



Town Commission

Jarvis Hall 4505 N. Ocean Drive

Regular Town Commission

REGULAR TOWN COMMISSION

Being held at Tuesday, June 11, 2019
Jarvis Hall 4505 N. Ocean Drive

1. **CALL TO ORDER, MAYOR CHRIS VINCENT**
2. **PLEDGE OF ALLEGIANCE TO THE FLAG**
3. **INVOCATION – Rabbi Benzion Singer**
4. **ADDITIONS, DELETIONS, DEFERRALS OF AGENDA ITEMS**
5. **PRESENTATIONS**
 - 5.a Presentation of the Comprehensive Annual Financial Report (CAFR)
[Agenda Memo - CAFR.pdf](#)
[Ex1 2018 FINAL REPORT - TOWN OF LAUDERDALE-BY-THE-SEA.pdf](#)
6. **PUBLIC COMMENTS**
7. **PUBLIC SAFETY DISCUSSION**
 - 7.a VFD May Report
[VFD Agenda Memo.pdf](#)
[Town's Activity Report - May 2019.pdf](#)
 - 7.b BSO May Report
[Agenda Memo - BSO.pdf](#)
[Ex BSO-May 2019.pdf](#)
8. **TOWN MANAGER REPORT - The Town Manager to answer any questions the Commission may have**
9. **TOWN ATTORNEY REPORT**
10. **APPROVAL OF MINUTES**
 - 10.a May 16, 2019 Town Commission Workshop Minutes
[5-28-19 Min Agenda Memo.pdf](#)
[051619 LBTS workshop 1st draft minutes.pdf](#)
11. **CONSENT AGENDA**
 - 11.a Special Event Application for 34th Annual International Coastal Cleanup, Saturday, September 21, 2019
[Agenda Memo - Coastal Cleanup.pdf](#)

12. OLD BUSINESS

12.a Taco Craft's Request to Extend Special Event Permit for Three Months

[Agenda Memo - Taco Craft.pdf](#)

[Ex 1 Taco Craft Proposed Extension of Special Event Permit.pdf](#)

[Ex 2 Taco Craft Proposed New Location for Stage.pdf](#)

12.b East Terra Mar Drainage Design

[Agenda Memo - Terra Mar.pdf](#)

[Ex1 Terra Mar Drainage Study.pdf](#)

[Ex2 Terra Mar Design Work Authorization.pdf](#)

[Ex3 Project Overview Map.jpg](#)

13. NEW BUSINESS

13.a Datura Portal Structural Damage Report

[Agenda Memo - Datura Portal.pdf](#)

14. COMMISSIONER COMMENTS

15. ORDINANCES 1st Reading

16. ORDINANCES 2nd Reading

17. RESOLUTIONS – PUBLIC COMMENTS

17.a Resolution 2019-15 - A RESOLUTION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA; APPOINTING AN ACTING TOWN MANAGER TO SERVE IN THE EVENT THE TOWN MANAGER IS ABSENT OR DISABLED; PROVIDING FOR REPEAL OF ANY CONFLICTING RESOLUTION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

[Agenda Memo.pdf](#)

[Reso 2019-15.pdf](#)

17.b Resolution 2019-19 - A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, APPROVING A SETTLEMENT AGREEMENT AND RELEASE WITH JAMES OBER; AUTHORIZING THE TOWN MANAGER TO EXECUTE THE AGREEMENT AND AUTHORIZING THE TOWN MANAGER AND TOWN ATTORNEY TO TAKE ALL ACTIONS NECESSARY TO OBTAIN EXECUTION OF AND IMPLEMENT THE AGREEMENT; PROVIDING AN EFFECTIVE DATE.

[Agenda Memo.pdf](#)

[Ex1-Resolution Approving Ober Settlement Agreement.pdf](#)

[Ex2 - 3270 final agree.pdf](#)

18. QUASI JUDICIAL PUBLIC HEARINGS

19. 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.

PROCEDURES FOR PUBLIC COMMENTS:

Public Comments may address issues that are not on this meeting's agenda, but should relate to the business of the Town, and should not contain personal attacks. If your comment requires follow up, the Town Manager will have a staff person respond to your concerns, and will advise us of the outcome.

The Town Clerk will read off the names of those who have signed up to speak. When your name is called, please come to the podium, state your name for the record, and indicate whether you are a Town resident. Do not state your address. You have up to three minutes to make your comments, but there is no requirement to use the entire time. If you wish to address a particular Commissioner or member of Town Administration, please do so by use of their title.

If you wish to approach the Commission dais to hand out a document or for some other reason, please request permission and state your reason for doing so. All documents to be provided to the Commission should be handed to the Town Clerk for distribution.

These procedures have been developed to assure that the Town Commission meeting time is efficiently used, and that meetings are conducted in a polite and respectful manner. More information on the decorum rules for Town Commission meetings is available in Section 2-23 of the Town Code of Ordinances.



Town Commission Agenda Item Report

Meeting Date: June 11, 2019

Submitted by: Bill Vance

Submitting Department: Administration

Item Type: Presentations

Agenda Section: PRESENTATIONS

Subject Title:

Presentation of the Comprehensive Annual Financial Report (CAFR)

Explanation:

The external audit of the Town's financial records for the fiscal year ending September 30, 2018 (Fiscal Year 2017-2018) has been completed and the staff and auditors have prepared the attached Comprehensive Annual Report (CAFR) (Exhibit 1) for that fiscal year.

