agreement to license to use a certain parcel of land from Florida Development Group, Inc. ("Licensor") for use as a public parking lot. The agreement may be terminated by either party provided the other party provides not less than 180 days' prior written notice, provided no termination of the agreement shall be effective prior to October 30, 2016. In accordance with the agreement, the Town shall pay Licensor, on a monthly basis, a license fee in an amount equal to 50% of the prior month's net parking revenues (as defined in the lease agreement).

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Interlocal Agreements

The Town entered into an interlocal agreement with Broward Sheriff's Office on September 26, 2016 with an effective date of October 1, 2016 for police services in the Town. The agreement is for a five (5) year period and can be renewed for an additional periods of five (5) years each, for a total of ten (10) years, without further action of the parties, unless terminated by either party as provided in the agreement. During the fiscal year ended September 30, 2019, the Town paid $4,430,025 under this agreement.

Plan Examinations and Building Inspection Services

The Town contracts with C.A.P. Government, Inc. to conduct plan examinations and building inspection services. In accordance with the terms of its agreement with the Town, C.A.P. Government, Inc. collected $976,155 in the current fiscal year, of which the Town received 25% of actual revenue received for permit applications.

Grants

Grant monies received and disbursed by the Town are for specific purposes and may be subject to audit by the grantor agencies. Such audits may result in requests for reimbursements due to disallowed expenditures or other actions by grantor agencies. Based upon prior experience, the Town does not believe that such disallowances or other actions taken by the grantor agencies, if any, would have a material effect on the financial position of the Town.

Construction Contracts and Encumbrance Commitments

As of September 30, 2019, the Town had open contracts for various construction projects. The contracts totaled approximately $66,955, of which approximately $184,905 was uncompleted at September 30, 2019.

Litigation, Claims and Assessments

The Town is the plaintiff in a foreclosure action involving code enforcement liens on an assemblage of three parcels. The Town is also a defendant in various lawsuits incidental to its operations. As of the report date, the outcome of these matters cannot be determined and, therefore, no amounts related to these matters have been reflected in the financial statements.

NOTE 12 – FLORIDA RETIREMENT SYSTEM

General Information – The Town participates in the statewide Florida Retirement System ("FRS"). The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

All of the Town's full-time employees are eligible to enroll as members of the FRS. All rates, benefits and amendments are established by the State of Florida through its legislative body. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services (DMS), Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida, 32315-9000; phone 850-488-5706; website (www.dms.myflorida.com).

The Town's FRS pension expense totaled $915,555 for the fiscal year ended September 30, 2019.

FRS Pension Plan

Plan Description – The FRS Pension Plan (Plan) is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The classes of membership within the Town are as follows:

- Regular Class – Member of the FRS who do not qualify for membership in another class.
- Senior Management Service Class – Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of service. Members of the Plan may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

FRS Pension Plan (Continued)

Basis of Accounting – The FRS fiduciary financial statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Member contributions are recognized in the period of time for which the contributions are assessed. Employer contributions are recognized when due in the period in which employee services are performed and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Contributions – The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2019 fiscal year were as follows:

	Percent of Gross Salary October 1, 2018 to June 30, 2019		Percent of Gross Salary July 1, 2019 to September 30, 2019	
Class	**Employee**	**Employer (1)**	**Employee**	**Employer (1)**
FRS, Regular	3.00	8.26	3.00	8.47
FRS, Senior Management	3.00	24.06	3.00	25.41

(1) Employer rates include a postemployment HIS contribution rate of 1.66%. Also, employer rates include .06% for administrative costs of the Investment plan.

The Town's contributions to the Plan totaled $229,363 for the fiscal year ended September 30, 2019. This excludes the HIS defined benefit pension plan contributions.

Benefits Provided – Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation (AFC). For members initially enrolled before July 1, 2011, the AFC is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the AFC is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

FRS Pension Plan (Continued)

Benefits Provided (Continued) – Per Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 years of service	1.68
Senior Management Service Class	2.00

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2019, the Town reported a liability of $2,827,042 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The Town's proportionate share of the net pension liability was based on the Town's contributions for the year ended June 30, 2019 relative to the contributions made during the year ended June 30, 2018 of all participating members. At June 30, 2019, the Town's proportionate share was .00821%, which was a decrease of .00010% from its proportionate share measured as of June 30, 2018.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

FRS Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued) – For the fiscal year ended September 30, 2019, the Town recognized pension expense of $808,063 related to the Pension Plan. In addition, the Town 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	$ 167,680	$ (1,754)
Change of assumptions	726,106	-
Net difference between projected and actual earnings on FRS pension plan investments	-	(156,407)
Changes in proportion and differences between Town FRS contribtuions and proportionate share of FRS contriburtions	144,346	(28,654)
Town FRS contributions subsequent to the measurement date	61,799	-
Total	$ 1,099,931	$ (186,815)

The deferred outflows of resources related to pensions, totaling $61,799, resulting from Town contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30:	Amount
2020	$ 327,772
2021	108,925
2022	215,975
2023	155,822
2024	35,541
Thereafter	7,282
Total	$ 851,317

Actuarial Assumptions – The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

FRS Pension Plan (Continued)

Actuarial Assumptions (Continued) – The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric annual rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Arithmetic Return	Geometric Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.2%
Fixed income	18.0%	4.1%	4.1%	3.5%
Global equity	54.0%	8.0%	6.8%	16.5%
Real estate (property)	10.0%	6.7%	6.1%	11.7%
Private equity	11.0%	11.2%	8.4%	25.8%
Strategic investments	6.0%	5.9%	5.7%	6.7%
Total	100.0%			
Assumed inflation - mean			2.6%	1.7%

(1) As outlined in the Plan's investment policy

Discount Rate – The discount rate used to measure the total pension liability was 6.90 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the Town's Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Town's proportionate share of net pension liability	$ 4,887,013	$ 2,827,042	$ 1,106,617

Pension Plan Fiduciary Net Position – Detailed information about the Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

HIS Pension Plan

Plan Description – The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

Benefits Provided – In general, eligible retirees and beneficiaries receive a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2019, the contribution rate was 1.66% of payroll from October 1, 2018 through September 30, 2019 pursuant to section 112.363, Florida Statues. The Town contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The Town's contributions to the HIS Plan totaled $28,905 for the fiscal year ended September 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2019, the Town reported a net pension liability of $716,401 for its proportionate share of the HIS Program's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The Town's proportionate share of the net pension liability was based on the year ended June 30, 2019 contributions relative to the year ended June 30, 2018 contributions of all participating members. At June 30, 2019, the Town's proportionate share was .00640%, which was an increase of .00037% from its proportionate share measured as of June 30, 2018.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy Program (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued) – For the fiscal year ended September 30, 2019, the Town recognized a pension expense of $61,967 related to the HIS Program. In addition, the Town 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	$ 8,701	$ (877)
Change of assumptions	82,952	(58,553)
Net difference between projected and actual earnings on HIS pension plan investments	462	-
Changes in proportion and differences between Town HIS contribtuions and proportionate share of HIS contriburtions	37,364	(8,182)
Town HIS contributions subsequent to the measurement date	9,139	-
Total	$ 138,618	$ (67,612)

The deferred outflows of resources related to pensions, totaling $9,139, resulting from Town contributions to the HIS Program subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30:	Amount
2020	$ 20,951
2021	17,108
2022	11,808
2023	(712)
2024	5,580
Thereafter	7,132
Total	$ 61,867

Actuarial Assumptions – The total pension liability in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	3.50%

Mortality rates were based on the Generational RP-2000 with Projected Scale BB. The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy Program (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 3.50%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 3.50%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Town's proportionate share of net pension liability	$ 817,808	$ 716,401	$ 631,940

Pension Plan Fiduciary Net Position – Detailed information about the HIS Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

FRS – Defined Contribution Pension Plan

The Town contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. Service retirement benefits are based upon the value of the member's account upon retirement.

Eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Town employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected Local Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Allocations to the investment member's accounts during the 2019 fiscal year were as follows:

Class	Pecent of Gross Compensation
FRS, Regular	6.30%
FRS, Senior management	7.67%

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

FRS – Defined Contribution Pension Plan (Continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance.

Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of payroll and by forfeited benefits of Investment Plan members. The fee for the FRS Investment Plan was .06 percent.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Town's Investment Plan pension expense totaled $45,525 for the fiscal year ended September 30, 2019.

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND

The Town sponsors the Volunteer Firefighters Pension Plan, a single-employer Public Employee Retirement System defined benefit pension plan. The Plan was established by Ordinance enacted by the Town Council to provide for the creation and operation of the Volunteer Firefighters Pension Plan. The Plan is governed by a five member Board of Trustees. The Board of Trustees' duties include, amongst other responsibilities, making recommendations regarding changes in the provisions of the Plan and its investment policies; however, any changes to the Plan must be approved by the Town Commission. The Plan is reported as a pension trust fund and is included as part of the Town's reporting entity.

Plan Description – All volunteer firefighters of the Town will become members of the Plan upon completion of their application for membership, which must be completed within 30 days of becoming eligible for the Plan. Volunteer firefighters do not receive salaries but receive incentive pay based on calls to which they respond, training sessions and meetings that they attend. Participants should refer to the Plan documents for more complete information. A publicly available financial statement for the Plan can be obtained from the Board of Trustees, 4442 Sea Grape Drive, Lauderdale-By-The-Sea, Florida, 33308.

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Membership – As of October 1, 2018, the date of the latest actuarial valuation, firefighters' membership data related to the Plan as stated in the actuarial valuation was as follows:

Retirees and beneficiaries currently receiving benefits and former volunteers entitled to receive benefits but not yet receiving them	17
Active participants	45
Total	62

Basis of Accounting – The Volunteer Firefighters Pension Plan ("Plan") financial statements are prepared on the accrual basis of accounting. All contributions are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative expenses are recorded when incurred.

Method Used to Value Cash and Investments – All short-term investments with an original term of less than three months are considered cash equivalents. Investments are reported at fair value. Net appreciation (depreciation) in fair value of investments includes realized and unrealized gains and losses. Realized gains and losses are determined on the basis of specific cost. Purchases and sales of securities are recorded on the trade-date basis. Interest and dividends are recognized when earned. Dividends are recorded on the ex-dividend date.

Pension Benefits – Eligibility for pension benefits is determined by a point system whereby a firefighter must accumulate 30 points during a Plan year to be credited for one year of service. Points are accumulated by attendance at meetings, drills, fires and false alarms. Normal retirement is at age 55 and 10 years of credited service, or the date on which the member has attained the age of 52 having completed 25 years of credited service. Effective prospectively from December 1, 2015, the benefit for normal retirement was increased from $10 multiplied by the number of years of credited service to $42.50 multiplied by the number of years of credited service; however, effective for retirements after March 1, 2003, the benefit shall be at least 2% of average final compensation for each year of credited service. Benefits are payable in a life annuity with other options available. The Plan also provides early and delayed retirement as well as death and disability benefits with benefits dependent on earnings, length of service or years of contributions, and age upon retirement, death or disability.

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – The Town's net pension asset for the Volunteer Firefighters Pension Plan is measured as the total pension liability less the pension plans' fiduciary net position. At September 30, 2019, the Town reported a net pension asset of $451,371 related to the Volunteer Firefighters Pension Plan. The net pension asset was measured as of September 30, 2018, using an annual actuarial valuation as of October 1, 2017. For the fiscal year ended September 30, 2019, the Town recognized pension expense of $81,963. The changes in the Net Pension Asset follow:

	Increases (Decreases)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Balance at measurement date September 30, 2017	$ 1,896,724	$ 2,088,421	$ (191,697)
Changes in the year:			
Service cost	39,229	-	39,229
Interest on the total pension liability	122,909	-	122,909
Changes of benefit terms	-	-	-
Differences between actual and expected experience in the measurement of the TPL	(119,225)	-	(119,225)
Changes of assumptions	-	-	-
Contributions - Employer (from Town)	-	14,625	(14,625)
Contributions - Employer (from State)	-	113,804	(113,804)
Contributions - Employee	-	17,831	(17,831)
Net investment income	-	229,884	(229,884)
Benefit payments	(87,100)	(87,100)	-
Refunds	(2,984)	(2,984)	-
Pension plan administrative expense	-	(36,441)	36,441
Other changes*	-	(37,116)	37,116
Net changes	(47,171)	212,503	(259,674)
Balance at measurement date September 30, 2018	$ 1,849,553	$ 2,300,924	$ (451,371)

At September 30, 2019 the Town reported deferred outflows of resources and deferred inflows of resources related to the Volunteer Firefighters Pension Fund from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows and Inflows of Resources
Differences between expected and actual experience	$ 5,893	$ (73,369)	$ (67,476)
Change in assumptions	7,270	-	7,270
Net Difference between projected and actual earnings on pension plan investments	32,683	(113,056)	(80,373)
Employer's contributions subsequent to the measurement date	13,913	-	13,913
	$ 59,759	$ (186,425)	$ (126,666)

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued) – The amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending September 30	Net Deferred Outflows and Inflows of Resources
2020	$ (31,762)
2021	(59,264)
2022	(30,373)
2023	(19,180)
Total	$ (140,579)

Contributions and Funding Policy – Funding is based on actuarial determined required contributions using the Aggregate Actuarial Cost Method. The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the actuarial accrued liability. Firefighters are required to contribute 5% of earnings to the Plan. Contributions from the State of Florida pursuant to Chapter 175, Florida Statutes, are based on the amount of fire insurance written by private insurers on property within Town limits. The annual required contribution for the year ended September 30, 2019 was determined using the October 1, 2017 actuarial valuation. The Town is required to contribute if there is any shortfall between the State's contributions and funding requirements of the Plan. Actual contributions in fiscal year 2019 were as follows: State of Florida $52,752, Town $13,913, and members $13,913.

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Actuarial Methods and Significant Assumptions – Significant actuarial assumptions and other inputs used to measure the total pension liability are as follows:

Valuation date	October 1, 2017
Measurement date	September 30, 2018
Actuarial cost method	Entry Age Normal
Actuarial Assumptions:	
Discount rate	6.5%
Inflation	2.5%
Salary increases	5.5%
Investment Rate of Return	6.5%
Retirement age	Members are expected to retire when eligible for Normal Retirement
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. For disabled retirees, 60% of the RP-2000 Mortality Table for Annuitants and 40% of the RP-2000 Mortality Table for Annuitants with a white collar adjustment, set back 4 years for males and set forward 2 years for females, with no provision being made for future mortality improvments. These are the same rates as use for Special Risk Class members of the Florida Retirement System (FRS) in the July 1, 2017 Actuarial Valuation, as mandated by Chapter 112.63, Florida Statutes.

Ordinance No. 2015-18 (adopted and passed November 11, 2015) increased the minimum monthly benefit from $10 per month per year of Credited Service to $42.50 per month per year of Credited Service, for both active members and retirees. This benefit change was reflected as of the September 30, 2016 measurement date.

Single Discount Rate	6.50%
Long-Term Expected Rate of Return	6.50%
Last year ending September 30 in the 2017 to 2116 projection period for which projected benefit payments are fully funded	2117

A single discount rate of 6.5% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.5%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.5%) was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Actuarial Methods and Significant Assumptions (Continued) – The long-term expected rate of return on pension plans investments were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	60%	7.50%
International Equity	0%	8.50%
Domestic Bonds	40%	2.50%
International Bonds	0%	3.50%
Real Estate	0%	4.50%
Alternative Assets	0%	5.50%

Sensitivity of the Town's Net Pension Liability to Changes in the Discount Rate – Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability calculated using a single discount rate of 6.5%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	5.50%	6.50%	7.50%
Net Pension Liability (Asset)	$ (235,579)	$ (451,371)	$ (627,486)

NOTE 14 – DEFERRED COMPENSATION PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The plan, available to all Town employees, permits them to defer a portion of their salary until future years. The plan was established, and the provisions of the plan, including contribution rates, may be amended by the Town Commission. As outlined in the Town's personnel policies manual, if an employee eligible to participate in the Town's health insurance program does not elect to participate, the Town will contribute 80% of the Town's normal health insurance contribution for an employee with no spouse or dependent coverage to the deferred compensation plan on their behalf in lieu of providing health insurance. Additionally, contributions are also paid to the deferred compensation plan on behalf of the Town Manager. Except for the plan provisions related to loans, the deferred compensation is not available to the employees until termination, retirement, death or unforeseeable emergency. The plan is administered by Nationwide Retirement Solutions. Except for the plan provisions related to loans, the Town has no fiduciary responsibility for the plan and therefore, the Town does not report the balances and activities in its financial statements. During the current fiscal year, the Town contributed approximately $16,475 on behalf of employees to the deferred compensation plan and employees contributed approximately $53,562.

NOTE 15 – OTHER POST EMPLOYMENT BENEFITS

Plan Description – Pursuant to Section 112.081, Florida Statutes, the Town is required to permit eligible retirees and their eligible dependents to participate in the Town's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. These retirees pay 100% of the blended rate for active and retired employees. Because the blended rate is greater than that of a plan including active employees only and less than that of a plan including retirees only, the amount the Town expends for active employees includes an implicit subsidy for participating retirees and dependents.

Membership – Participants of the plan consisted of the following at September 30, 2019:

Retirees and beneficiaries currently receiving benefits	3
Active employees	37
Total	40

Changes in Net OPEB Liability – Sources of changes in the net OPEB liability were as follows:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance as of September 30, 2018	$ 138,275	$ -	$ 138,275
Changes due to:			
Service cost	10,075	-	10,075
Interest	5,176	-	5,176
Changes of assumptions	(6,121)	-	(6,121)
Benefit payments	(12,402)	-	(12,402)
Balance as of September 30, 2019	$ 135,003	$ -	$ 135,003

Actuarial Methods and Assumptions – Significant assumptions used to calculate the total OPEB liability were as follows:

Measurement date	September 30, 2018
Actuarial valuation date	October 1, 2017
Actuarial cost method	Entry Age Cost Method (Level % of Pay)
Actuarial assumptions:	
Discount Rate	4.18%
Inflation Rate	2.5% per year
Salary Increase Rate	2.5% per year
Health Care Participation Rate	20% participation assumed, with 50% electing spouse coverage
Mortality Rate	RP-2000 Combined Health Mortality Table projected to the valuation date using Scale AA.
Retirement Rates	100% at Age 60

NOTE 15 – OTHER POST EMPLOYMENT BENEFITS (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.18%) or 1-percentage-point higher (5.18%) than the current discount rate:

1% Decrease (3.18%)	Current Discount Rate (4.18%)	1% Increase (5.18%)
$ 146,717	$ 135,003	$ 124,779

Sensitivity of the Net OPEB Liability Using Alternative Healthcare Cost Trend Rates – The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost rend rates:

	Healthcare Cost	
1% Decrease	Trend Rate	1% Increase
3.00% - 7.50%	4.00% - 8.50%	5.00% - 9.50%
$ 123,256	$ 135,003	$ 148,700

The Town reported $17,166 as a deferred outflow of resources at September 30, 2019.

OPEB Expense – For the fiscal year ended September 30, 2019, the District recognized OPEB expense of $9,130.

NOTE 16 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which the Town carries commercial insurance. There were no significant reductions in insurance coverage from the prior fiscal year. The Town provides employee medical benefits through commercial insurance coverage. Settlements during the previous three years did not exceed insurance coverage.

NOTE 17 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED

GASB 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 establishes 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. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB 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. This 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. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. For reporting periods beginning after December 15, 2019.

GASB 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*

The objectives of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. Changes adopted to conform to the provisions of this Statement should be applied prospectively. For construction-in-progress, interest cost incurred after the beginning of the first reporting period to which this Statement is applied should not be capitalized.

GASB 90 - *Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61*

The primary objectives of this Statement are to improve consistency in the measurement and comparability of the financial statement presentation of majority equity interests in legally separate organizations and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. Except as discussed in paragraph 11, in the period this Statement is first applied, changes adopted to conform to the provisions of this Statement should be applied retroactively by restating financial statements, if practicable, for all periods presented. If restatement for prior periods is not practicable, the cumulative effect, if any, of applying this Statement should be reported as a restatement of beginning net position (or fund balance or fund net position, as applicable) for the earliest period restated. Also, the reason for not restating prior periods presented should be disclosed. In the first period that this Statement is applied, the notes to financial statements should disclose the nature of the restatement and its effect.

NOTE 17 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED (Continued)

GASB 91 - *Conduit Debt Obligations*

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

The Town's management has not yet determined the effect these Statements will have on the Town's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MD&A)

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE –
GENERAL FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Property taxes	$ 8,577,575	$ 8,577,575	$ 8,699,738	$ 122,163
Franchise fees and utility taxes	1,717,660	1,717,660	1,854,540	136,880
Intergovernmental	1,112,493	1,112,493	1,037,907	(74,586)
Fines and forfeitures	82,527	82,527	357,287	274,760
Charges for services	12,000	12,000	10,678	(1,322)
Licenses and permits	139,364	139,364	144,711	5,347
Interest income	23,000	23,000	58,024	35,024
Grant revenue	-	95,594	193,393	97,799
Miscellaneous revenues	197,715	197,715	251,414	53,699
Total revenues	11,862,334	11,957,928	12,607,692	649,764
Expenditures:				
General government departments:				
Commission	177,547	177,547	166,722	10,825
Donations	37,889	37,889	35,389	2,500
Visitor center	59,593	59,593	53,016	6,577
Administration	924,861	1,046,548	975,818	70,730
Attorney	363,000	363,000	331,144	31,856
General	944,430	912,018	709,966	202,052
Business development	194,070	194,070	128,568	65,502
Total general government	2,701,390	2,790,665	2,400,623	390,042
Other departments:				
Police department	4,712,133	4,712,133	4,452,252	259,881
Emergency medical services	823,545	823,545	823,545	-
Development services	712,006	642,746	582,756	59,990
Municipal services	1,997,846	2,064,514	2,007,341	57,173
Recreation services	475,339	484,250	485,196	(946)
Total other departments	8,720,869	8,727,188	8,351,090	376,098
Total expenditures	11,422,259	11,517,853	10,751,713	766,140
Excess (deficiency) of revenues over (under) expenditures	440,075	440,075	1,855,979	1,415,904
Other financing sources (uses):				
Use of fund balance	350,925	350,925	-	(350,925)
Transfers in	22,000	22,000	99,580	77,580
Transfers out	(813,000)	(813,000)	(813,000)	-
Total other financing sources (uses)	(440,075)	(440,075)	(713,420)	(273,345)
Net change in fund balance	$ -	$ -	1,142,559	$ 1,142,559
Fund balance, beginning			7,244,076	
Fund balance, ending			$ 8,386,635	

See notes to Required Supplementary Information.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTE TO BUDGETARY COMPARISON SCHEDULE
FISCAL YEAR ENDED SEPTEMBER 30, 2019

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

Annual appropriated budgets are adopted for all governmental funds on a basis consistent with accounting principles generally accepted in the United States.

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

(a) In July, the Town Manager submits to the Commission a proposed operating and capital budget for the ensuing fiscal year. The budget includes proposed expenditures and the means of financing them.

(b) Public hearings are conducted to obtain taxpayer comments.

(c) Prior to October 1, the budget is legally enacted through passage of an ordinance.

(d) The Town Commission, by motion, may make supplemental appropriations for the fiscal year.

(e) Formal budgetary integration is employed as a management control device during the fiscal year for the general fund.

(f) The Town Manager is authorized to transfer part or all of an unencumbered appropriation balance within a department; however, any revisions that alter the total appropriations of any fund must be approved by the Town Commission. The classification detail at which expenditures may not legally exceed appropriations is at the department level.

(g) Unencumbered appropriations lapse at fiscal year-end. Encumbered amounts are reappropriated in the following fiscal year's budget.

(h) Budgeted amounts are as originally adopted or as amended.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION ASSET AND RELATED RATIOS –
VOLUNTEER FIREFIGHTERS PENSION PLAN
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Measurement Year Ended September 30,	2018	2017	2016	2015	2014
Total Pension Liability (TPL)					
Service cost	$ 39,229	$ 55,966	$ 22,358	$ 39,823	$ 48,234
Interest on the total pension liability	122,909	115,897	96,588	97,199	38,136
Benefit changes	-	-	152,366	-	-
Differences between actual and expected experience	(119,225)	17,679	57,929	(50,638)	-
Changes of assumption	-	21,808	-	(22,967)	-
Benefit payments	(87,100)	(76,043)	(46,123)	(15,194)	(15,194)
Refunds	(2,984)	(7,326)	(2,083)	(7,981)	(15,195)
Other changes	-	-	-	87,139	129,583
Net change in total pension liability	(47,171)	127,981	281,035	127,381	185,564
Total pension liability - beginning	1,896,724	1,768,743	1,487,708	1,360,327	1,174,763
Total pension liability - ending (a)	$ 1,849,553	$ 1,896,724	$ 1,768,743	$ 1,487,708	$ 1,360,327
Plan fiduciary net position					
Contributions - Employer (from Town)	$ 14,625	$ 12,990	$ 14,122	$ 14,458	$ 13,976
Contributions - Employer (from State)	113,804	58,209	85,906	110,610	153,054
Contributions - Members	17,831	12,990	14,122	14,458	13,976
Net investment income	229,884	180,802	123,067	(40,115)	58,637
Benefit payments	(87,100)	(76,043)	(46,123)	(15,194)	(15,194)
Refunds	(2,984)	(7,326)	(2,083)	(7,981)	(15,195)
Pension plan administrative expense	(36,441)	(27,136)	(18,613)	(32,027)	(8,350)
Other changes*	(37,116)	-	-	-	-
Net change in fiduciary net position	212,503	154,486	170,398	44,209	200,904
Plan fiduciary net position - beginning	2,088,421	1,933,935	1,763,537	1,719,328	1,518,424
Plan fiduciary net position - ending (b)	$ 2,300,924	$ 2,088,421	$ 1,933,935	$ 1,763,537	$ 1,719,328
Net pension liability (asset) - ending (a) - (b)	$ (451,371)	$ (191,697)	$ (165,192)	$ (275,829)	$ (359,001)
Plan fiduciary net position as a percentage of the total pension liability	124.40%	110.11%	109.34%	118.54%	126.39%
Covered employee payroll	$ 292,500	$ 259,800	$ 282,440	$ 289,160	$ 279,520
Net Pension liability as a percentage of covered employee payroll	-154.31%	-73.79%	-58.49%	-95.39%	-128.43%

* The fiscal year 2018 beginning net position of the Town of Lauderdale-by-the-Sea Volunteer Firefighters Pension Plan was adjusted by $37,116 because a state contribution to the pension was improperly accrued as of September 30, 2017.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS –
VOLUNTEER FIREFIGHTERS PENSION PLAN
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Fiscal Year End	(1) Actuarially Determined Contribution (ADC)	(2) Contributions Recognized by the Plan*	(3) Difference Between (1) and (2)	Covered Member Payroll**		Column (2) as a Percentage of Covered Payroll
September 30, 2010	$ 27,036	$ 40,224	$ (13,188)	$ 286,224		14.05%
September 30, 2011	27,036	40,460	(13,424)	286,224	***	14.14%
September 30, 2012	20,932	38,866	(17,934)	347,941		11.17%
September 30, 2013	20,932	40,274	(19,342)	347,941	***	11.57%
September 30, 2014	153	37,447	(37,294)	279,520		13.40%
September 30, 2015	-	37,929	(37,929)	289,160		13.12%
September 30, 2016	29,701	100,028	(70,327)	282,440		35.42%
September 30, 2017	34,083	34,083	-	259,800		13.12%
September 30, 2018	-	113,804	(113,804)	292,500		38.91%
September 30, 2019	-	66,665	(66,665)	278,260		23.96%

* Contributions recognized by the Plan relate to employer and nonemployer entities.
** Covered payroll was calculated based on actal member contributions for the fiscal year divided by the employee contribution rate of
*** Expected total covered payroll assumed to be same as expected covered payroll for previous year.

Valuation date	October 1, 2018
Actuarial cost method	Aggregate
Amortization method	N/A
Remaining amortization period	N/A
Asset valuation method	Market Value of Assets
Actuarial assumptions:	
Investment rate of return	6.5%
Salary increases	5.5%
Inflation	2.5%
Retirement age	The later of normal retirement eligibility or one year after the valuation.
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. For disabled retirees, 60% of the RP-2000 Mortality Table for Annuitants and 40% of the RP-2000 Mortality Table for Annuitants with a white collar adjustment, set back 4 years for males and set forward 2 years for females, with no provision being made for future mortality improvments. These are the same rates as use for Special Risk Class members of the Florida Retirement System (FRS) in the July 1, 2018 Actuarial Valuation, as mandated by Chapter 112.63, Florida Statutes.

A publicly available financial statement for the Plan can be obtained from the Board of Trustees, 4442 Sea Grape Drive, Lauderdale-By-The-Sea, Florida, 33308 which includes the additional financial reporting requirements of GASB 67, *Financial Reporting for Pension Plans*, including the annual money-weighted rate of return on pension plan investments.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY –
FLORIDA RETIREMENT SYSTEM
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Schedule of the Town's Proportionate Share of the Net Pension Liability -
Florida Retirement System Pension Plan
Last 10 Years (1) (2)

	2019	2018	2017	2016	2015
Town's proportion of the FRS net pension liability	0.00821%	0.00838%	0.00811%	0.00739%	0.00716%
Town's proportionate share of the FRS net pension liability	$ 2,827,042	$ 2,523,345	$ 2,397,897	$ 1,867,084	$ 925,142
Town's covered employee payroll	$ 1,804,862	$ 1,812,223	$ 1,652,978	$ 1,907,616	$ 1,837,884
Town's proportionate share of the FRS net pension liability as a percentage of its covered employee payroll	156.63%	139.24%	145.07%	97.88%	50.34%
FRS plan fiduciary net position as a percentage of the total pension liability	84.26%	84.26%	83.89%	84.88%	92.00%

Schedule of the Town's Proportionate Share of the Net Pension Liability -
Health Insurance Subsidy Pension Plan
Last 10 Years (1) (2)

	2019	2018	2017	2016	2015
Town's proportion of the HIS net pension liability	0.00640%	0.00634%	0.00604%	0.00618%	0.00599%
Town's proportionate share of the HIS net pension liability	$ 716,401	$ 670,555	$ 645,544	$ 720,176	$ 610,760
Town's covered employee payroll	$ 1,804,862	$ 1,812,223	$ 1,652,978	$ 1,907,616	$ 1,837,884
Town's proportionate share of the HIS net pension liability as a percentage of its covered employee payroll	39.69%	37.00%	39.05%	37.75%	33.23%
HIS plan fiduciary net position as a percentage of the total pension liability	2.15%	2.15%	1.64%	0.97%	0.50%

(1) The amounts presented for each year were determined as of the measurement date, June 30.

(2) Information is only available for the years presented.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS –
FLORIDA RETIREMENT SYSTEM
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Schedule of the Town Contributions -
Florida Retirement System Pension Plan
Last 10 Fiscal Years (1) (2)

	2019	2018	2017	2016	2015
Contractually required FRS contribution	$ 229,363	$ 228,094	$ 201,918	$ 213,343	$ 203,842
FRS contributions in relation to the contractually required contribution	(229,363)	(228,094)	(201,918)	(213,343)	(203,842)
FRS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Town's covered employee payroll	$ 1,741,337	$ 1,822,995	$ 1,710,062	$ 1,987,533	$ 1,854,933
FRS contributions as a percentage of covered employee payroll	13.17%	12.51%	11.81%	10.73%	10.99%

Schedule of the Town Contributions -
Haelth Insurance Subsidy Pension Plan
Last 10 Fiscal Years (1) (2)

	2019	2018	2017	2016	2015
Contractually required HIS contribution	$ 28,905	$ 30,262	$ 28,387	$ 32,944	$ 25,157
HIS contributions in relation to the contractually required contribution	(28,905)	(30,262)	(28,387)	(32,944)	(25,157)
HIS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Town's covered employee payroll	$ 1,741,337	$ 1,822,995	$ 1,710,062	$ 1,987,533	$ 1,854,933
HIS contributions as a percentage of covered employee payroll	1.66%	1.66%	1.66%	1.66%	1.36%

(1) The amounts presented for each fiscal year were determined as of September 30.

(2) Information is only available for the years presented.

A publicly available financial statement for the Plan can be obtained from the Florida Department of Management Services (DMS), Division of Retirement, Research and Education Section, PO Box 9000, Tallahassee, Florida, 32315-9000; phone 850-488-5706; website (ww.dms.myflorida.com) which includes additional financial reporting requirements, including the annual money-weighted rate of return on pension plan investments.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOWN'S NET OPEB LIABILITY
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Fiscal Year Ended September 30,	2019	2018
Total OPEB Liability		
Beginning balance	$ 138,275	$ 141,778
Service cost	10,075	10,466
Interest	5,176	4,485
Changes in assumptions	(6,121)	(7,050)
Benefit payments	(12,402)	(11,404)
Ending balance (a)	$ 135,003	$ 138,275
Plan Fiduciary Net Position		
Beginning balance	$ -	$ -
Service cost	-	-
Expected interest growth	-	-
Changes in assumptions	-	-
Benefit payments	-	-
Ending balance (b)	$ -	$ -
Net OPEB Liability (a -b)	$ 135,003	$ 138,275
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%
Covered employee payroll	$ 2,073,315	$ 2,022,746
Net OPEB liability as a percentage of covered employee payroll	6.51%	6.84%

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COMBINING FUND STATEMENTS

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Special Revenue Funds			
	Police Training and Forfeiture	Building Fund	Fire Fund	Total Non-Major Funds
ASSETS				
Cash and cash equivalents	$ 13,586	$ -	$ 1,419,721	$ 1,433,307
Due from other funds	-	-	20,429	20,429
Total assets	$ 13,586	$ -	$ 1,440,150	$ 1,453,736
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and other liabilities	$ -	$ -	$ 17,301	$ 17,301
Due to other funds	-	92,391	-	92,391
Unearned revenue	-	-	23,608	23,608
Total liabilities	-	92,391	40,909	133,300
Fund balances:				
Restricted for:				
Law Enforcement	13,586	-	-	13,586
Fire department	-	-	1,399,241	1,399,241
Unassigned:	-	(92,391)	-	(92,391)
Total fund balances	13,586	(92,391)	1,399,241	1,320,436
Total liabilities and fund balances	$ 13,586	$ -	$ 1,440,150	$ 1,453,736

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue Funds			
	Police Training and Forfeiture	Building Fund	Fire Fund	Total Non-Major Funds
Revenues:				
Fire assessments	$ -	$ -	$ 1,055,588	$ 1,055,588
Charges for services	-	-	33,953	33,953
Licenses and permits	-	1,000,534	-	1,000,534
Interest income	-	-	8,907	8,907
Miscellaneous revenues	1,147	-	462	1,609
Total revenues	1,147	1,000,534	1,098,910	2,100,591
Expenditures:				
Current:				
General government	-	18,038	-	18,038
Public safety	-	991,659	847,615	1,839,274
Capital outlay	-	5,648	51,363	57,011
Total expenditures	-	1,015,345	898,978	1,914,323
Excess (deficiency) of revenues over (under) expenditures	1,147	(14,811)	199,932	186,268
Other financing sources (uses):				
Transfers in	-	-	13,000	13,000
Transfers out	-	(77,580)	(22,000)	(99,580)
Total other financing sources (uses)	-	(77,580)	(9,000)	(86,580)
Net change in fund balances	1,147	(92,391)	190,932	99,688
Fund balances, beginning	12,439	-	1,208,309	1,220,748
Fund balances, ending	$ 13,586	$ (92,391)	$ 1,399,241	$ 1,320,436

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BUDGETARY COMPARISON SCHEDULES

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
CAPITAL PROJECTS FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Interest income	$ 1,000	$ 1,000	$ 22,435	$ 21,435
Total revenues	1,000	1,000	22,435	21,435
Expenditures:				
General Government:				
Administrative	163,680	122,526	50,104	72,422
Capital outlay	1,588,300	1,629,454	144,820	1,484,634
Total expenditures	1,751,980	1,751,980	194,924	1,557,056
Excess (deficiency) of revenues over (under) expenditures	(1,750,980)	(1,750,980)	(172,489)	1,578,491
Other financing sources (uses):				
Transfers in	800,000	800,000	800,000	-
Use of fund balance	950,980	950,980	-	(950,980)
Total other financing sources (uses)	1,750,980	1,750,980	800,000	(950,980)
Net change in fund balance	$ -	$ -	627,511	$ 627,511
Fund balance, beginning			3,629,768	
Fund balance, ending			$ 4,257,279	

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
SPECIAL REVENUE FUND
POLICE TRAINING AND FORFEITURE FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With Final Budget-
	Original	Final	Amounts	Positive (Negative)
Revenues:				
Miscellaneous	$ -	$ -	$ 1,147	$ 1,147
Total revenues	-	-	1,147	1,147
Expenditures:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	$ -	$ -	1,147	$ 1,147
Fund balance, beginning			12,439	
Fund balance, ending			$ 13,586	

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
SPECIAL REVENUE FUND
BUILDING FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With Final Budget-
	Original	Final	Amounts	Positive (Negative)
Revenues:				
Licenses and permits	$ 695,000	$ 996,155	$ 1,000,534	$ 4,379
Total revenues	695,000	996,155	1,000,534	4,379
Expenditures:				
Current:				
General government	-	-	18,038	(18,038)
Public safety	695,000	996,155	991,659	4,496
Capital outlay	-	-	5,648	(5,648)
Total expenditures	695,000	996,155	1,015,345	(19,190)
Excess (deficiency) of revenues over (under) expenditures	-	-	(14,811)	(14,811)
Other financing sources (uses):				
Transfers in / (out)	-	-	(77,580)	(77,580)
Total other financing sources (uses)	-	-	(77,580)	(77,580)
Net change in fund balances	$ -	$ -	(92,391)	$ (92,391)
Fund balance, beginning			-	
Fund balance, ending			$ (92,391)	

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
SPECIAL REVENUE FUND
FIRE FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With Final Budget -
	Original	Final	Amounts	Positive (Negative)
Revenues:				
Fire assessments	$ 1,036,459	1,036,459	$ 1,055,588	$ 19,129
Charges for services	33,000	33,000	33,953	953
Interest income	-	-	8,907	8,907
Miscellaneous revenues	-	-	462	462
Total revenues	1,069,459	1,069,459	1,098,910	29,451
Expenditures:				
Current:				
Public Safety	847,437	847,437	847,615	(178)
Capital outlay	343,123	343,123	51,363	291,760
Total expenditures	1,190,560	1,190,560	898,978	291,582
Excess (deficiency) of revenues over (under) expenditures	(121,101)	(121,101)	199,932	321,033
Other financing sources (uses):				
Use of fund balance	130,101	130,101	-	(130,101)
Transfers in	13,000	13,000	13,000	-
Transfers out	(22,000)	(22,000)	(22,000)	-
Total other financing sources (uses)	121,101	121,101	(9,000)	(130,101)
Net change in fund balances	$ -	$ -	190,932	$ 190,932
Fund balance, beginning			1,208,309	
Fund balance, ending			$ 1,399,241	

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STATISTICAL SECTION

This part of the Town of Lauderdale-By-The-Sea'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 government's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	**71-78**
Revenue Capacity These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.	**79-81**
Debt Capacity These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	**82-84**
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.	**85-87**
Operating and Other Information These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.	**88-89**

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

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 1
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(ACCOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended September 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
Net investment in capital assets	$ 15,222	$ 15,296	$ 16,455	$ 20,759	$ 23,624	$ 23,853	$ 24,579	$ 23,632	$ 22,702	$ 21,699
Restricted for:										
Town beautification per contractual agreement	1,000	928	928	678	678	678	678	678	678	678
Law enforcement	212	198	186	139	156	2	3	5	12	14
Fire enforcement	216	486	416	604	793	982	904	946	1,140	1,399
Unrestricted	11,054	12,887	13,698	10,368	8,323	7,969	7,043	7,672	8,610	9,640
Total governmental activities net position	27,704	29,795	31,683	32,548	33,574	33,484	33,207	32,933	33,142	33,430
Business-type activities:										
Net investment in capital assets	5,629	6,255	6,541	7,464	8,454	8,366	9,026	12,148	12,800	13,778
Unrestricted	1,668	1,887	2,312	2,822	2,666	4,291	5,239	3,868	5,013	6,001
Total business-type activities net position	7,297	8,142	8,853	10,286	11,120	12,657	14,265	16,016	17,813	19,779
Primary government:										
Net investment in capital assets	20,851	21,551	22,996	28,223	32,078	32,219 [1]	33,605	35,780	35,502	35,477
Restricted for:										
El Mar beautification per contractual agreement	1,000	928	928	678	678	678	678	678	678	678
Law enforcement	212	198	186	139	156	2	3	5	12	14
Fire enforcement	216	486	416	604	793	982	904	946	1,140	1,399
Unrestricted	12,722	14,774	16,010	13,190	10,989	12,260	12,282	11,540	13,623	15,641
Total primary government net position	$ 35,001	$ 37,937	$ 40,536	$ 42,834	$ 44,694	$ 46,141	$ 47,472	$ 48,949	$ 50,955	$ 53,209

[1] The Town's beginning net position was restated for the effect of adoption of GASB No.68 and 71 in fiscal year 2015, the restatement decreased beginning net position by ($758,914).