Recommendation:

Attachments:

[Ex1 2018 FINAL REPORT - TOWN OF LAUDERDALE-BY-THE-SEA.pdf](#)

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Prepared By:

The Finance Department

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

FISCAL YEAR ENDED SEPTEMBER 30, 2018

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TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

FISCAL YEAR ENDED SEPTEMBER 30, 2018

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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

May 20, 2019

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, 2018.

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, 2018, 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, 2018 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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 Sheriff'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 2018 increased by \$156,559,166 or approximately 7.1% from 2017 (including net new construction). New construction, which represents improvements to real property that were not on the tax roll in the prior year, accounted for \$39,675,195 of the increase in the tax roll. Fiscal year 2018 marks the culmination of the recovery since property values peaked in fiscal year 2008 and subsequently declined.

Tax Roll Year	Fiscal Year	WCC Taxable Values		Year-to-Year Comparison		Year-to-FY2008 Comparison	
2007	2008	\$	2,321,901,228 *	\$	-		
2008	2009	\$	2,117,169,658 *	\$	(204,731,570)	-8.8%	\$ (204,731,570) -8.8%
2009	2010	\$	1,911,499,581 *	\$	(205,670,077)	-9.7%	\$ (410,401,647) -17.7%
2010	2011	\$	1,766,370,472 *	\$	(145,129,109)	-7.6%	\$ (555,530,756) -23.9%
2011	2012	\$	1,729,711,519 *	\$	(36,658,953)	-2.1%	\$ (592,189,709) -25.5%
2012	2013	\$	1,758,499,775 *	\$	28,788,256	1.7%	\$ (563,401,453) -24.3%
2013	2014	\$	1,811,104,269 *	\$	52,604,494	3.0%	\$ (510,796,959) -22.0%
2014	2015	\$	1,928,187,948 *	\$	117,083,679	6.5%	\$ (393,713,280) -17.0%
2015	2016	\$	2,073,594,801 *	\$	145,406,853	7.5%	\$ (248,306,427) -10.7%
2016	2017	\$	2,219,593,247 *	\$	145,998,446	7.0%	\$ (102,307,981) -4.4%
2017	2018	\$	2,376,152,413	\$	156,559,166	7.1%	\$ 54,251,185 2.3%

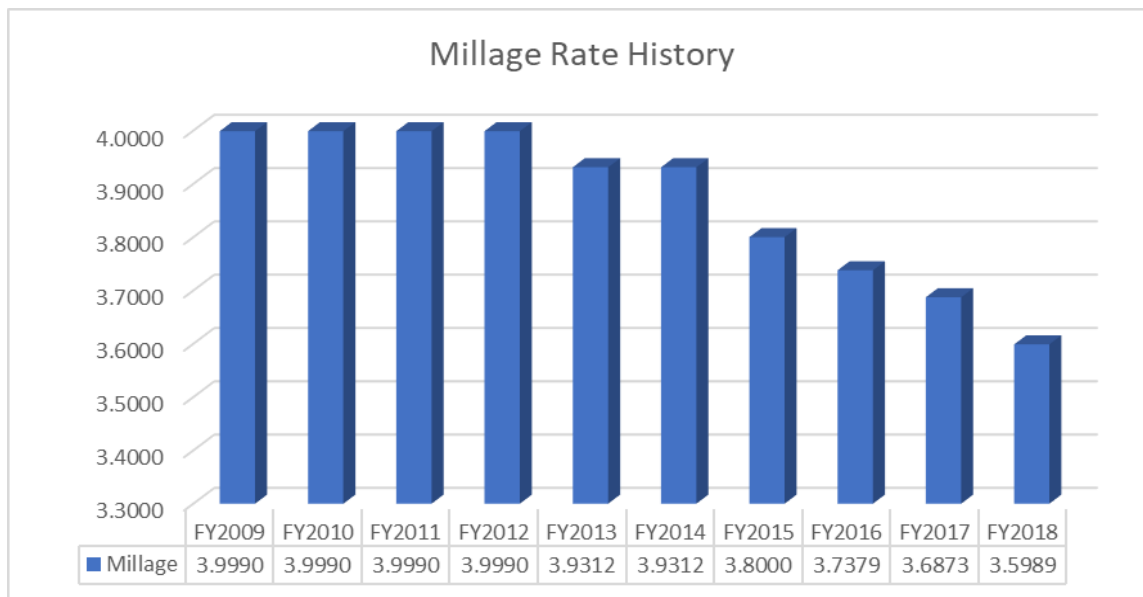
* Total Taxable Value with correction certificates (Source: Taxable Value Report, BCPA)

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
2008	1,011,156	947,625	63,531	6.30%
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%

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

As indicated in the following chart, during fiscal year 2018 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, 2018

The table below shows the balances of the governmental funds as of September 30, 2018. The unassigned balance of the general fund was \$4,301,685. The other significant component of the general fund balance is the \$2,500,000 assigned to the emergency reserve. The balance of \$91,466 is the prepaid items as of September 30, 2018 which consists contractual services; and a \$350,925 appropriation from the General Fund balance which is reflected in the fiscal year 2019 budget.

As of September 30, 2018, the balance of the capital projects fund was \$3,629,768. 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 \$2,952,202 is for future capital projects.