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 2
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended September 30,									
Expenses:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
General government	$ 2,442	$ 2,275	$ 2,392	$ 2,567	$ 2,409	$ 2,471	$ 2,327	$ 2,514	$ 2,535	$ 2,747
Public safety	4,869	4,953	5,566	6,049	6,254	7,093	7,407	7,338	7,428	7,849
Transportation	1,592	1,660	1,269	1,317	1,382	1,516	1,675	1,856	1,978	2,013
Recreation	418	397	333	362	382	452	442	470	444	472
Physical environment	294	125	563	810	1,007	1,246	1,534	1,591	1,435	1,362
Total governmental activities	9,615	9,410	10,123	11,105	11,434	12,778	13,385	13,769	13,820	14,443
Business-type activities:										
Sewer	1,105	974	1,511	861	1,260	882	950	955	856	877
Parking	220	424	440	425	490	660	680	753	765	922
Total business-type activities	1,325	1,398	1,951	1,286	1,750	1,542	1,630	1,708	1,621	1,799
Total primary government	$ 10,940	$ 10,808	$ 12,074	$ 12,391	$ 13,184	$ 14,320	$ 15,015	$ 15,477	$ 15,441	$ 16,242
Program revenues:										
Governmental activities:										
Charges for services:										
General government	$ 148	$ 154	$ 636	$ 887	$ 1,195	$ 1,619	$ 1,502	$ 1,357	$ 1,632	$ 1,503
Public safety	202	38	59	1,085	1,029	1,017	1,018	1,095	1,099	1,100
Recreation	226	303	-	-	-	-	-	-	-	-
Operating grants and contributions	107	145	84	69	81	82	82	84	85	193
Capital grants and contributions	-	-	442	-	32	129	-	-	-	-
Total governmental activities program revenues	683	640	1,221	2,041	2,337	2,847	2,602	2,536	2,816	2,796
Business type activities:										
Charges for services:										
Sewer	964	1,153	1,207	1,125	966	1,128	1,051	1,150	1,178	1,197
Parking	389	948	1,620	1,553	1,616	2,034	2,182	2,309	2,237	2,616
Capital grants and contributions	-	295	-	39	-	-	-	-	-	-
Total business-type activities program revenues	1,353	2,396	2,827	2,717	2,582	3,162	3,233	3,459	3,415	3,813
Total primary government program revenues	$ 2,036	$ 3,036	$ 4,048	$ 4,758	$ 4,919	$ 6,009	$ 5,835	$ 5,995	$ 6,231	$ 6,609

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 2 (CONTINUED)
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended September 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (expense) revenue:										
Governmental activities	$ (8,932)	$ (8,770)	$ (8,902)	$ (9,064)	$ (9,097)	$ (9,931)	$ (10,783)	$ (11,233)	$ (11,004)	$ (11,647)
Business-type activities	28	998	876	1,431	832	1,620	1,603	1,751	1,794	2,014
Total primary government net expense	$ (8,904)	$ (7,772)	$ (8,026)	$ (7,633)	$ (8,265)	$ (8,311)	$ (9,180)	$ (9,482)	$ (9,210)	$ (9,633)
General revenues and other changes in net position:										
Governmental activities:										
Property taxes	$ 8,404	$ 7,938	$ 7,798	$ 6,723	$ 6,915	$ 7,076	$ 7,484	$ 7,920	$ 8,271	$ 8,699
Utility taxes based on gross receipts	1,033	1,006	995	932	970	1,009	999	1,050	1,059	1,084
Franchise fees based on gross receipts	734	701	703	699	707	706	735	749	735	771
Communications services tax	366	330	376	385	351	357	414	317	314	315
Intergovernmental	539	557	594	848	676	916	682	703	716	723
Unrestricted Interest earnings	86	52	49	75	25	32	6	17	25	89
Miscellaneous	78	109	107	267	478	417	186	202	208	253
Transfers	166	167	167	-	-	-	-	-	-	-
Special items	-	-	-	-	-	-	-	-	-	-
Total governmental activities	11,406	10,860	10,789	9,929	10,122	10,513	10,506	10,958	11,328	11,934
Business-type activities:										
Unrestricted Interest earnings	4	3	2	2	2	2	-	-	6	35
Miscellaneous	-	11	-	-	-	3	5	1	8	18
Transfers	(166)	(167)	(167)	-	-	-	-	-	-	-
Total business-type activities	(162)	(153)	(165)	2	2	5	5	1	14	53
Total primary government	$ 11,244	$ 10,707	$ 10,624	$ 9,931	$ 10,124	$ 10,518	$ 10,511	$ 10,959	$ 11,342	$ 11,987
Changes in net position:										
Government activities	$ 2,474	$ 2,090	$ 1,887	$ 865	$ 1,025	$ 582	$ (277)	$ (275)	$ 324	$ 287
Business-type activities	(134)	845	711	1,433	834	1,625	1,608	1,752	1,808	2,067
Total primary government	$ 2,340	$ 2,935	$ 2,598	$ 2,298	$ 1,859	$ 2,207	$ 1,331	$ 1,477	$ 2,132	$ 2,354

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 3
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

Fiscal Year Ended September 30,	Ad Valorem and Fire Taxes	Franchise Fees on Services	Utility Tax	Communication Service Tax	Transportation Tax	Total
2010	8,404	734	1,033	366	102	10,639
2011	7,938	701	1,006	330	104	10,079
2012	7,798	703	995	376	104	9,976
2013	7,766	699	932	385	104	9,886
2014	7,894	707	970	351	107	10,029
2015	8,053	706	1,009	357	110	10,235
2016	8,459	7,484	-	999	110	17,052
2017	8,973	749	1,050	317	116	11,205
2018	9,323	735	1,059	314	112	11,543
2019	9,755	771	1,084	315	113	12,038

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 4

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(AMOUNTS EXPRESSED IN THOUSANDS)

	Pre-GASB 54 September 30,	
	2010	2011
General fund:		
Reserved	$ 220	$ 76
Unreserved, designated	4,556	2,680
Unreserved, undesignated	3,052	5,914
Total general fund	$ 7,828	$ 8,670
All other governmental funds:		
Reserved		
Capital project funds	$ 1,000	$ 1,682
Unreserved, undesignated		
Special revenue funds	176	176
Capital project funds	3,236	3,847
Special revenue funds	36	36
Capital project funds	215	215
Total all other governmental funds	$ 4,663	$ 5,956

	Post-GASB 54 September 30,								
	2011	2012	2013	2014	2015	2016	2017	2018	2019
General fund:									
Nonspendable	$ 76	$ 57	$ 170	$ 160	$ 167	$ 202	$ 158	$ 91	$ 44
Assigned	2,680	2,882	4,399	3,982	3,542	3,740	2,333	2,500	2,500
Unassigned	5,914	6,675	3,629	3,324	3,401	2,443	3,520	4,653	5,842
Total general fund	$ 8,670	$ 9,614	$ 8,198	$ 7,466	$ 7,110	$ 6,385	$ 6,011	$ 7,244	$ 8,386
All other governmental funds:									
Nonspendable	$ -	$ -	$ 64	$ 65	$ 66	$ 67	$ 67	$ 67	$ -
Restricted	1,682	1,529	1,421	1,470	1,659	1,584	1,630	1,831	2,090
Committed	-	-	-	156	3	-	-	-	-
Assigned	4,274	3,973	2,091	714	1,243	1,424	2,866	2,952	3,580
Unassigned	-	-	-	-	-	-	-	-	(92)
Total all other governmental funds	$ 5,956	$ 5,502	$ 3,576	$ 2,405	$ 2,971	$ 3,075	$ 4,563	$ 4,850	$ 5,578

Note:

Eight years of data are available for GASB 54 compliance which was adopted in fiscal year 2011.

Fiscal year 2010 data was restated for GASB 54 comparable presentation.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 5

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended September 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues:										
Property taxes and fire assessments	$ 9,755,326	$ 9,323,013	$ 8,973,038	$8,458,845	$ 8,052,767	$7,894,483	$ 7,766,298	$ 7,798,158	$ 7,938,090	$ 8,404,054
Franchise fees and utility taxes	1,854,540	1,794,609	1,799,511	1,734,171	1,714,761	1,677,798	1,631,074	1,698,650	1,707,308	1,766,623
Intergovernmental	1,037,907	1,029,976	1,019,977	1,095,512	1,273,084	1,027,448	1,233,228	969,266	887,117	905,076
Fines and forfeitures	357,287	484,086	161,139	94,009	165,437	444,386	123,534	125,760	303,767	226,089
Charges for services	44,631	47,013	42,300	43,015	39,935	49,348	41,966	59,284	37,593	202,053
Interest and other	1,145,245	25,317	17,081	6,024	32,016	25,361	74,648	48,940	51,906	86,830
Licenses and permits	89,366	1,147,773	1,196,042	1,408,293	1,453,520	750,198	763,664	509,892	153,933	147,549
Grants	193,393	84,696	84,237	81,650	81,530	81,387	190,621	404,166	144,653	106,159
Miscellaneous revenues	253,023	207,760	202,005	346,943	416,718	477,969	266,653	107,426	109,409	77,965
Total revenues	14,730,718	14,144,243	13,495,330	13,268,462	13,229,768	12,428,378	12,091,686	11,721,542	11,333,776	11,922,398
Expenditures:										
Current:										
General government	2,458,940	2,386,055	2,209,305	2,209,228	2,431,450	2,367,732	2,536,061	2,129,772	2,106,893	2,410,124
Public safety	7,681,724	7,325,908	7,215,408	7,274,122	7,033,832	6,214,577	5,991,798	5,572,541	4,923,024	4,868,578
Transportation	1,733,786	1,750,558	1,636,939	1,485,940	1,419,610	1,298,636	1,225,552	1,131,531	1,434,324	1,366,145
Recreation	460,021	431,725	458,066	430,185	439,763	370,420	338,444	330,408	304,613	325,912
Physical environment	221,694	233,592	223,675	230,293	225,740	229,228	184,217	193,526		198,313
Capital outlay	304,795	495,847	637,985	2,260,012	1,468,907	3,851,212	5,157,495	2,040,544	597,312	287,413
Total expenditures	12,860,960	12,623,685	12,381,378	13,889,780	13,019,302	14,331,805	15,433,567	11,398,322	9,366,166	9,456,485
Excess (deficiency) of revenues over expenditures	1,869,758	1,520,558	1,113,952	(621,318)	210,466	(1,903,427)	(3,341,881)	323,220	1,967,610	2,465,913
Other financing sources (uses):										
Transfers in	912,580	537,822	1,808,063	2,244,835	1,683,227	1,931,730	2,882,800	1,067,000	1,562,690	1,781,401
Transfers out	(912,580)	(537,822)	(1,808,063)	(2,244,835)	(1,683,227)	(1,931,730)	(2,882,800)	(900,000)	(1,395,690)	(1,615,756)
Total other financing sources (uses)	-	-	-	-	-	-	-	167,000	167,000	165,645
Net change in fund balances	1,869,758	1,520,558	1,113,952	(621,318)	210,466	(1,903,427)	(3,341,881)	490,220	2,134,610	2,631,558
Fund balances - beginning	12,094,592	10,574,034	9,460,082	10,081,400	9,870,934	11,774,361	15,116,242	14,626,022	12,491,412	9,859,854
Fund balances - ending	$ 13,964,350	$ 12,094,592	$ 10,574,034	$9,460,082	$10,081,400	$9,870,934	$11,774,361	$15,116,242	$14,626,022	$12,491,412

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 6

GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)

LAST TEN FISCAL YEARS

Fiscal Year	Property Taxes and Fire Assessment Fees	Franchise Fees and Utility Taxes	Parking Meters	Licenses and Permits	Inter-Gov't	Charges Services	Fines and Forfeitures	Grants	Interest and Other	Total
2010	8,404,054	1,766,623	156,585	147,549	905,076	45,468	226,089	106,159	164,795	11,922,398
2011	7,938,090	1,707,308	-	153,933	887,117	37,593	303,767	144,653	161,315	11,333,776
2012	7,798,158	1,698,650	-	509,892	969,266	59,284	125,760	404,166	156,366	11,721,542
2013	7,766,298	1,631,074	-	763,664	1,233,228	41,966	123,534	190,621	341,301	12,091,686
2014	7,894,483	1,677,798	-	750,198	1,027,448	49,348	444,386	81,387	503,330	12,428,378
2015	8,052,767	1,714,761	-	1,453,520	1,273,084	39,935	165,437	81,530	448,734	13,229,768
2016	8,458,845	1,734,171	-	1,408,293	1,095,512	43,015	94,009	81,650	352,967	13,268,462
2017	8,973,038	1,799,511	-	1,196,042	1,019,977	42,300	161,139	84,237	219,086	13,495,330
2018	9,323,013	1,794,609	-	1,147,773	1,029,976	47,013	484,086	84,696	233,077	14,144,243
2019	9,755,326	1,854,540		1,145,245	1,037,907	44,631	357,287	193,393	342,389	14,730,718

Note: From fiscal year 2002 and forward, parking meter revenue is reflected in charges for services as included in the government-wide financial statements. However, for the purpose of this table, parking meter revenue has been separated. Since fiscal year 2006, business parking meter revenue is reported in the Parking Improvement Fund. Since fiscal year 2011, all parking meter revenue is reported in the Parking Improvement Fund.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 7

PRELIMINARY RECAPITULATION OF THE AD VALOREM ASSESSMENT ROLLS

LAST TEN FISCAL YEARS

Fiscal Year	Tax Roll Year	Real Property Assessed Value	Personal Property Assessed Value	Exemptions		Taxable Assessed Property Value	Final Actual Taxable Value	Total Direct Tax Rate
				Real	Personal			
2010	2009	2,289,945,450	15,724,578	375,437,058	4,260,512	1,925,972,458	1,910,328,861	3.9990
2011	2010	1,901,968,310	15,105,857	143,291,270	4,214,572	1,769,568,325	1,765,210,362	3.9990
2012	2011	1,860,076,290	16,804,874	141,590,530	4,362,075	1,730,928,559	1,729,694,589	3.9990
2013	2012	1,883,607,260	16,475,042	136,628,990	4,273,669	1,759,179,643	1,758,359,285	3.9312
2014	2013	1,934,576,100	18,819,056	136,763,170	3,876,058	1,812,755,928	1,810,952,599	3.9312
2015	2014	2,055,742,730	18,924,622	139,076,520	4,699,454	1,930,891,378	1,928,187,948	3.8000
2016	2015	2,199,032,820	20,856,875	139,266,890	5,071,794	2,075,551,011	2,073,594,801	3.7379
2017	2016	2,343,814,020	21,518,709	140,782,850	4,969,718	2,219,580,161	2,219,593,247	3.5989
2018	2017	2,633,255,130	25,617,432	146,659,620	4,748,348	2,507,464,594	2,376,152,413	3.5989
2019	2018	2,747,642,390	24,658,591	148,531,390	4,597,310	2,619,172,281	2,500,803,075	3.5989

Source: Broward County, Florida, Property Appraiser

Note: Property in Broward County is reassessed once every year, on average. The county assesses property at approximately 85-100 percent of actual value for commercial and industrial property and 85-100 percent for residential property, as required by Florida law. Estimated actual taxable value is calculated by dividing taxable value by those percentages. Tax rates are per $1,000 of assessed value.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 8

PRINCIPAL PROPERTY TAXPAYERS

CURRENT AND TEN YEARS AGO

SEPTEMBER 30, 2019

	2019				2009			
Taxpayer	Assessed Valuation[1]	Type of Use	Rank	Percentage of Total Assessed Valuation	Taxpayer	Assessed Valuation[1]	Rank	Percentage of Total Assessed Valuation
Florida Development Group	$ 50,855,484	Hotel	1	3.81%	Minto-Villas-by-the-Sea LLC	$ 17,122,700	1	0.74%
White Cap of Florida Inc	11,285,786	Codomiums	2	0.85%	Ocean 4660 LLC	14,108,520	2	0.61%
Edmondson, James P	10,430,860	Restaurant	3	0.78%	VCH Properties LLC	12,887,200	3	0.55%
Gorana International Inc	7,355,920	Restaurant/Pier	4	0.55%	Pieer Point LLC	10,283,510	4	0.44%
ACS 218 LLC	6,259,380	Codomiums	5	0.47%	Villas of Caprice LLC	9,949,880	5	0.43%
Topflow Property Corp	5,099,320	Hotel	6	0.38%	Chateau De Mer LLC	7,610,790	6	0.33%
Z & K Property Corp Inc	5,023,370	Codomiums	7	0.38%	Edmondson, James P	6,922,250	7	0.30%
LBTS Properties LLC	4,981,580	Restaurant/Park.lot/Hotel	8	0.37%	Little Italy Oceanside	6,639,110	8	0.29%
K M & Buschbaum Inc	4,816,110	Codomiums	9	0.36%	Costa Del Sol, Inc.	6,296,600	9	0.27%
Wens Holding LLC	4,729,660	Hotel	10	0.35%	Stanco Mgt. Inc.	6,102,650	10	0.26%
	$ 110,837,470			8.30%		$ 97,923,210		4.22%

[1] Source: Broward County Revenue Collector

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 9
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Total Tax Levy	(1). Current Tax Collected	Percentage of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2010	$ 7,723,352	$ 7,567,600	97.98%	$ 97,997	$ 7,665,597	99.25%
2011	$ 7,088,217	$ 6,990,745	98.62%	$ 41,289	$ 7,032,034	99.21%
2012	$ 6,934,808	$ 6,915,094	99.72%	$ 17,238	$ 6,932,332	99.96%
2013	$ 6,926,376	$ 6,916,855	99.86%	$ 8,709	$ 6,925,564	99.99%
2014	$ 7,136,718	$ 7,124,316	99.83%	$ -	$ 7,124,316	99.83%
2015	$ 7,345,409	$ 7,332,884	99.83%	$ -	$ 7,332,884	99.83%
2016	$ 7,767,916	$ 7,745,628	99.71%	$ -	$ 7,745,628	99.71%
2017	$ 8,197,882	$ 8,187,809	99.88%	$ -	$ 8,187,809	99.88%
2018	$ 8,566,383	$ 8,551,166	99.82%	$ -	$ 8,551,166	99.82%
2019	$ 9,033,399	$ 9,007,973	99.72%	$ -	$ 9,007,973	99.72%

Source: Town of Lauderdale-By-The-Sea Finance Department

(1) Includes collection fees and early payment discounts taken

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 10
PROPERTY TAX RATES (PER $1,000)
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

				Other Taxing Agencies			Special Districts		
Fiscal Year	Lauderdale By-The-Sea	Broward County	Broward County Schools	South Florida Water Management	Florida Inland Navigation	Broward Children's Services Council	North Broward Hospital	Hillsboro Inlet	Total
2010	3.9990	5.3889	7.4310	0.6240	0.0345	0.4243	1.7059	0.0860	19.6936
2011	3.9990	5.5530	7.6310	0.6240	0.0345	0.4696	1.8750	0.0860	20.2721
2012	3.9990	5.5530	7.4180	0.4363	0.0345	0.4789	1.8750	0.0860	19.8807
2013	3.9312	5.5530	7.4560	0.4289	0.0345	0.4902	1.8564	0.0860	19.8362
2014	3.9312	5.7230	7.4560	0.4110	0.0345	0.4882	1.7554	0.0860	19.8853
2015	3.8000	5.7230	7.4380	0.3842	0.0345	0.4882	1.5939	0.0860	19.5478
2016	3.7379	5.7230	7.2740	0.3551	0.0320	0.4882	1.4425	0.0860	19.1387
2017	3.6873	5.6690	6.9063	0.3307	0.0320	0.4882	1.3462	0.0860	18.5457
2018	3.5989	5.6690	6.5394	0.3100	0.0320	0.4882	1.2483	0.0860	17.9718
2019	3.5989	5.6690	6.7393	0.2795	0.0320	0.4882	1.0324	0.0985	17.9378

Source: Broward County, Florida, Property Appraiser

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 11
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES TO
TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt
2010	-	-	-	9,622,130	0.00%
2011	-	-	-	9,533,166	0.00%
2012	-	-	-	11,398,322	0.00%
2013	-	-	-	15,433,567	0.00%
2014	-	-	-	14,331,805	0.00%
2015	-	-	-	13,019,302	0.00%
2016	-	-	-	13,889,780	0.00%
2017	-	-	-	12,381,378	0.00%
2018	-	-	-	12,623,685	0.00%
2019	-	-	-	12,860,960	0.00%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 12
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities			Business-type Activities					
Fiscal Year	Promissory Notes	Line of Credit	Capital Leases	Promissory Notes	Primary Government	Population	Per Capita	Personal Income	Percentage of Personal Income
2010	-	-	-	1,457,042	1,457,042	11,000	132	41,352	0.32%
2011	-	-	-	1,130,723	1,130,723	11,000	103	48,773	0.21%
2012	-	-	-	839,598	839,598	11,000	76	48,773	0.16%
2013	-	-	-	587,208	587,208	11,000	53	59,411	0.09%
2014	-	-	-	-	-	11,000	0	57,561	0.00%
2015	-	-	-	-	-	11,000	0	60,928	0.00%
2016	-	-	-	-	-	11,000	0	64,180	0.00%
2017	-	-	-	-	-	11,000	0	60,548	0.00%
2018	-	-	-	-	-	11,000	0	65,691	0.00%
2019	-	-	-	-	-	11,000	0	73,197	0.00%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 13
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITY DEBT
SEPTEMBER 30, 2019

Name of Governmental Unit	Net Bonded Outstanding September 30, 2018	Percent of Debt Applied to Town Lauderdale By-The-Sea (1)	Amount of Debt Debt Applied Town of Lauderdale By-The-Sea
Broward County	$ 155,245,000 [1]	0.07%	$ 112,663
Broward County School District	346,821 [2]	0.07%	252
Subtotal, overlapping debt			112,915
Town of Lauderdale-By-The-Sea Direct Debt			-
Total direct and overlapping debt			$ 112,915

[1] Source: Broward County, Florida Property Appraiser
[2] Source: Broward County School Board CAFR

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Town. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Broward County's taxable assessed value that is within the Town of Lauderdale-By-The-Sea's boundaries and dividing it by Broward County's total taxable assessed value.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 14
STATISTICS
DEMOGRAPHICS AND ECONOMICS
SEPTEMBER 30, 2019

Date of Incorporation:	November 30, 1947	
Year of Charter Adoption:	1947	
Form of Town Government:	Commission-Manager	
Location:	Lauderdale-By-The-Sea is in the east-central part of Broward County and shares boundaries with three other municipalities. Its eastern boundary is the Atlantic Ocean. It is 30 miles north of Miami and 33 miles south of Palm Beach. The Town is just over 8.5 square miles in area and has a population of 6,100 with a peak seasonal population of 11,000. It is a seaside community with primary industries being retail trade, tourism/hospitality, finance, insurance and real estate.	
Number of Employees:	Full and Part-Time	39
Recreation facilities:	Miles of Public Beach	2
	Miles of Navigable Water	2.3
	Parks	3
	Tennis Courts	2
	Shuffleboard Courts	2
	Bocci Ball Court	1
	Basketball Court	1
Infrastructure:	Town Buildings	7
	Fire Stations	1
	Surface Parking Lots	3
Socio-Economic Data:	Consumer Price Index (1)A	0.013
	Per Capita Personal Income (2)	73,197.00
Population Statistics:	Civilian Labor Force (1)B	1,029.10
	Unemployment Rate (1)C	3.8%

Source:
(1) United States Department of Labor - Bureau of Labor Statistics
Broward County, Florida
A. All urban consumers, base: 1982-84=100, not seasonally adjusted
B. Number of persons, in thousands, not seasonally adjusted
C. Not seasonally adjusted

(2) Bureau of Economic Analysis - U.S. Department of Commerce - Florida - Released 2019

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 15
PRINCIPAL EMPLOYERS
CURRENT AND TEN YEARS AGO
SEPTEMBER 30, 2019

	2019			2009		
Employer	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Aruba's Beach Café Restaurant	172	1	N/A	160	1	N/A
Sea Watch Restaurant	103	2	N/A	125	2	N/A
Blue Moon Fish Company - Restaurant	100	3	N/A	87	4	N/A
Village Grill-Restaurant	80	4	N/A	-	-	N/A
Benihana-Restaurant	61	5	N/A	50	6	N/A
Mulligans	53	6	N/A	-	-	N/A
Lauderdale Beachside Hotel- Hotel and Rest.	-	-	N/A	116	3	N/A
Holiday Inn-Hotel	-	-	N/A	80	5	N/A
Total	569			618		

Source: Lauderdale-By-The-Sea Development Services
N/A - Information not available

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 16

FULL TIME EQUIVALENT GOVERNMENT POSITIONS BY FUNCTION

LAST TEN FISCAL YEARS

	Full time Equivalent Positions as of September 30,									
Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Administration	7.6	7.3	7.5	7.5	8.6	8.6	8.5	7.6	8.3	8.3
General Government	1	1.5	1.4	1.4	1.4	1.2	1.3	1.6	-	-
Public Works	15.7	15.8	15.8	15.8	14.8	13.8	13.8	13.8	15.0	15.0
Development services	3.1	3.5	3.4	3.4	3.2	2.5	2.5	4.0	3.8	4.8
Parking	2.55	1.5	1.5	1.5	0.5	0.4	0.4	4.5	4.9	4.0
Project Management	1.2	1.1	1.1	1.1	1.3	1.1	1.1	1.1	-	-
Sewer	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Building	1.55	-	-	-	-	-	-	-	-	-
Total	34.00	32.00	32.00	32.00	31.00	28.75	28.75	33.75	33.15	33.35

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 17
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year 2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government:										
Informational calls received	3,251	3,317	4,068	4,595	5,305	6,353	6,840	6,912	8,071	7,413
Public records request	25	49	47	42	46	46	-	90	99	277
Resolutions	138	36	46	42	48	52	46	61	44	39
Ordinances	27	26	11	15	16	14	41	22	20	16
Commission meetings	22	29	26	30	34	21	22	33	36	55
Cash receipts - general operating	6,751	6,221	5,786	5,970	5,370	6,556	4,332	3,263	2,608	2,539
Cash disbursements - general operating	3,868	3,673	3,650	3,425	4,064	5,128	3,140	3,423	2,932	2,110
Payroll disbursements - general operating	3,100	3,230	3,397	3,380	3,353	4,540	1,330	1,326	1,380	1,248
Purchase orders issued	14	23	18	29	57	57	148	140	190	197
Claims processed - gen liability and workers com	6	3	1	4	10	13	9	10	17	8
Hours of information technology services	268	140	181	153	100	415	329	102	256	111
Public safety:										
Informational calls received	8,951	8,208	9,416	9,116	8,253	7,190	5,179	5,063	4,941	5,185
Public records request	-	-	-	-	-	-	-	-	-	-
Citizen on patrol membership	32	32	29	29	29	30	37	29	26	23
Neighborhood crime watch membership	-	-	-	-	-	-	-	-	-	-
Fire responses	323	443	407	353	408	369	364	339	411	345
Fire medical services (EMS)	1,116	1,115	1,114	1,119	1,101	987	990	943	874	943
Notices of violations code compliance	132	314	270	638	180	288	956	158	375	573
Citations issued code compliance	371	-	-	-	-	-	-	-	-	5
Complaints investigated	814	1,231	1,062	1,154	1,458	1,252	1,266	505	151	334
Parking citations	5,925	5,275	8,447	8,953	6,720	4,358	4,674	7,565	8,289	6,846
Municipal services:										
Parking maintenance (hours)	-	-	-	-	-	-	520	1,560	359	89
Street maintenance and repairs (hours)	-	-	-	-	-	-	1,547	1,253	952	668
Ground maintenance and repairs (hours)	-	-	-	-	-	-	5,657	5,587	7,508	7,277
Building maintenance and repairs (hours)	-	-	-	-	-	-	2,744	2,496	2,884	3,371
Cultural - recreation:										
Scheduled recreation activities	1,538	1,396	1,213	1,157	1,036	995	969	934	1,002	1,131
Recreation Volunteer hours	2,966	2,124	1,756	1,914	1,677	1,538	1,662	1,772	1,769	1,511
Recreation activity participants	3,719	3,425	2,621	2,885	2,487	2,816	2,741	6,065	5,740	4,116
Recreation areas maintenance (hours)	-	-	-	-	-	-	1,965	2,456	3,136	2,771

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 18
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year 2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government Facilities:										
Town Buildings	7	7	7	7	7	7	7	7	7	7
Recreation Facilities:										
Miles of Public Beach	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Parks	3	3	3	3	3	3	3	3	3	3
Tennis Courts	2	2	2	2	2	2	2	2	2	2
Shuffleboard Court	2	2	2	2	2	2	2	2	2	2
Bocci Ball Court	1	1	1	1	1	1	1	1	1	1
Basketball Court	1	1	1	1	1	1	1	1	1	1
Beach Portals	6	6	6	6	6	6	6	6	6	6
Public Safety Facilities:										
Police Station	1	1	1	1	1	1	1	1	1	1
Police Vehicles	30	30	30	30	30	30	30	30	30	30
Fire Stations	1	1	1	1	1	1	1	1	1	1
Fire Rescue Station	1	1	1	1	1	1	1	1	1	1
Fire Vehicles	3	3	3	2	2	2	2	2	2	2
Fire Rescue Vehicle	3	3	3	3	3	3	3	3	2	2
Infrastructure:										
Miles of paved roads	16.68	16.68	16.68	16.68	16.68	16.68	16.68	16.68	16.68	16.68
Cable television	1	1	1	1	1	1	1	1	1	1
Surface Parking Lot	4	4	4	4	4	4	4	3	3	3

Source: Town of Lauderdale-By-The-Sea Municipal Services Department

COMPLIANCE SECTION

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

Honorable Mayor, Town Commission and Town Manager
Town Of Lauderdale-By-The-Sea, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town Of Lauderdale-By-The-Sea, Florida ("Town") as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our opinion thereon dated June 11, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

June 11, 2020

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Honorable Mayor, Town Commission and Town Manager
Town Of Lauderdale-By-The-Sea, Florida

We have examined the Town Of Lauderdale-By-The-Sea, Florida's ("Town") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2019. Management is responsible for Town's compliance with those requirements. Our responsibility is to express an opinion on Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Town's compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.

This report is intended solely for the information and use of the Mayor, Town Commission, Town Manager, Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

June 11, 2020

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Honorable Mayor, Town Commission and Town Manager
Town of Lauderdale-By-The-Sea, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Lauderdale-By-The-Sea, Florida ("Town") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated June 11, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in G*overnment Auditing Standards,* issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 11, 2020, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the State of Florida. Accordingly, in connection with our audit of the financial statements of the Town, as described in the first paragraph, we report the following:

I. Current year findings and recommendations.
II. Status of prior year findings and recommendations.
III. Compliance with the Provisions of the Auditor General of the State of Florida.

Our management letter is intended solely for the information and use of the Mayor, Town Commission, Town Manager, Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank the Town of Lauderdale-By-The-Sea, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

June 11, 2020

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

   There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2018.

2. Any recommendations to improve the local governmental entity's financial management.

   There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2019.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance, except as noted above.

   There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2019.

4. The name or official title and legal authority of the Town are disclosed in the notes to the financial statements.

5. The Town has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures pursuant to Rule 10.556(7) and no deteriorating financial conditions were noted. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Agenda Item No: 7.a

Town Commission Agenda Item Report

Meeting Date: June 23, 2020
Submitted by: Brooke Liddle
Submitting Department: Public Safety
Item Type: Report
Agenda Section: PUBLIC SAFETY DISCUSSION

Subject Title:
AMR May 2020 Report (Chief Brooke Liddle, AMR)

Explanation: AMR May 2020 Report

Recommendation:
Approve/Accept

Attachments:
1. May 2020 Report

Response Date	Address	Dispatched	Enroute	On Scene	Response Time
5/22/2020	N Ocean Dr / Commercial Blvd	1/0/1900 16:45	1/0/1900 16:45	1/0/1900 16:46	00:00:44
5/5/2020	Commercial Blvd / E Tradewinds Ave	5/5/2020 8:52	1/0/1900 8:53	5/5/2020 8:52	00:00:51
5/22/2020	4500 Blk N Ocean Dr	1/0/1900 10:24	1/0/1900 10:25	1/0/1900 10:25	00:01:03
5/25/2020	4900 Blk N Ocean Blvd	1/0/1900 21:28	1/0/1900 21:28	1/0/1900 21:29	00:01:11
5/1/2020	4900 Blk N Ocean Blvd	5/1/2020 17:37	5/1/2020 17:37	5/1/2020 17:38	00:01:24
5/3/2020	2100 Blk S Ocean Blvd	1/0/1900 19:46	5/3/2020 19:46	1/0/1900 19:47	00:01:32
5/9/2020	4600 Blk N Ocean Dr	5/9/2020 11:43	5/9/2020 11:44	5/9/2020 11:45	00:01:50
5/16/2020	4500 Blk N Ocean Dr	5/16/2020 20:34	5/16/2020 20:36	5/16/2020 20:36	00:01:58
5/7/2020	3900 Blk N Ocean Dr	5/7/2020 15:13	5/7/2020 15:14	5/7/2020 15:15	00:02:10
5/15/2020	3900 Blk N Ocean Dr	5/15/2020 18:59	5/15/2020 18:59	5/15/2020 19:01	00:02:10
5/9/2020	2000 S Ocean Blvd	5/9/2020 14:52	5/9/2020 14:52	5/9/2020 14:54	00:02:23
5/10/2020	5100 Blk N Ocean Blvd	5/10/2020 15:59	5/10/2020 16:00	5/10/2020 16:02	00:02:23
5/28/2020	2000 Blk S Ocean Blvd	5/28/2020 16:38	5/28/2020 16:39	5/28/2020 16:41	00:02:32
5/28/2020	Commercial Blvd / N Ocean Dr	5/28/2020 18:26	5/28/2020 18:27	5/28/2020 18:28	00:02:33
5/13/2020	5200 Blk N Ocean Blvd	5/13/2020 13:14	5/13/2020 13:15	5/13/2020 13:17	00:02:33
5/16/2020	5100 Blk N Ocean Blvd	5/16/2020 5:49	5/16/2020 5:49	5/16/2020 5:51	00:02:33
5/22/2020	100 Blk Commercial Blvd	5/22/2020 0:31	5/22/2020 0:31	5/22/2020 0:34	00:02:41
5/10/2020	4500 Blk N Ocean Dr	5/10/2020 12:34	5/10/2020 12:34	5/10/2020 12:37	00:02:42
5/19/2020	4500 Blk Bougainvilla Dr	5/19/2020 19:59	5/19/2020 20:01	5/19/2020 20:02	00:02:49
5/16/2020	4600 Blk El Mar Dr	5/16/2020 13:03	5/16/2020 13:04	5/16/2020 13:06	00:02:57
5/26/2020	5400 Blk N Ocean Blvd	5/26/2020 20:27	5/26/2020 20:27	5/26/2020 20:30	00:03:01
5/23/2020	200 Blk Shore Ct	5/23/2020 14:51	5/23/2020 14:52	5/23/2020 14:55	00:03:02
5/15/2020	4500 Blk Seagrape Dr	5/15/2020 15:38	5/15/2020 15:38	5/15/2020 15:41	00:03:05
5/31/2020	Commercial Blvd / N Ocean Dr	5/31/2020 11:27	5/31/2020 11:30	5/31/2020 11:30	00:03:10
5/29/2020	1500 Blk S Ocean Blvd	5/29/2020 11:34	5/29/2020 11:34	5/29/2020 11:37	00:03:12
5/1/2020	1700 Blk S Ocean Blvd	5/1/2020 10:24	5/1/2020 10:25	5/1/2020 10:27	00:03:15
5/28/2020	4400 Blk W Trade Winds Ave	5/28/2020 19:43	5/28/2020 19:44	5/28/2020 19:47	00:03:19
5/29/2020	100 Blk Commercial Blvd	1/0/1900 16:10	1/0/1900 16:11	1/0/1900 16:13	00:03:24
5/7/2020	5500 Blk N Ocean Blvd	5/7/2020 17:32	5/7/2020 17:33	5/7/2020 17:36	00:03:25
5/12/2020	1800 Blk S Ocean Blvd	5/12/2020 21:33	5/12/2020 21:33	5/12/2020 21:36	00:03:28
5/25/2020	4300 Blk N Ocean Dr	1/0/1900 21:12	5/25/2020 21:14	1/0/1900 21:15	00:03:31
5/5/2020	1700 Blk S Ocean Blvd	5/5/2020 15:19	5/5/2020 15:20	5/5/2020 15:23	00:03:36
5/6/2020	1400 Blk S Ocean Blvd	5/6/2020 11:49	5/6/2020 11:49	5/6/2020 11:53	00:03:37
5/31/2020	4300 Blk El Mar Dr	5/31/2020 9:19	5/31/2020 9:20	5/31/2020 9:23	00:03:38
5/7/2020	5100 Blk N Ocean Blvd	5/7/2020 1:45	5/7/2020 1:45	5/7/2020 1:48	00:03:39
5/11/2020	5200 Blk N Ocean Blvd	5/11/2020 4:49	5/11/2020 4:50	5/11/2020 4:52	00:03:39
5/3/2020	1900 Blk E Terra Mar Dr	5/3/2020 9:28	5/3/2020 9:28	5/3/2020 9:32	00:03:41
5/22/2020	4500 Blk N Ocean Dr	5/22/2020 23:13	5/22/2020 23:16	5/22/2020 23:17	00:03:43
5/14/2020	4400 Blk W Trade Winds Ave	5/14/2020 14:46	5/14/2020 14:49	5/14/2020 14:50	00:03:45
5/1/2020	1600 Blk S Ocean Blvd	5/1/2020 6:06	5/1/2020 6:07	5/1/2020 6:10	00:03:52
5/6/2020	1500 Blk S Ocean Blvd	5/6/2020 21:08	5/6/2020 21:09	5/6/2020 21:12	00:03:52
5/7/2020	1800 Blk S Ocean Blvd	1/0/1900 23:33	5/7/2020 23:34	1/0/1900 23:37	00:03:55
5/1/2020	2100 Blk S Ocean Blvd	5/1/2020 11:14	5/1/2020 11:15	5/1/2020 11:18	00:03:56
5/24/2020	Commercial Blvd / N Ocean Dr	5/24/2020 17:43	5/24/2020 17:45	5/24/2020 17:47	00:03:57
5/25/2020	5100 Blk N Ocean Blvd	5/25/2020 4:22	5/25/2020 4:24	5/25/2020 4:26	00:03:58
5/16/2020	2000 Blk Blue Water Ter S	5/16/2020 10:58	5/16/2020 10:58	5/16/2020 11:02	00:03:59
5/12/2020	3900 Blk N Ocean Dr	5/12/2020 1:50	5/12/2020 1:52	5/12/2020 1:54	00:04:07
5/5/2020	4500 Blk Bougainvilla Dr	1/0/1900 2:38	5/5/2020 2:43	1/0/1900 2:43	00:04:17
5/23/2020	4500 Blk Poinciana St	5/23/2020 2:46	5/23/2020 2:48	5/23/2020 2:50	00:04:20
5/25/2020	3200 Blk Oleander Way	5/25/2020 19:31	5/25/2020 19:32	5/25/2020 19:36	00:04:21
5/7/2020	5200 Blk N Ocean Blvd	5/7/2020 5:47	5/7/2020 5:47	5/7/2020 5:51	00:04:23
5/10/2020	4600 Blk Bougainvilla Dr	5/10/2020 4:51	5/10/2020 4:52	5/10/2020 4:56	00:04:27
5/11/2020	1800 Blk S Ocean Blvd	1/0/1900 16:59	1/0/1900 17:00	1/0/1900 17:04	00:04:39
5/29/2020	1400 Blk S Ocean Blvd	5/29/2020 20:49	5/29/2020 20:49	5/29/2020 20:54	00:04:44
5/29/2020	200 Blk Hibiscus Ave	5/29/2020 3:08	5/29/2020 3:10	5/29/2020 3:13	00:04:45
5/31/2020	100 Blk Commercial Blvd	5/31/2020 0:58	5/31/2020 0:58	5/31/2020 1:02	00:04:46
5/15/2020	5400 Blk N Ocean Blvd	5/15/2020 23:22	5/15/2020 23:26	5/15/2020 23:27	00:04:46
5/11/2020	2000 Blk S Ocean Blvd	1/0/1900 1:38	5/11/2020 1:40	1/0/1900 1:43	00:04:55
5/22/2020	1800 Blk S Ocean Blvd	5/22/2020 18:35	5/22/2020 18:37	5/22/2020 18:40	00:05:19
5/24/2020	200 Blk Shore Ct	5/24/2020 23:18	5/24/2020 23:18	5/24/2020 23:23	00:05:31
5/18/2020	4300 Blk Bougainvilla Dr	1/0/1900 1:16	1/0/1900 1:17	1/0/1900 1:22	00:05:43
5/12/2020	1900 Blk Sailfish Pl	5/12/2020 2:12	5/12/2020 2:15	5/12/2020 2:18	00:06:14
	6 min or less = 99%			Average =	00:03:24

Agenda Item No:

Town Commission Agenda Item Report

Meeting Date: June 23, 2020
Submitted by: Lucila Lang
Submitting Department: Finance Department
Item Type: Finance Report
Agenda Section: Town Manager Report-Finance Report

Subject Title: April 2020 Finance Report (Lucila Lang, Finance Director)

Explanation: Presented is the FY20 April 2020 financial report which consists of the attached Revenue/Expenditure Report (Exhibit 1) and the Cash & Investment Report (Exhibit 2).

Recommendation: Review

The following is a summary of the operating results through April 30, 2020:

Fund	Annual Budget	Budgeted Appropriations	Budgeted Rev Excl Appr	YTD Revenues		YTD Expenditures		Net Amount
				Amount	% of Budget	Amount	% of Budget	
General Fund	$ 13,345,354.00		$ 13,345,354.00	$ 11,060,712.12	83%	$7,195,854.36	54%	$ 3,864,857.76
Sewer Fund	1,130,896.00		$ 1,130,896.00	709,861.07	63%	600,597.69	53%	$ 109,263.38
Fire Fund	1,313,147.00	231,393.00	$ 1,081,754.00	1,031,688.29	95%	530,211.81	40%	$ 501,476.48
Capital Fund	2,303,130.00	2,000,000.00	$ 303,130.00	15,190.37	5%	173,223.23	8%	$ (158,032.86)
Parking Fund	2,177,562.00		$ 2,177,562.00	1,348,819.23	62%	1,033,739.76	47%	$ 315,079.47
Grand Total	$ 20,270,089.00	$ 2,231,393.00	$ 18,038,696.00	$ 14,166,271.08		$9,533,626.85		$ 4,632,644.23

Notable items this month are as follows:

General Fund Revenues:

- While the Town has collected 82.9% of its budgeted General fund revenues, a few items to take into consideration:
    - Due to COVID-19, when comparing April 2019 to April 2020, licenses and permits saw a decrease in the amount of ($63,555.51); with the largest decrease coming from building permits at 87.21% of this total.
    - Other line items are down somewhere between 2-6%.

General Fund Expenditures:

- General fund expenditures are in line with the first 7 months of the fiscal year at 55.6%.
- The Town has experienced some non-budgeted expenses due to COVID-19 but is keeping track and submitting these expenses for reimbursement through available grant(s).

Sewer Fund-103:

- Sewer fund revenues are in line with budgeted amounts at 62.8% for the first 7 months of the fiscal year.
- Sewer fund expenses are in line with the budget at 53.1%

Fire Fund-115

- Fire fund revenues are in line with budget with a collection rate of 95.3% of Fire Assessment fees.
- Fire fund expenses are in line with the budget at 40.4%.

Capital Fund-300:

- Capital Project fund has had limited expenses at 10.3%.

Parking Fund-310:

- Due to COVID-19 and the closure of downtown facilities, parking revenue saw a decrease in the amount of ($195,747.78) when comparing April 2019 to April 2020.
- Parking expenditures are within budget at 49.8%.

NOTE: The world has a pandemic of a respiratory disease that is spreading from person to person caused by a novel (new) coronavirus. The disease has been named “coronavirus disease 2019” (abbreviated “COVID-19”). This has posed a serious public health risk in which the federal government is working closely with state and local partners as well as public health partners to respond to this situation. Different parts of the country are seeing different levels of COVID-19. All U.S. states are reporting community spread of COVID-19. Currently, the Town of Lauderdale-By-The-Sea is following all national, state and local guidelines to prevent the spread in the community.