The Town's non-major funds are the fire fund and the law enforcement trust fund (LETF). Excluding the \$67,399 amount that was prepaid, as of September 30, 2018 these funds had \$1,140,910 and \$12,439 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	\$ 91,466	\$ -	\$ 67,399	\$ 158,865
Restricted for:				
Fire department	-	-	1,140,910	1,140,910
El Mar beautification per contract	-	677,566	-	677,566
Law enforcement	-	-	12,439	12,439
Assigned to:				
Emergency reserve	2,500,000	-	-	2,500,000
Subsequent year's expenditures	350,925	-	-	350,925
Capital projects	-	2,952,202	-	2,952,202
Unassigned	4,301,685	-	-	4,301,685
Total fund balances	\$ 7,244,076	\$ 3,629,768	\$ 1,220,748	\$ 12,094,592

Proprietary Funds

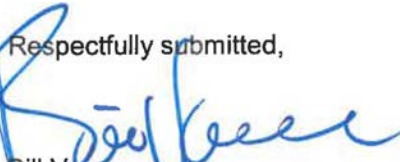
As of September 30, 2018, the unrestricted balance of the sewer fund was \$1,033,340, and the unrestricted balance of the parking fund was \$3,979,300. The table below shows the history of the proprietary fund unrestricted balances over the past ten years.

Year	Sewer Fund		Parking Fund		Total Proprietary Funds
2009	\$	1,613,946	\$	238,710	\$ 1,852,656
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

Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated services of Edner Saint-Jean 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,

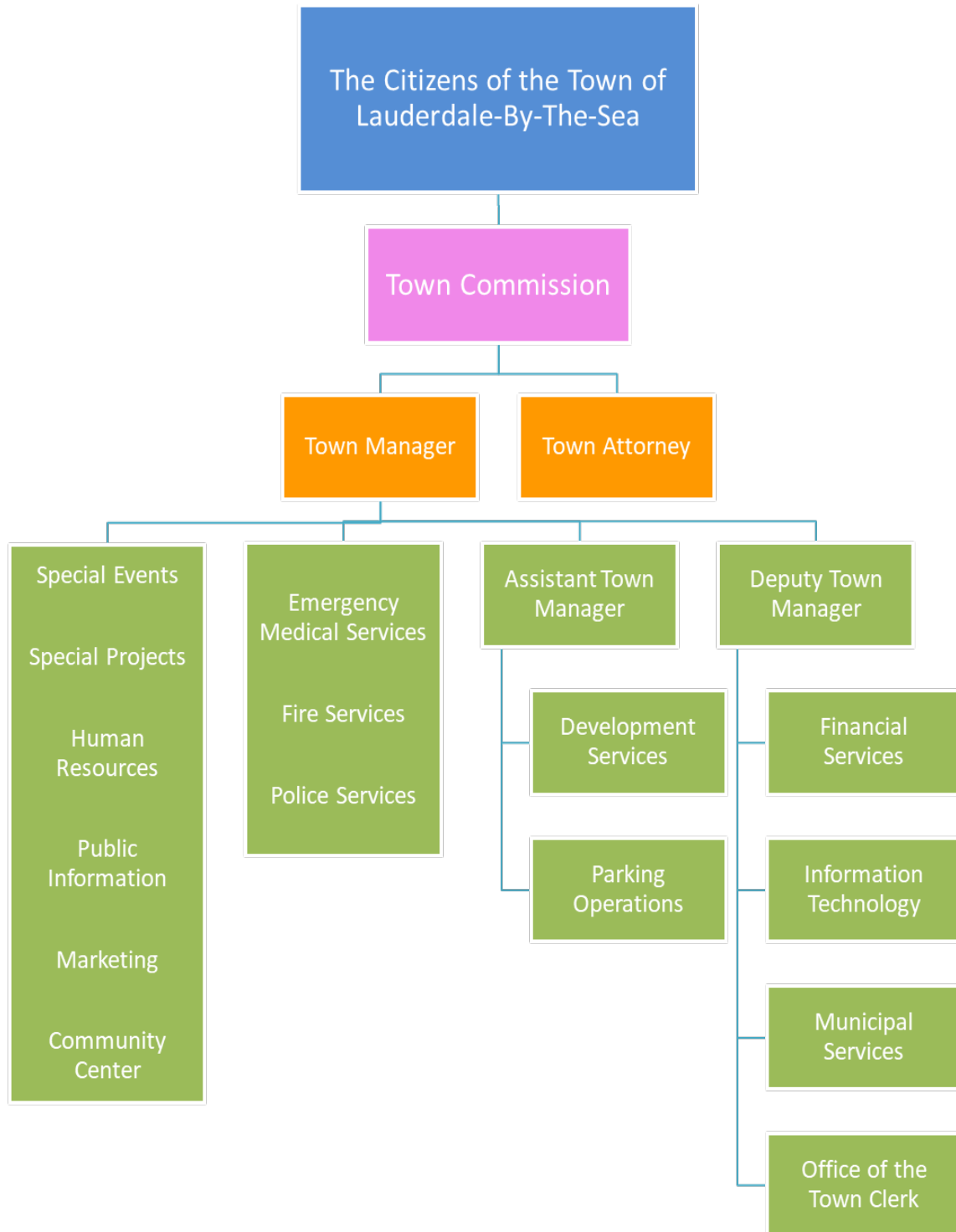


Bill Vance
Town Manager



Tony Bryan
Deputy Town Manager

**TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
ORGANIZATION CHART
SEPTEMBER 30, 2018**



**TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TOWN OFFICIALS
SEPTEMBER 30, 2018**

TOWN COMMISSION

CHRIS VINCENT
Mayor

ELLIOT SOKOLOW
Vice-Mayor

EDMUND MALKOON
Commissioner

BUZ OLDAKER
Commissioner

RANDY STRAUSS
Commissioner

TOWN ATTORNEY
Susan L. Trevarthen

MANAGEMENT TEAM

TOWN MANAGER
Ralph Bentley

DEPUTY TOWN MANAGER
Tony Bryan

ASSISTANT TOWN MANAGER
Sharon Ragoonan

MUNICIPAL SERVICES DIRECTOR
Donald Prince

DEVELOPMENT SERVICES DIRECTOR
Linda Connors

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, 2018, 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, 2018, 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 the 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 May 20, 2019, 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 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.

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

Report on Other Legal and Regulatory Requirements

We have also issued our report dated May 20, 2019, on our consideration of the Town's compliance with the requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

Bhav & Associates

May 20, 2019

**MANAGEMENT'S DISCUSSION ANALYSIS
(MD&A)**

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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, 2018. 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 \$50,955,685 (*net position*). Of this amount, \$13,622,412 (*unrestricted net position*) may be used to meet the ongoing obligations to citizens and creditors. The Town's net position increased by \$2,006,286 from the prior fiscal year primarily as a result of the Town's parking fund having generated operating income of \$1,555,829 during the fiscal year. During fiscal year 2018 the Town started to renovate the Poinciana / Bougainvillea Roadway and expand the A1A Parking lot to include the property at 4410 Bougainvillea Drive (i.e., the former Majestica Apartment Building). The project is being done in two phases. The first phase was completed in February 2019 and the second phase is expected to be completed in November 2019.

At the close of the fiscal year 2018, the Town of Lauderdale-By-The-Sea's governmental funds reported combined ending fund balances of \$12,094,592, an increase of \$1,520,558 from the prior fiscal year.

At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,301,685 or approximately 38% 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 indicator 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, 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, 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 four individual governmental funds (general, capital projects, and two 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 two special revenue funds. The general fund and capital projects funds are both considered to be major funds. The two special revenue funds are both considered to be non-major funds.

Overview of the Financial Statements (Continued)

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 \$50,955,655 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 \$324,591 in fiscal year 2018. 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 \$1,807,632, \$1,484,149 of which, is attributable to the parking fund.

Government-Wide Financial Analysis (Continued)

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

Net Position September 30,						
	Governmental Activities		Business-type Activities		Total	
	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)
Current and other assets	\$ 13,135,163	\$ 11,851,141	\$ 6,052,240	\$ 4,356,573	\$ 19,187,403	\$ 16,207,714
Capital assets, net	22,702,253	23,632,462	12,800,105	12,147,853	35,502,358	35,780,315
Total assets	35,837,416	35,483,603	18,852,345	16,504,426	54,689,761	51,988,029
Deferred outflows of resources	1,618,034	1,631,965	136,794	138,763	1,754,828	1,770,728
Long-term liabilities	3,155,488	2,912,673	300,238	287,020	3,455,726	3,199,693
Other liabilities	848,874	1,226,999	850,514	338,278	1,699,388	1,565,277
Total liabilities	4,004,362	4,139,672	1,150,752	625,298	5,155,114	4,764,970
Deferred inflows of resources	308,148	157,547	25,642	12,778	333,790	170,325
Net position:						
Investment in capital assets	22,702,253	23,632,462	12,800,105	12,147,853	35,502,358	35,780,315
Restricted for:						
El Mar beautification per contractual agreement	677,566	677,566	-	-	677,566	677,566
Fire department	1,140,910	945,954	-	-	1,140,910	945,954
Law enforcement	12,439	5,613	-	-	12,439	5,613
Unrestricted	8,609,772	7,556,754	5,012,640	3,857,260	13,622,412	11,414,014
Total net position	\$ 33,142,940	\$ 32,818,349	\$ 17,812,745	\$ 16,005,113	\$ 50,955,685	\$ 48,823,462

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	
	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)
Revenues:						
Program Revenues:						
Charges for services, including fire assessments	\$ 2,730,633	\$ 2,452,508	\$ 3,414,989	\$ 3,458,628	\$ 6,145,622	\$ 5,911,136
Operating grants and contributions	84,696	84,237	-	-	84,696	84,237
General Revenues:						
Property taxes	8,271,252	7,920,011	-	-	8,271,252	7,920,011
Franchise taxes and utility taxes	1,794,609	1,799,511	-	-	1,794,609	1,799,511
Grants and contributions not restricted to specific programs	1,029,976	1,019,977	-	-	1,029,976	1,019,977
Unrestricted investment earnings	25,317	17,081	6,561	134	31,878	17,215
Miscellaneous revenues	207,760	202,005	7,500	-	215,260	202,005
Total revenues	14,144,243	13,495,330	3,429,050	3,458,762	17,573,293	16,954,092
Expenses:						
General government	2,535,113	2,513,736	-	-	2,535,113	2,513,736
Public safety	7,427,617	7,338,209	-	-	7,427,617	7,338,209
Transportation	1,977,665	1,855,963	-	-	1,977,665	1,855,963
Recreation	444,051	470,066	-	-	444,051	470,066
Physical environment	1,435,206	1,590,521	-	-	1,435,206	1,590,521
Sewer	-	-	855,750	955,498	855,750	955,498
Parking	-	-	765,668	753,075	765,668	753,075
Total expenses	13,819,652	13,768,495	1,621,418	1,708,573	15,441,070	15,477,068
Increase in net position	324,591	(273,165)	1,807,632	1,750,189	2,132,223	1,477,024
Net position - beginning, as restated (Note 1)	32,818,349	33,091,514	16,005,113	14,254,924	48,823,462	47,346,438
Net position - ending	\$ 33,142,940	\$ 32,818,349	\$ 17,812,745	\$ 16,005,113	\$ 50,955,685	\$ 48,823,462

Property tax revenue increased by \$351,241 primarily as the result of the Town increasing taxes by approximately \$300,000 in order to raise funds for future capital projects.