Attachments:

1. Revenue Expenditure Report
2. Cash and Investment Report

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: GOV Governmental							
Fund: 001 - General Fund							
Revenues							
Dept: 301.000 Ad Valorem Property Taxes							
311.100 Ad Valorem Property Taxes	8,710,268.00	8,710,268.00	8,350,981.05	281,206.77	0.00	359,286.95	95.9
Ad Valorem Property Taxes	8,710,268.00	8,710,268.00	8,350,981.05	281,206.77	0.00	359,286.95	95.9
Dept: 301.100 Utility Taxes							
311.101 FPL Utility Tax	830,000.00	830,000.00	420,736.41	63,665.01	0.00	409,263.59	50.7
311.440 Gas Utility Tax	16,500.00	16,500.00	6,939.48	1,471.23	0.00	9,560.52	42.1
314.300 Water Utility Tax	167,000.00	167,000.00	84,630.30	14,339.96	0.00	82,369.70	50.7
Utility Taxes	1,013,500.00	1,013,500.00	512,306.19	79,476.20	0.00	501,193.81	50.5
Dept: 301.600 Franchise Taxes							
313.100 Fl Power & Light Franchise	600,000.00	600,000.00	296,621.25	40,264.81	0.00	303,378.75	49.4
313.300 Waste Franchise Collection	93,000.00	93,000.00	77,462.93	11,294.16	0.00	15,537.07	83.3
313.301 Waste Franchise Adm-Fee	10,000.00	10,000.00	2,356.92	0.00	0.00	7,643.08	23.6
313.400 Gas Franchise	15,000.00	15,000.00	6,950.75	1,544.93	0.00	8,049.25	46.3
313.600 Towing Franchise Fees	600.00	600.00	260.00	0.00	0.00	340.00	43.3
Franchise Taxes	718,600.00	718,600.00	383,651.85	53,103.90	0.00	334,948.15	53.4
Dept: 302.000 Licenses & Permits							
321.100 Business License Taxes	80,000.00	80,000.00	74,666.74	1,064.77	0.00	5,333.26	93.3
321.110 Sidewalk Cafe ROW	50,000.00	50,000.00	45,777.40	0.00	0.00	4,222.60	91.6
322.100 Building Permits	681,500.00	681,500.00	419,732.64	47,781.40	0.00	261,767.36	61.6
322.105 Fire Plan Review Fees	21,000.00	21,000.00	11,859.00	720.00	0.00	9,141.00	56.5
322.150 Miscellaneous Permits	2,497.00	2,497.00	0.00	0.00	0.00	2,497.00	0.0
322.400 Sign Permits	4,000.00	4,000.00	1,060.00	0.00	0.00	2,940.00	26.5
Licenses & Permits	838,997.00	838,997.00	553,095.78	49,566.17	0.00	285,901.22	65.9
Dept: 303.000 Intergovernmental Revenues							
311.120 Municipal Revenue Sharing	155,600.00	155,600.00	94,195.07	13,456.46	0.00	61,404.93	60.5
311.150 Alcoholic Beverage License	15,500.00	15,500.00	685.21	0.00	0.00	14,814.79	4.4
311.180 Sales Tax	394,000.00	394,000.00	211,402.76	33,686.73	0.00	182,597.24	53.7
312.405 Local Op Gas Tax 1 - 6 cent	65,651.00	65,651.00	31,486.48	4,971.64	0.00	34,164.52	48.0
312.410 Local Op Gas Tax 1 - 5 cent	46,630.00	46,630.00	22,211.19	3,541.32	0.00	24,418.81	47.6
315.100 Communication Service Tax	320,000.00	320,000.00	165,367.82	27,862.34	0.00	154,632.18	51.7
334.904 Hurricane-Storm/FEMA	0.00	0.00	131,977.85	4,411.36	0.00	-131,977.85	0.0
334.910 BCC-Senior Center Grant	18,507.00	18,507.00	18,506.96	0.00	0.00	0.04	100.0
334.914 BCC-Transporation Grant	51,704.00	51,704.00	0.00	0.00	0.00	51,704.00	0.0
334.915 FDOT-Reimbursable Grant	18,064.00	18,064.00	0.00	0.00	0.00	18,064.00	0.0
Intergovernmental Revenues	1,085,656.00	1,085,656.00	675,833.34	87,929.85	0.00	409,822.66	62.3
Dept: 304.000 Charges for Services							
343.902 Site Plan Application Fees	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	0.0
347.500 Tennis - Shuffle Key	9,200.00	9,200.00	9,506.40	0.00	0.00	-306.40	103.3
Charges for Services	11,200.00	11,200.00	9,506.40	0.00	0.00	1,693.60	84.9
Dept: 305.000 Fines & Forfeitures							
354.150 Fines,TrafficViolation,Citatio	31,452.00	31,452.00	19,164.26	3,550.17	0.00	12,287.74	60.9
354.160 Code Enforcement Fines	50,000.00	50,000.00	18,870.00	0.00	0.00	31,130.00	37.7
359.100 Other Fines & Alarms	2,000.00	2,000.00	125.00	0.00	0.00	1,875.00	6.3
Fines & Forfeitures	83,452.00	83,452.00	38,159.26	3,550.17	0.00	45,292.74	45.7
Dept: 306.000 Miscellaneous Revenues							
361.100 Interest Earnings	26,000.00	26,000.00	87,040.58	21,130.00	0.00	-61,040.58	334.8
362.000 Rent/Lease Royalties	67,620.00	67,620.00	43,331.18	6,321.69	0.00	24,288.82	64.1
365.400 Recycling Revenue	3,041.00	3,041.00	0.00	0.00	0.00	3,041.00	0.0
366.100 Donations	5,000.00	5,000.00	1,840.00	0.00	0.00	3,160.00	36.8
369.100 Miscellaneous Revenues	36,308.00	36,308.00	32,383.47	980.00	0.00	3,924.53	89.2
369.200 Miscellaneous Applications	18,975.00	18,975.00	9,423.30	150.00	0.00	9,551.70	49.7
369.201 Miscellaneous MerchandiseSales	689.00	689.00	421.24	0.00	0.00	267.76	61.1
369.250 Recreational Activities Fee	1,250.00	1,250.00	1,429.98	0.00	0.00	-179.98	114.4

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: GOV Governmental							
Fund: 001 - General Fund							
Revenues							
Dept: 306.000 Miscellaneous Revenues							
369.500 Miscellaneous Lobbyist	600.00	600.00	850.00	150.00	0.00	-250.00	141.7
369.901 Insurance Reimbursement	3,281.00	3,281.00	0.00	0.00	0.00	3,281.00	0.0
Miscellaneous Revenues	162,764.00	162,764.00	176,719.75	28,731.69	0.00	-13,955.75	108.6
Dept: 581.100 Interfund Transfers							
380.115 Transfer from Fire - OH Costs	22,000.00	22,000.00	11,000.00	0.00	0.00	11,000.00	50.0
381.106 Transfer from Parking Fund	698,917.00	698,917.00	349,458.50	0.00	0.00	349,458.50	50.0
Interfund Transfers	720,917.00	720,917.00	360,458.50	0.00	0.00	360,458.50	50.0
Revenues	13,345,354.00	13,345,354.00	11,060,712.12	583,564.75	0.00	2,284,641.88	82.9
Expenditures							
Dept: 511.000 Commission							
500.110 Commission Salaries	71,826.00	71,826.00	36,086.83	5,012.06	0.00	35,739.17	50.2
500.210 Employer FICA Taxes	5,300.00	5,300.00	2,584.43	358.98	0.00	2,715.57	48.8
500.220 Retirement	33,400.00	33,400.00	15,904.67	2,446.87	0.00	17,495.33	47.6
500.230 Group Insurance	57,084.00	57,084.00	34,134.22	3,802.25	0.00	22,949.78	59.8
500.345 Contractual Services	3,500.00	3,500.00	1,931.30	75.00	0.00	1,568.70	55.2
500.510 Office Supplies	650.00	650.00	17.67	0.00	0.00	632.33	2.7
500.512 Elections	2,300.00	2,300.00	558.48	0.00	0.00	1,741.52	24.3
500.540 Dues & Subscriptions	1,912.00	1,912.00	350.00	0.00	0.00	1,562.00	18.3
500.545 Training	4,500.00	4,500.00	0.00	0.00	0.00	4,500.00	0.0
500.550 Operating Expenses	9,500.00	9,500.00	7,673.75	97.30	0.00	1,826.25	80.8
Commission	189,972.00	189,972.00	99,241.35	11,792.46	0.00	90,730.65	52.2
Dept: 511.100 Donation-Non Profits							
500.820 Donations-Aids to Private Org	42,753.00	42,753.00	42,753.00	0.00	0.00	0.00	100.0
Donation-Non Profits	42,753.00	42,753.00	42,753.00	0.00	0.00	0.00	100.0
Dept: 511.200 Visitor Center							
500.120 Regular Salaries	12,782.00	12,782.00	8,918.23	1,018.24	0.00	3,863.77	69.8
500.140 Overtime Salaries	1,500.00	1,500.00	1,066.79	0.00	0.00	433.21	71.1
500.210 Employer FICA Taxes	1,044.00	1,044.00	682.24	77.90	0.00	361.76	65.3
500.220 Retirement	1,128.00	1,128.00	862.68	0.00	0.00	265.32	76.5
500.230 Group Insurance	3,454.00	3,454.00	1,868.65	213.20	0.00	1,585.35	54.1
500.340 Sewer/Wastewater	2,700.00	2,700.00	1,223.36	232.57	0.00	1,476.64	45.3
500.345 Contractual Services	29,900.00	29,900.00	26,900.00	13,450.00	0.00	3,000.00	90.0
500.430 Electric Service	1,600.00	1,600.00	591.58	80.26	0.00	1,008.42	37.0
500.431 Water Service	2,800.00	2,800.00	1,293.24	218.93	0.00	1,506.76	46.2
500.520 Bldg. Maintenance	3,000.00	3,000.00	3,460.00	60.00	0.00	-460.00	115.3
500.640 Capital Outlay - Equipt & Mach	6,000.00	6,000.00	0.00	0.00	0.00	6,000.00	0.0
Visitor Center	65,908.00	65,908.00	46,866.77	15,351.10	0.00	19,041.23	71.1
Dept: 513.000 Administration							
500.120 Regular Salaries	645,616.00	645,616.00	363,963.52	50,313.59	0.00	281,652.48	56.4
500.140 Overtime Salaries	2,500.00	2,500.00	1,364.78	0.00	0.00	1,135.22	54.6
500.210 Employer FICA Taxes	49,500.00	49,500.00	27,537.91	3,826.31	0.00	21,962.09	55.6
500.220 Retirement	106,164.00	106,164.00	41,321.73	6,704.35	0.00	64,842.27	38.9
500.230 Group Insurance	129,722.00	129,722.00	76,413.54	9,340.79	0.00	53,308.46	58.9
500.315 Professional Services	50,000.00	50,000.00	17,700.00	5,320.00	0.00	32,300.00	35.4
500.320 Audit Expense	31,500.00	31,500.00	29,500.00	9,000.00	0.00	2,000.00	93.7
500.344 HR Expenses	30,000.00	30,000.00	455.71	0.00	0.00	29,544.29	1.5
500.345 Contractual Services	20,000.00	20,000.00	12,278.72	1,047.25	0.00	7,721.28	61.4
500.463 Service Maintenance Contracts	40,000.00	40,000.00	19,089.47	690.04	1,800.00	19,110.53	52.2
500.506 Printing & Binding	5,000.00	5,000.00	6,240.00	2,187.00	0.00	-1,240.00	124.8
500.508 Postage	4,500.00	4,500.00	1,955.72	-41.50	0.00	2,544.28	43.5
500.510 Office Supplies	7,500.00	7,500.00	4,300.87	553.14	0.00	3,199.13	57.3
500.540 Dues & Subscriptions	8,000.00	8,000.00	2,792.57	50.00	0.00	5,207.43	34.9
500.545 Training	8,000.00	8,000.00	2,701.28	795.87	0.00	5,298.72	33.8

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: GOV Governmental							
Fund: 001 - General Fund							
Expenditures							
Dept: 513.000 Administration							
500.550 Operating Expenses	10,000.00	10,000.00	6,850.71	475.52	9,612.32	-6,463.03	164.6
Administration	1,148,002.00	1,148,002.00	614,466.53	90,262.36	11,412.32	522,123.15	54.5
Dept: 514.000 Town Attorney							
500.310 Legal Expense	255,000.00	255,000.00	167,576.95	41,857.32	0.00	87,423.05	65.7
500.314 Litigation	100,000.00	100,000.00	4,617.74	67.80	0.00	95,382.26	4.6
500.319 Ethics Research, Training & Op	8,000.00	8,000.00	2,825.00	113.00	0.00	5,175.00	35.3
Town Attorney	363,000.00	363,000.00	175,019.69	42,038.12	0.00	187,980.31	48.2
Dept: 519.000 General							
500.120 Regular Salaries	80,000.00	80,000.00	41,230.86	6,153.86	0.00	38,769.14	51.5
500.210 Employer FICA Taxes	6,200.00	6,200.00	3,169.79	473.11	0.00	3,030.21	51.1
500.220 Retirement	6,800.00	6,800.00	3,388.00	521.23	0.00	3,412.00	49.8
500.230 Group Insurance	14,372.00	14,372.00	7,928.16	884.51	0.00	6,443.84	55.2
500.311 Advertisements	8,000.00	8,000.00	2,553.80	129.00	0.00	5,446.20	31.9
500.313 Legal Exp- Other Issues	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	0.0
500.315 Professional Services	75,000.00	75,000.00	15,000.00	0.00	0.00	60,000.00	20.0
500.345 Contractual Services	5,000.00	5,000.00	1,359.98	0.00	0.00	3,640.02	27.2
500.349 Community Bus	173,488.00	173,488.00	88,092.18	5,491.24	0.00	85,395.82	50.8
500.451 Auto, Property & Liability Ins	125,000.00	125,000.00	106,083.00	0.00	0.00	18,917.00	84.9
500.452 Workers Compensation Insur	45,020.00	45,020.00	37,506.00	0.00	0.00	7,514.00	83.3
500.497 Contingency	46,253.00	46,253.00	0.00	0.00	0.00	46,253.00	0.0
500.506 Printing & Binding	10,950.00	10,950.00	324.72	324.72	0.00	10,625.28	3.0
500.508 Postage	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	0.0
500.511 Computer Expense	130,000.00	130,000.00	131,501.71	20,061.34	0.00	-1,501.71	101.2
500.525 Uniform Expense	500.00	500.00	0.00	0.00	0.00	500.00	0.0
500.540 Dues & Subscriptions	500.00	500.00	0.00	0.00	0.00	500.00	0.0
500.545 Training	2,600.00	2,600.00	383.00	0.00	0.00	2,217.00	14.7
500.550 Operating Expenses	37,575.00	37,575.00	20,745.75	-83.97	0.00	16,829.25	55.2
500.552 Recycling and Solid Waste Exp	60,000.00	60,000.00	27,903.55	4,891.90	0.00	32,096.45	46.5
500.640 Capital Outlay - Equipt & Mach	13,700.00	13,700.00	8,576.38	0.00	0.00	5,123.62	62.6
General	848,958.00	848,958.00	495,746.88	38,846.94	0.00	353,211.12	58.4
Dept: 519.100 Business Dev & Marketing							
500.311 Advertisements	77,185.00	77,185.00	11,457.09	720.16	0.00	65,727.91	14.8
500.315 Professional Services	65,500.00	65,500.00	14,796.79	4,876.09	0.00	50,703.21	22.6
500.345 Contractual Services	32,650.00	32,650.00	7,909.02	-1,048.00	0.00	24,740.98	24.2
500.495 Special Events	36,400.00	36,400.00	0.00	-1,752.10	0.00	36,400.00	0.0
500.506 Printing & Binding	41,442.00	41,442.00	4,696.69	1,247.20	0.00	36,745.31	11.3
500.540 Dues & Subscriptions	1,735.00	1,735.00	425.00	0.00	0.00	1,310.00	24.5
500.550 Operating Expenses	1,500.00	1,500.00	0.00	-139.10	0.00	1,500.00	0.0
Business Dev & Marketing	256,412.00	256,412.00	39,284.59	3,904.25	0.00	217,127.41	15.3
Dept: 521.000 Police Department							
500.345 Contractual Services	4,811,226.00	4,811,226.00	2,789,951.32	400,935.50	0.00	2,021,274.68	58.0
500.352 Contract Services	5,000.00	5,000.00	4,996.19	0.00	0.00	3.81	99.9
500.520 Bldg. Maintenance	1,500.00	1,500.00	28.56	28.56	0.00	1,471.44	1.9
500.550 Operating Expenses	5,808.00	5,808.00	297.00	0.00	0.00	5,511.00	5.1
500.640 Capital Outlay - Equipt & Mach	30,000.00	30,000.00	400.00	0.00	0.00	29,600.00	1.3
Police Department	4,853,534.00	4,853,534.00	2,795,673.07	400,964.06	0.00	2,057,860.93	57.6
Dept: 523.000 Emergency Medical Services							
500.345 Contractual Services	823,545.00	823,545.00	480,401.04	68,628.72	0.00	343,143.96	58.3
Emergency Medical Services	823,545.00	823,545.00	480,401.04	68,628.72	0.00	343,143.96	58.3
Dept: 524.000 Development Services							
500.120 Regular Salaries	290,191.00	290,191.00	155,502.87	22,444.21	0.00	134,688.13	53.6
500.140 Overtime Salaries	4,000.00	4,000.00	1,836.80	10.83	0.00	2,163.20	45.9
500.210 Employer FICA Taxes	22,300.00	22,300.00	11,904.55	1,698.74	0.00	10,395.45	53.4

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: GOV Governmental							
Fund: 001 - General Fund							
Expenditures							
Dept: 524.000 Development Services							
500.220 Retirement	45,900.00	45,900.00	28,215.89	4,564.63	0.00	17,684.11	61.5
500.230 Group Insurance	65,378.00	65,378.00	32,764.67	3,815.58	0.00	32,613.33	50.1
500.315 Professional Services	104,500.00	104,500.00	43,466.34	9,542.50	24,250.00	36,783.66	64.8
500.345 Contractual Services	331,600.00	331,600.00	130,967.88	18,732.18	0.00	200,632.12	39.5
500.402 Building Permit Services	520,000.00	520,000.00	258,473.54	59,265.55	0.00	261,526.46	49.7
500.461 Vehicle Maintenance	250.00	250.00	0.00	0.00	0.00	250.00	0.0
500.462 Fuel	1,000.00	1,000.00	125.34	0.00	0.00	874.66	12.5
500.463 Service Maintenance Contracts	2,220.00	2,220.00	2,873.20	234.68	0.00	-653.20	129.4
500.506 Printing & Binding	800.00	800.00	-52.70	28.60	0.00	852.70	-6.6
500.508 Postage	6,000.00	6,000.00	1,326.11	41.50	0.00	4,673.89	22.1
500.510 Office Supplies	3,500.00	3,500.00	730.93	0.00	0.00	2,769.07	20.9
500.525 Uniform Expense	600.00	600.00	0.00	0.00	0.00	600.00	0.0
500.540 Dues & Subscriptions	2,000.00	2,000.00	513.40	0.00	0.00	1,486.60	25.7
500.545 Training	6,000.00	6,000.00	2,690.16	1,185.00	0.00	3,309.84	44.8
500.550 Operating Expenses	9,350.00	9,350.00	4,663.82	257.59	0.00	4,686.18	49.9
500.630 Cap Outlay Imp other than bldg	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	0.0
Development Services	1,435,589.00	1,435,589.00	676,002.80	121,821.59	24,250.00	735,336.20	48.8
Dept: 541.100 Mun Srvcs - Public Works Div							
500.120 Regular Salaries	845,096.00	845,096.00	473,125.12	63,314.08	0.00	371,970.88	56.0
500.140 Overtime Salaries	35,000.00	35,000.00	30,578.20	199.66	0.00	4,421.80	87.4
500.210 Employer FICA Taxes	64,700.00	64,700.00	37,950.52	4,765.60	0.00	26,749.48	58.7
500.220 Retirement	86,521.00	86,521.00	58,123.81	7,769.68	0.00	28,397.19	67.2
500.230 Group Insurance	238,858.00	238,858.00	131,203.35	15,217.99	0.00	107,654.65	54.9
500.315 Professional Services	25,000.00	25,000.00	32,423.29	4,318.75	0.00	-7,423.29	129.7
500.340 Sewer/Wastewater	12,500.00	12,500.00	10,462.88	3,089.22	0.00	2,037.12	83.7
500.345 Contractual Services	134,271.00	134,271.00	103,625.30	12,990.00	0.00	30,645.70	77.2
500.410 Communications	40,440.00	40,440.00	29,022.94	3,025.36	0.00	11,417.06	71.8
500.430 Electric Service	42,000.00	42,000.00	18,365.43	3,045.14	0.00	23,634.57	43.7
500.431 Water Service	120,000.00	120,000.00	69,044.31	10,666.43	0.00	50,955.69	57.5
500.433 Electic Service-Streets	60,000.00	60,000.00	29,016.92	4,339.13	0.00	30,983.08	48.4
500.445 Equip Rent/Lease	16,500.00	16,500.00	30,110.20	8,800.00	0.00	-13,610.20	182.5
500.460 Equipment Maintenance	23,000.00	23,000.00	14,752.78	2,641.72	0.00	8,247.22	64.1
500.461 Vehicle Maintenance	13,000.00	13,000.00	8,354.53	199.04	0.00	4,645.47	64.3
500.462 Fuel	18,000.00	18,000.00	14,881.31	2,001.30	0.00	3,118.69	82.7
500.463 Service Maintenance Contracts	12,776.00	12,776.00	7,961.76	1,312.91	0.00	4,814.24	62.3
500.470 Radio Maintenance	2,400.00	2,400.00	0.00	0.00	0.00	2,400.00	0.0
500.498 Storm Drain Rehab/Maint	50,000.00	50,000.00	9,833.62	1,610.62	0.00	40,166.38	19.7
500.508 Postage	300.00	300.00	243.51	-140.00	0.00	56.49	81.2
500.510 Office Supplies	2,000.00	2,000.00	650.74	0.00	0.00	1,349.26	32.5
500.520 Bldg. Maintenance	60,000.00	60,000.00	43,955.10	3,926.17	0.00	16,044.90	73.3
500.525 Uniform Expense	8,000.00	8,000.00	7,757.71	1,156.55	0.00	242.29	97.0
500.529 Street Light Maintenance	17,538.00	17,538.00	7,247.07	0.00	0.00	10,290.93	41.3
500.530 Street Maint Repair Supply	137,000.00	137,000.00	60,963.65	1,674.50	0.00	76,036.35	44.5
500.531 Grounds Maint/Landscaping	32,500.00	32,500.00	23,914.21	-11,950.00	0.00	8,585.79	73.6
500.532 Signs	10,000.00	10,000.00	3,770.36	208.00	0.00	6,229.64	37.7
500.534 Sidewalk Maint Repair	22,000.00	22,000.00	15,777.00	0.00	0.00	6,223.00	71.7
500.535 Flags	1,200.00	1,200.00	1,548.50	0.00	0.00	-348.50	129.0
500.540 Dues & Subscriptions	1,000.00	1,000.00	1,410.00	150.00	0.00	-410.00	141.0
500.545 Training	5,300.00	5,300.00	1,379.33	0.00	0.00	3,920.67	26.0
500.547 Hurricane Expenditure	25,000.00	25,000.00	287.50	0.00	0.00	24,712.50	1.2
500.550 Operating Expenses	55,000.00	55,000.00	49,977.36	1,281.02	0.00	5,022.64	90.9
500.624 Capital Outlay-Bldg. Improvemt	75,000.00	75,000.00	14,308.06	1,698.06	0.00	60,691.94	19.1
500.640 Capital Outlay - Equipt & Mach	26,500.00	26,500.00	1,541.50	-3,851.00	0.00	24,958.50	5.8
500.644 Capital Outlay-Vehicles	289,500.00	289,500.00	35,451.22	2,872.73	183,878.61	70,170.17	75.8
Mun Srvcs - Public Works Div	2,607,900.00	2,607,900.00	1,379,019.09	146,332.66	183,878.61	1,045,002.30	59.9
Dept: 572.000 Recreation							
500.311 Advertisements	3,150.00	3,150.00	1,170.60	-517.40	0.00	1,979.40	37.2
500.342 Senior Rec. Ctr. Contract	79,631.00	79,631.00	47,740.46	10,674.98	0.00	31,890.54	60.0

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: GOV Governmental							
Fund: 001 - General Fund							
Expenditures							
Dept: 572.000 Recreation							
500.343 Beach Maintenance Contract	264,000.00	264,000.00	134,677.00	20,500.00	0.00	129,323.00	51.0
500.345 Contractual Services	26,500.00	26,500.00	0.00	0.00	0.00	26,500.00	0.0
500.347 Programs	20,000.00	20,000.00	4,184.60	-3,165.40	0.00	15,815.40	20.9
500.430 Electric Service	800.00	800.00	284.68	39.23	0.00	515.32	35.6
500.460 Equipment Maintenance	8,000.00	8,000.00	6,564.08	0.00	0.00	1,435.92	82.1
500.469 Buoy Maintenance	9,000.00	9,000.00	2,350.80	0.00	0.00	6,649.20	26.1
500.495 Special Events	114,100.00	114,100.00	43,342.67	2,758.94	0.00	70,757.33	38.0
500.510 Office Supplies	600.00	600.00	621.44	0.00	0.00	-21.44	103.6
500.520 Bldg. Maintenance	44,500.00	44,500.00	12,358.67	923.81	0.00	32,141.33	27.8
500.536 Sea Oats	12,000.00	12,000.00	8,269.89	0.00	0.00	3,730.11	68.9
500.550 Operating Expenses	82,000.00	82,000.00	56,817.86	502.96	0.00	25,182.14	69.3
500.640 Capital Outlay - Equipt & Mach	32,500.00	32,500.00	26,496.80	1,505.00	0.00	6,003.20	81.5
Recreation	696,781.00	696,781.00	344,879.55	33,222.12	0.00	351,901.45	49.5
Dept: 581.100 Interfund Transfers							
500.997 To Fire Fund - Ocean Patrol	13,000.00	13,000.00	6,500.00	0.00	0.00	6,500.00	50.0
Interfund Transfers	13,000.00	13,000.00	6,500.00	0.00	0.00	6,500.00	50.0
Expenditures	13,345,354.00	13,345,354.00	7,195,854.36	973,164.38	219,540.93	5,929,958.71	55.6

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: GOV Governmental							
Fund: 101 - Special Revenue-Police Conf							
Revenues							
Dept: 306.000 Miscellaneous Revenues							
369.100 Miscellaneous Revenues	0.00	0.00	156.56	0.00	0.00	-156.56	0.0
Miscellaneous Revenues	0.00	0.00	156.56	0.00	0.00	-156.56	0.0
Revenues	0.00	0.00	156.56	0.00	0.00	-156.56	0.0

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: GOV Governmental							
Fund: 115 - Fire Fund							
Revenues							
Dept: 000.000 Appropriated Fund Balance							
380.203 Appropriation fromFireFd/Veh R	231,393.00	231,393.00	0.00	0.00	0.00	231,393.00	0.0
Appropriated Fund Balance	231,393.00	231,393.00	0.00	0.00	0.00	231,393.00	0.0
Dept: 301.050 Fire Assessment							
311.200 Property Tax-Fire Assessment	1,033,754.00	1,033,754.00	985,070.39	45,371.30	0.00	48,683.61	95.3
Fire Assessment	1,033,754.00	1,033,754.00	985,070.39	45,371.30	0.00	48,683.61	95.3
Dept: 304.000 Charges for Services							
342.210 Fire Inspection Fees	33,000.00	33,000.00	34,961.74	507.00	0.00	-1,961.74	105.9
Charges for Services	33,000.00	33,000.00	34,961.74	507.00	0.00	-1,961.74	105.9
Dept: 306.000 Miscellaneous Revenues							
361.100 Interest Earnings	2,000.00	2,000.00	5,156.16	0.00	0.00	-3,156.16	257.8
Miscellaneous Revenues	2,000.00	2,000.00	5,156.16	0.00	0.00	-3,156.16	257.8
Dept: 581.100 Interfund Transfers							
381.105 Transfer from General Fund	13,000.00	13,000.00	6,500.00	0.00	0.00	6,500.00	50.0
Interfund Transfers	13,000.00	13,000.00	6,500.00	0.00	0.00	6,500.00	50.0
Revenues	1,313,147.00	1,313,147.00	1,031,688.29	45,878.30	0.00	281,458.71	78.6
Expenditures							
Dept: 522.000 Fire Department							
500.151 Fire Dept Pension	6,000.00	6,000.00	0.00	0.00	0.00	6,000.00	0.0
500.315 Professional Services	10,000.00	10,000.00	7,770.50	0.00	0.00	2,229.50	77.7
500.320 Audit Expense	7,000.00	7,000.00	7,000.00	2,500.00	0.00	0.00	100.0
500.345 Contractual Services	849,106.00	849,106.00	495,311.81	70,758.83	0.00	353,794.19	58.3
500.624 Capital Outlay-Bldg. Improvemt	369,041.00	369,041.00	9,129.50	1,462.00	0.00	359,911.50	2.5
500.644 Capital Outlay-Vehicles	50,000.00	50,000.00	0.00	0.00	0.00	50,000.00	0.0
500.912 Transfer to General Fund	22,000.00	22,000.00	11,000.00	0.00	0.00	11,000.00	50.0
Fire Department	1,313,147.00	1,313,147.00	530,211.81	74,720.83	0.00	782,935.19	40.4
Expenditures	1,313,147.00	1,313,147.00	530,211.81	74,720.83	0.00	782,935.19	40.4

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: GOV Governmental							
Fund: 300 - Capital Project Fund							
Revenues							
Dept: 000.000 Appropriated Fund Balance							
380.200 Appropriated Fund Balance	1,700,000.00	1,700,000.00	0.00	0.00	0.00	1,700,000.00	0.0
380.204 Appropriated from El Mar Reser	300,000.00	300,000.00	0.00	0.00	0.00	300,000.00	0.0
Appropriated Fund Balance	2,000,000.00	2,000,000.00	0.00	0.00	0.00	2,000,000.00	0.0
Dept: 303.000 Intergovernmental Revenues							
334.928 Broward County-Palm Club Sewer	150,000.00	150,000.00	0.00	0.00	0.00	150,000.00	0.0
Intergovernmental Revenues	150,000.00	150,000.00	0.00	0.00	0.00	150,000.00	0.0
Dept: 306.000 Miscellaneous Revenues							
361.100 Interest Earnings	3,130.00	3,130.00	15,190.37	0.00	0.00	-12,060.37	485.3
361.104 Pompano Beach-Palm Club Sewer	150,000.00	150,000.00	0.00	0.00	0.00	150,000.00	0.0
Miscellaneous Revenues	153,130.00	153,130.00	15,190.37	0.00	0.00	137,939.63	9.9
Revenues	2,303,130.00	2,303,130.00	15,190.37	0.00	0.00	2,287,939.63	0.7
Expenditures							
Dept: 519.000 General							
500.120 Regular Salaries	29,000.00	29,000.00	16,981.80	2,286.16	0.00	12,018.20	58.6
500.210 Employer FICA Taxes	2,330.00	2,330.00	1,272.14	174.89	0.00	1,057.86	54.6
500.220 Retirement	7,300.00	7,300.00	7,489.86	1,072.04	0.00	-189.86	102.6
500.230 Group Insurance	4,500.00	4,500.00	2,587.61	402.90	0.00	1,912.39	57.5
500.315 Professional Services	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	0.0
500.497 Contingency	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	0.0
General	83,130.00	83,130.00	28,331.41	3,935.99	0.00	54,798.59	34.1
Dept: 519.153 Hibiscus- Seagrape to A1A							
500.630 Cap Outlay Imp other than bldg	50,000.00	50,000.00	0.00	0.00	0.00	50,000.00	0.0
Hibiscus- Seagrape to A1A	50,000.00	50,000.00	0.00	0.00	0.00	50,000.00	0.0
Dept: 519.154 Neighborhood Street Lighting							
500.630 Cap Outlay Imp other than bldg	100,000.00	100,000.00	0.00	0.00	0.00	100,000.00	0.0
Neighborhood Street Lighting	100,000.00	100,000.00	0.00	0.00	0.00	100,000.00	0.0
Dept: 519.162 Town Hall Complex							
500.631 Capital Outlay - ADA	65,000.00	65,000.00	0.00	0.00	63,543.00	1,457.00	97.8
Town Hall Complex	65,000.00	65,000.00	0.00	0.00	63,543.00	1,457.00	97.8
Dept: 534.169 A1A Commercial Street Lightin							
500.630 Cap Outlay Imp other than bldg	250,000.00	250,000.00	0.00	0.00	0.00	250,000.00	0.0
A1A Commercial Street Lightin	250,000.00	250,000.00	0.00	0.00	0.00	250,000.00	0.0
Dept: 545.161 Sidewalk Compliance Study							
500.630 Cap Outlay Imp other than bldg	20,000.00	20,000.00	13,056.60	4,524.66	0.00	6,943.40	65.3
Sidewalk Compliance Study	20,000.00	20,000.00	13,056.60	4,524.66	0.00	6,943.40	65.3
Dept: 559.023 Dredging Study							
500.630 Cap Outlay Imp other than bldg	35,000.00	35,000.00	1,957.45	1,957.45	0.00	33,042.55	5.6
Dredging Study	35,000.00	35,000.00	1,957.45	1,957.45	0.00	33,042.55	5.6
Dept: 559.024 East Terra Mar Drive							
500.630 Cap Outlay Imp other than bldg	700,000.00	700,000.00	39,810.39	0.00	0.00	660,189.61	5.7
East Terra Mar Drive	700,000.00	700,000.00	39,810.39	0.00	0.00	660,189.61	5.7
Dept: 559.025 Bel Air -Seawall Repair- East							
500.630 Cap Outlay Imp other than bldg	100,000.00	100,000.00	0.00	0.00	0.00	100,000.00	0.0
Bel Air -Seawall Repair- East	100,000.00	100,000.00	0.00	0.00	0.00	100,000.00	0.0
Dept: 576.115 Datura Portal							

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: GOV Governmental							
Fund: 300 - Capital Project Fund							
Expenditures							
Dept: 576.115 Datura Portal							
500.630 Cap Outlay Imp other than bldg	200,000.00	200,000.00	0.00	0.00	0.00	200,000.00	0.0
Datura Portal	200,000.00	200,000.00	0.00	0.00	0.00	200,000.00	0.0
Dept: 576.129 Palm Club Sewer							
500.630 Cap Outlay Imp other than bldg	400,000.00	400,000.00	89,307.38	12,853.39	0.00	310,692.62	22.3
Palm Club Sewer	400,000.00	400,000.00	89,307.38	12,853.39	0.00	310,692.62	22.3
Dept: 579.169 Greenway- El Mar Drive							
500.630 Cap Outlay Imp other than bldg	300,000.00	300,000.00	760.00	760.00	0.00	299,240.00	0.3
Greenway- El Mar Drive	300,000.00	300,000.00	760.00	760.00	0.00	299,240.00	0.3
Expenditures	2,303,130.00	2,303,130.00	173,223.23	24,031.49	63,543.00	2,066,363.77	10.3

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Net Effect for Governmental	0.00	0.00	4,208,457.94	-442,473.65	283,083.93	-3,925,374.01	
Fund Type: PROP PROPRIETARY							
Fund: 103 - Sewer Fund							
Revenues							
Dept: 304.000 Charges for Services							
343.500 Sewer Fees	1,128,896.00	1,128,896.00	704,908.86	91,921.29	0.00	423,987.14	62.4
Charges for Services	1,128,896.00	1,128,896.00	704,908.86	91,921.29	0.00	423,987.14	62.4
Dept: 306.000 Miscellaneous Revenues							
361.100 Interest Earnings	2,000.00	2,000.00	4,952.21	0.00	0.00	-2,952.21	247.6
Miscellaneous Revenues	2,000.00	2,000.00	4,952.21	0.00	0.00	-2,952.21	247.6
Revenues	1,130,896.00	1,130,896.00	709,861.07	91,921.29	0.00	421,034.93	62.8
Expenditures							
Dept: 535.000 Sanitary Sewers							
500.120 Regular Salaries	76,200.00	76,200.00	43,432.63	6,032.33	0.00	32,767.37	57.0
500.140 Overtime Salaries	5,000.00	5,000.00	1,881.25	0.00	0.00	3,118.75	37.6
500.210 Employer FICA Taxes	5,900.00	5,900.00	3,302.79	459.92	0.00	2,597.21	56.0
500.220 Retirement	13,500.00	13,500.00	6,789.59	924.87	0.00	6,710.41	50.3
500.230 Group Insurance	9,307.00	9,307.00	5,184.80	501.51	0.00	4,122.20	55.7
500.315 Professional Services	30,000.00	30,000.00	0.00	0.00	0.00	30,000.00	0.0
500.340 Sewer/Wastewater	672,500.00	672,500.00	442,323.02	56,793.08	0.00	230,176.98	65.8
500.345 Contractual Services	17,689.00	17,689.00	10,073.07	1,439.01	0.00	7,615.93	56.9
500.430 Electric Service	16,210.00	16,210.00	8,356.67	1,492.30	0.00	7,853.33	51.6
500.431 Water Service	360.00	360.00	95.78	0.00	0.00	264.22	26.6
500.459 Sewer Line Maintenance	12,500.00	12,500.00	78,155.93	5,236.73	0.00	-65,655.93	625.2
500.465 Pump Station Maintenance	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	0.0
500.497 Contingency	100,000.00	100,000.00	0.00	0.00	0.00	100,000.00	0.0
500.550 Operating Expenses	1,750.00	1,750.00	1,002.16	139.90	0.00	747.84	57.3
500.630 Cap Outlay Imp other than bldg	150,180.00	150,180.00	0.00	0.00	0.00	150,180.00	0.0
500.640 Capital Outlay - Equipt & Mach	16,800.00	16,800.00	0.00	0.00	0.00	16,800.00	0.0
Sanitary Sewers	1,130,896.00	1,130,896.00	600,597.69	73,019.65	0.00	530,298.31	53.1
Expenditures	1,130,896.00	1,130,896.00	600,597.69	73,019.65	0.00	530,298.31	53.1

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: PROP PROPRIETARY							
Fund: 310 - Parking Fund							
Revenues							
Dept: 000.000 Appropriated Fund Balance							
380.200 Appropriated Fund Balance	0.00	427,786.00	0.00	0.00	0.00	427,786.00	0.0
Appropriated Fund Balance	0.00	427,786.00	0.00	0.00	0.00	427,786.00	0.0
Dept: 302.000 Licenses & Permits							
313.101 PILOP Fee	8,000.00	8,000.00	12,460.10	750.00	0.00	-4,460.10	155.8
Licenses & Permits	8,000.00	8,000.00	12,460.10	750.00	0.00	-4,460.10	155.8
Dept: 304.000 Charges for Services							
344.500 Parking Permits	130,000.00	130,000.00	84,622.06	0.00	0.00	45,377.94	65.1
344.520 Parking Agreements	62,962.00	62,962.00	62,962.50	0.00	0.00	-0.50	100.0
344.551 South Ocean	150,000.00	150,000.00	85,541.99	57.97	0.00	64,458.01	57.0
344.552 Ocean Front Meters	270,000.00	270,000.00	175,990.69	1,356.45	0.00	94,009.31	65.2
344.553 Commmercial Blvd. Meters	200,000.00	200,000.00	107,736.26	319.86	0.00	92,263.74	53.9
344.554 Parking Meters - Beach	330,000.00	330,000.00	134,880.56	432.11	0.00	195,119.44	40.9
344.556 El Prado Parking Lot	301,000.00	301,000.00	188,285.96	54.03	0.00	112,714.04	62.6
344.558 Town Hall Parking Lot	15,000.00	15,000.00	4,520.08	19.95	0.00	10,479.92	30.1
344.559 El Mar Parking Lot	195,000.00	195,000.00	117,554.57	152.32	0.00	77,445.43	60.3
344.560 A1A Parking Lot	350,000.00	350,000.00	197,234.64	628.71	0.00	152,765.36	56.4
344.563 Bougainvilla/ Poinciana	90,000.00	90,000.00	57,354.31	750.07	0.00	32,645.69	63.7
344.564 Eastward Strand Parking Spaces	0.00	0.00	30,562.12	21.88	0.00	-30,562.12	0.0
Charges for Services	2,093,962.00	2,093,962.00	1,247,245.74	3,793.35	0.00	846,716.26	59.6
Dept: 305.000 Fines & Forfeitures							
354.100 Parking Fines	75,000.00	75,000.00	70,640.34	100.00	0.00	4,359.66	94.2
Fines & Forfeitures	75,000.00	75,000.00	70,640.34	100.00	0.00	4,359.66	94.2
Dept: 306.000 Miscellaneous Revenues							
361.100 Interest Earnings	600.00	600.00	18,473.05	0.00	0.00	-17,873.05	3078.8
Miscellaneous Revenues	600.00	600.00	18,473.05	0.00	0.00	-17,873.05	3,078.8
Revenues	2,177,562.00	2,605,348.00	1,348,819.23	4,643.35	0.00	1,256,528.77	51.8
Expenditures							
Dept: 545.000 Parking Operations							
500.120 Regular Salaries	151,670.00	151,670.00	82,968.06	11,711.38	0.00	68,701.94	54.7
500.140 Overtime Salaries	2,000.00	2,000.00	1,561.50	0.00	0.00	438.50	78.1
500.210 Employer FICA Taxes	11,650.00	11,650.00	6,132.03	874.31	0.00	5,517.97	52.6
500.220 Retirement	18,300.00	18,300.00	9,824.53	1,527.26	0.00	8,475.47	53.7
500.230 Group Insurance	38,298.00	38,298.00	22,710.29	2,962.13	0.00	15,587.71	59.3
500.345 Contractual Services	356,617.00	356,617.00	173,640.39	15,544.33	0.00	182,976.61	48.7
500.353 Parking Alternatives	201,000.00	201,000.00	83,734.77	10.57	0.00	117,265.23	41.7
500.410 Communications	8,316.00	8,316.00	594.61	82.20	0.00	7,721.39	7.2
500.430 Electric Service	4,158.00	4,158.00	2,365.13	363.73	0.00	1,792.87	56.9
500.431 Water Service	16,500.00	16,500.00	11,005.48	761.18	0.00	5,494.52	66.7
500.445 Equip Rent/Lease	21,871.00	21,871.00	0.00	0.00	0.00	21,871.00	0.0
500.461 Vehicle Maintenance	5,000.00	5,000.00	2,368.65	0.00	0.00	2,631.35	47.4
500.462 Fuel	600.00	600.00	2,039.45	0.00	0.00	-1,439.45	339.9
500.463 Service Maintenance Contracts	24,750.00	24,750.00	16,470.00	0.00	0.00	8,280.00	66.5
500.497 Contingency	25,000.00	25,000.00	0.00	0.00	0.00	25,000.00	0.0
500.506 Printing & Binding	6,000.00	6,000.00	220.00	0.00	0.00	5,780.00	3.7
500.508 Postage	2,000.00	2,000.00	379.19	0.00	0.00	1,620.81	19.0
500.510 Office Supplies	1,000.00	1,000.00	272.93	0.00	0.00	727.07	27.3
500.525 Uniform Expense	1,665.00	1,665.00	818.54	0.00	0.00	846.46	49.2
500.532 Signs	8,000.00	8,000.00	5,971.44	0.00	0.00	2,028.56	74.6
500.533 Parking Meter Parts-Supplies	65,100.00	65,100.00	51,130.59	0.00	0.00	13,969.41	78.5
500.545 Training	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	0.0
500.550 Operating Expenses	20,000.00	20,000.00	10,224.28	841.69	0.00	9,775.72	51.1
500.630 Cap Outlay Imp other than bldg	393,460.00	821,246.00	154,346.40	158.40	264,204.61	402,694.99	51.0
500.640 Capital Outlay - Equipt & Mach	75,190.00	75,190.00	45,503.00	0.00	0.00	29,687.00	60.5

For the Period: 10/1/2019 to 4/30/2020	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund Type: PROP PROPRIETARY							
Fund: 310 - Parking Fund							
Expenditures							
Dept: 545.000 Parking Operations							
500.644 Capital Outlay-Vehicles	18,000.00	18,000.00	0.00	0.00	0.00	18,000.00	0.0
Parking Operations	1,478,645.00	1,906,431.00	684,281.26	34,837.18	264,204.61	957,945.13	49.8
Dept: 581.100 Interfund Transfers							
500.912 Transfer to General Fund	698,917.00	698,917.00	349,458.50	0.00	0.00	349,458.50	50.0
Interfund Transfers	698,917.00	698,917.00	349,458.50	0.00	0.00	349,458.50	50.0
Expenditures	2,177,562.00	2,605,348.00	1,033,739.76	34,837.18	264,204.61	1,307,403.63	49.8
Net Effect for PROPRIETARY	0.00	0.00	424,342.85	-11,292.19	264,204.61	-160,138.24	
Grand Total Net Effect:	0.00	0.00	4,632,800.79	-453,765.84	547,288.54	-4,085,512.25	

Town of Lauderdale-by-the-Sea
Cash and Investment Report
as of April
2020

Bank / Other	GL No.	Bank No.	Account Name	Account Type	Bank/ Pool	Balance 4/30/2020	Interest/ Avg % Yield	Interest/Chg Mkt Value	Interest/ Year to Date
			001 General Fund:						
SunTrust	101.000	8015	Master Account	Advantage NOW	SunTrust	9,578,499.44	1.00%	2,699.45	61,181.85
SunTrust	101.009	6876	Emergency Reserve	Advantage NOW	SunTrust	2,500,000.00	1.00%	Included Above	Included Above
			GENERAL FUND	BANK SUBTOTAL		12,078,499.44		2,699.45	61,181.85
SBA	101.300	1471-A	General Fund Invest Acct A	SBA Invest Pool	SBA	173,379.63	0.95%	135.37	1,431.97
SBA	101.400	1472-A	Emergency Reserves Acct A	SBA Invest Pool	SBA	84,117.37	0.95%	65.68	812.05
			GENERAL FUND	SBA SUBTOTAL		257,497.00		201.05	2,244.02
			GENERAL FUND	GRAND TOTAL		12,335,996.44		2,900.50	63,425.87
			101 Police Forfeiture & Training						
SunTrust	101.100	9613	Police Forfeiture Fund	Advantage NOW	SunTrust	13,743.03	1.00%	Included Above	Included Above
			POLICE FUND	TOTAL		13,743.03		**0.00**	0.00
			103 Sewer Enterprise Fund						
SunTrust	101.105	9999	Cash	Advantage NOW	SunTrust	1,392,114.89	1.00%	314.16	5,266.37
			SEWER FUND	TOTAL		1,392,114.89		314.16	5,266.37
			115 Fire Fund:						
SunTrust	101.109	5379	Fire Fund Account	Advantage NOW		1,751,149.97	1.00%	397.22	5,553.38
			FIRE FUND	GRAND TOTAL		1,751,149.97		397.22	5,553.38
			300 Capital Improvement Fund:						
SunTrust	101.115	0010	Cash	Advantage NOW	SunTrust	4,102,093.82	1.00%	898.24	16,088.61
			CAPITAL IMPROVEMENT FUND	TOTAL		4,102,093.82		898.24	16,088.61
			310 Parking Improvement Fund						
SunTrust	101.125	0120	Parking Improvement Account	Advantage NOW	SunTrust	5,106,193.20	1.00%	1,119.44	19,535.70
SunTrust	101.128	8554	PILOP Account	Advantage NOW	SunTrust	21,771.00	1.00%	4.74	61.53
			PARKING FUND	TOTAL		5,127,964.20		1,124.18	19,597.23
			ALL FUNDS	GRAND TOTAL		24,723,062.35		5,634.30	109,931.46

Town of Lauderdale-by-the-Sea
Cash and Investment Report
as of April
2020

Summary by Investment Type	Amount	Percent
Interest Bearing Checking	24,465,565.35	99%
Non-interest Bearing Checking	0.00	0%
SBA Trust Fund/Pools	257,497.00	1%
Repurchase Agreements	0.00	0%
Money Market Funds	0.00	0%
U.S. Securities/Treasuries	0.00	0%
U.S. Federal Agencies	0.00	0%
Federal Instrumentalities	0.00	0%
GRAND TOTAL	24,723,062.35	100%

Summary by Fund		Amount	Percent
101.000/101-400	General Fund	12,335,996.44	50%
	Police Fund	13,743.03	0%
	Sewer Fund	1,392,114.89	6%
	Fire Fund	1,751,149.97	7%
	Capital Improvement Fund	4,102,093.82	17%
	Parking Fund	5,127,964.20	21%
	GRAND TOTAL	24,723,062.35	100%

Summary by Bank/Pool	Amount	Percent
SunTrust	24,465,565.35	99%
Florida Prime/State Board of Admin.	257,497.00	1%
GRAND TOTAL	24,723,062.35	100%

Reconciliation	DO NOT INCLUDE WITH MONTHLY REPORT
Line Item Total	24,723,062.35
Investment Type Total	24,723,062.35
Fund Total	24,723,062.35
Bank Total	24,723,062.35

Compliance Audit

Agenda Item No: 8.b

Town Commission Agenda Item Report

Meeting Date: June 23, 2020
Submitted by: Bill Vance
Submitting Department: Administration
Item Type: Report
Agenda Section: TOWN MANAGER REPORT

Subject Title:
Town Manager Report (Bill Vance, Town Manager)

Explanation:

Recommendation:
Approve/Accept

Attachments:
CoverPage.docx

ACTION PLAN.pdf

Town Commission Agenda Item Report

Meeting Date: June 23, 2020
Submitted by: Bill Vance, Town Manager; Neysa Herrera, Assistant to the Town Manager
Submitting Department: Administration
Item Type: Report
Agenda Section: TOWN MANAGER REPORT

Subject Title: Town Manager Report

Explanation:

LBTS Phase 1 Opening

- On Friday, June 12, Broward County Administrator Bertha Henry issued Emergency Order 20-17, which requires retail establishments and restaurants to post signage containing information regarding social distancing and facial covering requirements, to further mitigate the spread of COVID-19. The new order took effect on Monday, June 1.