In the governmental funds, revenue from charges for services increased by \$278,125. This increase is largely attributable to the difference between a \$324,003 increase in code enforcement fines and \$62,287 decline in building permit fees collected during the fiscal year. Grants and contributions not restricted to specific programs increased by \$9,999. The increase is largely attributable to the difference between an \$18,374 increase in sales tax revenue and an \$11,801 (or 76%) decline in recycling revenue. Franchise tax and utility tax revenues remained relatively flat.

In the proprietary funds, revenue from charges for services declined by \$43,639 due to a \$27,900 increase in sewer revenue and a parking revenue and a \$71,539 decline in parking revenue.

Government-Wide Financial Analysis (Continued)

General Government and Public Safety expense remained relatively flat. Transportation expense increased by \$121,702. 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 partially offset by the \$88,803 decline in hurricane related expenditures in fiscal year 2018, relative to fiscal year 2017. Specifically, at the end of fiscal year 2017 expenditures related to Hurricane Irma were estimated at \$183,521 however the Town made another \$94,718 of Hurricane Irma related expenditures in fiscal year 2018.

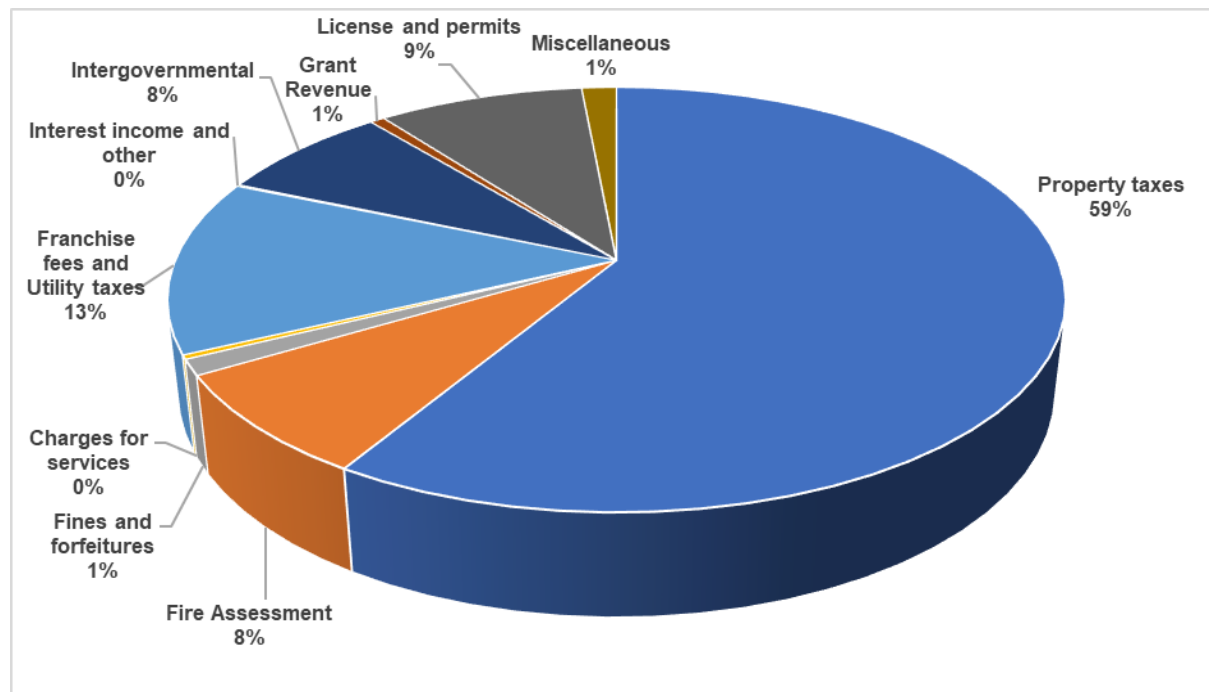
Recreation expense declined by \$26,015 as a result of cost saving initiatives that were undertaken in 2018, including utilizing Town staff to install decorative holiday lights rather than a contractor.

Physical Environment expense declined by \$155,315 primarily because of a large one-time expenditure in fiscal 2017. Specifically, the Town purchased new upgraded radios for the Volunteer Fire Department, as a requirement of participation in the pending Regional E-911 Public Safety Intranet.

Sewer expense declined by \$99,748 primarily as a result of declines in professional services, payments to Pompano for wastewater treatment, and pump station maintenance. Parking expense remained relatively flat.

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 \$12,094,592 an increase of \$1,520,558 from the prior fiscal year.

The general fund is the primary operating fund of the Town. At the end of the fiscal year 2018, the fund balance of the general fund was \$7,244,076, an increase of \$1,232,616. The increase is the result of revenues being \$1,043,778 more than budgeted and spending \$388,838 less than budgeted. The more significant revenue surplus items were as follows: Property taxes (\$132,280), Franchise and utility taxes (\$102,609), Fines and forfeitures (\$399,086), and Licenses and permits (\$332,773). There was less spending than expected on Business Development & marketing (\$164,122) and Recreation (\$103,063).

The fund balance of the capital projects fund increased by \$86,160 to \$3,629,768 as budgeted transfers from the General Fund (\$489,022) and interest income exceeded expenditures. The most significant expenditure in the Capital Fund was \$298,128 for street resurfacing.