  Signs must be conspicuously placed throughout these establishments, including at all entry points. Signs must be at least 8 1/2 x 11" and posted in multiple languages (minimum English, Creole and Spanish). The English and Spanish versions of the sign can be downloaded from the County website: https://www.broward.org/CoronaVirus/Pages/generalDeclarations.aspx

- As part of their webinar series, the Lauderdale-By-The-Sea Chamber of Commerce invited County Commissioner for District 4 Lamar Fisher, as the special guest speaker on June 12th. Commissioner Fisher shared what the County is doing to help support small businesses during the COVID-19 crisis, what will be needed to get to Phase 2 for re-opening and resources available from the Convention and Visitors Bureau to support the tourism industry. The special guest of the June 19th webinar was State Representative, Chip LaMarca, who provided an overview of local State resources and support.

- At this time, downtown LBTS employees that need to apply for employee parking permits may do so over the phone by calling Karen Gates at (954) 640-4200. Staff will deliver the passes to the employees' workplace following social distancing guidelines. The purpose of this measure is to minimize exposure and keep our community and employees safe.

Financial Update

The Town of Lauderdale-By-The-Sea is eligible for $50,000 in grant monies pertaining to the prevention, preparation, and response to COVID-19, under the **FY2020 Coronavirus Emergency Supplemental Funding (CESF)** Program, offered through the Florida Department of Law Enforcement (FDLE). The Town, through the coordination of Finance Department Director, Lucila Lang, submitted an application for this grant program in order to request access to those funds.

Finance Services staff has submitted a draft of the Town's **FY2019 Comprehensive Annual Financial Report (CAFR)** to the audit firm Grau & Associates for their final review. Once this is completed, staff will schedule a meeting with the audit committee and Grau & Associates to review the findings of the report.

Development Services

"You count! If you are counted". To date, the Town's **census** response rate is at 41.1% and continues to be behind the County (57%) and the State (58%). Town staff is encouraging residents to fill out their census forms and ask friends and neighbors to submit their forms in order to increase the response rate. The Census information is used in a variety of ways, most importantly, it is used to determine the financial amount communities may receive in federal assistance. The deadline to submit responses is October 31. You can complete your census form at www.my2020census.gov. It takes no more than 5 minutes!

Short-term Vacation Rentals operations were allowed to resume on Monday, April 15, by the County Emergency Order 20-15. Code Enforcement staff, in coordination with Development Services Director Linda Connors, has been diligently communicating with vacation rental operators and owners to keep them updated on the latest State and County regulations. In addition, staff will be offering a series of short workshops, beginning the week of June 15th, to provide assistance with the reopening process. For more information, please contact Code Officer Bethany Banyas at bethanyb@lbts-fl.gov or 954-640-4220.

Capital Improvement Projects

The bathymetric survey for the **Dredging Study** has been completed. Initial review of survey did not reveal any immediate areas of concern. A date for the Benthic survey (assess the health of the coastal waters) has not been set yet. However, the work is anticipated to be completed in the next 90 days. The Chappell group, the consulting firm approved by the Town to conduct this study,is also currently compiling preliminary information for dredging quantities.

The **Pedestrian and Bicycle Circulation Enhancement Plan** is underway. In order to invite residents to provide their input on the development of a feasible plan to improve the safety and connectivity of pedestrian and bicycle circulation throughout the Town, the Town posted an online survey on the Town website, which was available through June 16th. In total, 180 were received. The Consultant, The Corradino Group, and staff will use the information gathered to finalize the report. A presentation will be made to the Planning and Zoning Board at their August 5th meeting. Public comments will be accepted at that time. Final consideration by the Town Commission will be scheduled in September.

The grading portion of the **Friedt Park Courtyard Improvements** project has been completed. It is anticipated that pavers will be delivered the week of June 22nd and installation will begin shortly thereafter.

Other Projects

The Town Commission-approved **2020 Case 621G Wheel Loader** has been delivered and Municipal Services staff has received training on the operation of the new vehicle.

Municipal Services Staff has started **replanting activities downtown**, replacing dead landscaping.

Patriotic decorations, including American flags, banners and bunting will be installed the week of June 22nd throughout Town.

The Town's Public Information Officer and IT Administrator, Steve D'Oliveira, is working on the July-August-September issue of the **Town Topics** newsletter. The publication will be released to the public in early July.

Marketing Updates

On June 9th, the Town organized a great "Around Town" photo shoot for social and other media requests to promote **"Clean and Safe in LBTS",** showing that while we are safe, we are still the fun little town everyone wants to visit. Debbie Hime, the Town's Special Projects Coordinator and Marketing Specialist is coordinating a script with video shoot for a montage video that will include Hotels, Retail and Restaurants showing "Clean and Safe" in all business sectors.

Recommendation: N/A

Attachments:
Action Plan

AREA 1: SUSTAINABILITY ● RESILIENCY ● ENVIRONMENT		
Goal 1.1	**PROTECT THE BEACH**	
1.1.1	Planting took place at Coastal Arms Dune on 1-18-20 & 2-8-20 Post and rope was added around the new dune in February 2020	Ken Rubach
1.1.2	January 2020 Staff has begun working with a consultant on the initial steps to creating a dune management plan, this is expected to continue throughout the rest of 2020 and reaching into 2021	
Goal 1.2	**PROTECT EXISTING CORAL REEFS AND DEVELOP NEW ONES**	Steve d'Oliveira
1.2.1	Update Commission in March/April on latest out-planting. Explore media coverage for our second 5-year coral restoration project	
1.2.2	Coordinate with county on their mitigation reef project stemming in the Segment II beach re-nourishment. The County plans to deploy 9 acres of concrete reef modules in 20 feet of water north and south of the pier. The Commission was briefed on this project at meeting about a year ago. The project will provide substantially more underwater habitats for a variety of Florida Marine Life.	
1.2.3	Fund Phase II plantings of the NSU Staghorn Coral project in LBTS. COMPLETE 2-20-2020 1,000 corals were out-planted in December 2019. NSU plans to plant 500 more corals by April and 500 more in the fall.	
1.2.4	Implement a limestone boulder project to create a new habitat for tropical fish that can be easily accessed by snorkelers. The proposal calls for placing several tons of limestone boulders in 12 feet of water off El Prado Park close to swim buoys.	
Goal 1.3	**PROACTIVELY ADDRESS LOCAL LEA LEVEL RISE ISSUES**	
1.3.1	Evaluate seawall standards and recommend ordinance 9-26-18 - Collected recent seawall ordinances. Waiting for County and Corp of Engineers' study 10-23-18 - Municipal seawall workshop on Nov. 16, 2018 - staff attended 9-26-19 - The Planning Council will review language regarding resiliency that includes regulations regarding sea wall height at the September 26, 2019 meeting 5-26-20 - The county approved a Countywide standard on March 31, 2020. Development Services staff will moving forward to ensure the Town is in compliance with the County's new regulations regarding sea wall height. County deadline is March 2022.	Linda Connors
1.3.2	Stormwater Master Plan study is underway, it will be completed later this year	

AREA 2: PARKING & TRANSPORTATION		
Goal 2.1	**IMPROVE OUR PARKING SYSTEM**	Bill Vance Neysa Herrea Ken Rubach
2.1.1	Change to staff, will install EV charging station in A1A lot in March 2020 4-28-20 - Charging Station equipment has been received, the concrete pad has been pour, and the wiring has be run. Awaiting a scheduled install date from ChargePoint, anticipating May 2020. 5-20-20: On May 7th, 2020, ChargePoint installed the EV Charging station in the A1A lot. Electric car users, will be able to find the station via the ChargePoint App, Google Maps, Apple Maps. 5-20-20 - Parking Consultant (Desman) submitted a draft of their study to staff for review. The memorandum includes recommendations related to potential properties for parking, updates to the existing Parking Study from 2015, and technologies for maximizing efficiency in parking utilization.	
2.1.2	Implement a system that notifies the driving the public of available parking spaces. i. Analyze the cost of the technology to identify and display available parking spaces in lots. ii. Decide whether to proceed to Requests for Proposals 4-28-20: Staff participated in call with Parking Consultant (Desman) on Thursday, April 23, to discuss potential software options and mobile applications that notifies drivers of available spaces. Consultant will submit recommendations to staff by May 8. 5-26-20 - Implement a system that notifies the driving the public of available parking spaces	
2.1.3	January 2020 - Installation of Bollards along the path of the new island adjacent to Bougainvilla/Poinciana is scheduled for Spring 2020. 4-28-20 - Conduit for bollards have been run and pouring of concrete footers anticipated the week of 4/27. Bollards will be installed once they arrive, anticipated delivery date is in May 2020 barring any COVID related delays	
Goal 2.2	**EVALUATE THE TOWN'S TRANSIT SERVICES / BUS SHELTERS**	

2.2.1	Evaluate public transportation options and report to Commission: (Debbie Hime and Lucila Lang) i. Identify the current services. (Broward County Transit (BCT), Pelican Hopper) Broward County Transit currently has Routes 11 (North/south on A1A) and 55 (east/west on Commercial) in LBTS ii. Evaluate option to improve the efficiency of the Pelican Hopper (hours, route and frequency) 1-24-20 BCT/Penny Surtax began reimbursing Town for our current $44 hourly rate beginning FY20 2-1-20 The new Community Shuttle route is expected to go into effect in April with a new app that is already being tested on the current route. 5-20-20 Due to CV-19 the Hopper is running a limited daytime schedule on Monday, Wednesday and Friday until further notice. With BCT requiring designated stops, we will be re-evaluating the evening route to ensure we are providing adequate service. iii. What alternative services could be offered? (door-to-door, ridesharing or ?) Evaluate the need for a parking shuttle on Friday evenings, Saturdays (day & night), and Sunday (day & night) during season to determine cost, utilization and impact on parking perceptions and utilization. Town has designated a location for a ride share pickup/drop off and we are researching funding for a shelter. We have begun research for on demand rideshare in Town; first estimates are $180k per car per year; ADA compliancy is also an important factor. 1-24-20 BCT is testing on demand for a year in three west Broward areas and will advise us of their test next year. **Bus Shelters:** There are three new BCT bus shelters proposed for FY20 which are being coordinated at this time. 4-24-20 Due to COVID-19, BCT has suspended all updates to routes until further notice, so they may focus all resources on the current environment	
Goal 2.3	**REDUCE CUT-THROUGH TRAFFIC IN RESIDENTIAL NEIGHBORHOODS THROUGH THE USE OF TRAFFIC CALMING INITIATIVES IN NEIGHBORHOODS**	
2.3.1	Analyze results and determine whether to continue on a more permanent basis	Tom Palmer Ken Rubach Jay Flynn
2.3.2	February 2020 portable signs use is ongoing in several areas throughout Town. FDOT is still testing the manufacturers usage of speed sign on their roadways	
Goal 2.4	**REDUCE TRAFFIC, PEDESTRIAN, AND BICYCLE VIOLATIONS THROUGH INCREASED TRAFFICE ENFORCEMENT**	

2.4.1	Analyze results and report to the Commission Semi Annually In 2019 there was a 5.5% decrease in traffic crashes and an increase of 10.8% in traffic citations issued as compared to 2018. The breakdown are as follows: 2018 crashes 182 vs 2019 crashes 172, 2018 citations 2,288 vs. 2019 citations 2,535. It is nearly a 50/50 split between written warnings and non-moving violations	Tom Palmer
Goal 3.1	**PRESERVE THE TOWN'S HISTORY**	Linda Connors
3.1.1	Develop historic information markers or boards. FY17 – FY 21 Create a Mid Century Modern Map (MIMO)	Debbie Hime Linda Connors Steve d'Oliveira
Goal 3.2	**MAINTAIN AND IMPROVE THE WALKABILITY OF THE TOWN**	
3.2.1	Develop Walkability and Bike Master Plan for the main streets in Town. The FY19 budget includes $20,000 to develop the plan. 2-26-19 Staff is drafting RFP for release in March 9-26-19 The RFP was released this summer. One firm responded. We are currently reviewing their submittal and anticipate a contract to be scheduled for the Commission agenda in November. 2-25-20 Commission approved the Corradino Group. Staff has held kick-off meeting. Consulting are gathering public information. We expect a public meeting in April. 4-28-20 The Commission hired a consultant to develop the pedestrian plan. However, the public meeting was cancelled due to COVID19. With the success of the El Mar design project's online participation efforts, the staff will propose an online participation meeting for this project as well. 5-26-10 - The Town is moving forward with the Pedestrian Plan through online participation survey that will begin on May 26 and be available for the next two weeks.	Linda Connors
Goal 4.1	**IMPROVE NEIGHBORHOODS**	Linda Connors Ken Rubach
4.1.1	**Neighborhood Plans.** Work with neighbors that want to create a plan to improve their neighborhood. Elements of the plan may include streetscape, swale restoration, sidewalks and streetlights	
Goal 4.2	**ADDRESS STORMWATER FLOODING**	Ken Rubach
4.2.1	Promote the merits of swale restoration - Ongoing 9-20-19 - staff is examining where swales would have the most impact. This will be a part of the stormwater master plan Promote the merits of swale restoration - Ongoing	

Goal 4.3	**DEVELOP CONCEPTS FOR A TOWN HALL/PUBLIC SAFETY COMPLEX**	Ken Rubach Tom Palmer Jud Hopping
4.3.1	February 2020 - a space needs analysis is currently being conducted by a firm who met with FIRE and BSO to determine the amount of sq. footage and the types of usage needed for their operations 4-28-20 - Study has been completed and will be reviewed by staff. Commission Assignment- Striping- 4-23-20 Contractor completed thermal striping identified areas in the week of 4/20 with the exception of Commercial Blvd between El Mar & A1A, anticipated completion the week of 4/27. Staff continues to refresh lines for parking spaces town wide on an as needed basis.	
Goal 4.4	**SEWER RESTORATION**	
4.4.1	January 2020 - staff will line several laterals this year to test out the process and request additional funding for next year. January 2020 - staff will incorporate schedule for televising and cleaning of sewer mains.	
	AREA 5: ECONOMIC DEVELOPMENT	
Goal 5.1	**PROMOTE THE HOTEL HOSPITALITY SECTORS**	Linda Connors
5.1.1	Fast track develop building permits reviews for hotels. Ongoing	
5.1.2	**The Thunderbird (4521 N Ocean)** was cited for property maintenance issues and the case was heard by the Special Magistrate at the April 26, 2018 hearing. Compliance is required by May 22nd or fines will begin to run. This property already has fines running for the lack of maintenance on its sign. These fines totaled $730,000 as of May 2nd. Awaiting update from attorney	
Goal 5.2	**Assist in making business viable on Commercial Boulevard west of Bougainvilla Drive**	
5.2.1	January 2020- Wiring of banner poles will take place in Feb/March. Once these are wired new lights will be installed upon receiving them. Additional outlets in the islands adjacent to the businesses in the plazas will also be installed in Spring 2020 to provide additional opportunities for lighting/decorations.	
	· New benches and chairs are on order for the West Business	Ken Rubach
	· A landscaping company has been hired to focus on enhancing the West Commercial District's overall attractiveness	
	· Address guidelines to help businesses west of Bougainvilla to enhance their outside promotional efforts	Debbie Hime

	· New Holiday and Generic plaza banners are being produced	Debbie Hime
	· A giant Addy chair is on order and will be tested in a plaza to gauge whether a large decorative piece will bring more foot traffic to the area	Debbie Hime
	· Coordinating a May "Addy Stroll" with West Businesses and local artists showcased in LBTS businesses for the "Addy Chair Art Project " where wooden Addy chairs will be sponsored by local businesses, painted by local artists, and showcased in the four plazas. **Tabled until further notice**	Debbie Hime
AREA 6: IT /PIO		
6.1.1	Complete Jarvis Hall / Community Center AV upgrades	
6.1.2	Town Computers/Monitors	
6.1.3	Granicus Dais voter encoder - Researching	Town Clerk
6.1.4	Proposed cyber-security measures (subscription & 45 minute test)	
6.1.5	Explore possible IT class/course	
6.1.6	Explore AT&T cyber-security options	
6.1.7	Possible network assessment Konica-Minolta	
6.1.8	Lunch & learn seminar in January for all employees with computers	
6.1.9	January town topics	
6.1.10	Website updates (ongoing) / new environmental pages	Debbie Hime
6.1.11	Hire vendor for fillable forms / front page back-up	
6.1.12	Explore no index uploads for docs with time-sensitive documents	
6.1.13	Create Town Facebook page	
6.1.14	Promote notify me to Town residents (ongoing)	
6.1.15	Update channel 78 graphics	
6.1.16	BugFest Set-up February kickoff meeting	
6.1.17	Review resources provided by CivicPlus for online fillable forms and payments, resident engagement, workflow management, finance, etc. (two year plan) – staff is meeting bi-weekly to assess each department's needs	

COMMISSION ASSIGNMENTS		
4/10/2018	Commission Malkoon asked that the Town evaluate the condition of the seawall on Bel Air Drive (SE 15th Street), which is owned by the Palm Club, Leisure Gardens and the Town.	
4/10/2018	Commissioner Strauss asked that we request FDOT to conduct a safety studies of the Commercial Boulevard and West Tradewinds intersection. This would also include the concepts to relocation the west to south turn lane on Commercial at this intersection.	
9/20/2018	Money has been budgeted in FY20 budget to repair Town owned section of the wall. Prior to repairs a survey will do done to ensure all Town owned areas are repaired.	
9/26/2018	Commissioner Oldaker requested staff to check street striping though out Town and replace when appropriate.	Ken Rubach
9/20/2019	Staff reached out to Broward County and striping within their jurisdiction has been done. Several areas throughout town have also been refreshed e by staff. Striping has been included within the FY20 budget in order to install thermal striping which lasts much longer than paint or “tape” stripes.	
FY 19 BUDGETED PROJECTS & STAFF PROJECTS		
1.	Evaluate switching from the quarterly Town Topics written format to an e-newsletter. FY18	Steve d'Oliveira
2.	9/20/19 We have purchased software are prepared for e-newsletter deployment	Debbie Hime
3.	Monitor the request to FDOT to move the turn lane at the foot of the Intracoastal Bridge to the east thus closing the Commercial median at West Tradewinds. 9-20-19 Discussed with FDOT and MPO at 9/17/19 Meeting; FDOT asked Staff to formally recommend the project as they have an upcoming Commercial Blvd plan being developed.	
4.	Evaluate hardening off-site warehouse for use after a hurricane. FY18	
5.	9/20/19: Staff has begun the process of reviewing what work needs to be done to improve site.	
6.	Evaluate the feasibility of offering beach concessions.	TBD

Town Commission Agenda Item Report

Meeting Date: June 23, 2020
Submitted by: Tedra Allen
Submitting Department: Administration
Item Type: Minutes
Agenda Section: APPROVAL OF MINUTES

Subject Title:
June 9, 2020 Town Commission Meeting Minutes (Tedra Allen, Town Clerk)

Explanation:
June 9, 2020 Town Commission Meeting Minutes

Recommendation:
Approve/Accept

Attachments:
June 9, 2020 Town Commission Meeting Minutes

MEETING MINUTES
TOWN OF LAUDERDALE-BY-THE-SEA
TOWN COMMISSION
VIRTUAL REGULAR MEETING MINUTES
Broadcast from Jarvis Hall
4505 Ocean Drive
Tuesday, June 9, 2020
6:30 PM

1. CALL TO ORDER

Mayor Chris Vincent called the meeting to order at 6:31 p.m. Also present via teleconference were Vice Mayor Alfred "Buz" Oldaker, Commissioner Edmund Malkoon, Commissioner Elliot Sokolow, Commissioner Randy Strauss, Town Manager Bill Vance, Town Attorney Susan L. Trevarthen, Assistant to the Town Manager Neysa Herrera, Finance Director Lucila Lang, Municipal Services Director Ken Rubach, Development Services Director Linda Connors, Public Information Officer Steve d'Oliveira, and Town Clerk Tedra Allen.

2. PLEDGE OF ALLEGIANCE TO THE FLAG

3. INVOCATION – Moment of Silence

All in attendance observed a moment of silence.

4. ADDITIONS, DELETIONS, DEFERRALS OF AGENDA ITEMS

None.

5. PRESENTATIONS

None.

6. PUBLIC COMMENTS

Town Clerk Tedra Allen read the following public comments:

- Barbara Cole, resident, expressed concern with the El Mar Drive project, stating that plans should include upgrades to lighting, sidewalks, landscaping, and drainage but should make few other changes

With no other individuals submitting comments at this time, Mayor Vincent closed public comment.

7. PUBLIC SAFETY DISCUSSION

7.a BSO May 2020 Report (Captain Thomas Palmer, BSO)

Captain Thomas Palmer of the Broward Sheriff's Office (BSO) recognized Deputy Eddie Hernandez as Employee of the Month.

Commissioner Strauss made a motion, seconded by Vice Mayor Oldaker, to approve. Motion carried 5-0.

7.b VFD May 2020 Report (Chief Judson Hopping)

Vice Mayor Oldaker made a motion, seconded by Commissioner Malkoon, to approve. Motion carried 5-0.

8. TOWN MANAGER REPORT

8.a Town Manager Report (Bill Vance, Town Manager)

Assistant to the Town Manager Neysa Herrera reported that on May 29, 2020, Broward County Administrator Bertha Henry issued Emergency Order 20-14, which expanded beach activities permitted within Broward County. The order also addresses community rooms and permits doubles matches of racquet sports. Broward beaches are now open to picnicking, sunbathing, and use of canopies, lounges, and coolers. Organized sports such as volleyball are prohibited, and group gatherings of more than 10 people are not allowed.

Beachgoers must maintain social distancing both on the beach and in the water, with the exception of members of the same household. Beach equipment provided by vendors or hotels must be sanitized between rentals. Changing rooms, pavilions, playgrounds, and exercise equipment areas remain closed.

On June 4, 2020, the Broward County Surtax Oversight Board recommended the El Mar Drive improvement project for Cycle 1, which includes the current year. On June 16, the Broward County Board of County Commissioners will consider and approve the allocation

of surtax funds for municipal projects. The funding recommended for Cycle 1 is $240,000, which will help cover design costs.

Code Inspector Terry-Anne Boyd-Reynolds represented Lauderdale-By-The-Sea at a recent panel held by Sea Turtle Conservancies on May 28, 2020. Staff and Code Officers continue to work with beachfront properties to ensure compliance with turtle lighting requirements.

The Development Services Department is testing the possibility of allowing virtual building inspections. This initiative is expected to begin in July 2020. The Development Services is also conducting website upgrades to ensure its pages are easily navigable for forms and applications.

On Friday, June 5, 2020, Broward County issued Emergency Order 20-15, which addresses reopening of short-term vacation rental properties. The order will take effect on Monday, June 15.

The Seaside Villas are undergoing major renovations and a building application has been submitted to the Town. The Development Services Department is awaiting the re-submittal of this application addressing Staff comments. Staff holds bi-weekly meetings with the applicant to guide them through the process.

As of June 8, 147 responses have been submitted to the Pedestrian and Bicycle Circulation Enhancement Plan, which is available online. This public outreach allows residents and businesses to provide input on creating and improving pedestrian and bicycle connectivity within the Town. The deadline for responses is June 16, 2020.

Plans for the Terra Mar drainage improvement project are complete, and State Contracting has submitted a proposal that is under review by the Town Engineer and the design firm responsible for the project. The Town Manager recommends a start date for construction in autumn 2020.

Municipal Services Director Ken Rubach is in contact with the Florida Department of Transportation (FDOT) regarding the installation of a crosswalk at A1A and Hibiscus Avenue. FDOT is working to negotiate items not included in the initial contract. Once prices have been agreed upon, a supplemental agreement will be issued by FDOT, followed by an order to the Town. The goal is to initiate installation within the next 90 days.

This year's Florida Legislative Session allocated $250,000 for the design of the Palm Club sewer project. Staff is waiting for the Governor's signature. These funds will help cover the project's design.

Jarvis Hall exterior portico repairs are ongoing: the flooring has been completed, and the railing is expected to arrive the week of June 19. Design firm Baxter and Woodman is currently reviewing the Stormwater Master Plan, based upon responses and feedback from residents submitted by May 31. The Town received 50 comments on this project from residents. If any individuals wish to report additional areas of concern, they are encouraged to submit comments to TianaG@lbts-fl.gov .

Friedt Park courtyard improvements are ongoing, with earth work and grading currently underway. Concrete has been poured, and electrical conduits and irrigation sleeves have been installed. Substantial completion of the project is anticipated in mid-July.

Other ongoing projects include:

- Speed sign on Commercial Boulevard/E Tradewinds Avenue, to be replaced with permanent signage upon FDOT approval
- Installation of bus shelters at five locations in the Town; Staff is awaiting drawings from Broward County Transit (BCT) to identify locations and hopes to work with BCT to expedite this process
- The Florida Department of Environmental Protection (DEP) has approved relocation of a sea grape colony to the Pine Avenue portal; relocation will commence when turtle season ends
- New streetlight fixtures have been installed in the West Commercial plazas
- Staff has begun replacing turtle lights east of A1A on the Commercial Boulevard/El Mar Drive corridor

While the COVID-19 pandemic has given mixed paper a positive value as a recyclable material, Recycling Coordinator Vicki Eckles recommends that the Town continue to exclude it from the recycling program. The Town is still experiencing significant contamination of recyclable materials.

The Commissioners discussed the presentation, with Commissioner Malkoon requesting an update on the reopening of Town Hall. Town Manager Bill Vance replied that this is anticipated after the July 4 holiday. Town Staff has maintained effective operations while observing safety protocols for employees. All Department Heads and the Town Manager have worked together to create a list of concerns to be met before employees can safely re-enter the workplace.

Vice Mayor Oldaker asked if the Town could consider the possible inclusion of a dog park within Friedt Park, using many of the same regulations practiced in Wilton Manors. He also requested an update on the status of the pier renovation. Town Manager Vance advised that financial challenges associated with the COVID-19 pandemic have delayed work on the pier. Meetings will be scheduled to determine how this project will continue to move forward.

Commissioner Sokolow requested additional information on the Town's recycling program. Town Manager Vance stated that he and Finance Director Lucila Lang are reviewing the financial aspects of the Town's solid waste contract as well as recyclables. At present, solid waste revenues significantly exceed the costs of subsidizing recycling.

8.b Code Compliance Status Report (Linda Connors, Development Services Director)

Development Services Director Linda Connors recalled that Town Manager Vance had previously requested an update on the Code Compliance Department. The Code Compliance team consists of three individuals. As of May 2020, there are approximately 84 cases that have active violations. Among these cases, there are:

- 48 cases working through the Code Office that have not yet gone before the Special Magistrate
- 20 cases that have gone before the Special Magistrate and are going through that process
- 16 cases which include liens on property

Of the 48 cases still within the Code Compliance Department, five are related to Building Code, six are related to business tax receipt (BTR) and licensing, 17 are related to Sign Code, and 20 are related to property maintenance. She added that compliance is not the highest priority during the ongoing pandemic.

Code Compliance uses a number of tools to bring properties into compliance, including proactive outreach through *Town Topics* as well as the Town website. If communication does not result in compliance, the Town provides a notice of violation, followed by the Special Magistrate process.

Most Code violations do not go before the Special Magistrate, as the Town's Code Officers often gain compliance before this process can begin. Approximately 21% of these cases go before the Special Magistrate and 9% become liens. The Town has also used

non-traditional resources to bring properties into compliance, including foreclosure, receivership, use of the County's Unsafe Structures Board, and nuisance abatement. Because these options are often expensive, they are only used for the most problematic properties.

Another tool the Town has used recently is enhanced communication, which includes procurement of a nuisance contractor. The contractor will allow the Town to place a lien on troubled properties without use of Municipal Services Staff. They are also working to implement a process to allow Code Officers to write a direct ticket to properties in violation of Code. These tickets may be appealed through civil action.

The Town has approximately $10.9 million in liens on properties at present. Each month, Staff provides a report showing the status of properties with $75,000 or more in liens. There are 10 such properties, which have accrued $9.6 million in liens together and constitute 87% of Code liens. The remaining $1.3 million is made up by 15 properties with smaller liens.

Mayor Vincent recalled that at a recent Commission meeting, a decision was made to no longer provide the report of properties with more than $75,000 in liens: these will be brought forward only at the request of the Commission. Town Manager Vance advised that he is working with Development Services Director Connors to eliminate as many Special Magistrate cases as possible. In addition, the majority of the $9.6 million total in liens is associated with Florida Development Group (FDG) properties. This has led to elimination of the report.

Cases that require use of the Town's additional tools often necessitate time and extra consideration as they move forward through the Town Attorney's Office. The mitigation process allows the Commission to bring forward a property with liens and determine the amount with which they wish to proceed to bring that property into compliance.

Development Services Director Connors addressed the mitigation process, which allows liens to be mitigated as a means to encourage compliance. Between 5% and 100% of liens can be collected, based upon the impact that the violation has had on the Town. She emphasized that it is unusual to collect 100% of liens, as they are primarily a tool by which the Town encourages individuals to maintain their properties.

Mayor Vincent observed that it may be useful for the Commission to discuss the mitigation process in the future, as individuals may assume their liens will be reduced significantly through this process and therefore take no action to maintain their properties. Town

Attorney Susan Trevarthen advised that she is in favor of retaining the mitigation process, as most cities have a similar program in place. She reminded the Commission that there is no automatic percentage to which liens are mitigated, and decisions are based on established mitigation criteria.

Development Services Director Connors advised that there are cases in which an individual has requested mitigation for a lien but received no reduction, depending upon the circumstances of the situation. Town Attorney Trevarthen noted that Lauderdale-By-The-Sea's policy allows the Town Manager to make these administrative decisions only if more than 50% of a lien has been paid.

9. TOWN ATTORNEY REPORT

Town Attorney Trevarthen advised that the Town Manager forwarded an email from Broward County to the Commission regarding the June 16, 2020 Board of County Commissioners meeting. This meeting will discuss two potential Charter questions, which would have to go before the voters for approval. One question addresses the circumstances in which the County Commission's Ordinances could take precedent over Town Ordinances if they leased or owned property within the Town for regional purposes. This raises significant questions regarding home rule. The Commissioners agreed by consensus to hear more information on the proposed Charter question before making a decision on input.

Town Attorney Trevarthen continued that a virtual Executive Session is planned for Thursday, June 11, 2020.

10. APPROVAL OF MINUTES

10.a May 26, 2020 Town Commission Meeting Minutes (Tedra Allen, Town Clerk)

Vice Mayor Oldaker made a motion, seconded by Commissioner Strauss, to approve. Motion carried 5-0.

11. CONSENT AGENDA

11.a 2020 Amendments to the Interlocal Agreements between Broward County and the Town of Lauderdale-By-The-Sea Providing for Division and Distribution of the Proceeds of:

- **The "additional" local option gas tax agreement levied in 1994 provides for Cities to receive 51.27% of three cents of gas tax. The Cities' share of this gas tax has increased over the years due to annexations; however, there were no annexations of populated areas effective September 2019, so the Cities' share of the three cents of gas tax will remain the same as last year. As a result, this amendment adjusts each City's percentage share of the 51.27% based on updated population figures.**
- **The "transit gas tax" agreement levied in 2001 provides for Cities to receive 26% of the proceeds of one cent of gas tax. This amendment includes adjustments to each City's percentage share based on updated population figures. (Lucila Lang, Finance Director)**

Town Attorney Trevarthen recommended that the Commission vote separately on the two Resolutions, which she read into the record.

Resolution 2020-22 – A RESOLUTION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, APPROVING THE 2020 AMENDMENT TO THE INTERLOCAL AGREEMENT WITH BROWARD COUNTY FOR DISTRIBUTION OF THE PROCEEDS OF THE THREE CENT ADDITIONAL LOCAL OPTION GAS TAX ON MOTOR FUEL; AUTHORIZING EXECUTION OF THE 2020 AMENDMENT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Commissioner Sokolow made a motion, seconded by Vice Mayor Oldaker, to approve Resolution 2020-22. Motion carried 5-0.

Resolution 2020-23 – A RESOLUTION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, APPROVING THE 2020 AMENDMENT TO THE INTERLOCAL AGREEMENT WITH BROWARD COUNTY FOR DISTRIBUTION OF THE PROCEEDS OF THE FIFTH CENT ADDITIONAL LOCAL OPTION GAS TAX ON MOTOR FUEL; AUTHORIZING EXECUTION OF THE 2020 AMENDMENT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

It was noted that no public comments were submitted with respect to either Resolution.

Commissioner Malkoon made a motion, seconded by Vice Mayor Oldaker, to approve Resolution 2020-23. Motion carried 4-0. [Mayor Vincent did not vote due to technical difficulties.]

12. OLD BUSINESS

12.a El Mar Drive Project – Public Participation Meeting #3 (Linda Connors, Development Services Director)

Development Services Director Connors advised that the second survey regarding the El Mar Drive project was posted on May 13, 2020 and concluded on May 27.

Jeff Suiter and Alex Fenech, representing consultant EDSA, noted that almost 250 residents responded to the survey. He noted that the El Mar Drive project has been approved by the County's Oversight Board to receive transportation surtax funding for its design phase.

Mr. Fenech reviewed the second survey, which asked five questions intended to clarify the consultants' understanding of the current conditions of El Mar Drive as well as the public's wants and needs. When asked what traffic calming measures they preferred, respondents indicated that these included:

- Tree planting on both sides of the roadway
- Textured pavement at intersections
- Pedestrian "bump-outs" to slow traffic
- Speed bumps or elevation changes, such as "tabletops" at intersections

With regard to the walking experience on El Mar Drive, respondents clearly indicated they wanted a designated pedestrian sidewalk. There was no significant interest in a shared-use path for both pedestrians and cyclists. Respondents expressed overwhelming interest in a dedicated bike lane as opposed to shared lanes.

Regarding landscaping, respondents expressed interest in a combination of formal and linear approaches to palms and shrubs. The team will further explore the right plants and applications for landscaping as the design process continues. Respondents were also asked for a preferred right-of-way configuration, and a majority showed support for reducing the median where possible and providing a designated bike lane and pedestrian path.

Another 32.9% of respondents recommended keeping the current configuration with sidewalks on the outside, two lanes in each direction, and a generous median. An option to reduce median width, implement one traffic lane in each direction, and provide a shared-use path on the perimeter of the right-of-way received 22.1% of the total.

Conclusions from the second survey include:

- Consider different planting options, including an informal landscaping approach
- Explore traffic calming measures
- Look into separating pedestrian/cyclist/vehicular uses
- Prioritize the movement of pedestrians

Mr. Fenech concluded that this feedback will be taken into consideration as the design process continues. A physical land survey has been completed, and EDSA will work with its design team and Town Staff to continue to develop plans.

Mr. Suiter observed that many of the proposed safety features, such as lighting, will also be studied further as part of the project's conceptual design. Results will be posted to the project's website. Individuals may ask questions via the web page or may call or email EDSA directly.

Vice Mayor Oldaker commented that many pedestrians use two north/south lanes as their walkway rather than either sidewalk, and asked if any space will remain for this purpose. Mr. Suiter advised that pedestrians may be choosing to walk in the roadway because there are obstacles on the 5 ft. sidewalks. The team hopes to encourage use of a wider, safer pathway by pedestrians, keeping walkers to the outside edges of the roadway rather than the inner lane. The Town may wish to consider a "road diet" to give more space to pedestrians.

Commissioner Malkoon asked if the team plans to investigate the use of softer and/or more pervious materials for the sidewalk. Mr. Suiter replied that once a road profile has been selected, the team will explore potential materials and finishes, keeping maintenance costs and longevity in mind.

Mayor Vincent asked if there has been consideration of condensing portions of El Mar Drive to a single lane. Mr. Suiter noted that the design process has not yet reached this stage. Mr. Fenech encouraged the Commission and all residents to check the project website, www.LBTSElMar.com , for updates.

13. NEW BUSINESS

13.a Artificial Grass Discussion (Linda Connors, Development Services Director)

Development Services Director Connors advised that residents have requested the Town look into the possibility of allowing artificial turf under the Town's Code. There is a wide range of quality among available options. She asked that the Commission consider permitting a test case of artificial turf, and work with a landscaper and property owner to ensure that Code includes the appropriate language for regulating the use of these materials.

Town Resident Scot Sasser has offered the use of his yard for the installation of artificial turf so the Town can determine what is necessary for Code. Staff requests the Commission permit this test case, which may be followed with a draft Code amendment.

Development Services Director Connors continued that at present, a minimum of 25% of a property must be pervious. It can be a challenge for larger homes to meet this requirement. If a property owner uses artificial turf to meet this requirement, the Town must ensure that it is pervious, drains properly, and is safe for the environment.

Commissioner Malkoon expressed concern with issues that can accompany artificial turf products, such as loss of habitat, leaching of toxic materials into the ground, and maintenance/replacement. He also noted that it may be advisable to use public rather than private property as a test area, as artificial turf is not a permitted use. He concluded that he would like the Town to consider xeriscaping as a sod alternative, as this method uses native ground covers and may be less expensive than artificial turf.

Development Services Director Connors advised that a test of artificial turf will allow the Town to consider various alternatives and ensure that the materials are environmentally sound. She suggested that one option may be limiting these alternatives to areas where grass will not grow. With regard to xeriscaping, she noted that Town Planner Sue Leven is working to draft an Amendment to Landscape Code related to this method.

Commissioner Sokolow asked what entity would assume the costs of a test case. Development Services Director Connors replied that Mr. Sasser has agreed to pay for the test turf. Commissioner Sokolow felt the test on private property should be allowed if this is the case.

Vice Mayor Oldaker asked if the Town uses artificial turf in Friedt Park. Municipal Services Director Rubach replied that artificial materials are used in the center of this facility, but noted that a test on private property would occur in the Terra Mar neighborhood, where flooding is not uncommon. This would allow Staff to judge the permeability of turf under flood conditions.

Mayor Vincent pointed out that artificial turf is common in a number of western states due to drought and the need for water conservation. Town Manager Vance stated that he and Town Attorney Trevarthen can work with Town Staff to determine how the test might be carried out in a legally appropriate manner under Code.

The Commissioners agreed by 4-1 consensus to allow a pilot project to move forward, with Vice Mayor Oldaker in favor of postponement and outreach to artificial turf manufacturers rather than permitting a test on private property.

13.b LBTS Visitor Center ADA Improvements (Bill Vance, Town Manager)

Town Manager Vance recalled that after October 1, 2019, there was a push to bring the Town's Visitors' Center into compliance with Americans with Disabilities Act (ADA) requirements. The Town and Chamber of Commerce have created a plan to carry out these improvements. Town Manager Vance recommended using resources previously earmarked for the Town's Fourth of July event toward these improvements.

Commissioner Sokolow made a motion, seconded by Vice Mayor Oldaker, to approve. Motion carried 5-0.

14. COMMISSIONER COMMENTS

Commissioner Strauss recalled that in 2019, the Commission opted to meet only once per month during July and August, and proposed the same for 2020, with meetings to be scheduled for July 21 and August 18 if the Commission agrees.

Commissioner Sokolow recommended that the Commission wait until the next June meeting to determine how to proceed with the proposed cancellations, as the meeting schedule will be affected by dates related to approval of the millage rate.

Vice Mayor Oldaker recognized the Mayor, Town Manager, Town Staff, BSO, and the Fire Department for their work during Phase 1 reopening of Town businesses and amenities. He also thanked the first responders who assisted in the care of a resident struck by a car.

Mayor Vincent thanked all who have helped during the COVID-19 pandemic and the Town's reopening efforts.

15. ORDINANCES 1ST READING

None.

16. ORDINANCES 2ND READING

None.

17. RESOLUTIONS – PUBLIC COMMENTS

None.

18. QUASI JUDICIAL PUBLIC HEARING

None.

19. ADJOURNMENT

With no other business to come before the Commission at this time, the meeting was adjourned at 8:36 p.m.

_____

Mayor Chris Vincent

ATTEST:

_____ _____

Town Clerk Tedra Allen Date

Agenda Item No: 11.a

Town Commission Agenda Item Report

Meeting Date: June 23, 2020
Submitted by: Lisa Slagle, Senior Office Specialist
Submitting Department: Town Manager
Item Type: Consent
Agenda Section: Consent

Subject Title: HR Compensation Consultants, LLC proposal for Market Study

Explanation:
In the Town Commission approved FY20 budget, an allocation was made to have a consulting firm update the existing job descriptions and create a new more accurate and competitive job framework for Town employees. On October 31, 2019, the Town contracted with HR Compensation Consultants, LLC ("HRCC") to perform compensation consulting services for these purposes (the "Agreement"). In order to obtain this goal, HRCC gathered job-task information on all employee positions, met individually with Department Heads to better understand departmental operations on how the jobs aligned internally and for any future recruitment or retention. In addition, HRCC interviewed employees in small groups or individually and upon completion of this, determined the classifications and how they should be placed in the Town's hierarchy. HRCC then updated each job description and in some cases, wrote new job descriptions, based on the current duties and responsibilities of each position. The cost for these services was $13,300.00.

The next step in completing this study would be to have HRCC complete a market study to ensure the Town's pay ranges are comparable in today's market. The last study was done by Connie Hoffman in 2015 based on 2013/2014 data and the pay plan was adjusted on August 11, 2015 by Resolution 2015-32.

As HRCC has already completed the job descriptions, they are very familiar with each position's duties and responsibilities, which will assist them when comparing positions to other jurisdictions. HRCC will design a pay grade and range structure for the Town that balances local market conditions and internal equity. An amendment to the Agreement is required to provide these additional services (Attachment 1). HRCC has submitted a proposal for the Market Study for an amount not to exceed $8,225.00 (Attachment 2), increasing the total amount under the Agreement to $21,525 and requiring Town Commission approval. This amendment is exempt from competitive solicitation requirements pursuant to Section IV.D. of the Town's Purchasing Manual. Funds for the additional services are available in the Professional Services account: 001.513.000.500.315.

If there are changes to the pay range(s) these will be presented as part of the budget process for FY20/21 for Commission consideration. There will not be an increase in the number of Full Time Employees and no merit salary increases will be budgeted for FY20/21.

Recommendation: Approval of an amendment to the Agreement with HRCC to include services for a Market Study, in substantial conformity with the amendment attached hereto as Attachment 2, which has been approved as to form and legal sufficiency by the Town Attorney.

Attachments:

1. Amendment to Agreement with HRCC
2. Proposal from HRCC for Market Study
3. Resolution 2020-25

AMENDMENT NO. 1
TO
PROFESSIONAL SERVICES AGREEMENT FOR COMPENSATION CONSULTING
BETWEEN THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
AND
HR COMPENSATION CONSULTANTS, LLC

This **AMENDMENT NO. 1** is made between the **TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA**, a Florida municipal corporation (hereinafter referred to as "Town") and **HR COMPENSATION CONSULTANTS, LLC,** (hereinafter referred to as "Consultant"), a Florida corporation, whose principal place of business is 290 NE 5th Avenue, Apt. 9, Delray Beach, FL 33483.

WHEREAS, on October 31, 2019, the parties entered into an agreement for compensation consulting services to update job descriptions and create a new job framework (the "Agreement"); and

WHEREAS, the parties desire to amend the Agreement to add additional services for the completion of the Services.

NOW THEREFORE, for good and valuable consideration of the mutual covenants set forth herein and in the Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do covenant and agree to amend the Agreement as follows:

1. That the foregoing "**WHEREAS**" clauses are ratified and confirmed as being true and correct and are made a specific part of this First Amendment.

2. That Exhibit A of the Agreement is hereby amended to include the services outlined in the attached Exhibit "1", in an amount not to exceed $8,225, for a total amount not to exceed $21,525. The scope of work from the Consultant dated April 8, 2020 (Exhibit "1" of this Amendment), shall become part of and shall be incorporated into the terms of the Agreement.

3. Except to the extent expressly set forth herein, this Amendment does not impact, modify or abridge any term, right or obligation under the Agreement. The terms used in this Amendment have the same meaning as those used in the Agreement unless expressly noted otherwise herein.

4. No term of this Amendment may be modified except in writing executed by all parties to this Amendment.

5. If any term of this Amendment is found by a legal forum of competent jurisdiction to be void or unenforceable, said finding shall not affect the enforceability of the remaining terms of this Amendment.

IN WITNESS WHEREOF, the parties hereto have made and executed this First Amendment to the Agreement on the respective dates under each signature: the Town of Lauderdale-by-the-Sea, signing by and through its Town Manager, authorized to execute same, and by the duly authorized representative of the CONSULTANT, to execute same.

FOR TOWN:

ATTEST:

_____
Tedra Smith
Town Clerk

TOWN OF LAUDERDALE-BY-THE-SEA

By: _____
William Vance
Town Manager

Dated: _____

Approved as to form and legal sufficiency
for the use of and reliance by the Town of
Lauderdale-By-The-Sea only:

_____
Town Attorney
Weiss Serota Helfman Cole
& Bierman, P.L.

FOR CONSULTANT:

WITNESS:

By: _____

Print Name: _____

Title: _____

HR COMPENSATION CONSULTANTS, LLC

By: _____

Print Name: _____

Title: _____

Dated: _____

April 8, 2020

Bill Vance, Town Manager
The Town of Lauderdale-By-The-Sea
4501 N. Ocean Drive
Lauderdale By The Sea, FL 33308

Dear Bill,

Thank you for the opportunity to provide the Town of Lauderdale-By-The-Sea (Town) with an additional quote for compensation consulting services. HR Compensation Consultants, LLC (HRCC) has outlined a Statement of Work (SOW) to review compensation for the Town's employees and recommend enhancements to current pay rates and practices. If approved, this SOW can serve as Exhibit B of our current Consulting Agreement.

PROJECT PURPOSE

HRCC will review the existing compensation plan for the Town of Lauderdale-By-The-Sea (Town) to include an analysis of pay ranges, for 35 employees in approximately 27 unique job titles, and make recommendations for appropriate changes. HRCC will provide the organization with customized data analysis and recommendations.

NEW JOB FRAMEWORK

In 2019, HRCC developed a job framework for the Town by using a qualitative and quantitative tool to evaluate the role each job has, recognizing various levels of work (entry, intermediate, senior, etc.). HRCC also updated the Town's job descriptions.

MARKET PRICING

HRCC will use a market-pricing approach with current base pay for key benchmark jobs to design a pay grade and range structure for the organization that balances local market conditions and internal equity. When designed correctly, this structure enables the recognition of differing rates of pay for performance and guarantees a reasonable level of control over internal pay compression and salary expenditures.

HRCC will collect pay data from the following public sector organizations:

Dania Beach	Lighthouse Point
Hillsboro Beach	Southwest Ranches
Lauderdale Lakes	Wilton Manors

HRCC works with the Town to identify the most appropriate organizations to survey. HRCC will draft an email for the Town to notify the target group that is being surveyed. HRCC contacts those organizations and encourages their participation. A separate report will be sent to each participant as a "thank you", sharing a summary of the salary survey data.

The market survey will obtain pay range information (minimum, midpoint, and maximum value) from public-sector organizations. HRCC can also include information from the private sector where applicable. For private sector base pay data, HRCC uses CompAnalyst. This data warehouse has market data for over 4,000 benchmark jobs across 20 industries in 240 US metropolitan areas and 30 employee size categories.

NEW PLAN IMPLEMENTATION & MAINTENANCE

- HRCC will recommend an appropriate salary range for each existing or proposed job classification based on the current Job Framework, the internal relationships and equity, and on the compensation analysis
- Based upon the recommended Pay Framework, HRCC will review existing salaries to determine proper placement within the proposed pay ranges and recommend appropriate "equity adjustments" as needed
- HRCC will provide an estimate of the fiscal impact of the recommended changes with two (2) implementation scenarios, including a phased approach, if needed
- HRCC will document our recommendations, including the methods, techniques and data used to develop the new Pay Framework
- HRCC will recommend procedures, policies, and methods to maintain the new plan and provide training to the Project Liaison

PRIMARY TASKS TO COMPLETE

HRCC will work with the organization to identify the exact dates to schedule work:

- Review data from client – employee pay information – week 1
- Review labor market data in CompAnalyst and have client confirm matches in Market Match Report - weeks 2 – 3
- Survey up to six (6) public sector organizations - weeks 2 – 4
- Make a pay structure recommendation, and determine the cost of changing base pay (if appropriate) – week 5
- Discuss recommendations with key leaders via phone and WebEx – weeks 6 - 7
- Develop draft final deliverables **–** weeks 7 - 8

FINAL DELIVERABLES

HRCC will document the methodology used in developing our internal equity and pay recommendations to ensure that the organization's new Job and Pay Framework is successful in attracting and retaining a qualified and productive workforce. HRCC will review draft recommendations with the HR Coordinator before providing a final report and these deliverables:

- Market Analysis Report
- Grade Order List with Proposed Pay Ranges
- Compensation Administration Guidelines
- Implementation Plans, including employee proposed job title assignments and cost analysis
- On-going ad-hoc support in the implementation of the new plan, through 2020

PROFESSIONAL FEES & BILLING

The not-to-exceed professional fees for our services ($8,225) are based on a blended hourly rate which includes the work of a Project Manager, Data Analyst and administrative-support staff.

Due to the short timeframe, all project work described herein is anticipated to be completed via email and conference calls. A project initiation invoice of 40% will be provided at the start of the project and a final invoice of 60% with the provision of the final deliverables.

We look forward to continuing to work with you and the Town.

Sincerely,

Katie Miller Busch
President/Owner

AUTHORIZATION TO PROCEED

The undersigned has given HR Compensation Consultants, LLC the Authorization to Proceed with work described herein and agrees to pay project initiation invoice within fifteen (15) days of the date below.

The Town of Lauderdale-By-The-Sea

Signature: _____ Date: _____

April 8, 2020

Bill Vance, Town Manager
The Town of Lauderdale-By-The-Sea
4501 N. Ocean Drive
Lauderdale By The Sea, FL 33308

Dear Bill,

Thank you for the opportunity to provide the Town of Lauderdale-By-The-Sea (Town) with an additional quote for compensation consulting services. HR Compensation Consultants, LLC (HRCC) has outlined a Statement of Work (SOW) to review compensation for the Town's employees and recommend enhancements to current pay rates and practices. If approved, this SOW can serve as Exhibit B of our current Consulting Agreement.

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HRCC works with the Town to identify the most appropriate organizations to survey. HRCC will draft an email for the Town to notify the target group that is being surveyed. HRCC contacts those organizations and encourages their participation. A separate report will be sent to each participant as a "thank you", sharing a summary of the salary survey data.

The market survey will obtain pay range information (minimum, midpoint, and maximum value) from public-sector organizations. HRCC can also include information from the private sector where applicable. For private sector base pay data, HRCC uses CompAnalyst. This data warehouse has market data for over 4,000 benchmark jobs across 20 industries in 240 US metropolitan areas and 30 employee size categories.

NEW PLAN IMPLEMENTATION & MAINTENANCE

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- Based upon the recommended Pay Framework, HRCC will review existing salaries to determine proper placement within the proposed pay ranges and recommend appropriate "equity adjustments" as needed
- HRCC will provide an estimate of the fiscal impact of the recommended changes with two (2) implementation scenarios, including a phased approach, if needed
- HRCC will document our recommendations, including the methods, techniques and data used to develop the new Pay Framework
- HRCC will recommend procedures, policies, and methods to maintain the new plan and provide training to the Project Liaison

PRIMARY TASKS TO COMPLETE

HRCC will work with the organization to identify the exact dates to schedule work:

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- Review labor market data in CompAnalyst and have client confirm matches in Market Match Report - weeks 2 – 3
- Survey up to six (6) public sector organizations - weeks 2 – 4
- Make a pay structure recommendation, and determine the cost of changing base pay (if appropriate) – week 5
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- Develop draft final deliverables **–** weeks 7 - 8

FINAL DELIVERABLES

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- Market Analysis Report
- Grade Order List with Proposed Pay Ranges
- Compensation Administration Guidelines
- Implementation Plans, including employee proposed job title assignments and cost analysis
- On-going ad-hoc support in the implementation of the new plan, through 2020

PROFESSIONAL FEES & BILLING

The not-to-exceed professional fees for our services ($8,225) are based on a blended hourly rate which includes the work of a Project Manager, Data Analyst and administrative-support staff.

Due to the short timeframe, all project work described herein is anticipated to be completed via email and conference calls. A project initiation invoice of 40% will be provided at the start of the project and a final invoice of 60% with the provision of the final deliverables.

We look forward to continuing to work with you and the Town.

Sincerely,

Katie Miller Busch
President/Owner

AUTHORIZATION TO PROCEED

The undersigned has given HR Compensation Consultants, LLC the Authorization to Proceed with work described herein and agrees to pay project initiation invoice within fifteen (15) days of the date below.

The Town of Lauderdale-By-The-Sea

Signature: _____ Date: _____

RESOLUTION 2020-25

A RESOLUTION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, APPROVING THE AMENDMENT TO THE AGREEMENT WITH HR COMPENSATION CONSULTANTS, LLC, TO PROVIDE FOR A COMPENSATION MARKET STUDY; AUTHORIZING EXECUTION OF THE AMENDMENT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, in the Town Commission approved FY20 budget, an allocation was made to have a consulting firm update the existing job descriptions and create a new more accurate and competitive job framework for Town employees; and

WHEREAS, on October 31, 2019, the Town contracted with HR Compensation Consultants, LLC ("HRCC") to perform compensation consulting services for these purposes, for a total amount of $13,300 (the "Agreement"); and

WHEREAS, the next step in completing this study would be to have HRCC complete a market study to ensure the Town's pay ranges are comparable in today's market (the "Market Study"), as the last study was done in 2015; and

WHEREAS, as HRCC has already completed the job descriptions, they are very familiar with each position's duties and responsibilities, which will assist them when comparing positions to other jurisdictions; and

WHEREAS, HRCC has submitted a proposal for the Market Study for an amount not to exceed $8,225.00, increasing the total price of the Agreement to $21,525; and

WHEREAS, an amendment to the Agreement is required to provide the Market Study (the "Amendment"); and

WHEREAS, the Amendment is exempt from competitive solicitation requirements as a professional service pursuant to Section IV.D. of the Town's Purchasing Manual; and

WHEREAS, Town staff recommends that the Town Commission approve the Amendment, attached as Exhibit "1."

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA:

Section 1. Each "WHEREAS" clause set forth is true and correct and herein incorporated by this reference.

Section 2. The Town Commission hereby finds the Amendment is exempt from competitive solicitation requirements as a professional service pursuant to Section IV.D. of the Town's Purchasing Manual and approves the Amendment, attached as Exhibit "1," in an amount of $8,225, increasing the total amount under the Agreement to an amount not to exceed $21,525.

Section 3. The Town Commission hereby authorizes the Town Manager to execute the Amendment, in substantial conformity with Exhibit "1," together with such non-substantial changes as are acceptable to the Town Manager and approved as to form and legal sufficiency by the Town Attorney.

Section 4. If any clause, section or other part of this Resolution shall be held by any court of competent jurisdiction to be unconstitutional or invalid, such unconstitutional or invalid part shall be considered as eliminated and in no way affecting the validity of the other provisions of this Resolution.

Section 5. This Resolution shall become effective immediately upon its passage.

PASSED AND ADOPTED this _____ day of June, 2020.

Mayor Chris Vincent

Attest:

Tedra Allen, Town Clerk, CMC

APPROVED AS TO FORM:

Susan Trevarthen, Town Attorney

(CORPORATE SEAL)

AMENDMENT NO. 1
TO
PROFESSIONAL SERVICES AGREEMENT FOR COMPENSATION CONSULTING BETWEEN THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA AND HR COMPENSATION CONSULTANTS, LLC

This **AMENDMENT NO. 1** is made between the **TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA**, a Florida municipal corporation (hereinafter referred to as "Town") and **HR COMPENSATION CONSULTANTS, LLC,** (hereinafter referred to as "Consultant"), a Florida corporation, whose principal place of business is 290 NE 5th Avenue, Apt. 9, Delray Beach, FL 33483.

WHEREAS, on October 31, 2019, the parties entered into an agreement for compensation consulting services to update job descriptions and create a new job framework (the "Agreement"); and

WHEREAS, the parties desire to amend the Agreement to add additional services for the completion of the Services.

NOW THEREFORE, for good and valuable consideration of the mutual covenants set forth herein and in the Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do covenant and agree to amend the Agreement as follows:

1. That the foregoing "**WHEREAS**" clauses are ratified and confirmed as being true and correct and are made a specific part of this First Amendment.

2. That Exhibit A of the Agreement is hereby amended to include the services outlined in the attached Exhibit "1," in an amount not to exceed $8,225, for a total amount not to exceed $21,525. The scope of work from the Consultant dated April 8, 2020 (Exhibit "1" of this Amendment), shall become part of and shall be incorporated into the terms of the Agreement.

3. Except to the extent expressly set forth herein, this Amendment does not impact, modify or abridge any term, right or obligation under the Agreement. The terms used in this Amendment have the same meaning as those used in the Agreement unless expressly noted otherwise herein.

4. No term of this Amendment may be modified except in writing executed by all parties to this Amendment.

5. If any term of this Amendment is found by a legal forum of competent jurisdiction to be void or unenforceable, said finding shall not affect the enforceability of the remaining terms of this Amendment.

IN WITNESS WHEREOF, the parties hereto have made and executed this First Amendment to the Agreement on the respective dates under each signature: the Town of Lauderdale-by-the-Sea, signing by and through its Town Manager, authorized to execute same, and by the duly authorized representative of the CONSULTANT, to execute same.

FOR TOWN:

ATTEST:

_____
Tedra Allen, CMC
Town Clerk

TOWN OF LAUDERDALE-BY-THE-SEA

By: _____
William Vance
Town Manager

Dated: _____

Approved as to form and legal sufficiency for the use of and reliance by the Town of Lauderdale-By-The-Sea only:

_____
Town Attorney
Weiss Serota Helfman Cole
& Bierman, P.L.

FOR CONSULTANT:

WITNESS:

By: _____

Print Name: _____

Title: _____

HR COMPENSATION CONSULTANTS, LLC

By: _____

Print Name: _____

Title: _____

Dated: _____

Town Commission Agenda Item Report

Meeting Date: June 23, 2020
Submitted by: Tedra Allen
Submitting Department: Administration
Item Type: Discussion Item
Agenda Section: NEW BUSINESS

Subject Title:
July/August Meeting Schedule

Explanation:
Usually the Commission meets once in August. Last year the Commission agreed by Commission consensus to cancel the August 13th meeting, the August 27th meeting was tentatively scheduled if any pressing items needed to go before the Commission. At the June 9th Commission meeting Commissioner Strauss proposed having one meeting in July and August, suggesting July 21st and August 18th.

Recommendation:
Staff suggest the Commission decide if they would like to have one meeting in July and August and if so, select a date for those meetings. The Tuesday meeting dates in July and August are as follows:

July 7, 2020
July 14, 2020
July 21, 2020
July 28, 2020
August 4, 2020
August 11, 2020
August 18, 2020
August 25, 2020

Town Commission Agenda Item Report

Meeting Date: June 23, 2020
Submitted by: Linda Connors
Submitting Department: Development Services
Agenda Section: New Business

Subject Title: Waiver of Lien Release Application Fee – 1931 Waters Edge

Explanation: Over a period of 6 years, from 2010 through 2016, the Town recorded seven (7) liens on 1931 Waters Edge, totaling $167,900. The liens were for a variety of code violations regarding the upkeep of the house, failure to connect to the sewer and having a boat in the driveway.

The property was foreclosed and sold in 2017. The new property owner, Mr. Lyttle, paid $1,250 in Special Magistrate hearing costs that had accumulated over the years and the $500 fee to apply for mitigation of the code liens. After further consideration, Mr. Lyttle withdrew his application because he believed the liens were invalid. Staff recommended he contact the Town Attorney's office for further discussion on the matter. No further discussion followed, and the property was sold to Dr. Gilchrist in 2017.

Dr. Gilchrist has since renovated the property and has made this his permanent home. In reviewing the Town's $75K list, staff contacted Dr. Gilchrist regarding the original liens. The Town Attorney's office agreed that the liens could be considered invalid due to the foreclosure, and recommended we not move forward with requesting payment of the liens.

Whether they are collectable or not, the liens remain in public record. The Commission established a standard application fee of $500, plus $100 for each additional lien, to process the release of recorded liens. Dr. Gilchrist would like to clear the title on his property by having the liens released. Because the liens were established prior to his ownership, he is asking the Commission to waive the lien release application fee [$500 + ($100x7) = $1,200]. A letter to that effect is attached as Exhibit 1.

Recommendation: Consider Dr. Gilchrist's request and determine if an application fee should be collected to release the liens.

Attachments: 1. Request from Property Owner

June 5, 2020

Re: 1931 Waters Edge
L.B.T.S. 33062

To whom it may concern;

I am requesting that the city waive the $1200 fee to have the lien from the prior property owner(s) removed. Per my prior communications with Bethany, she informed me that the city Attorney agreed that the lien against my property was invalid, and should have been removed following the foreclosure by the bank. I purchased the property from John Lytle, who owns Z Construction. I purchased the property and utilized a Title Company that showed free and clear title. The $1200 fee should have been paid by either the bank or John Lytle, prior to my purchase.

I am 2 owners removed from any lien that was attached to that property, and I should not be held accountable for someone else's error. I appreciate any help in getting this resolved in an amicable manor.

Yours in Good health,

Dr. Rael M. Gilchrist

Town Commission Agenda Item Report

Meeting Date: June 23, 2020
Submitted by: Linda Connors
Submitting Department: Development Services
Agenda Section: First Reading - Ordinances

Subject Title: First Reading Ordinance 2020-06 – Creating Section 2-27 "Waiver of Code Requirements" (Linda Connors, Development Services Director)

Explanation: During the COVID-19 crisis, Town staff has been reviewing Town code requirements to determine if there are any code provisions that could be relaxed for a period of time to help our residents and/or businesses through this unprecedented time. We have identified some opportunities, but staff does not have a clear avenue to allow for certain Code requirements to be relaxed. For example, the Town Code establishes a time frame of July to send notices for payment of BTR fees and a set due dates for the renewals and application of late fees. We believe that this timeframe could be adjusted without detriment to the Town. Additionally, certain sign code requirements could be relaxed so that businesses could advertise their current status during these extraordinary circumstances.

To give the Commission flexibility in applying waivers of certain Code requirements during extraordinary circumstances, the Town Attorney's office drafted Ordinance 2020-06, which amends Chapter 2 – Administration by creating Section 2-27 Waiver of Code Requirements. This code provision would allow the Town Commission to waive any obligations, requirements, or fees provided for in the Town Code by resolution in extraordinary circumstances. The resolution must identify the extraordinary circumstance, the length of time the situation is expected to last (not to exceed six months), and what persons, properties, or businesses would be similarly situated for the purposes of the waiver. The waiver could be further extended by resolution of the Commission.

Recommendation: Review Ordinance 2020-06 on first reading and set second reading for July 28, 2020.

Attachments: 1. Ordinance 2020-06

ORDINANCE 2020-06

AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING THE TOWN'S CODE OF ORDINANCES AT CHAPTER 2 "ADMINISTRATION," ARTICLE II "TOWN COMMISSION," BY CREATING SECTION 2-27 "WAIVER OF CODE REQUIREMENTS"; AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

WHEREAS, there may be extraordinary circumstances, in which it may be in the best interests to waive certain Code requirements to protect the public safety, health, and welfare of the Town and Town residents; and

WHEREAS, the Town Commission desires to amend its Code of Ordinances to allow for the waiver of obligations, requirements, or fees under the Town Code in extraordinary circumstances; and

WHEREAS, the Town Commission deems it in the best interest of the Town to adopt this Ordinance to allow for such waiver.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AS FOLLOWS:

SECTION 1. Recitals. The foregoing "Whereas" clauses are ratified and confirmed as being true, correct and reflective of the legislative intent underlying this Ordinance and are hereby made a specific part of this Ordinance.

SECTION 2. Creating Section 2-27. Section 2-27 "Waiver of Code Requirements" of Article II "Town Commission" of Chapter 2 "Administration" is hereby created to read as follows[1]:

CHAPTER 2. – ADMINISTRATION

Article II. – Town Commission

[1]Proposed additions to existing Town Code text are shown by <u>underlining;</u> proposed deletions from existing Town Code text are shown by ~~strike through.~~

***

Sec. 2-27. Waiver of Code Requirements.

Under extraordinary circumstances, the Town Commission may waive any obligations, requirements, or fees provided for in the Town Code by resolution. The waiver shall be applied uniformly to all similarly situated persons, properties, or businesses affected by the extraordinary circumstance. The Town Commission shall be the judge of and shall determine in the resolution:

(a) what constitutes an extraordinary circumstance;

(b) how long the extraordinary circumstances are expected to last, which not exceed 6 months; and

(c) which persons, properties, or businesses are similarly situated for purposes of the waiver.

The maximum period of such waiver shall be for the length of the extraordinary circumstances as determined by the Town Commission, unless the Town Commission finds that extraordinary circumstances still exist at the time a waiver or extended waiver expires, and extends the waiver by resolution.

Secs. ~~2-27~~2-28–2-30. – Reserved.

SECTION 3. Severability. If any section, sentence, clause, or phrase of this Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Ordinance.

SECTION 4. Conflicts. All prior ordinances or resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 5. Effective Date. This Ordinance shall become effective upon adoption on second reading.

Passed on the first reading, this ___ day of _____, 2020.

Passed and adopted on the second reading, this ___ day of _____, 2020.

_____

MAYOR CHRIS VINCENT

	First Reading	Second Reading
Mayor Vincent	_____	_____
Vice-Mayor Sokolow	_____	_____
Commissioner Malkoon	_____	_____
Commissioner Oldaker	_____	_____
Commissioner Strauss	_____	_____

ATTEST:

_____
Tedra Allen, Town Clerk

APPROVED AS TO FORM:

_____
Susan L. Trevarthen, Town Attorney

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Prepared By:

The Finance Department

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
FISCAL YEAR ENDED SEPTEMBER 30, 2019

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TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
FISCAL YEAR ENDED SEPTEMBER 30, 2019

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Town of
LAUDERDALE-BY-THE-SEA
4501 Ocean Drive, Lauderdale-by-the-Sea, Florida 33308-3610
Telephone: (954) 640-4200 / Fax (954) 640-4236

June 11, 2020

Honorable Mayor and Commissioners:

State law requires that all general purpose local governments publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to these requirements, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Town of Lauderdale-By-The-Sea for the fiscal year ended September 30, 2019.

This report consists of management's representations concerning the finances of the Town of Lauderdale-By-The-Sea. Consequently, we assume full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the Town has established an internal control framework that is designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP (Generally Accepted Accounting Principles). Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Grau & Associates, a licensed certified public accounting firm, has audited the Town's financial statements. The goal of the independent audit was to provide reasonable assurance that the Town's financial statements for the fiscal year ended September 30, 2019, are free of material misstatement. 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 auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Lauderdale-By-The-Sea's financial statements for the fiscal year ended September 30, 2019 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.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Lauderdale-By-The-Sea's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The Town of Lauderdale-By-The-Sea, incorporated in 1947, is located between the Atlantic Ocean and the Intracoastal Waterway in the east-central part of Broward County, Florida directly north of Fort Lauderdale and 33 miles south of Palm Beach County. The Town of Lauderdale-By-The-Sea is primarily a residential community but, because of the Town's prime seaside location, the hospitality industry has historically been significant to the Town's economy and character. The major industries within the Town are hospitality, retail (including restaurants), finance, insurance and real estate. Most residents are retired or employed in South Florida. The Town is 1.5 square miles in land area and has a year-round population of approximately 6,500 residents. We estimate the peak seasonal population to be approximately 12,000.

The Town of Lauderdale-By-The-Sea provides a full range of municipal services for its citizens. These include executive administration, financial accounting and reporting, public works, parks and recreation facilities, and planning and zoning. Police, fire prevention and suppression, emergency medical service, building inspections, code enforcement, and parking enforcement are all delivered via contracts with third party providers: Broward's Sherriff's Office for police services, the Lauderdale-By-the-Sea Volunteer Fire Department for fire services, American Medical Response for emergency medical services, C.A.P. Government for building inspections, Calvin, Giordano & Associates for code enforcement, and Republic Parking for parking enforcement. Water service is provided to our residents and businesses by the cities of Fort Lauderdale and Pompano Beach. Sewer services are provided to residents and commercial businesses in the north end of Town by the city of Pompano Beach. The Town provides sewer collection and transmission services in the south portion of Town, but the wastewater is transmitted to the city of Pompano Beach, which then transports it to Broward County's Wastewater Treatment Plant on Copans Road for treatment and disposal.

The Town operates under a Commission-Manager form of government. Policy-making and legislative authority are vested in the Town Commission, which consists of a Mayor, a Vice-Mayor and three Commissioners. Commissioners (including the Vice Mayor) are elected for four-year terms and must live in a specified district, but are elected at large (by voters of the entire Town). The Mayor serves a two-year term and is also elected at large. The Town Commission is responsible for setting Town policy, setting most Town fees, passing ordinances, adopting and amending the annual budget, approving large purchases, adopting resolutions, and appointing the Town Manager and Town Attorney.

The Town Manager is the chief executive officer of the Town. The Town Manager is responsible for carrying out the policies of the Commission, enforcing the Town's code of ordinances, appointing, directing, and removing all Town employees, overseeing the Town's contracts, preparing and submitting the annual budget, and overseeing the day-to-day operations of the Town.

The Town Commission meets in regular session on the second and fourth Tuesday of each month at 6:30 p.m. in Jarvis Hall, 4501 Ocean Drive, Lauderdale-By-The-Sea, Florida. The Commission schedules additional workshops and meetings on an as-needed basis.

The Town's Budget

The annual budget serves as the Town of Lauderdale-By-The-Sea's financial planning and control mechanism. All departments of the Town submit requests for funding to the Town Manager and these requests are the starting point for developing a proposed budget. The Finance/Budget Director reviews revenue trends and projects revenue for the current and upcoming fiscal year. The Broward County Property Appraiser advises the Town in late June or early July of the valuation of properties in the Town and the ad valorem tax millage rate required to raise the same amount of tax revenue as in the preceding year.

The Town Manager seeks budget policy direction from the Town Commission, then crafts a budget consistent with that policy direction and presents it to the Commission for review in July of each year. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the Town's fiscal year. The budget is legally enacted through the passage of a resolution which adopts the budget by fund and department. This administration's policy is that the classification detail at which expenditures may not legally exceed appropriations is at the department level. The Town Manager is authorized to transfer part or all of the unencumbered balance of an appropriation within a department; however, any revisions that alter the total appropriations of any department must be approved by the Town Commission.

Budget-to-actual comparisons are reported monthly to the Town Commission by the Finance Director. Revenue and expenditure projections for the current fiscal year are provided to the Commission during the budget preparation process.

Economic Condition

As shown in the following chart, the Town of Lauderdale-By-The-Sea's taxable assessed value for fiscal year 2019 increased by $124,650,662 or approximately 5.0%. Fiscal year 2019 marks the culmination of the recovery since property values in fiscal year 2009 and subsequently declined.

Tax Roll Year	Fiscal Year	WCC Taxable Values		Year-to-Year Comparison		Year-to-FY2009 Comparison	
2008	2009	$2,117,169,658	*	($204,731,570)	-8.80%	($204,731,570)	-8.80%
2009	2010	$1,911,499,581	*	($205,670,077)	-9.70%	($410,401,647)	-17.70%
2010	2011	$1,766,370,472	*	($145,129,109)	-7.60%	($555,530,756)	-23.90%
2011	2012	$1,729,711,519	*	($36,658,953)	-2.10%	($592,189,709)	-25.50%
2012	2013	$1,758,499,775	*	$28,788,256	1.70%	($563,401,453)	-24.30%
2013	2014	$1,811,104,269	*	$52,604,494	3.00%	($510,796,959)	-22.00%
2014	2015	$1,928,187,948	*	$117,083,679	6.50%	($393,713,280)	-17.00%
2015	2016	$2,073,594,801	*	$145,406,853	7.50%	($248,306,427)	-10.70%
2016	2017	$2,219,593,247	*	$145,998,446	7.00%	($102,307,981)	-4.40%
2017	2018	$2,376,152,413		$156,559,166	7.10%	$54,251,185	2.30%
2018	2019	$2,500,803,075		$124,650,662	5.00%	$70,399,477	2.7%

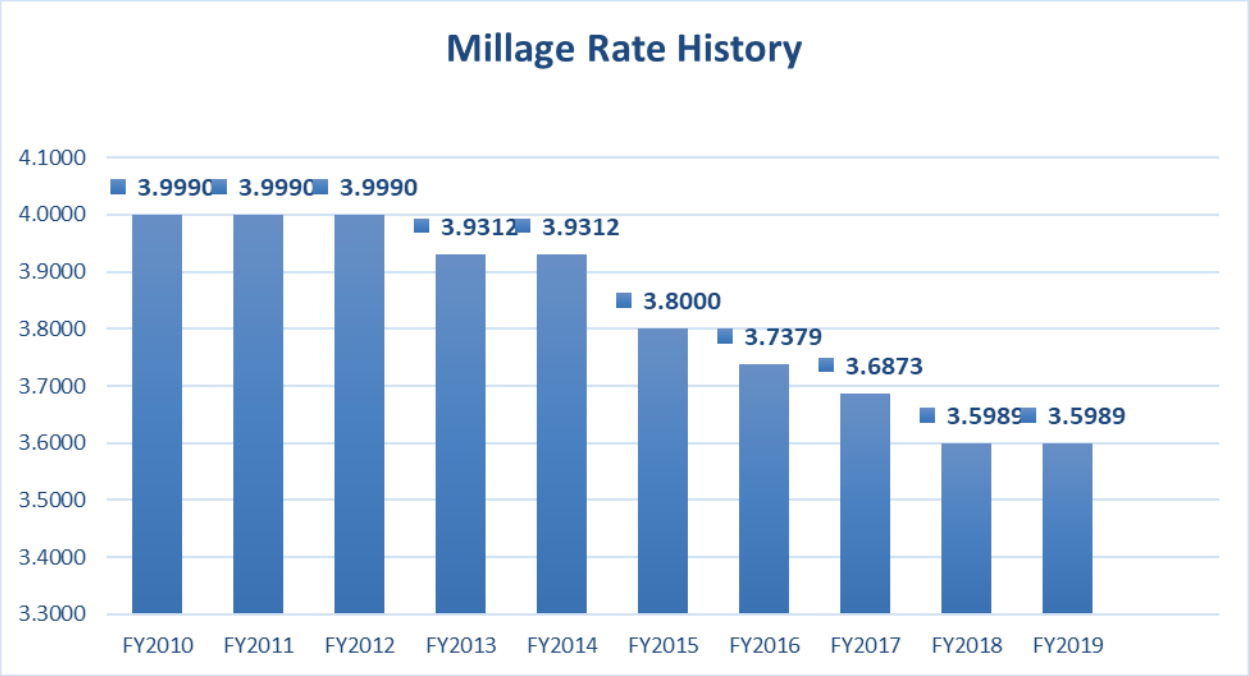
* Total Taxable Value with certificates (Source: Taxable Value Report, BCPA)

The following chart shows the size of the labor force, the number employed and unemployed, and the unemployment rate for the Fort Lauderdale-Pompano Beach-Deerfield Beach metropolitan area for each of the past eleven years. The table shows that the unemployment rate reached a high of 10.2 percent in 2010 and has steadily declined since then. During the same period, the size of the labor force has continued to increase. This is a good indicator that the local economy is doing well.

Year	Labor Force	Employed	Unemployed	Unemployment Rate
2009	981,779	887,079	94,700	9.60%
2010	953,592	855,943	97,649	10.20%
2011	963,707	873,140	90,567	9.40%
2012	978,286	902,489	75,797	7.70%
2013	987,928	923,202	64,726	6.60%
2014	995,699	937,586	58,113	5.80%
2015	991,365	941,948	49,417	5.00%
2016	1,013,909	967,406	46,503	4.60%
2017	1,036,383	996,992	39,391	3.80%
2018	1,043,978	1,011,659	32,319	3.10%
2019	1,054,173	1,024,315	29,858	2.80%

Source: United States Department of Labor, Bureau of Labor Statistics

As indicated in the following chart, during fiscal year 2019 the Town dropped the millage rate to 3.5989 per 1,000 of assessed taxable value, the third lowest millage rate of any city in Broward County.



Fund Balances - Governmental Funds, As of September 30, 2019

The table below shows the balances of the governmental funds as of September 30, 2019. The unassigned balance of the general fund was $5,842,049. The other significant component of the general fund balance is the $2,500,000 assigned to the emergency reserve. The balance of $44,586 is the prepaid items as of September 30, 2019 which consists primarily of property, liability, and health insurance, contractual services.

As of September 30, 2019, the balance of the capital projects fund was $4,257,279. Of that amount, $677,566 is contractually restricted to be used to make El Mar Drive more pedestrian friendly. This represents the balance of a $1,000,000 settlement the Town received from Pier Pointe Developers in fiscal year 2009. The remaining $3,579,713 is for future capital projects.

The Town's non-major funds are the fire fund and the law enforcement trust fund (LETF). As of September 30, 2019 these funds had $1,399,241 and $13,586 which are legally restricted to be used for fire protection and law enforcement purposes, respectively.

	General Fund	Capital Projects Fund	Non-Major Funds	Total Governmental Funds
Fund balances				
Nonspendable:				
Prepaid items	$ 44,586	$ -	$ -	$ 44,586
Restricted for:				
Fire department	-	-	1,399,241	1,399,241
Law enforcement	-	-	13,586	13,586
El Mar beautification per contract	-	677,566	-	677,566
Assigned to:				
Emergency reserve	2,500,000	-	-	2,500,000
Capital projects	-	3,579,713	-	3,579,713
Unassigned	5,842,049	-	(92,391)	5,749,658
Total fund balances	$ 8,386,635	$ 4,257,279	$ 1,320,436	$ 13,964,350

Proprietary Funds

As of September 30, 2019, the unrestricted balance of the sewer fund was $1,328,660, and the unrestricted balance of the parking fund was $4,672,274. The table below shows the history of the proprietary fund unrestricted balances over the past ten years.