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 declined from the prior fiscal year in the proprietary funds. Parking revenues declined by \$71,539 or approximately 3% from the prior fiscal year. Sewer revenues increased by \$27,900 or approximately 2% as the result of a 2 ½ percent rate increase. Operating expenses in the sewer fund declined by \$99,748 or approximately 10%. The decline is a result of several factors including a reduction in the payments to the City of Pompano Beach for wastewater treatment (\$26,728), a decline in expenditures related to pump station and sewer line maintenance (\$30,587) relative to prior year, and decline in professional expenditures related to the installation of cured-in-place sewer lining (\$24,365). Operating expenses in the parking fund increased by \$12,593 or approximately 2% primarily as the result of lease payments associated with a new street sweeper (\$20,078). The unrestricted net position of the Sewer and Parking Funds combined at the end of the fiscal year amounted to \$5,012,640, an increase of \$1,144,527 or approximately 30% from the prior fiscal year. The increase is primarily the result of the parking fund generating operating income of \$1,471,697.

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 108.3% of budgeted levels. Franchise fee collections came in at 103.1% of budgeted levels. Utility taxes increased 0.9% from the prior fiscal year and franchise fees declined 1.9% from the prior fiscal year.

General Fund Budgetary Highlights (Continued)

Intergovernmental revenues collected were 100.1% of budget.

Licenses, permits and fees revenue came in at 140.8% of budgeted levels. This represents a 4% decline relative to the prior fiscal year.

Actual expenditures of the general fund were approximately 3.3% 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, 2018, amounted to \$35,502,358 (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 the University of Central Florida's Institute for Economic Competitiveness' March 2019 report, the Miami-Fort Lauderdale-West Palm Beach area is expected to show mixed levels of growth in key economic indicators. Specifically, personal income is expected to grow at an average of 4.9% per year while average annual wage growth is expected to average 3.7% per year. Employment is expected to grow at an average rate of 3.5% each year, while unemployment is expected to be moderate at an average rate of 3.4%.

In preparing the fiscal year 2019 budget, the Town provided funding for the following projects:

- ❖ Expand the A1A Parking Lot
- ❖ Install drainage in the East Terra Mar neighborhood
- ❖ Construct sidewalks along Hibiscus Avenue (from Seagrape to state road A1A).
- ❖ Design the Palm Club Sewer
- ❖ Improve the Friedt Municipal Park.

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.

BASIC FINANCIAL STATEMENTS

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TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

	Governmental	Business-type	Total
	Activities	Activities	
<u>ASSETS</u>			
Cash and cash equivalents	\$ 12,148,027	\$ 5,864,256	\$ 18,012,283
Investments	248,664	-	248,664
Accounts receivable, net	285,009	160,733	445,742
Due from business/governmental type activities	102,901	12,251	115,152
Prepaid items	158,865	15,000	173,865
Net pension asset - Volunteer Firefighters Pension Plan	191,697	-	191,697
Capital assets:			
Nondepreciable capital assets	1,939,254	8,901,392	10,840,646
Depreciable capital assets, net	20,762,999	3,898,713	24,661,712
Total assets	<u>35,837,416</u>	<u>18,852,345</u>	<u>54,689,761</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Volunteer Firefighters Pension Plan	235,333	-	235,333
Other Post Employment Benefits	14,127	1,439	15,566
Florida Retirement System Pension Plan	1,368,574	135,355	1,503,929
Total deferred outflows of resources	<u>1,618,034</u>	<u>136,794</u>	<u>1,754,828</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND</u>			
<u>NET POSITION</u>			
Liabilities:			
Accounts payable and other liabilities	557,763	741,853	1,299,616
Contracts and retainage payable	8,843	-	8,843
Accrued liabilities	153,315	1,578	154,893
Due to business/governmental type activities	12,251	102,901	115,152
Unearned revenues	100,308	4,182	104,490
Deposits	16,394	-	16,394
Noncurrent liabilities due within one year	12,355	-	12,355
Noncurrent liabilities:			
Net Other Post Employment Benefit obligation	125,491	12,784	138,275
Net pension liability - Florida Retirement System	2,906,447	287,454	3,193,901
Due in more than one year	111,195	-	111,195
Total liabilities	<u>4,004,362</u>	<u>1,150,752</u>	<u>5,155,114</u>
Deferred inflows of resources:			
Volunteer Firefighters Pension Plan	48,900	-	48,900
Florida Retirement System Pension Plan	259,248	25,642	284,890
Total deferred outflows of resources	<u>308,148</u>	<u>25,642</u>	<u>333,790</u>
Net position:			
Investment in capital assets	22,702,253	12,800,105	35,502,358
Restricted for:			
El Mar beautification per contractual agreement	677,566	-	677,566
Law enforcement	12,439	-	12,439
Fire department	1,140,910	-	1,140,910
Unrestricted	8,609,772	5,012,640	13,622,412
Total net position	<u>\$ 33,142,940</u>	<u>\$ 17,812,745</u>	<u>\$ 50,955,685</u>

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2018

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business- type Activities	Total
Primary government:						
Governmental activities:						
General government	\$ 2,535,113	\$ 1,631,859	\$ -	\$ (903,254)	\$ -	\$ (903,254)
Public safety	7,427,617	1,098,774	-	(6,328,843)	-	(6,328,843)
Transportation	1,977,665	-	-	(1,977,665)	-	(1,977,665)
Recreation	444,051	-	84,696	(359,355)	-	(359,355)
Physical environment	1,435,206	-	-	(1,435,206)	-	(1,435,206)
Total government activities	13,819,652	2,730,633	84,696	(11,004,323)	-	(11,004,323)
Business-type activities:						
Sewer	855,750	1,177,624	-	-	321,874	321,874
Parking	765,668	2,237,365	-	-	1,471,697	1,471,697
Total business-type activities	1,621,418	3,414,989	-	-	1,793,571	1,793,571
Total primary government	\$ 15,441,070	\$ 6,145,622	\$ 84,696	(11,004,323)	1,793,571	(9,210,752)
General revenues:						
Property taxes				8,271,252	-	8,271,252
Franchise taxes and utility taxes				1,794,609	-	1,794,609
Grants and contributions not restricted to specific programs				1,029,976	-	1,029,976
Unrestricted investment earnings				25,317	6,561	31,878
Miscellaneous revenues				207,760	7,500	215,260
Total general revenues and transfers				11,328,914	14,061	11,342,975
Change in net position				324,591	1,807,632	2,132,223
Net position - beginning, as restated (Note 1)				32,818,349	16,005,113	48,823,462
Net position - ending				\$ 33,142,940	\$ 17,812,745	\$ 50,955,685

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	Major Funds			Total
	General	Capital	Non-Major	Governmental
	Fund	Projects	Funds	Funds
		Fund		
<u>ASSETS</u>				
Cash and cash equivalents	\$ 7,443,341	\$ 3,524,241	\$ 1,180,445	\$ 12,148,027
Investments	248,664	-	-	248,664
Accounts receivable, net	285,009	-	-	285,009
Due from other funds	114,109	126,078	-	240,187
Prepaid items	91,466	-	67,399	158,865
Total assets	<u>\$ 8,182,589</u>	<u>\$ 3,650,319</u>	<u>\$ 1,247,844</u>	<u>\$ 13,080,752</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and other liabilities	\$ 553,936	\$ -	\$ 3,827	\$ 557,763
Contracts and retainage payable	-	8,843	-	8,843
Accrued liabilities	153,315	-	-	153,315
Due to other funds	138,329	11,208	-	149,537
Unearned revenue	76,539	500	23,269	100,308
Deposits	16,394	-	-	16,394
Total liabilities	<u>938,513</u>	<u>20,551</u>	<u>27,096</u>	<u>986,160</u>
Fund balances:				
Nonspendable:				
Prepaid items	91,466	-	67,399	158,865
Restricted for:				
Fire department	-	-	1,140,910	1,140,910
El Mar beautification per contract	-	677,566	-	677,566
Law enforcement	-	-	12,439	12,439
Assigned to:				
Emergency reserve	2,500,000	-	-	2,500,000
Subsequent year's expenditures	350,925	-	-	350,925
Capital projects	-	2,952,202	-	2,952,202
Unassigned	4,301,685	-	-	4,301,685
Total fund balances	<u>7,244,076</u>	<u>3,629,768</u>	<u>1,220,748</u>	<u>12,094,592</u>
Total liabilities and fund balances	<u>\$ 8,182,589</u>	<u>\$ 3,650,319</u>	<u>\$ 1,247,844</u>	<u>\$ 13,080,752</u>

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, 2018

Fund balance - governmental funds \$ 12,094,592

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	40,533,709	
Accumulated depreciation	<u>(17,831,456)</u>	22,702,253

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.	191,697
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Deferred outflows of resources related to the pension and other post employment benefits are recorded in the statement of net position.	1,618,034
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Deferred inflows of resources related to the pension are recorded in the statement of net position.	(308,148)
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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	(123,550)
Net pension liability - Florida Retirement System	(2,906,447)
Other Post Employment Benefit obligation	(125,491)

Net position of governmental activities	<u><u>\$ 33,142,940</u></u>
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TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Major Funds			Total
	General	Capital	Non-Major	Governmental
	Fund	Projects	Funds	Funds
Revenues:				
Property taxes and fire assessments	\$ 8,271,252	\$ -	\$ 1,051,761	\$ 9,323,013
Franchise fees and utility taxes	1,794,609	-	-	1,794,609
Intergovernmental	1,029,976	-	-	1,029,976
Fines and forfeitures	484,086	-	-	484,086
Charges for services	13,281	-	33,732	47,013
Licenses and permits	1,147,773	-	-	1,147,773
Interest income and other	21,055	4,262	-	25,317
Grant revenue	84,696	-	-	84,696
Miscellaneous revenues	200,934	-	6,826	207,760
Total revenues	13,047,662	4,262	1,092,319	14,144,243
Expenditures:				
Current:				
General government	2,313,067	72,988	-	2,386,055
Public safety	6,493,691	-	832,217	7,325,908
Transportation	1,750,558	-	-	1,750,558
Recreation	431,725	-	-	431,725
Physical environment	233,592	-	-	233,592
Capital outlay	98,591	334,136	63,120	495,847
Total expenditures	11,321,224	407,124	895,337	12,623,685
Excess (deficiency) of revenues over (under) expenditures	1,726,438	(402,862)	196,982	1,520,558
Other financing sources (uses):				
Transfers in	22,000	489,022	26,800	537,822
Transfers out	(515,822)	-	(22,000)	(537,822)
Total other financing sources (uses)	(493,822)	489,022	4,800	-
Net change in fund balances	1,232,616	86,160	201,782	1,520,558
Fund balances, beginning	6,011,460	3,543,608	1,018,966	10,574,034
Fund balances, ending	\$ 7,244,076	\$ 3,629,768	\$ 1,220,748	\$ 12,094,592

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, 2018

Net change in fund balances - total governmental funds \$ 1,520,558

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. 455,700

Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense on the statement of activities. (1,385,909)