Year	Sewer Fund	Parking Fund	Total Proprietary Funds
2010	$ 1,529,090	$ 138,844	$ 1,667,934
2011	$ 1,750,052	$ 136,550	$ 1,886,602
2012	$ 1,500,755	$ 810,907	$ 2,311,662
2013	$ 1,512,624	$ 1,309,848	$ 2,822,472
2014	$ 1,281,780	$ 1,384,554	$ 2,666,334
2015	$ 1,546,085	$ 2,744,722	$ 4,290,807
2016	$ 1,424,365	$ 3,814,981	$ 5,239,346
2017	$ 1,103,464	$ 2,764,649	$ 3,868,113
2018	$ 1,033,340	$ 3,979,300	$ 5,012,640
2019	$ 1,328,660	$ 4,672,274	$ 6,000,934

Acknowledgements

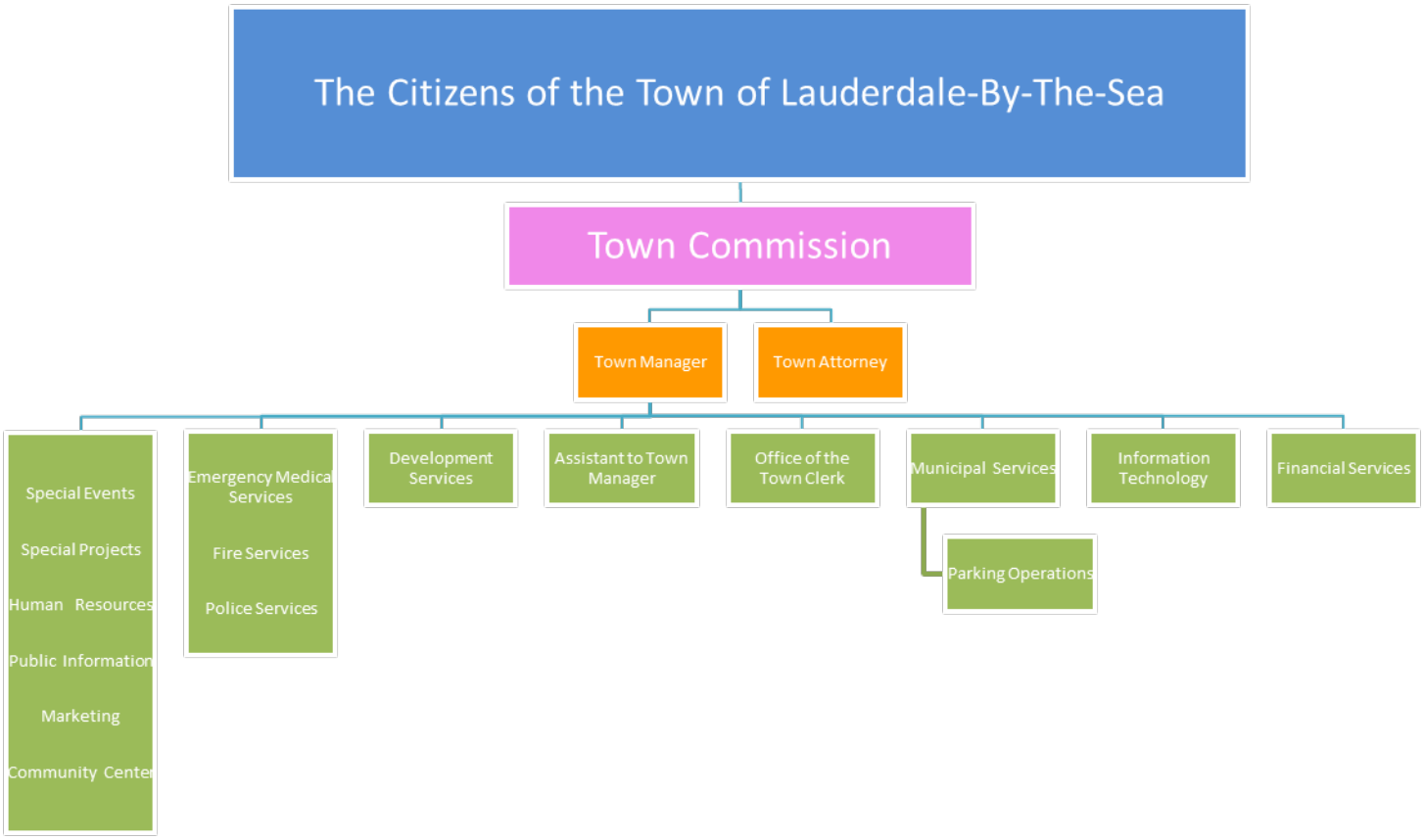
The preparation of this report could not have been accomplished without the efficient and dedicated services of Edner Saint-Jean and Sara Del Villar De Estevez of our Finance staff. We would also like to extend our thanks to the firm of Grau & Associates for their cooperation, assistance and professional conduct of the Town's annual audit. Finally, we wish to acknowledge the Town Commission for their commitment to sound accounting, transparency, financial management and the diligent manner in which they exercise their financial oversight responsibilities

Respectfully submitted,

Bill Vance
Town Manager

Lucila Lang
Finance Director

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
ORGANIZATION CHART
SEPTEMBER 30, 2019



TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TOWN OFFICIALS
SEPTEMBER 30, 2019

TOWN COMMISSION

CHRIS VINCENT
Mayor

BUZ OLDAKER
Vice-Mayor

EDMUND MALKOON
Commissioner

ELLIOT SOKOLOW
Commissioner

RANDY STRAUSS
Commissioner

TOWN ATTORNEY
Susan L. Trevarthen

MANAGEMENT TEAM

TOWN MANAGER
William Vance

ASSISTANT TO TOWN MANAGER
Neysa Herrera

MUNICIPAL SERVICES DIRECTOR
Kenneth Rubach

DEVELOPMENT SERVICES DIRECTOR
Linda Connors

FINANCE DIRECTOR
Lucila Lang

TOWN CLERK
Tedra Smith

CHIEF OF EMERGENCY MEDICAL SERVICES
Brooke Liddle

FIRE CHIEF
Judson Hopping

POLICE CHIEF
Thomas Palmer

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INDEPENDENT AUDITOR'S REPORT

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
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www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Town Commission and Town Manager
Town of Lauderdale-By-The-Sea, 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 Town of Lauderdale-By-The-Sea, Florida ("Town"), as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Town'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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, 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 Town, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and other required supplementary information 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining fund statements and budgetary comparison schedules 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. In our opinion, the combining fund statements and budgetary comparison schedules 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 June 11, 2020, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely 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 Town's internal control over financial reporting and compliance.

Grau & Associates

June 11, 2020

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MANAGEMENT'S DISCUSSION ANALYSIS
(MD&A)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Town of Lauderdale-By-The-Sea financial performance provides an overview of the Town's financial activities for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal in the introductory section and in conjunction with the Town's basic financial statements.

Financial Highlights

The assets of the Town of Lauderdale-By-The-Sea exceeded its liabilities at the close of the most recent fiscal year by $53,209,632 (net position). Of this amount, $15,641,359 (unrestricted net position) may be used to meet the ongoing obligations to citizens and creditors. The Town's net position increased by $2,253,947 from the prior fiscal year primarily as a result of the Town's parking fund having generated operating income of $1,694,043 during the fiscal year. During fiscal year 2019 the Town started reconstruction of the roadway, island, and parking on Poinciana / Bougainvilla. This project included a roadway as well as parking space reconfiguration. Also included was expansion of an existing island dividing Bougainvilla & Poinciana which received landscape and hardscape improvement. The A1A Parking lot was expanded to include the property located at 4410 Bougainvilla Drive (i.e., the former Majestica Apartment Building). The project was initially set to be completed in two phases. The first phase was completed in February 2019 and the second phase is expected to be substantially completed in November 2019 and Final Completion in December 2019.Lighting was not originally contemplated within Phase 2 and was since added with remaining funds from the project, the lighting component is anticipated to be completed by Summer 2020. Friedt Park Courtyard was scheduled to complete prior to the end of FY19 however several design modifications were made, most notably removing additional proposed parking spaces. This project is anticipated to be completed by Fall 2020.

At the close of the fiscal year 2019, the Town of Lauderdale-By-The-Sea's governmental funds reported combined ending fund balances of $13,964,350 an increase of $1,869,758 from the prior fiscal year.

At the end of the current fiscal year, unassigned fund balance for the general fund was $5,842,049 or approximately 54.34% of total general fund expenditures. It is the Town's intent to continue to use the general fund balance to pay for capital projects.

Long-Term Debt

The Town has no debt in any of its governmental or proprietary funds.

Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. For governmental activities, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide financial statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of third parties.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town of Lauderdale-By-The-Sea's basic financial statements which have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

Government-wide financial statements The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of Lauderdale-By-The-Sea's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town of Lauderdale-By-The-Sea's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as *net position*. Over time, increases or decreases in net position may serve as a useful indictor of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town'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 periods (e.g., uncollected taxes).

The government-wide financial statements distinguish functions of the Town of Lauderdale-By- The-Sea 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 costs through user fees and charges (*business-type activities*). The governmental activities of the Town of Lauderdale-By-The-Sea include general government, public safety, and physical environment, recreation, and transportation services. The business-type activities of the Town of Lauderdale-By-The-Sea include parking and sewer operations.

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 Town of Lauderdale-By-The-Sea, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Town of Lauderdale-By-The- Sea's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds *Governmental 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 the governmental fund statement of revenues,

Overview of the Financial Statements (Continued)

Expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of Lauderdale-By-The-Sea maintains five individual governmental funds (general, capital projects, and three special revenue funds). Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, capital projects fund, and the total of the three special revenue funds. The general fund and capital projects funds are both considered to be major funds. The three special revenue funds are all considered to be non-major funds.

The Town adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds The Town of Lauderdale-By-The-Sea maintains one type of proprietary fund, enterprise funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its parking and sewer operations.

The proprietary fund statements 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 sewer and parking operations, both of which are considered to be major funds of the Town of Lauderdale-By- The-Sea.

Fiduciary funds The Town is the sponsor for the Volunteer Firefighters' Pension Plan. The *Pension Trust Fund* uses the accrual basis of accounting and is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the balance sheet. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations.

Notes to the basic 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.

Government-Wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of the Town of Lauderdale-By-The-Sea's financial position. The Town's total net position was $53,209,632 at the close of the most recent fiscal year.

By far the largest portion of the Town of Lauderdale-By-The-Sea's net position reflects its investment in capital assets (e.g., roadways, improvements, equipment, buildings, and land). The Town uses these capital assets to provide services to citizens; consequently, they are not available for future spending. A portion of the Town of Lauderdale-By-The-Sea's net position is subject to external restrictions regarding how they may be used such as the remaining balance ($677,566) of the $1 million settlement received from Pier Pointe which is contractually restricted to El Mar Drive improvements. The remaining balance of unrestricted net position may be used to meet the Town's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position, both for the Town as a whole, as well as for its separate governmental and business-type activities.

Governmental activities Governmental activities increased the Town's net position by $287,522 in fiscal year 2019. The increase represents the extent to which the cost of operations and depreciation expense exceeded ongoing program and general revenues.

Business-type activities Business-type activities increased the Town of Lauderdale-By-The-Sea's net position by $1,966,425, $1,668,135 of which, is attributable to the parking fund.

Key components of the Town's net position are reflected in the following table:

Net Position
September 30,

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	$ 15,320,451	$ 13,135,163	$ 6,529,310	$ 6,052,240	$ 21,849,761	$ 19,187,403
Capital assets, net	21,699,644	22,702,253	13,778,236	12,800,105	35,477,880	35,502,358
Total assets	37,020,095	35,837,416	20,307,546	18,852,345	57,327,641	54,689,761
Deferred outflows of resources	1,199,904	1,618,034	115,570	136,794	1,315,474	1,754,828
Long-term liabilities	3,467,159	3,155,488	326,779	300,238	3,793,938	3,455,726
Other liabilities	904,730	848,874	293,963	850,514	1,198,693	1,699,388
Total liabilities	4,371,889	4,004,362	620,742	1,150,752	4,992,631	5,155,114
Deferred inflows of resources	417,648	308,148	23,204	25,642	440,852	333,790
Net position:						
Investment in capital assets	21,699,644	22,702,253	13,778,236	12,800,105	35,477,880	35,502,358
Restricted for:						
El Mar beautification per contractual agreement	677,566	677,566	-	-	677,566	677,566
Fire department	1,399,241	1,140,910	-	-	1,399,241	1,140,910
Law enforcement	13,586	12,439	-	-	13,586	12,439
Unrestricted	9,640,425	8,609,772	6,000,934	5,012,640	15,641,359	13,622,412
Total net position	$ 33,430,462	$ 33,142,940	$ 19,779,170	$ 17,812,745	$ 53,209,632	$ 50,955,685

Government-Wide Financial Analysis (Continued)

Key elements of the change in net position are reflected in the following table:

Changes in Net Position
For the Fiscal Year Ended September 30,

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for services	$ 2,602,751	$ 2,730,633	$ 3,812,958	$ 3,414,989	$ 6,415,709	$ 6,145,622
Operating grants and contributions	193,393	84,696	-	-	193,393	84,696
General Revenues:						
Property taxes	8,699,738	8,271,252	-	-	8,699,738	8,271,252
Franchise taxes and utility taxes	1,854,540	1,794,609	-	-	1,854,540	1,794,609
Grants and contributions not restricted to specific programs	1,037,907	1,029,976	-	-	1,037,907	1,029,976
Unrestricted investment earnings	89,366	25,317	34,778	6,561	124,144	31,878
Miscellaneous revenues	253,023	207,760	17,770	7,500	270,793	215,260
Total revenues	14,730,718	14,144,243	3,865,506	3,429,050	18,596,224	17,573,293
Expenses:						
General government	2,747,262	2,535,113	-	-	2,747,262	2,535,113
Public safety	7,849,047	7,427,617	-	-	7,849,047	7,427,617
Transportation	2,012,708	1,977,665	-	-	2,012,708	1,977,665
Recreation	472,021	444,051	-	-	472,021	444,051
Physical environment	1,362,158	1,435,206	-	-	1,362,158	1,435,206
Sewer	-	-	976,783	855,750	976,783	855,750
Parking	-	-	922,298	765,668	922,298	765,668
Total expenses	14,443,196	13,819,652	1,899,081	1,621,418	16,342,277	15,441,070
Increase in net position	287,522	324,591	1,966,425	1,807,632	2,253,947	2,132,223
Net position - beginning	33,142,940	32,818,349	17,812,745	16,005,113	50,955,685	48,823,462
Net position - ending	$ 33,430,462	$ 33,142,940	$ 19,779,170	$ 17,812,745	$ 53,209,632	$ 50,955,685

Property tax revenue increased by $428,486 primarily as the result of the Town increasing taxes by approximately $350,000 in order to raise funds for future capital projects.

In the governmental funds, revenue from charges for services decreased by $127,882. Grants and contributions not restricted to specific programs increased by $7,931. Franchise tax and utility tax revenues increased by $59,931.

In the proprietary funds, revenue from charges for services increased by $397,969 due to a $18,993 increase in sewer revenue and a $378,976 increase in parking revenue.

Government-Wide Financial Analysis (Continued)

General Government expense increased by $212,149 and Public Safety expense increased by $421,430. Transportation expense increased by $35,043. The increase is the result of increased costs within Municipal Services including staff, contracts, equipment maintenance, storm drain maintenance, building maintenance, street maintenance and other operating expenses. The cost increase is also related to partial upgrade of the Town technology in 2019 and maintenance of the server.

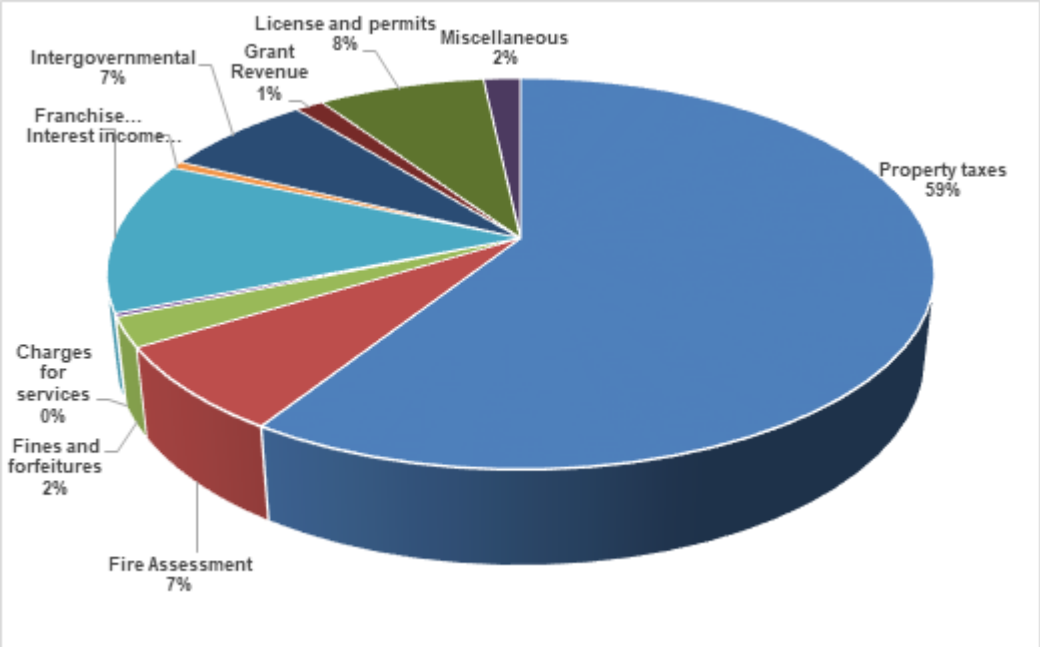
Recreation expense increased by $27,970. This is due primarily to the purchase of a portable stage for Jarvis Hall, sound stage lights, and removing fence for Tennis Courts.

Physical Environment expense declined by $73,048 primarily because of a large one-time expenditure in fiscal 2018. Specifically, the Town purchased new A/C unit for the Volunteer Fire Department as well as building improvements are in progress.

Sewer expense increased by $121,033 primarily as a result of increased professional services, payments to Pompano for wastewater treatment, and pump station maintenance. Parking expense increased by $156,630 due to an increase in fees to Paymentech for credit card processing, the sweeper lease and an increase of parking meter parts/supplies.

Revenues – Governmental Activities

The pie chart shows the major categories of revenue in the governmental funds and the percentage of governmental fund revenue represented by each category.



Financial Analysis of the Town's Funds

As noted earlier, the Town of Lauderdale-By-The-Sea uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town of Lauderdale-By-The-Sea's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Lauderdale-By-The-Sea's governmental funds reported combined ending fund balances of $13,964,350 an increase of $1,869,758 from the prior fiscal year.

The general fund is the primary operating fund of the Town. At the end of the fiscal year 2019, the fund balance of the general fund was $8,386,635, an increase of $1,142,559. The increase is the result of revenues being $649,764 more than budgeted and spending $766,140 less than budgeted. The more significant revenue surplus items were as follows: Property taxes ($122,163), Franchise and utility taxes ($136,880), and Fines and forfeitures ($274,760). There was less spending than expected on Business Development & marketing ($66,502) and General Administration (202,052).

The fund balance of the capital projects fund increased by $627,511 to $4,257,279 as budgeted transfers from the General Fund and interest income exceeded expenditures. There was no significant expenditure in the Capital Fund.

Proprietary funds. The Town of Lauderdale-By-The-Sea's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Revenues increased from the prior fiscal year in the proprietary funds. Parking revenues increased by $378,976 from the prior fiscal year. Sewer revenues increased by $18,993 as the result of a 2 ½ percent rate increase. Operating expenses in the sewer fund increased by $121,033. The increase is a result of several factors including a 64% ($62,948) increase in the payments to the City of Pompano Beach for wastewater treatment. As well as an increase in expenditures related to pump station and sewer line maintenance in the amount of $76,387, and an increase in professional expenditures related to the installation of cured-in-place sewer lining in the amount of $15,658. Operating expenses in the parking fund increased by $149,225 primarily due to a partial payment for the Bougainvilla Parking Renovation in the amount $94,320 and contractual services to process credit card parking meters payments and lease payments associated with South Ocean/Flamingo East LLC and Wens Holdings, LLC approximatively $55,000. The unrestricted net position of the Sewer and Parking Funds combined at the end of the fiscal year amounted to $6,000,934, an increase of $988,294 from the prior fiscal year. The increase is primarily the result of the parking fund generating operating income of $1,694,043.

General Fund Budgetary Highlights

The differences in the actual revenues and expenditures as compared to the budget are summarized as follows:

Ad valorem taxes are budgeted at 95% of anticipated revenue to provide an allowance for uncollected taxes and adjustment in property values as a result of appeals that occur after the millage rate is set. The Broward County Value Adjustment Board did lower the property valuations of many properties in Town after the millage rate was adopted. Property tax collections amounted to 96.5% of possible revenues.

Utility taxes came in at 108.7% of budgeted levels. Franchise fee collections came in at 106.9% of budgeted levels. Utility taxes increased 0.4% from the prior fiscal year and franchise fees declined 3.8% from the prior fiscal year.

General Fund Budgetary Highlights (Continued)

Intergovernmental revenues collected were 93.3% of budget.

Actual expenditures of the general fund were approximately 6.7% less than budgeted.

Please refer to the Budgetary Comparison Schedule for more detailed information.

Capital Assets

The Town of Lauderdale-By-The-Sea's investment in capital assets for its governmental and business type activities as of September 30, 2019, amounted to $35,477,880 (net of accumulated depreciation). These are investments in capital assets which include land, buildings, infrastructure, and improvements other than buildings, machinery and equipment.

Additional information on the Town of Lauderdale-By-The-Sea's capital assets can be found in Note 7 of this report.

Economic Factors and Next Year's Budget

According to Greater Fort Lauderdale Alliance Broward County's job report indicated a 4.2 percent unemployment rate in March 2020. This rate was 1.1 percentage points higher than the region's year ago rate of 3.1 percent. Nonagricultural employment increased by 2,500 jobs (+0.3 percent) over the year, with an employment of 864,500 in the Fort Lauderdale-Pompano Beach-Deerfield Beach MSA (Broward County). The region's jobless rate is 0.1 percentage point lower than the state rate of 4.3 percent. The labor force was 1,036,617, up 5,319 (+0.5 percent) over the year. There were 43,658 unemployed residents in the region.

In preparing the fiscal year 2020 budget, the Town provided funding for the following projects:

- A1A Commercial Street Lightning Upgrade
- Neighborhood Street Lightning
- Bel Air Seawall Repair
- Palm Club Sewer
- Improve the Friedt Municipal Park.
- Town Hall Complex-Jarvis Hall exterior Flooring and Railing
- Datura Portal Upgrade -Shelter Replacement

Requests for Information

This financial report is designed to provide a general overview of the Town of Lauderdale-By-The-Sea's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Budget and Finance, Town of Lauderdale-By-The-Sea, 4501 Ocean Drive, Lauderdale-By-The-Sea, Florida 33308, or at financedepartment@lbts-fl.gov.

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BASIC FINANCIAL STATEMENTS

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 14,277,620	$ 6,325,966	$ 20,603,586
Investments	255,011	-	255,011
Accounts receivable, net	289,617	190,590	480,207
Internal balances	2,246	(2,246)	-
Prepaid items	44,586	15,000	59,586
Net pension asset - Volunteer Firefighters Pension Plan	451,371	-	451,371
Capital assets:			
Nondepreciable capital assets	2,078,487	9,741,907	11,820,394
Depreciable capital assets, net	19,621,157	4,036,329	23,657,486
Total assets	37,020,095	20,307,546	57,327,641
DEFERRED OUTFLOWS OF RESOURCES			
Volunteer Firefighters Pension Plan	59,759	-	59,759
Other Post Employment Benefits	15,721	1,445	17,166
Florida Retirement System Pension Plan	1,124,424	114,125	1,238,549
Total deferred outflows of resources	1,199,904	115,570	1,315,474
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
Liabilities:			
Accounts payable and other liabilities	611,397	270,076	881,473
Contracts and retainage payable	23,620	-	23,620
Accrued liabilities	145,827	7,191	153,018
Unearned revenues	97,502	16,696	114,198
Deposits	26,384	-	26,384
Noncurrent liabilities due within one year	11,549	-	11,549
Noncurrent liabilities:			
Net Other Post Employment Benefit obligation	123,642	11,361	135,003
Net pension liability - Florida Retirement System	3,228,025	315,418	3,543,443
Due in more than one year	103,943	-	103,943
Total liabilities	4,371,889	620,742	4,992,631
Deferred inflows of resources:			
Volunteer Firefighters Pension Plan	186,425	-	186,425
Florida Retirement System Pension Plan	231,223	23,204	254,427
Total deferred outflows of resources	417,648	23,204	440,852
Net position:			
Investment in capital assets	21,699,644	13,778,236	35,477,880
Restricted for:			
El Mar beautification per contractual agreement	677,566	-	677,566
Law enforcement	13,586	-	13,586
Fire department	1,399,241	-	1,399,241
Unrestricted	9,640,425	6,000,934	15,641,359
Total net position	$ 33,430,462	$ 19,779,170	$ 53,209,632

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position: Governmental Activities	Net (Expenses) Revenue and Changes in Net Position: Business-type Activities	Total
Primary government:						
Governmental activities:						
General government	$ 2,747,262	$ 1,502,532	$ -	$ (1,244,730)	$ -	$ (1,244,730)
Public safety	7,849,047	1,100,219	-	(6,748,828)	-	(6,748,828)
Transportation	2,012,708	-	-	(2,012,708)	-	(2,012,708)
Recreation	472,021	-	193,393	(278,628)	-	(278,628)
Physical environment	1,362,158	-	-	(1,362,158)	-	(1,362,158)
Total government activities	14,443,196	2,602,751	193,393	(11,647,052)	-	(11,647,052)
Business-type activities:						
Sewer	976,783	1,196,617	-	-	219,834	219,834
Parking	922,298	2,616,341	-	-	1,694,043	1,694,043
Total business-type activities	1,899,081	3,812,958	-	-	1,913,877	1,913,877
Total primary government	$ 16,342,277	$ 6,415,709	$ 193,393	(11,647,052)	1,913,877	(9,733,175)
General revenues:						
Property taxes				8,699,738	-	8,699,738
Franchise taxes and utility taxes				1,854,540	-	1,854,540
Grants and contributions not restricted to specific programs				1,037,907	-	1,037,907
Unrestricted investment earnings				89,366	34,778	124,144
Miscellaneous revenues				253,023	17,770	270,793
Total general revenues and transfers				11,934,574	52,548	11,987,122
Change in net position				287,522	1,966,425	2,253,947
Net position - beginning				33,142,940	17,812,745	50,955,685
Net position - ending				$ 33,430,462	$ 19,779,170	$ 53,209,632

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Major Funds			
	General Fund	Capital Projects Fund	Non-Major Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 8,547,083	$ 4,297,230	$ 1,433,307	$ 14,277,620
Investments	255,011	-	-	255,011
Accounts receivable, net	289,617	-	-	289,617
Due from other funds	121,683	-	20,429	142,112
Prepaid items	44,586	-	-	44,586
Total assets	$ 9,257,980	$ 4,297,230	$ 1,453,736	$ 15,008,946
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and other liabilities	$ 594,096	$ -	$ 17,301	$ 611,397
Contracts and retainage payable	-	23,620	-	23,620
Accrued liabilities	145,827	-	-	145,827
Due to other funds	31,644	15,831	92,391	139,866
Unearned revenue	73,394	500	23,608	97,502
Deposits	26,384	-	-	26,384
Total liabilities	871,345	39,951	133,300	1,044,596
Fund balances:				
Nonspendable:				
Prepaid items	44,586	-	-	44,586
Restricted for:				
Fire department	-	-	1,399,241	1,399,241
Law enforcement	-	-	13,586	13,586
El Mar beautification per contract	-	677,566	-	677,566
Assigned to:				
Emergency reserve	2,500,000	-	-	2,500,000
Capital projects	-	3,579,713	-	3,579,713
Unassigned	5,842,049	-	(92,391)	5,749,658
Total fund balances	8,386,635	4,257,279	1,320,436	13,964,350
Total liabilities and fund balances	$ 9,257,980	$ 4,297,230	$ 1,453,736	$ 15,008,946

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

Fund balance - governmental funds		$ 13,964,350
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial assets and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the assets of the government as a whole.		
Cost of capital assets	40,812,637	
Accumulated depreciation	(19,112,993)	21,699,644
The net pension asset is not reported as a fund asset in the governmental fund financial statements, but is reported as an asset in the government-wide financial statements.		451,371
Deferred outflows of resources related to the pension and other post employment benefits are recorded in the statement of net position.		1,199,904
Deferred inflows of resources related to the pension are recorded in the statement of net position.		(417,648)
Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund financial statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.		
Compensated absences		(115,492)
Net pension liability - Florida Retirement System		(3,228,025)
Other Post Employment Benefit obligation		(123,642)
Net position of governmental activities		$ 33,430,462

See notes to the financial statements

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Major Funds			
	General Fund	Capital Projects Fund	Non-Major Funds	Total Governmental Funds
Revenues:				
Property taxes and fire assessments	$ 8,699,738	$ -	$ 1,055,588	$ 9,755,326
Franchise fees and utility taxes	1,854,540	-	-	1,854,540
Intergovernmental	1,037,907	-	-	1,037,907
Fines and forfeitures	357,287	-	-	357,287
Charges for services	10,678	-	33,953	44,631
Licenses and permits	144,711	-	1,000,534	1,145,245
Interest income and other	58,024	22,435	8,907	89,366
Grant revenue	193,393	-	-	193,393
Miscellaneous revenues	251,414	-	1,609	253,023
Total revenues	12,607,692	22,435	2,100,591	14,730,718
Expenditures:				
Current:				
General government	2,390,798	50,104	18,038	2,458,940
Public safety	5,842,450	-	1,839,274	7,681,724
Transportation	1,733,786	-	-	1,733,786
Recreation	460,021	-	-	460,021
Physical environment	221,694	-	-	221,694
Capital outlay	102,964	144,820	57,011	304,795
Total expenditures	10,751,713	194,924	1,914,323	12,860,960
Excess (deficiency) of revenues over (under) expenditures	1,855,979	(172,489)	186,268	1,869,758
Other financing sources (uses):				
Transfers in	99,580	800,000	13,000	912,580
Transfers out	(813,000)	-	(99,580)	(912,580)
Total other financing sources (uses)	(713,420)	800,000	(86,580)	-
Net change in fund balances	1,142,559	627,511	99,688	1,869,758
Fund balances, beginning	7,244,076	3,629,768	1,220,748	12,094,592
Fund balances, ending	$ 8,386,635	$ 4,257,279	$ 1,320,436	$ 13,964,350

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Net change in fund balances - total governmental funds	$	1,869,758
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of certain of those assets is eliminated and capitalized as capital assets.		278,928
Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense on the statement of activities.		(1,281,537)
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the fund financial statements. The details of the differences are as follows:		
Change in compensated absences		8,058
Change in Other Post Employment Benefit obligation		3,443
Changes related to the FRS net pension liability (NPL)		(537,703)
Changes related to the Volunteer Firefighters Pension Plan NPL		(53,425)
Change in net position of governmental activities	$	287,522

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2019

	Enterprise Funds		
	Sewer Utility System	Parking	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 1,344,926	$ 4,981,040	$ 6,325,966
Accounts receivable, net	176,745	13,845	190,590
Due from other funds	-	11,215	11,215
Prepaid items	-	15,000	15,000
Total current assets	1,521,671	5,021,100	6,542,771
Noncurrent Assets:			
Capital Assets:			
Land	-	8,717,073	8,717,073
Equipment	39,504	192,053	231,557
Buildings and utility plant	4,199,413	1,469,187	5,668,600
Construction in progress	1	1,024,833	1,024,834
Total capital assets	4,238,918	11,403,146	15,642,064
Less accumulated depreciation	(1,677,746)	(186,082)	(1,863,828)
Net capital assets	2,561,172	11,217,064	13,778,236
Total noncurrent assets	2,561,172	11,217,064	13,778,236
Total assets	4,082,843	16,238,164	20,321,007
DEFERRED OUTFLOWS OF RESOURCES			
Florida Retirement System Pension Plan	57,065	57,060	114,125
Other Post Employment Benefits	636	809	1,445
Total deferred outflows of resources	57,701	57,869	115,570
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
Current Liabilities:			
Accounts payable	$ 61,850	$ 208,226	$ 270,076
Accrued liabilities	1,092	6,099	7,191
Due to other funds	13,461	-	13,461
Unearned revenue	-	16,696	16,696
Total current liabilities	76,403	231,021	307,424
Long-Term Liabilities:			
Other Post Employment Benefit Obligation	4,999	6,362	11,361
Net pension liability - Florida Retirement System	157,708	157,710	315,418
Total long-term liabilities	162,707	164,072	326,779
Total Liabilities	239,110	395,093	634,203
Deferred inflows of resources:			
Florida Retirement system Pension Plan	11,602	11,602	23,204
Total deferred outflows of resources	11,602	11,602	23,204
Net position:			
Investment in capital assets	2,561,172	11,217,064	13,778,236
Unrestricted	1,328,660	4,672,274	6,000,934
Total net position	$ 3,889,832	$ 15,889,338	$ 19,779,170

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Enterprise Funds		
	Sewer Utility System	Parking	Total
Operating revenues:			
Charges for services	$ 1,196,617	$ 2,616,341	$ 3,812,958
Total operating revenues	1,196,617	2,616,341	3,812,958
Operating expenses:			
Operating, administrative and maintenance	908,391	873,082	1,781,473
Depreciation and amortization	68,392	49,216	117,608
Total operating expenses	976,783	922,298	1,899,081
Operating income	219,834	1,694,043	1,913,877
Nonoperating revenues (expenses):			
Interest income	7,094	27,684	34,778
Other income	-	17,770	17,770
Total nonoperating revenues (expenses)	7,094	45,454	52,548
Change in net position	226,928	1,739,497	1,966,425
Net position - beginning	3,662,904	14,149,841	17,812,745
Net position - ending	$ 3,889,832	$ 15,889,338	$ 19,779,170

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Enterprise Funds		
	Sewer Utility System	Parking	Total
Cash Flows From Operating Activities			
Receipts from customers and users	$ 1,117,301	$ 2,589,910	$ 3,707,211
Payments to suppliers	(1,142,152)	(802,797)	(1,944,949)
Payments to employees	(154,387)	(102,974)	(257,361)
Net cash provided (used) by operating activities	(179,238)	1,684,139	1,504,901
Cash Flows Provided (Used) By Noncapital Financing Activities			
Miscellaneous	-	17,770	17,770
Net cash provided (used) by noncapital financing	-	17,770	17,770
Cash Flows Provided (Used) By Capital and Related Financing Activities			
Purchase of capital assets	-	(1,095,739)	(1,095,739)
Net cash provided (used) by capital and related financing activities	-	(1,095,739)	(1,095,739)
Cash Flows Provided (Used) By Investing Activities			
Interest received	7,094	27,684	34,778
Net cash provided (used) by investing activities	7,094	27,684	34,778
Net increase (decrease) in cash	(172,144)	633,854	461,710
Cash and cash equivalents, beginning	1,517,070	4,347,186	5,864,256
Cash and cash equivalents, ending	$ 1,344,926	$ 4,981,040	$ 6,325,966
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities operating income (loss):	$ 219,834	$ 1,694,043	$ 1,913,877
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	68,392	49,216	117,608
Changes in assets and liabilities:			
(Increase)/Decrease in accounts receivable	(24,157)	(5,700)	(29,857)
(Increase)/Decrease in interfund receivable	1,460	(424)	1,036
(Increase)/Decrease in deferred outflows of resources	10,660	10,564	21,224
Increase/(Decrease) in accounts payable	(410,997)	(60,780)	(471,777)
Increase/(Decrease) in accrued liabilities	480	5,133	5,613
Increase/(Decrease) in interfund payable	(56,619)	(32,821)	(89,440)
Increase/(Decrease) in unearned revenue	-	12,514	12,514
Increase/(Decrease) in Other Post Employment Benefit	(1,054)	(369)	(1,423)
Increase/(Decrease) in net pension liability	13,982	13,982	27,964
Increase/(Decrease) in deferred inflows of resources	(1,219)	(1,219)	(2,438)
Total adjustments	(399,072)	(9,904)	(408,976)
Net cash provided (used) by operating activities	$ (179,238)	$ 1,684,139	$ 1,504,901

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2019

	Pension Trust Fund
ASSETS	
Cash	$ 212,092
Investments, at fair value:	
US government obligations	80,279
Corporate bonds	644,186
Foreign bonds	50,573
Common stock	1,392,688
Accrued investment income	5,870
Total assets	2,385,688
Liabilities	
Accounts payable	2,659
Total liabilities	2,659
NET POSITION	
Net position restricted for pensions	$ 2,383,029

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Pension Trust Fund
ADDITIONS	
Contributions:	
Plan member	$ 13,913
Employer	13,913
State	52,752
Total contributions	80,578
Investment income (loss):	
Net appreciation in fair value of investments	99,035
Interest and dividends	45,652
Less: investment expenses	9,890
Net investment income (loss)	134,797
Total additions	215,375
DEDUCTIONS	
Pension benefits	91,580
Refunds of contributions	6,559
Administrative expenses	35,131
Total deductions	133,270
Net increase (decrease)	82,105
Net position restricted for pensions:	
Beginning	2,300,924
Ending	$ 2,383,029

See notes to the financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Lauderdale-By-The-Sea, Florida ("Town") was incorporated in 1947. The Town operates under a Commission-Manager form of government and provides a full range of municipal services, including public safety (police and fire), parks and recreation, public works, building, zoning and code enforcement, and general administrative services. The Town also operates two enterprise activities: sewer and parking.

The basic financial statements of the Town have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

1. Financial Reporting Entity

The financial statements were prepared in accordance with governmental accounting standards, which establish standards for defining and reporting on the financial reporting entity. 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 Town, organizations for which the Town is financially accountable and other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Town is financially accountable for a component unit if it appoints a voting majority of the organization's governing 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 to, or impose specific financial burdens on the Town. The Town is financially accountable for a component unit if an organization is fiscally dependent on it and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Town regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board. A blended component unit, although a legally separate entity, is, in substance, part of the Town's operations and so data from this unit is combined with data of the Town. Based upon the application of these criteria, there were no organizations that met the criteria described above.

2. Government-Wide and Fund Financial Statements

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 Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and inter-governmental revenues, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges for support. Interfund services provided and used are not eliminated in the process of consolidation.

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 or segment. *Program revenues* include: 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-Wide and Fund Financial Statements (Continued)

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.

3. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting,* as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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 provider 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 Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, if any, are recorded only when payment is due.

The Town's fiduciary fund is presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the Town, these funds are not incorporated into the government-wide financial statements.

Property taxes, charges for services, franchise fees and other taxes, intergovernmental revenues, and interest associated with the current fiscal period are considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred. Other receipts and fees, including fines, become measurable and available when cash is received by the Town and are recognized as revenue at that time.

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all or most of the Town's general activities except those required to be accounted for in another fund.

The *Capital Projects Fund* is used to account for the acquisition and construction of major capital facilities.

The Town reports the following non-major governmental funds:

The *Police Training and Forfeiture Fund* is used to account for the portion of traffic citation revenue dedicated to police training, the confiscation of property and the related authorized law enforcement expenditures.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The *Building Fund* is used to account for the building permitting revenue and related permitting and enforcement activities.

The *Fire Fund* is used to account for the fire assessment revenues dedicated to fire protection and fire prevention services and the related authorized volunteer fire department expenditures.

The Town reports the following major proprietary funds:

The *Sewer Utility Fund* accounts for the activities associated with providing sewer services within the Town.

The *Parking Fund* accounts for parking meter revenue in the Town's business district.

Additionally, the Town reports the following fiduciary fund:

The *Pension Trust Fund* accounts for the activities of the Volunteer Fire Department's Pension Plan and the accumulation of resources for pension benefits.

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 Town's various utility functions and various other functions of the Town. 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. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total position. 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 Town's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as needed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. New Accounting Standards Adopted

During fiscal year 2019, the Town adopted the following new accounting standards as follows:

GASB 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 obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

GASB Statement No. 88 - *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*

The objective of this Statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt.

5. Capital Assets

Capital assets which include property, plant and equipment, and all infrastructure assets (e.g., roads, bridges, sidewalks, bike paths, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The Town has elected to retroactively apply the capitalization requirements of GASB Statement No. 34 to major general infrastructure assets acquired since 1980.

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

Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the fiscal year ended 2019, there was no interest to be capitalized.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30 - 50
Utility plant	25 - 75
Infrastructure	50
Improvements other than buildings	25
Furniture, fixtures, machinery and equipment	5 - 10

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Deposits and Investments

Town administration is authorized to invest in those instruments authorized by the Florida statutes.

Investments are measured at amortized cost or fair value as required by generally accepted accounting principles. Additional information regarding the fair value measurement of investments and amortized cost is disclosed in Note 2.

Cash and cash equivalents, for purposes of the statement of cash flows, include cash and investments which are defined as short-term, highly liquid investments with original maturities of twelve months or less.

7. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either 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.

8. Receivables

Receivables include amounts due from other governments and others for services provided by the Town. Receivables are recorded and revenues are recognized as earned or as specific program expenditures/expenses are incurred. Allowances for uncollectible receivables, if any, are based upon historical trends and the periodic aging of receivables.

9. Prepaid Items

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

10. Compensated Absences

Town employees are granted vacation in varying amounts based on length of service and sick leave at the rate of one day per month. For employees hired after September 30, 2011, up to 15 days of annual leave may be carried forward from one calendar year into the next calendar year. Accumulated leave in excess of 15 days must be used by December 31st of each calendar year or it will be lost. In the event of termination, an employee is reimbursed for accumulated vacation days. Up to 60 days of sick leave may be accrued and carried forward into the next year. Employees hired prior to October 1, 2011 are reimbursed for 25% of accumulated sick leave upon leaving Town employment in good standing. Employees hired after September 30, 2011 will be reimbursed for 0% - 15% of accumulated sick leave, depending on their number of years of continuous service.

The cost of accumulated vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee retirements or resignations. The general fund has been used to liquidate these amounts.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Long-Term Obligations

In the government-wide financial statements, and in the proprietary fund types in the fund 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. Bond premiums and discounts are deferred and amortized ratably over the life of the bonds using the straight-line method. Bonds are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

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, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

12. Unearned Revenue

Unearned revenue arises when resources are received by the Town before it has a legal claim to them.

13. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue, and Capital Projects Funds. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at fiscal year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget.

14. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Net Position

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position of the government-wide and proprietary funds is categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets is that portion of net position that relates to the Town's capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct or improve those assets, excluding unexpended proceeds.

Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of either of the other two components.

16. Fund Equity

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The Town can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution or ordinance) of the Town Commission, the Town's highest level of decision-making authority. Commitments may be changed or lifted only by the Town Commission taking the same formal action (resolution or ordinance) that imposed the constraint originally.

Assigned fund balance – Includes spendable fund balance amounts established by the Town Commission that are intended to be used for specific purposes that are neither considered restricted nor committed.

The Town first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

17. Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, deferred inflows/outflows, the disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenditures/expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, pension and postretirement obligations, and useful lives and impairment of tangible and intangible assets, among others. Actual results could differ from these estimates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

18. Pensions

Volunteer Firefighters Pension Fund
Plan member contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits paid directly to participants and refunds of contributions are recognized when due and payable in accordance with the terms of the plan. The Town funds the contributions to its Volunteer Firefighters Pension Plan based on the actuarial required contribution. The net pension asset is reported in the government-wide financial statements and represents the difference between the plan's fiduciary net position and the total pension liability.

Florida Retirement System
In the government-wide statement of net position, liabilities are recognized for the Town's proportionate share of the net pension liability for the Florida Retirement System pension plan and Retiree Health Insurance Subsidy Program. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Florida Retirement System defined benefit pension plan (FRS Pension Plan) and the Retiree Health Insurance Subsidy Program defined benefit pension plan (HIS Program), and additions to/deductions from the FRS Pension Plan's and the HIS Program's fiduciary net position have been determined on the same basis as they are reported by the FRS Pension Plan and the HIS Program plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits
All of the Town's deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act.* Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral of the depository to be held subject to his or her order. The Treasurer, by rule, shall establish minimum required collateral pledging levels. The pledging level may range from 25% to 125% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any potential losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

Investments - Town
The Town has adopted an investment policy in accordance with Florida Statutes to establish guidelines for the efficient management of its cash reserves. The Town is authorized to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, the State Board of Administration investment pool, any intergovernmental investment pools authorized pursuant to Chapter 163 of the Florida Statutes, SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency, and securities of any interest in any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio is limited to obligations of the U.S. government, its agencies and instrumentalities and to repurchase agreements fully collateralized by such U.S. government obligations and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments – Town (Continued)

The State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund ("Florida PRIME") is a"2a-7 like" pool. A "2a-7 like" pool is an external investment pool that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, which comprises the rules governing money market funds. Thus, the pool operates essentially as a money market fund. The Town has reported its investment in Florida PRIME at amortized cost for financial reporting purposes.

As of September 30, 2019, the Town had the following investments:

	Amortized Cost	Credit Risk	Weighted Average Maturity
Investment in Local Government Surplus Funds Trust Fund (Florida PRIME)	$ 255,011	S&P AAAm	37 days
	$ 255,011		

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 Town's investment policy limits investments to the highest ratings issued by two of the nationally recognized statistical rating organizations (NRSRO) (Standard and Poor's and Moody's investment services).

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 Town has an investment policy of structuring the investment portfolio in such a manner as to provide sufficient liquidity to pay obligations as they come due. The Town's investment policy limits the maturities on individual investments to no more than two years.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Town's investment policy states that assets shall be diversified to control the risk of loss resulting from concentration of assets to a specific maturity, instrument, issue, dealer, or bank through which these securities are bought and sold.

Fair Value Measurement – When applicable, the Town measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the Town has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments – Town (Continued)

For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, the Town's investments have been reported at amortized cost above.

External Investment Pool – With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2019, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

Investments - Volunteer Firefighter's Pension Plan

As of September 30, 2019, the Pension Plan had the following investments:

	Fair Value
Fixed income	
US government obligations	$ 80,279
Corporate bonds	644,186
Foreign bonds	50,573
Equities	
Common stocks	1,392,688
	$ 2,167,726

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments - Volunteer Firefighter's Pension Plan (Continued)

Credit Risk - For investments, credit risk is generally 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. Fixed income securities shall be one of the four highest classifications of Standard & Poor's or Moody's. The composite credit ratings of applicable investments by type are currently unavailable.

Concentration Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The investment policy of the Plan contains limits 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 the total assets of the portfolio.

Foreign currency risk – Foreign current risk is the risk that fluctuations in currency exchange rate may affect transactions conducted in currencies other than U.S. Dollars as well as the carrying value of foreign investments. The Plan's exposure to foreign currency risk derives mainly from its investments in international debt securities and international equity mutual funds. The Plan participates in international equity mutual funds but does not own any foreign individual equity securities. The Plan's exposure to foreign currency risk is $92,341.

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 Plan does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the sensitivity of the fair values of the investments over time for the Plan to market interest rate fluctuations is provided in the following table.

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments - Volunteer Firefighter's Pension Plan (Continued)

As of September 30, 2019, the Plan's debt security investments had the following maturities:

	Maturity	Fair Value
Federal Farm Credit Bank	March 13, 2026	$ 26,283
Federal Farm Credit Bank	March 7, 2028	27,583
Federal Home Loan Bank	November 7, 2025	26,414
Goldman Sachs Group	December 13, 2019	25,003
National Rural Utilities Cooperative	June 15, 2020	25,039
Praxair	September 24, 2020	25,067
Kroger	November 1, 2021	25,391
Colgate-Palmolive	November 15, 2021	25,337
John Deere Capital	March 15, 2022	25,474
US Bancorp	July 15, 2022	25,581
Wells Fargo	January 24, 2023	25,459
Burlington North Santa Fe	March 15, 2023	25,767
Public Service Electric & Gas	May 15, 2023	25,316
JP Morgan Chase	September 10, 2024	26,601
Lowe's	September 15, 2024	36,324
Commonwealth Edison	November 1, 2024	25,986
Bank of America	August 1, 2025	26,945
Suntrust Bank	November 3, 2025	27,319
IBM	February 19, 2026	26,565
IBM	January 27, 2027	26,430
Apple	February 9, 2027	26,727
Johnson & Johnson	January 15, 2028	26,293
Dowdupont Inc	November 15, 2028	28,596
Stanley Black & Decker	November 15, 2028	28,448
Anheuser-Bush Inbev	January 23, 2029	29,057
Charles Schwab Corp	February 1, 2029	27,838
Lam Research Corp	March 15, 2029	27,622
Royal Bank of Canada	October 30, 2020	25,106
Schlumberger Investment	September 14, 2021	25,467
		$ 775,038

Custodial credit risk – Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The Plan has no formal policy for custodial risk. The underlying securities that comprise the Plan's investments are registered and held by the custodial bank, not in the Plan's name.

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments - Volunteer Firefighter's Pension Plan (Continued)

Fair Value Measurement – When applicable, the Plan measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the Plan has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table summarizes the Plan's investments within the fair value hierarchy at September 30, 2019:

	Fair Value	Level 1	Level 2
US government obligations	$ 80,279	$ 80,279	$ -
Corporate bonds	644,186	-	644,186
Foreign bonds	50,573	-	50,573
Common stock	1,392,688	1,323,282	69,406
	$ 2,167,726	$ 1,403,561	$ 764,165

The investments were valued using the following approaches:

- U.S. government obligations were valued using prices quoted in active markets by a third party pricing service based on actual trades in the securities.
- Corporate bonds, certain common stock and foreign bonds were valued by a third party pricing service based on a combination of matrix pricing, actual observable trades in similar securities, and yield curve analysis.
- Other common stock and foreign stock were valued at the regular trading session closing price on the exchange or market in which such securities are principally traded. Certain common stock were valued by a third party pricing service based on a combination of matrix pricing, actual observable trades in similar securities, and yield curve analysis.

NOTE 3 – PROPERTY TAXES

Property taxes are assessed as of January 1 each year and are first billed (levied) and due the following November 1.

Under Florida law, the assessment of all properties and the collection of all county, municipal, school board and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws for the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills ($10 per $1,000 of assessed taxable valuation). The millage rate assessed by the Town for the fiscal year ended September 30, 2019 was 3.5989 mills.

The tax levy of the Town is established by the Commission prior to October 1 of each year, and the County Property Appraiser incorporates the millage into the local tax levy, which includes Broward County, Broward County School Board and special taxing districts.

All property is reassessed according to its fair market value as of January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

All real and tangible personal property taxes are due and payable on November 1 each year. Broward County mails to each property owner on the assessment roll a notice of the taxes due and Broward County also collects the taxes for the Town. Taxes may be paid upon receipt of such notice from Broward County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April of the year following the year in which taxes were assessed. 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, 2019.

NOTE 4 – RECEIVABLES

Receivables for the Town's funds including the applicable allowances for uncollectible accounts as of September 30, 2019 were as follows:

Receivables:	General Fund	Sewer Utility System	Parking	Total
Billed	$ -	$ 211,420	$ 13,845	$ 225,265
Taxes	22,351	-	-	22,351
Intergovernmental	68,571	-	-	68,571
Franchise fees and taxes	156,924	-	-	156,924
Other	44,957	-	-	44,957
Gross receivables	292,803	211,420	13,845	518,068
Less allowance for uncollectibles	(3,186)	(34,675)	-	(37,861)
Net total receivables	$ 289,617	$ 176,745	$ 13,845	$ 480,207

NOTE 5 – UNEARNED REVENUES

Unearned revenue reported in the governmental funds and the basic financial statements as of September 30, 2019 was as follows:

	Governmental Activities	Business-type Activities
Business tax receipts	$ 45,261	$ -
El Mar streetscape improvements	31,100	-
Other	21,141	16,696
	$ 97,502	$ 16,696

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at September 30, 2019 were as follows:

	Receivable	Payable
General Fund	$ 121,683	$ 31,644
Capital Projects Fund	-	15,831
Building Fund	-	92,391
Fire Fund	20,429	-
Sewer Utility System Fund	-	13,461
Parking Fund	11,215	-
	$ 153,327	$ 153,327

The outstanding balances between funds result primarily from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

Interfund transfers for the fiscal year ended September 30, 2019 were as follows:

	Transfers In	Transfers Out
General Fund	$ 99,580	$ 813,000
Capital Projects Fund	800,000	-
Building Fund	-	77,580
Fire Fund	13,000	22,000
	$ 912,580	$ 912,580

Transfers between the general fund and capital projects fund were to fund capital improvement projects. Transfer from building fund to general fund were for allocated administrative costs. Transfers from the fire fund to and from the general fund were to move revenues from the fund where collection occurred to the fund where funds have been reallocated for use, in accordance with the fiscal year 2019 budget.

NOTE 7 – CAPITAL ASSETS

Capital assets for the governmental activities for the fiscal year ended September 30, 2019 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	$ 1,939,254	$ 16,154	$ -	$ 1,955,408
Construction in progress	-	123,079	-	123,079
Total capital assets, not being depreciated	1,939,254	139,233	-	2,078,487
Capital assets, being depreciated:				
Building and building improvements	4,330,188	56,303	-	4,386,491
Improvements other than buildings	26,125,642	5,248	-	26,130,890
Furniture, fixtures, machinery and equipment	1,426,183	60,843	-	1,487,026
Motor vehicles	810,321	17,301	-	827,622
Infrastructure	5,902,121	-	-	5,902,121
Total capital assets, being depreciated	38,594,455	139,695	-	38,734,150
Less accumulated depreciation:				
Building and building improvements	1,510,419	85,013	-	1,595,432
Improvements other than buildings	9,205,495	932,368	-	10,137,863
Furniture, fixtures, machinery and equipment	1,461,719	98,462	-	1,560,181
Motor vehicles	737,220	53,087	-	790,307
Infrastructure	4,916,603	112,607	-	5,029,210
Total accumulated depreciation	17,831,456	1,281,537	-	19,112,993
Total capital assets, being depreciated, net	20,762,999	(1,141,842)	-	19,621,157
Governmental activities capital assets, net	$ 22,702,253	$ (1,002,609)	$ -	$ 21,699,644

Capital assets for the business-type activities for the fiscal year ended September 30, 2019 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	$ 8,717,073	$ -	$ -	$ 8,717,073
Construction in progress	184,319	840,515	-	1,024,834
Total capital assets, not being depreciated	8,901,392	840,515	-	9,741,907
Capital assets, being depreciated:				
Buildings and utility plant	5,592,172	255,224	(178,796)	5,668,600
Equipment	231,557	-	-	231,557
Total capital assets, being depreciated	5,823,729	255,224	(178,796)	5,900,157
Less accumulated depreciation:				
Buildings and utility plant	1,824,721	86,159	(178,796)	1,732,084
Equipment	100,295	31,449	-	131,744
Total accumulated depreciation	1,925,016	117,608	(178,796)	1,863,828
Total capital assets, being depreciated, net	3,898,713	137,616	-	4,036,329
Business-type activities capital assets, net	$ 12,800,105	$ 978,131	$ -	$ 13,778,236

NOTE 7 – CAPITAL ASSETS (Continued)

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

Governmental activities:	
General government	$ 38,628
Public safety	73,979
Transportation	53,087
Recreation	12,000
Physical environment	1,103,843
Total depreciation expense, governmental activities	$ 1,281,537
Business-type activities:	
Sewer utility	$ 68,392
Parking	49,216
Total depreciation expense, business-type activities	$ 117,608

NOTE 8 – LONG-TERM LIABILITIES

Changes in long-term liabilities for governmental activities for the fiscal year ended September 30, 2019 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	$ 123,550	$ 178,373	$ (186,431)	$ 115,492	$ 11,549
	$ 123,550	$ 178,373	$ (186,431)	$ 115,492	$ 11,549

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

NOTE 9 – OPERATING LEASES (LESSOR)

On February 28, 2013, the Town entered into an agreement to lease certain real property for use as a restaurant. The initial term of the lease is for a period of five years commencing on March 1, 2013 and ending February 28, 2018, with an option for additional five year renewal options. The lease was renewed through February 28, 2023. Minimum future rental payments on this lease as of September 30, 2019 are as follows:

Fiscal Year Ending September 30,	Annual Minimum Payments
2020	$ 74,940
2021	77,188
2022	79,503
2023	33,533
Total	$ 265,164

Included in the buildings and building improvements classification in Note 7 is the building which is currently being leased. The cost of the building is $1,406,644 and at September 30, 2019, the accumulated depreciation is $376,668. For the fiscal year ended September 30, 2019, rental income received from the lease was approximately $72,000.

NOTE 10 – OPERATING LEASES (LESSEE)

On September 8, 2015, the Town entered into an agreement to lease a certain parcel of land from Flamingo East, LLC ("Lessor") for use as a public parking lot. The term of the lease is for a period of twenty years commencing on September 8, 2015 and ending September 7, 2035, with an option for two additional ten year renewal options. Beginning October 1, 2015, the Town shall pay Lessor, on a monthly basis, rent in an amount equal to 50% of the prior month's net parking revenues (as defined in the lease agreement). Beginning May 1, 2016, or upon completion of the construction of the new parking lot, whichever occurs first, the Town shall pay the Lessor, on a monthly basis, rent in an amount equal to 85% of the prior month's net parking revenues.

On November 10, 2015, the Town entered into an agreement to license to use a certain parcel of land from Florida Development Group, Inc. ("Licensor") for use as a public parking lot. The agreement may be terminated by either party provided the other party provides not less than 180 days' prior written notice, provided no termination of the agreement shall be effective prior to October 30, 2016. In accordance with the agreement, the Town shall pay Licensor, on a monthly basis, a license fee in an amount equal to 50% of the prior month's net parking revenues (as defined in the lease agreement).

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Interlocal Agreements

The Town entered into an interlocal agreement with Broward Sheriff's Office on September 26, 2016 with an effective date of October 1, 2016 for police services in the Town. The agreement is for a five (5) year period and can be renewed for an additional periods of five (5) years each, for a total of ten (10) years, without further action of the parties, unless terminated by either party as provided in the agreement. During the fiscal year ended September 30, 2019, the Town paid $4,430,025 under this agreement.

Plan Examinations and Building Inspection Services

The Town contracts with C.A.P. Government, Inc. to conduct plan examinations and building inspection services. In accordance with the terms of its agreement with the Town, C.A.P. Government, Inc. collected $976,155 in the current fiscal year, of which the Town received 25% of actual revenue received for permit applications.

Grants

Grant monies received and disbursed by the Town are for specific purposes and may be subject to audit by the grantor agencies. Such audits may result in requests for reimbursements due to disallowed expenditures or other actions by grantor agencies. Based upon prior experience, the Town does not believe that such disallowances or other actions taken by the grantor agencies, if any, would have a material effect on the financial position of the Town.

Construction Contracts and Encumbrance Commitments

As of September 30, 2019, the Town had open contracts for various construction projects. The contracts totaled approximately $66,955, of which approximately $184,905 was uncompleted at September 30, 2019.

Litigation, Claims and Assessments

The Town is the plaintiff in a foreclosure action involving code enforcement liens on an assemblage of three parcels. The Town is also a defendant in various lawsuits incidental to its operations. As of the report date, the outcome of these matters cannot be determined and, therefore, no amounts related to these matters have been reflected in the financial statements.

NOTE 12 – FLORIDA RETIREMENT SYSTEM

General Information – The Town participates in the statewide Florida Retirement System ("FRS"). The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

All of the Town's full-time employees are eligible to enroll as members of the FRS. All rates, benefits and amendments are established by the State of Florida through its legislative body. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services (DMS), Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida, 32315-9000; phone 850-488-5706; website (www.dms.myflorida.com).

The Town's FRS pension expense totaled $915,555 for the fiscal year ended September 30, 2019.

FRS Pension Plan

Plan Description – The FRS Pension Plan (Plan) is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The classes of membership within the Town are as follows:

- Regular Class – Member of the FRS who do not qualify for membership in another class.
- Senior Management Service Class – Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of service. Members of the Plan may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

FRS Pension Plan (Continued)

Basis of Accounting – The FRS fiduciary financial statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Member contributions are recognized in the period of time for which the contributions are assessed. Employer contributions are recognized when due in the period in which employee services are performed and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Contributions – The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2019 fiscal year were as follows:

	Percent of Gross Salary October 1, 2018 to June 30, 2019		Percent of Gross Salary July 1, 2019 to September 30, 2019	
Class	**Employee**	**Employer (1)**	**Employee**	**Employer (1)**
FRS, Regular	3.00	8.26	3.00	8.47
FRS, Senior Management	3.00	24.06	3.00	25.41

(1) Employer rates include a postemployment HIS contribution rate of 1.66%. Also, employer rates include .06% for administrative costs of the Investment plan.

The Town's contributions to the Plan totaled $229,363 for the fiscal year ended September 30, 2019. This excludes the HIS defined benefit pension plan contributions.

Benefits Provided – Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation (AFC). For members initially enrolled before July 1, 2011, the AFC is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the AFC is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

FRS Pension Plan (Continued)

Benefits Provided (Continued) – Per Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 years of service	1.68
Senior Management Service Class	2.00

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2019, the Town reported a liability of $2,827,042 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The Town's proportionate share of the net pension liability was based on the Town's contributions for the year ended June 30, 2019 relative to the contributions made during the year ended June 30, 2018 of all participating members. At June 30, 2019, the Town's proportionate share was .00821%, which was a decrease of .00010% from its proportionate share measured as of June 30, 2018.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

FRS Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued) – For the fiscal year ended September 30, 2019, the Town recognized pension expense of $808,063 related to the Pension Plan. In addition, the Town 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	$ 167,680	$ (1,754)
Change of assumptions	726,106	-
Net difference between projected and actual earnings on FRS pension plan investments	-	(156,407)
Changes in proportion and differences between Town FRS contribtuions and proportionate share of FRS contriburtions	144,346	(28,654)
Town FRS contributions subsequent to the measurement date	61,799	-
Total	$ 1,099,931	$ (186,815)

The deferred outflows of resources related to pensions, totaling $61,799, resulting from Town contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30:	Amount
2020	$ 327,772
2021	108,925
2022	215,975
2023	155,822
2024	35,541
Thereafter	7,282
Total	$ 851,317

Actuarial Assumptions – The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

FRS Pension Plan (Continued)

Actuarial Assumptions (Continued) – The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric annual rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Arithmetic Return	Geometric Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.2%
Fixed income	18.0%	4.1%	4.1%	3.5%
Global equity	54.0%	8.0%	6.8%	16.5%
Real estate (property)	10.0%	6.7%	6.1%	11.7%
Private equity	11.0%	11.2%	8.4%	25.8%
Strategic investments	6.0%	5.9%	5.7%	6.7%
Total	100.0%			
Assumed inflation - mean			2.6%	1.7%

(1) As outlined in the Plan's investment policy

Discount Rate – The discount rate used to measure the total pension liability was 6.90 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the Town's Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Town's proportionate share of net pension liability	$ 4,887,013	$ 2,827,042	$ 1,106,617

Pension Plan Fiduciary Net Position – Detailed information about the Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

HIS Pension Plan

Plan Description – The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

Benefits Provided – In general, eligible retirees and beneficiaries receive a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2019, the contribution rate was 1.66% of payroll from October 1, 2018 through September 30, 2019 pursuant to section 112.363, Florida Statues. The Town contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The Town's contributions to the HIS Plan totaled $28,905 for the fiscal year ended September 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2019, the Town reported a net pension liability of $716,401 for its proportionate share of the HIS Program's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The Town's proportionate share of the net pension liability was based on the year ended June 30, 2019 contributions relative to the year ended June 30, 2018 contributions of all participating members. At June 30, 2019, the Town's proportionate share was .00640%, which was an increase of .00037% from its proportionate share measured as of June 30, 2018.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy Program (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued) – For the fiscal year ended September 30, 2019, the Town recognized a pension expense of $61,967 related to the HIS Program. In addition, the Town 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	$ 8,701	$ (877)
Change of assumptions	82,952	(58,553)
Net difference between projected and actual earnings on HIS pension plan investments	462	-
Changes in proportion and differences between Town HIS contribtuions and proportionate share of HIS contriburtions	37,364	(8,182)
Town HIS contributions subsequent to the measurement date	9,139	-
Total	$ 138,618	$ (67,612)

The deferred outflows of resources related to pensions, totaling $9,139, resulting from Town contributions to the HIS Program subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30:	Amount
2020	$ 20,951
2021	17,108
2022	11,808
2023	(712)
2024	5,580
Thereafter	7,132
Total	$ 61,867

Actuarial Assumptions – The total pension liability in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	3.50%

Mortality rates were based on the Generational RP-2000 with Projected Scale BB. The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy Program (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 3.50%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 3.50%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Town's proportionate share of net pension liability	$ 817,808	$ 716,401	$ 631,940

Pension Plan Fiduciary Net Position – Detailed information about the HIS Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

FRS – Defined Contribution Pension Plan

The Town contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. Service retirement benefits are based upon the value of the member's account upon retirement.

Eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Town employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected Local Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Allocations to the investment member's accounts during the 2019 fiscal year were as follows:

Class	Pecent of Gross Compensation
FRS, Regular	6.30%
FRS, Senior management	7.67%

NOTE 12 – FLORIDA RETIREMENT SYSTEM (Continued)

FRS – Defined Contribution Pension Plan (Continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance.

Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of payroll and by forfeited benefits of Investment Plan members. The fee for the FRS Investment Plan was .06 percent.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Town's Investment Plan pension expense totaled $45,525 for the fiscal year ended September 30, 2019.

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND

The Town sponsors the Volunteer Firefighters Pension Plan, a single-employer Public Employee Retirement System defined benefit pension plan. The Plan was established by Ordinance enacted by the Town Council to provide for the creation and operation of the Volunteer Firefighters Pension Plan. The Plan is governed by a five member Board of Trustees. The Board of Trustees' duties include, amongst other responsibilities, making recommendations regarding changes in the provisions of the Plan and its investment policies; however, any changes to the Plan must be approved by the Town Commission. The Plan is reported as a pension trust fund and is included as part of the Town's reporting entity.

Plan Description – All volunteer firefighters of the Town will become members of the Plan upon completion of their application for membership, which must be completed within 30 days of becoming eligible for the Plan. Volunteer firefighters do not receive salaries but receive incentive pay based on calls to which they respond, training sessions and meetings that they attend. Participants should refer to the Plan documents for more complete information. A publicly available financial statement for the Plan can be obtained from the Board of Trustees, 4442 Sea Grape Drive, Lauderdale-By-The-Sea, Florida, 33308.

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Membership – As of October 1, 2018, the date of the latest actuarial valuation, firefighters' membership data related to the Plan as stated in the actuarial valuation was as follows:

Retirees and beneficiaries currently receiving benefits and former volunteers entitled to receive benefits but not yet receiving them	17
Active participants	45
Total	62

Basis of Accounting – The Volunteer Firefighters Pension Plan ("Plan") financial statements are prepared on the accrual basis of accounting. All contributions are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative expenses are recorded when incurred.

Method Used to Value Cash and Investments – All short-term investments with an original term of less than three months are considered cash equivalents. Investments are reported at fair value. Net appreciation (depreciation) in fair value of investments includes realized and unrealized gains and losses. Realized gains and losses are determined on the basis of specific cost. Purchases and sales of securities are recorded on the trade-date basis. Interest and dividends are recognized when earned. Dividends are recorded on the ex-dividend date.

Pension Benefits – Eligibility for pension benefits is determined by a point system whereby a firefighter must accumulate 30 points during a Plan year to be credited for one year of service. Points are accumulated by attendance at meetings, drills, fires and false alarms. Normal retirement is at age 55 and 10 years of credited service, or the date on which the member has attained the age of 52 having completed 25 years of credited service. Effective prospectively from December 1, 2015, the benefit for normal retirement was increased from $10 multiplied by the number of years of credited service to $42.50 multiplied by the number of years of credited service; however, effective for retirements after March 1, 2003, the benefit shall be at least 2% of average final compensation for each year of credited service. Benefits are payable in a life annuity with other options available. The Plan also provides early and delayed retirement as well as death and disability benefits with benefits dependent on earnings, length of service or years of contributions, and age upon retirement, death or disability.

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – The Town's net pension asset for the Volunteer Firefighters Pension Plan is measured as the total pension liability less the pension plans' fiduciary net position. At September 30, 2019, the Town reported a net pension asset of $451,371 related to the Volunteer Firefighters Pension Plan. The net pension asset was measured as of September 30, 2018, using an annual actuarial valuation as of October 1, 2017. For the fiscal year ended September 30, 2019, the Town recognized pension expense of $81,963. The changes in the Net Pension Asset follow:

	Increases (Decreases)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Balance at measurement date September 30, 2017	$ 1,896,724	$ 2,088,421	$ (191,697)
Changes in the year:			
Service cost	39,229	-	39,229
Interest on the total pension liability	122,909	-	122,909
Changes of benefit terms	-	-	-
Differences between actual and expected experience in the measurement of the TPL	(119,225)	-	(119,225)
Changes of assumptions	-	-	-
Contributions - Employer (from Town)	-	14,625	(14,625)
Contributions - Employer (from State)	-	113,804	(113,804)
Contributions - Employee	-	17,831	(17,831)
Net investment income	-	229,884	(229,884)
Benefit payments	(87,100)	(87,100)	-
Refunds	(2,984)	(2,984)	-
Pension plan administrative expense	-	(36,441)	36,441
Other changes*	-	(37,116)	37,116
Net changes	(47,171)	212,503	(259,674)
Balance at measurement date September 30, 2018	$ 1,849,553	$ 2,300,924	$ (451,371)

At September 30, 2019 the Town reported deferred outflows of resources and deferred inflows of resources related to the Volunteer Firefighters Pension Fund from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows and Inflows of Resources
Differences between expected and actual experience	$ 5,893	$ (73,369)	$ (67,476)
Change in assumptions	7,270	-	7,270
Net Difference between projected and actual earnings on pension plan investments	32,683	(113,056)	(80,373)
Employer's contributions subsequent to the measurement date	13,913	-	13,913
	$ 59,759	$ (186,425)	$ (126,666)

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued) – The amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending September 30	Net Deferred Outflows and Inflows of Resources
2020	$ (31,762)
2021	(59,264)
2022	(30,373)
2023	(19,180)
Total	$ (140,579)

Contributions and Funding Policy – Funding is based on actuarial determined required contributions using the Aggregate Actuarial Cost Method. The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the actuarial accrued liability. Firefighters are required to contribute 5% of earnings to the Plan. Contributions from the State of Florida pursuant to Chapter 175, Florida Statutes, are based on the amount of fire insurance written by private insurers on property within Town limits. The annual required contribution for the year ended September 30, 2019 was determined using the October 1, 2017 actuarial valuation. The Town is required to contribute if there is any shortfall between the State's contributions and funding requirements of the Plan. Actual contributions in fiscal year 2019 were as follows: State of Florida $52,752, Town $13,913, and members $13,913.

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Actuarial Methods and Significant Assumptions – Significant actuarial assumptions and other inputs used to measure the total pension liability are as follows:

Valuation date	October 1, 2017
Measurement date	September 30, 2018
Actuarial cost method	Entry Age Normal
Actuarial Assumptions:	
Discount rate	6.5%
Inflation	2.5%
Salary increases	5.5%
Investment Rate of Return	6.5%
Retirement age	Members are expected to retire when eligible for Normal Retirement
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. For disabled retirees, 60% of the RP-2000 Mortality Table for Annuitants and 40% of the RP-2000 Mortality Table for Annuitants with a white collar adjustment, set back 4 years for males and set forward 2 years for females, with no provision being made for future mortality improvments. These are the same rates as use for Special Risk Class members of the Florida Retirement System (FRS) in the July 1, 2017 Actuarial Valuation, as mandated by Chapter 112.63, Florida Statutes.

Ordinance No. 2015-18 (adopted and passed November 11, 2015) increased the minimum monthly benefit from $10 per month per year of Credited Service to $42.50 per month per year of Credited Service, for both active members and retirees. This benefit change was reflected as of the September 30, 2016 measurement date.

Single Discount Rate	6.50%
Long-Term Expected Rate of Return	6.50%
Last year ending September 30 in the 2017 to 2116 projection period for which projected benefit payments are fully funded	2117

A single discount rate of 6.5% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.5%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.5%) was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Actuarial Methods and Significant Assumptions (Continued) – The long-term expected rate of return on pension plans investments were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	60%	7.50%
International Equity	0%	8.50%
Domestic Bonds	40%	2.50%
International Bonds	0%	3.50%
Real Estate	0%	4.50%
Alternative Assets	0%	5.50%

Sensitivity of the Town's Net Pension Liability to Changes in the Discount Rate – Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability calculated using a single discount rate of 6.5%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	5.50%	6.50%	7.50%
Net Pension Liability (Asset)	$ (235,579)	$ (451,371)	$ (627,486)

NOTE 14 – DEFERRED COMPENSATION PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The plan, available to all Town employees, permits them to defer a portion of their salary until future years. The plan was established, and the provisions of the plan, including contribution rates, may be amended by the Town Commission. As outlined in the Town's personnel policies manual, if an employee eligible to participate in the Town's health insurance program does not elect to participate, the Town will contribute 80% of the Town's normal health insurance contribution for an employee with no spouse or dependent coverage to the deferred compensation plan on their behalf in lieu of providing health insurance. Additionally, contributions are also paid to the deferred compensation plan on behalf of the Town Manager. Except for the plan provisions related to loans, the deferred compensation is not available to the employees until termination, retirement, death or unforeseeable emergency. The plan is administered by Nationwide Retirement Solutions. Except for the plan provisions related to loans, the Town has no fiduciary responsibility for the plan and therefore, the Town does not report the balances and activities in its financial statements. During the current fiscal year, the Town contributed approximately $16,475 on behalf of employees to the deferred compensation plan and employees contributed approximately $53,562.

NOTE 15 – OTHER POST EMPLOYMENT BENEFITS

Plan Description – Pursuant to Section 112.081, Florida Statutes, the Town is required to permit eligible retirees and their eligible dependents to participate in the Town's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. These retirees pay 100% of the blended rate for active and retired employees. Because the blended rate is greater than that of a plan including active employees only and less than that of a plan including retirees only, the amount the Town expends for active employees includes an implicit subsidy for participating retirees and dependents.

Membership – Participants of the plan consisted of the following at September 30, 2019:

Retirees and beneficiaries currently receiving benefits	3
Active employees	37
Total	40

Changes in Net OPEB Liability – Sources of changes in the net OPEB liability were as follows:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance as of September 30, 2018	$ 138,275	$ -	$ 138,275
Changes due to:			
Service cost	10,075	-	10,075
Interest	5,176	-	5,176
Changes of assumptions	(6,121)	-	(6,121)
Benefit payments	(12,402)	-	(12,402)
Balance as of September 30, 2019	$ 135,003	$ -	$ 135,003

Actuarial Methods and Assumptions – Significant assumptions used to calculate the total OPEB liability were as follows:

Measurement date	September 30, 2018
Actuarial valuation date	October 1, 2017
Actuarial cost method	Entry Age Cost Method (Level % of Pay)
Actuarial assumptions:	
Discount Rate	4.18%
Inflation Rate	2.5% per year
Salary Increase Rate	2.5% per year
Health Care Participation Rate	20% participation assumed, with 50% electing spouse coverage
Mortality Rate	RP-2000 Combined Health Mortality Table projected to the valuation date using Scale AA.
Retirement Rates	100% at Age 60

NOTE 15 – OTHER POST EMPLOYMENT BENEFITS (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.18%) or 1-percentage-point higher (5.18%) than the current discount rate:

1% Decrease (3.18%)	Current Discount Rate (4.18%)	1% Increase (5.18%)
$ 146,717	$ 135,003	$ 124,779

Sensitivity of the Net OPEB Liability Using Alternative Healthcare Cost Trend Rates – The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost rend rates:

	Healthcare Cost	
1% Decrease	Trend Rate	1% Increase
3.00% - 7.50%	4.00% - 8.50%	5.00% - 9.50%
$ 123,256	$ 135,003	$ 148,700

The Town reported $17,166 as a deferred outflow of resources at September 30, 2019.

OPEB Expense – For the fiscal year ended September 30, 2019, the District recognized OPEB expense of $9,130.

NOTE 16 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which the Town carries commercial insurance. There were no significant reductions in insurance coverage from the prior fiscal year. The Town provides employee medical benefits through commercial insurance coverage. Settlements during the previous three years did not exceed insurance coverage.

NOTE 17 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED

GASB 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 establishes 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. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB 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. This 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. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. For reporting periods beginning after December 15, 2019.

GASB 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*

The objectives of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. Changes adopted to conform to the provisions of this Statement should be applied prospectively. For construction-in-progress, interest cost incurred after the beginning of the first reporting period to which this Statement is applied should not be capitalized.

GASB 90 - *Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61*

The primary objectives of this Statement are to improve consistency in the measurement and comparability of the financial statement presentation of majority equity interests in legally separate organizations and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. Except as discussed in paragraph 11, in the period this Statement is first applied, changes adopted to conform to the provisions of this Statement should be applied retroactively by restating financial statements, if practicable, for all periods presented. If restatement for prior periods is not practicable, the cumulative effect, if any, of applying this Statement should be reported as a restatement of beginning net position (or fund balance or fund net position, as applicable) for the earliest period restated. Also, the reason for not restating prior periods presented should be disclosed. In the first period that this Statement is applied, the notes to financial statements should disclose the nature of the restatement and its effect.

NOTE 17 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED (Continued)

GASB 91 - *Conduit Debt Obligations*

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

The Town's management has not yet determined the effect these Statements will have on the Town's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MD&A)

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE –
GENERAL FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Property taxes	$ 8,577,575	$ 8,577,575	$ 8,699,738	$ 122,163
Franchise fees and utility taxes	1,717,660	1,717,660	1,854,540	136,880
Intergovernmental	1,112,493	1,112,493	1,037,907	(74,586)
Fines and forfeitures	82,527	82,527	357,287	274,760
Charges for services	12,000	12,000	10,678	(1,322)
Licenses and permits	139,364	139,364	144,711	5,347
Interest income	23,000	23,000	58,024	35,024
Grant revenue	-	95,594	193,393	97,799
Miscellaneous revenues	197,715	197,715	251,414	53,699
Total revenues	11,862,334	11,957,928	12,607,692	649,764
Expenditures:				
General government departments:				
Commission	177,547	177,547	166,722	10,825
Donations	37,889	37,889	35,389	2,500
Visitor center	59,593	59,593	53,016	6,577
Administration	924,861	1,046,548	975,818	70,730
Attorney	363,000	363,000	331,144	31,856
General	944,430	912,018	709,966	202,052
Business development	194,070	194,070	128,568	65,502
Total general government	2,701,390	2,790,665	2,400,623	390,042
Other departments:				
Police department	4,712,133	4,712,133	4,452,252	259,881
Emergency medical services	823,545	823,545	823,545	-
Development services	712,006	642,746	582,756	59,990
Municipal services	1,997,846	2,064,514	2,007,341	57,173
Recreation services	475,339	484,250	485,196	(946)
Total other departments	8,720,869	8,727,188	8,351,090	376,098
Total expenditures	11,422,259	11,517,853	10,751,713	766,140
Excess (deficiency) of revenues over (under) expenditures	440,075	440,075	1,855,979	1,415,904
Other financing sources (uses):				
Use of fund balance	350,925	350,925	-	(350,925)
Transfers in	22,000	22,000	99,580	77,580
Transfers out	(813,000)	(813,000)	(813,000)	-
Total other financing sources (uses)	(440,075)	(440,075)	(713,420)	(273,345)
Net change in fund balance	$ -	$ -	1,142,559	$ 1,142,559
Fund balance, beginning			7,244,076	
Fund balance, ending			$ 8,386,635	

See notes to Required Supplementary Information.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTE TO BUDGETARY COMPARISON SCHEDULE
FISCAL YEAR ENDED SEPTEMBER 30, 2019

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

Annual appropriated budgets are adopted for all governmental funds on a basis consistent with accounting principles generally accepted in the United States.

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

(a) In July, the Town Manager submits to the Commission a proposed operating and capital budget for the ensuing fiscal year. The budget includes proposed expenditures and the means of financing them.

(b) Public hearings are conducted to obtain taxpayer comments.

(c) Prior to October 1, the budget is legally enacted through passage of an ordinance.

(d) The Town Commission, by motion, may make supplemental appropriations for the fiscal year.

(e) Formal budgetary integration is employed as a management control device during the fiscal year for the general fund.

(f) The Town Manager is authorized to transfer part or all of an unencumbered appropriation balance within a department; however, any revisions that alter the total appropriations of any fund must be approved by the Town Commission. The classification detail at which expenditures may not legally exceed appropriations is at the department level.

(g) Unencumbered appropriations lapse at fiscal year-end. Encumbered amounts are reappropriated in the following fiscal year's budget.

(h) Budgeted amounts are as originally adopted or as amended.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION ASSET AND RELATED RATIOS –
VOLUNTEER FIREFIGHTERS PENSION PLAN
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Measurement Year Ended September 30,	2018	2017	2016	2015	2014
Total Pension Liability (TPL)					
Service cost	$ 39,229	$ 55,966	$ 22,358	$ 39,823	$ 48,234
Interest on the total pension liability	122,909	115,897	96,588	97,199	38,136
Benefit changes	-	-	152,366	-	-
Differences between actual and expected experience	(119,225)	17,679	57,929	(50,638)	-
Changes of assumption	-	21,808	-	(22,967)	-
Benefit payments	(87,100)	(76,043)	(46,123)	(15,194)	(15,194)
Refunds	(2,984)	(7,326)	(2,083)	(7,981)	(15,195)
Other changes	-	-	-	87,139	129,583
Net change in total pension liability	(47,171)	127,981	281,035	127,381	185,564
Total pension liability - beginning	1,896,724	1,768,743	1,487,708	1,360,327	1,174,763
Total pension liability - ending (a)	$ 1,849,553	$ 1,896,724	$ 1,768,743	$ 1,487,708	$ 1,360,327
Plan fiduciary net position					
Contributions - Employer (from Town)	$ 14,625	$ 12,990	$ 14,122	$ 14,458	$ 13,976
Contributions - Employer (from State)	113,804	58,209	85,906	110,610	153,054
Contributions - Members	17,831	12,990	14,122	14,458	13,976
Net investment income	229,884	180,802	123,067	(40,115)	58,637
Benefit payments	(87,100)	(76,043)	(46,123)	(15,194)	(15,194)
Refunds	(2,984)	(7,326)	(2,083)	(7,981)	(15,195)
Pension plan administrative expense	(36,441)	(27,136)	(18,613)	(32,027)	(8,350)
Other changes*	(37,116)	-	-	-	-
Net change in fiduciary net position	212,503	154,486	170,398	44,209	200,904
Plan fiduciary net position - beginning	2,088,421	1,933,935	1,763,537	1,719,328	1,518,424
Plan fiduciary net position - ending (b)	$ 2,300,924	$ 2,088,421	$ 1,933,935	$ 1,763,537	$ 1,719,328
Net pension liability (asset) - ending (a) - (b)	$ (451,371)	$ (191,697)	$ (165,192)	$ (275,829)	$ (359,001)
Plan fiduciary net position as a percentage of the total pension liability	124.40%	110.11%	109.34%	118.54%	126.39%
Covered employee payroll	$ 292,500	$ 259,800	$ 282,440	$ 289,160	$ 279,520
Net Pension liability as a percentage of covered employee payroll	-154.31%	-73.79%	-58.49%	-95.39%	-128.43%

* The fiscal year 2018 beginning net position of the Town of Lauderdale-by-the-Sea Volunteer Firefighters Pension Plan was adjusted by $37,116 because a state contribution to the pension was improperly accrued as of September 30, 2017.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS –
VOLUNTEER FIREFIGHTERS PENSION PLAN
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Fiscal Year End	(1) Actuarially Determined Contribution (ADC)	(2) Contributions Recognized by the Plan*	(3) Difference Between (1) and (2)	Covered Member Payroll**		Column (2) as a Percentage of Covered Payroll
September 30, 2010	$ 27,036	$ 40,224	$ (13,188)	$ 286,224		14.05%
September 30, 2011	27,036	40,460	(13,424)	286,224	***	14.14%
September 30, 2012	20,932	38,866	(17,934)	347,941		11.17%
September 30, 2013	20,932	40,274	(19,342)	347,941	***	11.57%
September 30, 2014	153	37,447	(37,294)	279,520		13.40%
September 30, 2015	-	37,929	(37,929)	289,160		13.12%
September 30, 2016	29,701	100,028	(70,327)	282,440		35.42%
September 30, 2017	34,083	34,083	-	259,800		13.12%
September 30, 2018	-	113,804	(113,804)	292,500		38.91%
September 30, 2019	-	66,665	(66,665)	278,260		23.96%

* Contributions recognized by the Plan relate to employer and nonemployer entities.
** Covered payroll was calculated based on actal member contributions for the fiscal year divided by the employee contribution rate of
*** Expected total covered payroll assumed to be same as expected covered payroll for previous year.

Valuation date	October 1, 2018
Actuarial cost method	Aggregate
Amortization method	N/A
Remaining amortization period	N/A
Asset valuation method	Market Value of Assets
Actuarial assumptions:	
Investment rate of return	6.5%
Salary increases	5.5%
Inflation	2.5%
Retirement age	The later of normal retirement eligibility or one year after the valuation.
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. For disabled retirees, 60% of the RP-2000 Mortality Table for Annuitants and 40% of the RP-2000 Mortality Table for Annuitants with a white collar adjustment, set back 4 years for males and set forward 2 years for females, with no provision being made for future mortality improvments. These are the same rates as use for Special Risk Class members of the Florida Retirement System (FRS) in the July 1, 2018 Actuarial Valuation, as mandated by Chapter 112.63, Florida Statutes.

A publicly available financial statement for the Plan can be obtained from the Board of Trustees, 4442 Sea Grape Drive, Lauderdale-By-The-Sea, Florida, 33308 which includes the additional financial reporting requirements of GASB 67, *Financial Reporting for Pension Plans*, including the annual money-weighted rate of return on pension plan investments.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY –
FLORIDA RETIREMENT SYSTEM
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Schedule of the Town's Proportionate Share of the Net Pension Liability -
Florida Retirement System Pension Plan
Last 10 Years (1) (2)

	2019	2018	2017	2016	2015
Town's proportion of the FRS net pension liability	0.00821%	0.00838%	0.00811%	0.00739%	0.00716%
Town's proportionate share of the FRS net pension liability	$ 2,827,042	$ 2,523,345	$ 2,397,897	$ 1,867,084	$ 925,142
Town's covered employee payroll	$ 1,804,862	$ 1,812,223	$ 1,652,978	$ 1,907,616	$ 1,837,884
Town's proportionate share of the FRS net pension liability as a percentage of its covered employee payroll	156.63%	139.24%	145.07%	97.88%	50.34%
FRS plan fiduciary net position as a percentage of the total pension liability	84.26%	84.26%	83.89%	84.88%	92.00%

Schedule of the Town's Proportionate Share of the Net Pension Liability -
Health Insurance Subsidy Pension Plan
Last 10 Years (1) (2)

	2019	2018	2017	2016	2015
Town's proportion of the HIS net pension liability	0.00640%	0.00634%	0.00604%	0.00618%	0.00599%
Town's proportionate share of the HIS net pension liability	$ 716,401	$ 670,555	$ 645,544	$ 720,176	$ 610,760
Town's covered employee payroll	$ 1,804,862	$ 1,812,223	$ 1,652,978	$ 1,907,616	$ 1,837,884
Town's proportionate share of the HIS net pension liability as a percentage of its covered employee payroll	39.69%	37.00%	39.05%	37.75%	33.23%
HIS plan fiduciary net position as a percentage of the total pension liability	2.15%	2.15%	1.64%	0.97%	0.50%

(1) The amounts presented for each year were determined as of the measurement date, June 30.

(2) Information is only available for the years presented.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS –
FLORIDA RETIREMENT SYSTEM
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Schedule of the Town Contributions -
Florida Retirement System Pension Plan
Last 10 Fiscal Years (1) (2)

	2019	2018	2017	2016	2015
Contractually required FRS contribution	$ 229,363	$ 228,094	$ 201,918	$ 213,343	$ 203,842
FRS contributions in relation to the contractually required contribution	(229,363)	(228,094)	(201,918)	(213,343)	(203,842)
FRS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Town's covered employee payroll	$ 1,741,337	$ 1,822,995	$ 1,710,062	$ 1,987,533	$ 1,854,933
FRS contributions as a percentage of covered employee payroll	13.17%	12.51%	11.81%	10.73%	10.99%

Schedule of the Town Contributions -
Haelth Insurance Subsidy Pension Plan
Last 10 Fiscal Years (1) (2)

	2019	2018	2017	2016	2015
Contractually required HIS contribution	$ 28,905	$ 30,262	$ 28,387	$ 32,944	$ 25,157
HIS contributions in relation to the contractually required contribution	(28,905)	(30,262)	(28,387)	(32,944)	(25,157)
HIS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Town's covered employee payroll	$ 1,741,337	$ 1,822,995	$ 1,710,062	$ 1,987,533	$ 1,854,933
HIS contributions as a percentage of covered employee payroll	1.66%	1.66%	1.66%	1.66%	1.36%

(1) The amounts presented for each fiscal year were determined as of September 30.

(2) Information is only available for the years presented.

A publicly available financial statement for the Plan can be obtained from the Florida Department of Management Services (DMS), Division of Retirement, Research and Education Section, PO Box 9000, Tallahassee, Florida, 32315-9000; phone 850-488-5706; website (ww.dms.myflorida.com) which includes additional financial reporting requirements, including the annual money-weighted rate of return on pension plan investments.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOWN'S NET OPEB LIABILITY
FISCAL YEAR ENDED SEPTEMBER 30, 2019

Fiscal Year Ended September 30,	2019	2018
Total OPEB Liability		
Beginning balance	$ 138,275	$ 141,778
Service cost	10,075	10,466
Interest	5,176	4,485
Changes in assumptions	(6,121)	(7,050)
Benefit payments	(12,402)	(11,404)
Ending balance (a)	$ 135,003	$ 138,275
Plan Fiduciary Net Position		
Beginning balance	$ -	$ -
Service cost	-	-
Expected interest growth	-	-
Changes in assumptions	-	-
Benefit payments	-	-
Ending balance (b)	$ -	$ -
Net OPEB Liability (a -b)	$ 135,003	$ 138,275
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%
Covered employee payroll	$ 2,073,315	$ 2,022,746
Net OPEB liability as a percentage of covered employee payroll	6.51%	6.84%

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COMBINING FUND STATEMENTS

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Special Revenue Funds			
	Police Training and Forfeiture	Building Fund	Fire Fund	Total Non-Major Funds
ASSETS				
Cash and cash equivalents	$ 13,586	$ -	$ 1,419,721	$ 1,433,307
Due from other funds	-	-	20,429	20,429
Total assets	$ 13,586	$ -	$ 1,440,150	$ 1,453,736
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and other liabilities	$ -	$ -	$ 17,301	$ 17,301
Due to other funds	-	92,391	-	92,391
Unearned revenue	-	-	23,608	23,608
Total liabilities	-	92,391	40,909	133,300
Fund balances:				
Restricted for:				
Law Enforcement	13,586	-	-	13,586
Fire department	-	-	1,399,241	1,399,241
Unassigned:	-	(92,391)	-	(92,391)
Total fund balances	13,586	(92,391)	1,399,241	1,320,436
Total liabilities and fund balances	$ 13,586	$ -	$ 1,440,150	$ 1,453,736

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue Funds			
	Police Training and Forfeiture	Building Fund	Fire Fund	Total Non-Major Funds
Revenues:				
Fire assessments	$ -	$ -	$ 1,055,588	$ 1,055,588
Charges for services	-	-	33,953	33,953
Licenses and permits	-	1,000,534	-	1,000,534
Interest income	-	-	8,907	8,907
Miscellaneous revenues	1,147	-	462	1,609
Total revenues	1,147	1,000,534	1,098,910	2,100,591
Expenditures:				
Current:				
General government	-	18,038	-	18,038
Public safety	-	991,659	847,615	1,839,274
Capital outlay	-	5,648	51,363	57,011
Total expenditures	-	1,015,345	898,978	1,914,323
Excess (deficiency) of revenues over (under) expenditures	1,147	(14,811)	199,932	186,268
Other financing sources (uses):				
Transfers in	-	-	13,000	13,000
Transfers out	-	(77,580)	(22,000)	(99,580)
Total other financing sources (uses)	-	(77,580)	(9,000)	(86,580)
Net change in fund balances	1,147	(92,391)	190,932	99,688
Fund balances, beginning	12,439	-	1,208,309	1,220,748
Fund balances, ending	$ 13,586	$ (92,391)	$ 1,399,241	$ 1,320,436

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BUDGETARY COMPARISON SCHEDULES

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
CAPITAL PROJECTS FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Interest income	$ 1,000	$ 1,000	$ 22,435	$ 21,435
Total revenues	1,000	1,000	22,435	21,435
Expenditures:				
General Government:				
Administrative	163,680	122,526	50,104	72,422
Capital outlay	1,588,300	1,629,454	144,820	1,484,634
Total expenditures	1,751,980	1,751,980	194,924	1,557,056
Excess (deficiency) of revenues over (under) expenditures	(1,750,980)	(1,750,980)	(172,489)	1,578,491
Other financing sources (uses):				
Transfers in	800,000	800,000	800,000	-
Use of fund balance	950,980	950,980	-	(950,980)
Total other financing sources (uses)	1,750,980	1,750,980	800,000	(950,980)
Net change in fund balance	$ -	$ -	627,511	$ 627,511
Fund balance, beginning			3,629,768	
Fund balance, ending			$ 4,257,279	

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
SPECIAL REVENUE FUND
POLICE TRAINING AND FORFEITURE FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With Final Budget-
	Original	Final	Amounts	Positive (Negative)
Revenues:				
Miscellaneous	$ -	$ -	$ 1,147	$ 1,147
Total revenues	-	-	1,147	1,147
Expenditures:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	$ -	$ -	1,147	$ 1,147
Fund balance, beginning			12,439	
Fund balance, ending			$ 13,586	

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
SPECIAL REVENUE FUND
BUILDING FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With Final Budget-
	Original	Final	Amounts	Positive (Negative)
Revenues:				
Licenses and permits	$ 695,000	$ 996,155	$ 1,000,534	$ 4,379
Total revenues	695,000	996,155	1,000,534	4,379
Expenditures:				
Current:				
General government	-	-	18,038	(18,038)
Public safety	695,000	996,155	991,659	4,496
Capital outlay	-	-	5,648	(5,648)
Total expenditures	695,000	996,155	1,015,345	(19,190)
Excess (deficiency) of revenues over (under) expenditures	-	-	(14,811)	(14,811)
Other financing sources (uses):				
Transfers in / (out)	-	-	(77,580)	(77,580)
Total other financing sources (uses)	-	-	(77,580)	(77,580)
Net change in fund balances	$ -	$ -	(92,391)	$ (92,391)
Fund balance, beginning			-	
Fund balance, ending			$ (92,391)	

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
SPECIAL REVENUE FUND
FIRE FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With Final Budget -
	Original	Final	Amounts	Positive (Negative)
Revenues:				
Fire assessments	$ 1,036,459	1,036,459	$ 1,055,588	$ 19,129
Charges for services	33,000	33,000	33,953	953
Interest income	-	-	8,907	8,907
Miscellaneous revenues	-	-	462	462
Total revenues	1,069,459	1,069,459	1,098,910	29,451
Expenditures:				
Current:				
Public Safety	847,437	847,437	847,615	(178)
Capital outlay	343,123	343,123	51,363	291,760
Total expenditures	1,190,560	1,190,560	898,978	291,582
Excess (deficiency) of revenues over (under) expenditures	(121,101)	(121,101)	199,932	321,033
Other financing sources (uses):				
Use of fund balance	130,101	130,101	-	(130,101)
Transfers in	13,000	13,000	13,000	-
Transfers out	(22,000)	(22,000)	(22,000)	-
Total other financing sources (uses)	121,101	121,101	(9,000)	(130,101)
Net change in fund balances	$ -	$ -	190,932	$ 190,932
Fund balance, beginning			1,208,309	
Fund balance, ending			$ 1,399,241	

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STATISTICAL SECTION

This part of the Town of Lauderdale-By-The-Sea'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 government's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	**71-78**
Revenue Capacity These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.	**79-81**
Debt Capacity These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	**82-84**
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.	**85-87**
Operating and Other Information These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.	**88-89**

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

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 1
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(ACCOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended September 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
Net investment in capital assets	$ 15,222	$ 15,296	$ 16,455	$ 20,759	$ 23,624	$ 23,853	$ 24,579	$ 23,632	$ 22,702	$ 21,699
Restricted for:										
Town beautification per contractual agreement	1,000	928	928	678	678	678	678	678	678	678
Law enforcement	212	198	186	139	156	2	3	5	12	14
Fire enforcement	216	486	416	604	793	982	904	946	1,140	1,399
Unrestricted	11,054	12,887	13,698	10,368	8,323	7,969	7,043	7,672	8,610	9,640
Total governmental activities net position	27,704	29,795	31,683	32,548	33,574	33,484	33,207	32,933	33,142	33,430
Business-type activities:										
Net investment in capital assets	5,629	6,255	6,541	7,464	8,454	8,366	9,026	12,148	12,800	13,778
Unrestricted	1,668	1,887	2,312	2,822	2,666	4,291	5,239	3,868	5,013	6,001
Total business-type activities net position	7,297	8,142	8,853	10,286	11,120	12,657	14,265	16,016	17,813	19,779
Primary government:										
Net investment in capital assets	20,851	21,551	22,996	28,223	32,078	32,219 [1]	33,605	35,780	35,502	35,477
Restricted for:										
El Mar beautification per contractual agreement	1,000	928	928	678	678	678	678	678	678	678
Law enforcement	212	198	186	139	156	2	3	5	12	14
Fire enforcement	216	486	416	604	793	982	904	946	1,140	1,399
Unrestricted	12,722	14,774	16,010	13,190	10,989	12,260	12,282	11,540	13,623	15,641
Total primary government net position	$ 35,001	$ 37,937	$ 40,536	$ 42,834	$ 44,694	$ 46,141	$ 47,472	$ 48,949	$ 50,955	$ 53,209

[1] The Town's beginning net position was restated for the effect of adoption of GASB No.68 and 71 in fiscal year 2015, the restatement decreased beginning net position by ($758,914).

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 2
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended September 30,									
Expenses:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
General government	$ 2,442	$ 2,275	$ 2,392	$ 2,567	$ 2,409	$ 2,471	$ 2,327	$ 2,514	$ 2,535	$ 2,747
Public safety	4,869	4,953	5,566	6,049	6,254	7,093	7,407	7,338	7,428	7,849
Transportation	1,592	1,660	1,269	1,317	1,382	1,516	1,675	1,856	1,978	2,013
Recreation	418	397	333	362	382	452	442	470	444	472
Physical environment	294	125	563	810	1,007	1,246	1,534	1,591	1,435	1,362
Total governmental activities	9,615	9,410	10,123	11,105	11,434	12,778	13,385	13,769	13,820	14,443
Business-type activities:										
Sewer	1,105	974	1,511	861	1,260	882	950	955	856	877
Parking	220	424	440	425	490	660	680	753	765	922
Total business-type activities	1,325	1,398	1,951	1,286	1,750	1,542	1,630	1,708	1,621	1,799
Total primary government	$ 10,940	$ 10,808	$ 12,074	$ 12,391	$ 13,184	$ 14,320	$ 15,015	$ 15,477	$ 15,441	$ 16,242
Program revenues:										
Governmental activities:										
Charges for services:										
General government	$ 148	$ 154	$ 636	$ 887	$ 1,195	$ 1,619	$ 1,502	$ 1,357	$ 1,632	$ 1,503
Public safety	202	38	59	1,085	1,029	1,017	1,018	1,095	1,099	1,100
Recreation	226	303	-	-	-	-	-	-	-	-
Operating grants and contributions	107	145	84	69	81	82	82	84	85	193
Capital grants and contributions	-	-	442	-	32	129	-	-	-	-
Total governmental activities program revenues	683	640	1,221	2,041	2,337	2,847	2,602	2,536	2,816	2,796
Business type activities:										
Charges for services:										
Sewer	964	1,153	1,207	1,125	966	1,128	1,051	1,150	1,178	1,197
Parking	389	948	1,620	1,553	1,616	2,034	2,182	2,309	2,237	2,616
Capital grants and contributions	-	295	-	39	-	-	-	-	-	-
Total business-type activities program revenues	1,353	2,396	2,827	2,717	2,582	3,162	3,233	3,459	3,415	3,813
Total primary government program revenues	$ 2,036	$ 3,036	$ 4,048	$ 4,758	$ 4,919	$ 6,009	$ 5,835	$ 5,995	$ 6,231	$ 6,609

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 2 (CONTINUED)
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended September 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (expense) revenue:										
Governmental activities	$ (8,932)	$ (8,770)	$ (8,902)	$ (9,064)	$ (9,097)	$ (9,931)	$ (10,783)	$ (11,233)	$ (11,004)	$ (11,647)
Business-type activities	28	998	876	1,431	832	1,620	1,603	1,751	1,794	2,014
Total primary government net expense	$ (8,904)	$ (7,772)	$ (8,026)	$ (7,633)	$ (8,265)	$ (8,311)	$ (9,180)	$ (9,482)	$ (9,210)	$ (9,633)
General revenues and other changes in net position:										
Governmental activities:										
Property taxes	$ 8,404	$ 7,938	$ 7,798	$ 6,723	$ 6,915	$ 7,076	$ 7,484	$ 7,920	$ 8,271	$ 8,699
Utility taxes based on gross receipts	1,033	1,006	995	932	970	1,009	999	1,050	1,059	1,084
Franchise fees based on gross receipts	734	701	703	699	707	706	735	749	735	771
Communications services tax	366	330	376	385	351	357	414	317	314	315
Intergovernmental	539	557	594	848	676	916	682	703	716	723
Unrestricted Interest earnings	86	52	49	75	25	32	6	17	25	89
Miscellaneous	78	109	107	267	478	417	186	202	208	253
Transfers	166	167	167	-	-	-	-	-	-	-
Special items	-	-	-	-	-	-	-	-	-	-
Total governmental activities	11,406	10,860	10,789	9,929	10,122	10,513	10,506	10,958	11,328	11,934
Business-type activities:										
Unrestricted Interest earnings	4	3	2	2	2	2	-	-	6	35
Miscellaneous	-	11	-	-	-	3	5	1	8	18
Transfers	(166)	(167)	(167)	-	-	-	-	-	-	-
Total business-type activities	(162)	(153)	(165)	2	2	5	5	1	14	53
Total primary government	$ 11,244	$ 10,707	$ 10,624	$ 9,931	$ 10,124	$ 10,518	$ 10,511	$ 10,959	$ 11,342	$ 11,987
Changes in net position:										
Government activities	$ 2,474	$ 2,090	$ 1,887	$ 865	$ 1,025	$ 582	$ (277)	$ (275)	$ 324	$ 287
Business-type activities	(134)	845	711	1,433	834	1,625	1,608	1,752	1,808	2,067
Total primary government	$ 2,340	$ 2,935	$ 2,598	$ 2,298	$ 1,859	$ 2,207	$ 1,331	$ 1,477	$ 2,132	$ 2,354

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 3
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

Fiscal Year Ended September 30,	Ad Valorem and Fire Taxes	Franchise Fees on Services	Utility Tax	Communication Service Tax	Transportation Tax	Total
2010	8,404	734	1,033	366	102	10,639
2011	7,938	701	1,006	330	104	10,079
2012	7,798	703	995	376	104	9,976
2013	7,766	699	932	385	104	9,886
2014	7,894	707	970	351	107	10,029
2015	8,053	706	1,009	357	110	10,235
2016	8,459	7,484	-	999	110	17,052
2017	8,973	749	1,050	317	116	11,205
2018	9,323	735	1,059	314	112	11,543
2019	9,755	771	1,084	315	113	12,038

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 4

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(AMOUNTS EXPRESSED IN THOUSANDS)

	Pre-GASB 54 September 30,	
	2010	2011
General fund:		
Reserved	$ 220	$ 76
Unreserved, designated	4,556	2,680
Unreserved, undesignated	3,052	5,914
Total general fund	$ 7,828	$ 8,670
All other governmental funds:		
Reserved		
Capital project funds	$ 1,000	$ 1,682
Unreserved, undesignated		
Special revenue funds	176	176
Capital project funds	3,236	3,847
Special revenue funds	36	36
Capital project funds	215	215
Total all other governmental funds	$ 4,663	$ 5,956

	Post-GASB 54 September 30,								
	2011	2012	2013	2014	2015	2016	2017	2018	2019
General fund:									
Nonspendable	$ 76	$ 57	$ 170	$ 160	$ 167	$ 202	$ 158	$ 91	$ 44
Assigned	2,680	2,882	4,399	3,982	3,542	3,740	2,333	2,500	2,500
Unassigned	5,914	6,675	3,629	3,324	3,401	2,443	3,520	4,653	5,842
Total general fund	$ 8,670	$ 9,614	$ 8,198	$ 7,466	$ 7,110	$ 6,385	$ 6,011	$ 7,244	$ 8,386
All other governmental funds:									
Nonspendable	$ -	$ -	$ 64	$ 65	$ 66	$ 67	$ 67	$ 67	$ -
Restricted	1,682	1,529	1,421	1,470	1,659	1,584	1,630	1,831	2,090
Committed	-	-	-	156	3	-	-	-	-
Assigned	4,274	3,973	2,091	714	1,243	1,424	2,866	2,952	3,580
Unassigned	-	-	-	-	-	-	-	-	(92)
Total all other governmental funds	$ 5,956	$ 5,502	$ 3,576	$ 2,405	$ 2,971	$ 3,075	$ 4,563	$ 4,850	$ 5,578

Note:

Eight years of data are available for GASB 54 compliance which was adopted in fiscal year 2011.

Fiscal year 2010 data was restated for GASB 54 comparable presentation.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 5

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended September 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues:										
Property taxes and fire assessments	$ 9,755,326	$ 9,323,013	$ 8,973,038	$8,458,845	$ 8,052,767	$7,894,483	$ 7,766,298	$ 7,798,158	$ 7,938,090	$ 8,404,054
Franchise fees and utility taxes	1,854,540	1,794,609	1,799,511	1,734,171	1,714,761	1,677,798	1,631,074	1,698,650	1,707,308	1,766,623
Intergovernmental	1,037,907	1,029,976	1,019,977	1,095,512	1,273,084	1,027,448	1,233,228	969,266	887,117	905,076
Fines and forfeitures	357,287	484,086	161,139	94,009	165,437	444,386	123,534	125,760	303,767	226,089
Charges for services	44,631	47,013	42,300	43,015	39,935	49,348	41,966	59,284	37,593	202,053
Interest and other	1,145,245	25,317	17,081	6,024	32,016	25,361	74,648	48,940	51,906	86,830
Licenses and permits	89,366	1,147,773	1,196,042	1,408,293	1,453,520	750,198	763,664	509,892	153,933	147,549
Grants	193,393	84,696	84,237	81,650	81,530	81,387	190,621	404,166	144,653	106,159
Miscellaneous revenues	253,023	207,760	202,005	346,943	416,718	477,969	266,653	107,426	109,409	77,965
Total revenues	14,730,718	14,144,243	13,495,330	13,268,462	13,229,768	12,428,378	12,091,686	11,721,542	11,333,776	11,922,398
Expenditures:										
Current:										
General government	2,458,940	2,386,055	2,209,305	2,209,228	2,431,450	2,367,732	2,536,061	2,129,772	2,106,893	2,410,124
Public safety	7,681,724	7,325,908	7,215,408	7,274,122	7,033,832	6,214,577	5,991,798	5,572,541	4,923,024	4,868,578
Transportation	1,733,786	1,750,558	1,636,939	1,485,940	1,419,610	1,298,636	1,225,552	1,131,531	1,434,324	1,366,145
Recreation	460,021	431,725	458,066	430,185	439,763	370,420	338,444	330,408	304,613	325,912
Physical environment	221,694	233,592	223,675	230,293	225,740	229,228	184,217	193,526		198,313
Capital outlay	304,795	495,847	637,985	2,260,012	1,468,907	3,851,212	5,157,495	2,040,544	597,312	287,413
Total expenditures	12,860,960	12,623,685	12,381,378	13,889,780	13,019,302	14,331,805	15,433,567	11,398,322	9,366,166	9,456,485
Excess (deficiency) of revenues over expenditures	1,869,758	1,520,558	1,113,952	(621,318)	210,466	(1,903,427)	(3,341,881)	323,220	1,967,610	2,465,913
Other financing sources (uses):										
Transfers in	912,580	537,822	1,808,063	2,244,835	1,683,227	1,931,730	2,882,800	1,067,000	1,562,690	1,781,401
Transfers out	(912,580)	(537,822)	(1,808,063)	(2,244,835)	(1,683,227)	(1,931,730)	(2,882,800)	(900,000)	(1,395,690)	(1,615,756)
Total other financing sources (uses)	-	-	-	-	-	-	-	167,000	167,000	165,645
Net change in fund balances	1,869,758	1,520,558	1,113,952	(621,318)	210,466	(1,903,427)	(3,341,881)	490,220	2,134,610	2,631,558
Fund balances - beginning	12,094,592	10,574,034	9,460,082	10,081,400	9,870,934	11,774,361	15,116,242	14,626,022	12,491,412	9,859,854
Fund balances - ending	$ 13,964,350	$ 12,094,592	$ 10,574,034	$9,460,082	$10,081,400	$9,870,934	$11,774,361	$15,116,242	$14,626,022	$12,491,412

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 6

GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)

LAST TEN FISCAL YEARS

Fiscal Year	Property Taxes and Fire Assessment Fees	Franchise Fees and Utility Taxes	Parking Meters	Licenses and Permits	Inter-Gov't	Charges Services	Fines and Forfeitures	Grants	Interest and Other	Total
2010	8,404,054	1,766,623	156,585	147,549	905,076	45,468	226,089	106,159	164,795	11,922,398
2011	7,938,090	1,707,308	-	153,933	887,117	37,593	303,767	144,653	161,315	11,333,776
2012	7,798,158	1,698,650	-	509,892	969,266	59,284	125,760	404,166	156,366	11,721,542
2013	7,766,298	1,631,074	-	763,664	1,233,228	41,966	123,534	190,621	341,301	12,091,686
2014	7,894,483	1,677,798	-	750,198	1,027,448	49,348	444,386	81,387	503,330	12,428,378
2015	8,052,767	1,714,761	-	1,453,520	1,273,084	39,935	165,437	81,530	448,734	13,229,768
2016	8,458,845	1,734,171	-	1,408,293	1,095,512	43,015	94,009	81,650	352,967	13,268,462
2017	8,973,038	1,799,511	-	1,196,042	1,019,977	42,300	161,139	84,237	219,086	13,495,330
2018	9,323,013	1,794,609	-	1,147,773	1,029,976	47,013	484,086	84,696	233,077	14,144,243
2019	9,755,326	1,854,540		1,145,245	1,037,907	44,631	357,287	193,393	342,389	14,730,718

Note: From fiscal year 2002 and forward, parking meter revenue is reflected in charges for services as included in the government-wide financial statements. However, for the purpose of this table, parking meter revenue has been separated. Since fiscal year 2006, business parking meter revenue is reported in the Parking Improvement Fund. Since fiscal year 2011, all parking meter revenue is reported in the Parking Improvement Fund.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 7

PRELIMINARY RECAPITULATION OF THE AD VALOREM ASSESSMENT ROLLS

LAST TEN FISCAL YEARS

Fiscal Year	Tax Roll Year	Real Property Assessed Value	Personal Property Assessed Value	Exemptions		Taxable Assessed Property Value	Final Actual Taxable Value	Total Direct Tax Rate
				Real	Personal			
2010	2009	2,289,945,450	15,724,578	375,437,058	4,260,512	1,925,972,458	1,910,328,861	3.9990
2011	2010	1,901,968,310	15,105,857	143,291,270	4,214,572	1,769,568,325	1,765,210,362	3.9990
2012	2011	1,860,076,290	16,804,874	141,590,530	4,362,075	1,730,928,559	1,729,694,589	3.9990
2013	2012	1,883,607,260	16,475,042	136,628,990	4,273,669	1,759,179,643	1,758,359,285	3.9312
2014	2013	1,934,576,100	18,819,056	136,763,170	3,876,058	1,812,755,928	1,810,952,599	3.9312
2015	2014	2,055,742,730	18,924,622	139,076,520	4,699,454	1,930,891,378	1,928,187,948	3.8000
2016	2015	2,199,032,820	20,856,875	139,266,890	5,071,794	2,075,551,011	2,073,594,801	3.7379
2017	2016	2,343,814,020	21,518,709	140,782,850	4,969,718	2,219,580,161	2,219,593,247	3.5989
2018	2017	2,633,255,130	25,617,432	146,659,620	4,748,348	2,507,464,594	2,376,152,413	3.5989
2019	2018	2,747,642,390	24,658,591	148,531,390	4,597,310	2,619,172,281	2,500,803,075	3.5989

Source: Broward County, Florida, Property Appraiser

Note: Property in Broward County is reassessed once every year, on average. The county assesses property at approximately 85-100 percent of actual value for commercial and industrial property and 85-100 percent for residential property, as required by Florida law. Estimated actual taxable value is calculated by dividing taxable value by those percentages. Tax rates are per $1,000 of assessed value.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 8

PRINCIPAL PROPERTY TAXPAYERS

CURRENT AND TEN YEARS AGO

SEPTEMBER 30, 2019

	2019				2009			
Taxpayer	Assessed Valuation[1]	Type of Use	Rank	Percentage of Total Assessed Valuation	Taxpayer	Assessed Valuation[1]	Rank	Percentage of Total Assessed Valuation
Florida Development Group	$ 50,855,484	Hotel	1	3.81%	Minto-Villas-by-the-Sea LLC	$ 17,122,700	1	0.74%
White Cap of Florida Inc	11,285,786	Codomiums	2	0.85%	Ocean 4660 LLC	14,108,520	2	0.61%
Edmondson, James P	10,430,860	Restaurant	3	0.78%	VCH Properties LLC	12,887,200	3	0.55%
Gorana International Inc	7,355,920	Restaurant/Pier	4	0.55%	Pieer Point LLC	10,283,510	4	0.44%
ACS 218 LLC	6,259,380	Codomiums	5	0.47%	Villas of Caprice LLC	9,949,880	5	0.43%
Topflow Property Corp	5,099,320	Hotel	6	0.38%	Chateau De Mer LLC	7,610,790	6	0.33%
Z & K Property Corp Inc	5,023,370	Codomiums	7	0.38%	Edmondson, James P	6,922,250	7	0.30%
LBTS Properties LLC	4,981,580	Restaurant/Park.lot/Hotel	8	0.37%	Little Italy Oceanside	6,639,110	8	0.29%
K M & Buschbaum Inc	4,816,110	Codomiums	9	0.36%	Costa Del Sol, Inc.	6,296,600	9	0.27%
Wens Holding LLC	4,729,660	Hotel	10	0.35%	Stanco Mgt. Inc.	6,102,650	10	0.26%
	$ 110,837,470			8.30%		$ 97,923,210		4.22%

[1] Source: Broward County Revenue Collector

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 9
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Total Tax Levy	(1). Current Tax Collected	Percentage of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2010	$ 7,723,352	$ 7,567,600	97.98%	$ 97,997	$ 7,665,597	99.25%
2011	$ 7,088,217	$ 6,990,745	98.62%	$ 41,289	$ 7,032,034	99.21%
2012	$ 6,934,808	$ 6,915,094	99.72%	$ 17,238	$ 6,932,332	99.96%
2013	$ 6,926,376	$ 6,916,855	99.86%	$ 8,709	$ 6,925,564	99.99%
2014	$ 7,136,718	$ 7,124,316	99.83%	$ -	$ 7,124,316	99.83%
2015	$ 7,345,409	$ 7,332,884	99.83%	$ -	$ 7,332,884	99.83%
2016	$ 7,767,916	$ 7,745,628	99.71%	$ -	$ 7,745,628	99.71%
2017	$ 8,197,882	$ 8,187,809	99.88%	$ -	$ 8,187,809	99.88%
2018	$ 8,566,383	$ 8,551,166	99.82%	$ -	$ 8,551,166	99.82%
2019	$ 9,033,399	$ 9,007,973	99.72%	$ -	$ 9,007,973	99.72%

Source: Town of Lauderdale-By-The-Sea Finance Department

(1) Includes collection fees and early payment discounts taken

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 10
PROPERTY TAX RATES (PER $1,000)
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

				Other Taxing Agencies			Special Districts		
Fiscal Year	Lauderdale By-The-Sea	Broward County	Broward County Schools	South Florida Water Management	Florida Inland Navigation	Broward Children's Services Council	North Broward Hospital	Hillsboro Inlet	Total
2010	3.9990	5.3889	7.4310	0.6240	0.0345	0.4243	1.7059	0.0860	19.6936
2011	3.9990	5.5530	7.6310	0.6240	0.0345	0.4696	1.8750	0.0860	20.2721
2012	3.9990	5.5530	7.4180	0.4363	0.0345	0.4789	1.8750	0.0860	19.8807
2013	3.9312	5.5530	7.4560	0.4289	0.0345	0.4902	1.8564	0.0860	19.8362
2014	3.9312	5.7230	7.4560	0.4110	0.0345	0.4882	1.7554	0.0860	19.8853
2015	3.8000	5.7230	7.4380	0.3842	0.0345	0.4882	1.5939	0.0860	19.5478
2016	3.7379	5.7230	7.2740	0.3551	0.0320	0.4882	1.4425	0.0860	19.1387
2017	3.6873	5.6690	6.9063	0.3307	0.0320	0.4882	1.3462	0.0860	18.5457
2018	3.5989	5.6690	6.5394	0.3100	0.0320	0.4882	1.2483	0.0860	17.9718
2019	3.5989	5.6690	6.7393	0.2795	0.0320	0.4882	1.0324	0.0985	17.9378

Source: Broward County, Florida, Property Appraiser

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 11
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES TO
TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt
2010	-	-	-	9,622,130	0.00%
2011	-	-	-	9,533,166	0.00%
2012	-	-	-	11,398,322	0.00%
2013	-	-	-	15,433,567	0.00%
2014	-	-	-	14,331,805	0.00%
2015	-	-	-	13,019,302	0.00%
2016	-	-	-	13,889,780	0.00%
2017	-	-	-	12,381,378	0.00%
2018	-	-	-	12,623,685	0.00%
2019	-	-	-	12,860,960	0.00%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 12
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities			Business-type Activities					
Fiscal Year	Promissory Notes	Line of Credit	Capital Leases	Promissory Notes	Primary Government	Population	Per Capita	Personal Income	Percentage of Personal Income
2010	-	-	-	1,457,042	1,457,042	11,000	132	41,352	0.32%
2011	-	-	-	1,130,723	1,130,723	11,000	103	48,773	0.21%
2012	-	-	-	839,598	839,598	11,000	76	48,773	0.16%
2013	-	-	-	587,208	587,208	11,000	53	59,411	0.09%
2014	-	-	-	-	-	11,000	0	57,561	0.00%
2015	-	-	-	-	-	11,000	0	60,928	0.00%
2016	-	-	-	-	-	11,000	0	64,180	0.00%
2017	-	-	-	-	-	11,000	0	60,548	0.00%
2018	-	-	-	-	-	11,000	0	65,691	0.00%
2019	-	-	-	-	-	11,000	0	73,197	0.00%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 13
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITY DEBT
SEPTEMBER 30, 2019

Name of Governmental Unit	Net Bonded Outstanding September 30, 2018	Percent of Debt Applied to Town Lauderdale By-The-Sea (1)	Amount of Debt Debt Applied Town of Lauderdale By-The-Sea
Broward County	$ 155,245,000 [1]	0.07%	$ 112,663
Broward County School District	346,821 [2]	0.07%	252
Subtotal, overlapping debt			112,915
Town of Lauderdale-By-The-Sea Direct Debt			-
Total direct and overlapping debt			$ 112,915

[1] Source: Broward County, Florida Property Appraiser
[2] Source: Broward County School Board CAFR

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Town. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Broward County's taxable assessed value that is within the Town of Lauderdale-By-The-Sea's boundaries and dividing it by Broward County's total taxable assessed value.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 14
STATISTICS
DEMOGRAPHICS AND ECONOMICS
SEPTEMBER 30, 2019

Date of Incorporation:	November 30, 1947	
Year of Charter Adoption:	1947	
Form of Town Government:	Commission-Manager	
Location:	Lauderdale-By-The-Sea is in the east-central part of Broward County and shares boundaries with three other municipalities. Its eastern boundary is the Atlantic Ocean. It is 30 miles north of Miami and 33 miles south of Palm Beach. The Town is just over 8.5 square miles in area and has a population of 6,100 with a peak seasonal population of 11,000. It is a seaside community with primary industries being retail trade, tourism/hospitality, finance, insurance and real estate.	
Number of Employees:	Full and Part-Time	39
Recreation facilities:	Miles of Public Beach	2
	Miles of Navigable Water	2.3
	Parks	3
	Tennis Courts	2
	Shuffleboard Courts	2
	Bocci Ball Court	1
	Basketball Court	1
Infrastructure:	Town Buildings	7
	Fire Stations	1
	Surface Parking Lots	3
Socio-Economic Data:	Consumer Price Index (1)A	0.013
	Per Capita Personal Income (2)	73,197.00
Population Statistics:	Civilian Labor Force (1)B	1,029.10
	Unemployment Rate (1)C	3.8%

Source:
(1) United States Department of Labor - Bureau of Labor Statistics
Broward County, Florida
A. All urban consumers, base: 1982-84=100, not seasonally adjusted
B. Number of persons, in thousands, not seasonally adjusted
C. Not seasonally adjusted

(2) Bureau of Economic Analysis - U.S. Department of Commerce - Florida - Released 2019

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 15
PRINCIPAL EMPLOYERS
CURRENT AND TEN YEARS AGO
SEPTEMBER 30, 2019

	2019			2009		
Employer	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Aruba's Beach Café Restaurant	172	1	N/A	160	1	N/A
Sea Watch Restaurant	103	2	N/A	125	2	N/A
Blue Moon Fish Company - Restaurant	100	3	N/A	87	4	N/A
Village Grill-Restaurant	80	4	N/A	-	-	N/A
Benihana-Restaurant	61	5	N/A	50	6	N/A
Mulligans	53	6	N/A	-	-	N/A
Lauderdale Beachside Hotel- Hotel and Rest.	-	-	N/A	116	3	N/A
Holiday Inn-Hotel	-	-	N/A	80	5	N/A
Total	569			618		

Source: Lauderdale-By-The-Sea Development Services
N/A - Information not available

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 16

FULL TIME EQUIVALENT GOVERNMENT POSITIONS BY FUNCTION

LAST TEN FISCAL YEARS

	Full time Equivalent Positions as of September 30,									
Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Administration	7.6	7.3	7.5	7.5	8.6	8.6	8.5	7.6	8.3	8.3
General Government	1	1.5	1.4	1.4	1.4	1.2	1.3	1.6	-	-
Public Works	15.7	15.8	15.8	15.8	14.8	13.8	13.8	13.8	15.0	15.0
Development services	3.1	3.5	3.4	3.4	3.2	2.5	2.5	4.0	3.8	4.8
Parking	2.55	1.5	1.5	1.5	0.5	0.4	0.4	4.5	4.9	4.0
Project Management	1.2	1.1	1.1	1.1	1.3	1.1	1.1	1.1	-	-
Sewer	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Building	1.55	-	-	-	-	-	-	-	-	-
Total	34.00	32.00	32.00	32.00	31.00	28.75	28.75	33.75	33.15	33.35

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 17
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year 2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government:										
Informational calls received	3,251	3,317	4,068	4,595	5,305	6,353	6,840	6,912	8,071	7,413
Public records request	25	49	47	42	46	46	-	90	99	277
Resolutions	138	36	46	42	48	52	46	61	44	39
Ordinances	27	26	11	15	16	14	41	22	20	16
Commission meetings	22	29	26	30	34	21	22	33	36	55
Cash receipts - general operating	6,751	6,221	5,786	5,970	5,370	6,556	4,332	3,263	2,608	2,539
Cash disbursements - general operating	3,868	3,673	3,650	3,425	4,064	5,128	3,140	3,423	2,932	2,110
Payroll disbursements - general operating	3,100	3,230	3,397	3,380	3,353	4,540	1,330	1,326	1,380	1,248
Purchase orders issued	14	23	18	29	57	57	148	140	190	197
Claims processed - gen liability and workers com	6	3	1	4	10	13	9	10	17	8
Hours of information technology services	268	140	181	153	100	415	329	102	256	111
Public safety:										
Informational calls received	8,951	8,208	9,416	9,116	8,253	7,190	5,179	5,063	4,941	5,185
Public records request	-	-	-	-	-	-	-	-	-	-
Citizen on patrol membership	32	32	29	29	29	30	37	29	26	23
Neighborhood crime watch membership	-	-	-	-	-	-	-	-	-	-
Fire responses	323	443	407	353	408	369	364	339	411	345
Fire medical services (EMS)	1,116	1,115	1,114	1,119	1,101	987	990	943	874	943
Notices of violations code compliance	132	314	270	638	180	288	956	158	375	573
Citations issued code compliance	371	-	-	-	-	-	-	-	-	5
Complaints investigated	814	1,231	1,062	1,154	1,458	1,252	1,266	505	151	334
Parking citations	5,925	5,275	8,447	8,953	6,720	4,358	4,674	7,565	8,289	6,846
Municipal services:										
Parking maintenance (hours)	-	-	-	-	-	-	520	1,560	359	89
Street maintenance and repairs (hours)	-	-	-	-	-	-	1,547	1,253	952	668
Ground maintenance and repairs (hours)	-	-	-	-	-	-	5,657	5,587	7,508	7,277
Building maintenance and repairs (hours)	-	-	-	-	-	-	2,744	2,496	2,884	3,371
Cultural - recreation:										
Scheduled recreation activities	1,538	1,396	1,213	1,157	1,036	995	969	934	1,002	1,131
Recreation Volunteer hours	2,966	2,124	1,756	1,914	1,677	1,538	1,662	1,772	1,769	1,511
Recreation activity participants	3,719	3,425	2,621	2,885	2,487	2,816	2,741	6,065	5,740	4,116
Recreation areas maintenance (hours)	-	-	-	-	-	-	1,965	2,456	3,136	2,771

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TABLE 18
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year 2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government Facilities:										
Town Buildings	7	7	7	7	7	7	7	7	7	7
Recreation Facilities:										
Miles of Public Beach	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Parks	3	3	3	3	3	3	3	3	3	3
Tennis Courts	2	2	2	2	2	2	2	2	2	2
Shuffleboard Court	2	2	2	2	2	2	2	2	2	2
Bocci Ball Court	1	1	1	1	1	1	1	1	1	1
Basketball Court	1	1	1	1	1	1	1	1	1	1
Beach Portals	6	6	6	6	6	6	6	6	6	6
Public Safety Facilities:										
Police Station	1	1	1	1	1	1	1	1	1	1
Police Vehicles	30	30	30	30	30	30	30	30	30	30
Fire Stations	1	1	1	1	1	1	1	1	1	1
Fire Rescue Station	1	1	1	1	1	1	1	1	1	1
Fire Vehicles	3	3	3	2	2	2	2	2	2	2
Fire Rescue Vehicle	3	3	3	3	3	3	3	3	2	2
Infrastructure:										
Miles of paved roads	16.68	16.68	16.68	16.68	16.68	16.68	16.68	16.68	16.68	16.68
Cable television	1	1	1	1	1	1	1	1	1	1
Surface Parking Lot	4	4	4	4	4	4	4	3	3	3

Source: Town of Lauderdale-By-The-Sea Municipal Services Department

COMPLIANCE SECTION

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

Honorable Mayor, Town Commission and Town Manager
Town Of Lauderdale-By-The-Sea, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town Of Lauderdale-By-The-Sea, Florida ("Town") as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our opinion thereon dated June 11, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

June 11, 2020

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Honorable Mayor, Town Commission and Town Manager
Town Of Lauderdale-By-The-Sea, Florida

We have examined the Town Of Lauderdale-By-The-Sea, Florida's ("Town") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2019. Management is responsible for Town's compliance with those requirements. Our responsibility is to express an opinion on Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Town's compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.

This report is intended solely for the information and use of the Mayor, Town Commission, Town Manager, Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

June 11, 2020

Grau & Associates
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MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Honorable Mayor, Town Commission and Town Manager
Town of Lauderdale-By-The-Sea, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Lauderdale-By-The-Sea, Florida ("Town") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated June 11, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in G*overnment Auditing Standards,* issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 11, 2020, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the State of Florida. Accordingly, in connection with our audit of the financial statements of the Town, as described in the first paragraph, we report the following:

I. Current year findings and recommendations.
II. Status of prior year findings and recommendations.
III. Compliance with the Provisions of the Auditor General of the State of Florida.

Our management letter is intended solely for the information and use of the Mayor, Town Commission, Town Manager, Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank the Town of Lauderdale-By-The-Sea, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

June 11, 2020

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

   There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2018.

2. Any recommendations to improve the local governmental entity's financial management.

   There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2019.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance, except as noted above.

   There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2019.

4. The name or official title and legal authority of the Town are disclosed in the notes to the financial statements.

5. The Town has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures pursuant to Rule 10.556(7) and no deteriorating financial conditions were noted. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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June 11, 2020

To the Honorable Mayor, Town Commissioners and Town Manager
Town of Lauderdale By-The-Sea,
Broward County, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lauderdale By-The-Sea, Broward County, Florida (the "Town") for the fiscal year ended September 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 12, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town are described in Note 1 to the financial statements There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the fiscal year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Town's financial statements were:

> Management's estimate of the useful lives of capital assets is based on information obtained from the experience of other governments as adapted for differences in application and environment. We evaluated the key factors and assumptions used to develop the estimate of the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the liability for Other Post-Employment Benefits (OPEB) is based on information received from the Town's actuary. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the liability for net pension liability of the Town's defined benefit pension plans is based on information received from the Pension Plans' actuaries. We evaluated the key factors and assumptions used to develop the estimates and determined that it is reasonable in relation to the financial statements taken as a whole.
>
> Management's estimate of the allowance for doubtful accounts is based on historical water and sewer revenues, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

> The litigation claims and assessments disclosure in Note 11 pertaining to lawsuits filed against the Town.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 11, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison schedule - general fund, schedule of changes in the net pension asset and related ratios - Volunteer Firefighters Pension Plan, schedule of contributions - Volunteer Firefighters Pension Plan, the schedules of proportionate share of net pension liability and pension contributions - Florida Retirement System, and the schedule of funding progress - Other Post-Employment Benefit Plan, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining fund statements and budgetary comparison schedules which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on them.

Restriction on Use

This information is intended solely for the use of the Honorable Mayor, Town Commissioners and management of the Town and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Grau & Associates