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	6,008
Change in Other Post Employment Benefit obligation	17,306
Changes related to the FRS net pension liability (NPL)	(301,449)
Changes related to the Volunteer Firefighters Pension Plan NPL	12,377
Change in net position of governmental activities	\$ 324,591

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2018

	Enterprise Funds		
	Sewer Utility		
ASSETS	System	Parking	Total
Current Assets:			
Cash and cash equivalents	\$ 1,517,070	\$ 4,347,186	\$ 5,864,256
Accounts receivable, net	152,588	8,145	160,733
Due from other funds	1,460	10,791	12,251
Prepaid items	-	15,000	15,000
Total current assets	1,671,118	4,381,122	6,052,240
Noncurrent Assets:			
Capital Assets:			
Land	-	8,717,073	8,717,073
Equipment	39,504	146,724	186,228
Buildings and utility plant	4,199,413	1,438,088	5,637,501
Construction in progress	1	184,318	184,319
Total capital assets	4,238,918	10,486,203	14,725,121
Less accumulated depreciation	(1,609,354)	(315,662)	(1,925,016)
Net capital assets	2,629,564	10,170,541	12,800,105
Total noncurrent assets	2,629,564	10,170,541	12,800,105
Total assets	4,300,682	14,551,663	18,852,345
DEFERRED OUTFLOWS OF RESOURCES			
Florida Retirement System Pension Plan	67,680	67,675	135,355
Other Post Employment Benefits	681	758	1,439
Total deferred outflows of resources	68,361	68,433	136,794
LIABILITIES, DEFERRED INFLOWS OF RESOURCES,			
AND FUND BALANCES			
Current Liabilities:			
Accounts payable	472,847	269,006	741,853
Accrued liabilities	612	966	1,578
Due to other funds	70,080	32,821	102,901
Unearned revenue	-	4,182	4,182
Total current liabilities	543,539	306,975	850,514
Long-Term Liabilities:			
Other Post Employment Benefit Obligation	6,053	6,731	12,784
Net pension liability - Florida Retirement System	143,726	143,728	287,454
Total long-term liabilities	149,779	150,459	300,238
Total Liabilities	693,318	457,434	1,150,752
Deferred inflows of resources:			
Florida Retirement system Pension Plan	12,821	12,821	25,642
Total deferred outflows of resources	12,821	12,821	25,642
Net position:			
Investment in capital assets	2,629,564	10,170,541	12,800,105
Unrestricted	1,033,340	3,979,300	5,012,640
Total net position	\$ 3,662,904	\$ 14,149,841	\$ 17,812,745

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, 2018

	Enterprise Funds		
	Sewer Utility		
	System	Parking	Total
Operating revenues:			
Charges for services	\$ 1,177,624	\$ 2,237,365	\$ 3,414,989
Total operating revenues	1,177,624	2,237,365	3,414,989
Operating expenses:			
Operating, administrative and maintenance	787,358	723,857	1,511,215
Depreciation and amortization	68,392	41,811	110,203
Total operating expenses	855,750	765,668	1,621,418
Operating income	321,874	1,471,697	1,793,571
Nonoperating revenues (expenses):			
Interest income	1,609	4,952	6,561
Other nonoperating income	-	7,500	7,500
Total nonoperating revenues (expenses)	1,609	12,452	14,061
Change in net position	323,483	1,484,149	1,807,632
Net position - beginning, as restated (Note 1)	3,339,421	12,665,692	16,005,113
Net position - ending	\$ 3,662,904	\$ 14,149,841	\$ 17,812,745

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Enterprise Funds		
	Sewer Utility		
	System	Parking	Total
Cash Flows From Operating Activities			
Receipts from customers and users	\$ 1,282,607	\$ 2,231,750	\$ 3,514,357
Payments to suppliers	(385,638)	(365,965)	(751,603)
Payments to employees	(145,552)	(119,866)	(265,418)
Net cash provided (used) by operating activities	751,417	1,745,919	2,497,336
Cash Flows Provided (Used) By Noncapital Financing Activities			
Miscellaneous	-	7,500	7,500
Net cash provided (used) by noncapital financing	-	7,500	7,500
Cash Flows Provided (Used) By Capital and Related Financing Activities			
Purchase of capital assets	(456,177)	(306,278)	(762,455)
Net cash provided (used) by capital and related financing activities	(456,177)	(306,278)	(762,455)
Cash Flows Provided (Used) By Investing Activities			
Interest received	1,609	4,952	6,561
Net cash provided (used) by investing activities	1,609	4,952	6,561
Net increase (decrease) in cash	296,849	1,452,093	1,748,942
Cash and cash equivalents, beginning	1,220,221	2,895,093	4,115,314
Cash and cash equivalents, ending	\$ 1,517,070	\$ 4,347,186	\$ 5,864,256
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities operating income (loss):	\$ 321,874	\$ 1,471,697	\$ 1,793,571
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	68,392	41,811	110,203
Changes in assets and liabilities:			
(Increase)/Decrease in accounts receivable	60,513	1,870	62,383
(Increase)/Decrease in interfund receivable	(1,460)	(7,648)	(9,108)
(Increase)/Decrease in deferred outflows of resources	1,023	946	1,969
Increase/(Decrease) in accounts payable	242,516	223,922	466,438
Increase/(Decrease) in accrued liabilities	(420)	125	(295)
Increase/(Decrease) in interfund payable	45,930	6,212	52,142
Increase/(Decrease) in unearned revenue	-	(6,049)	(6,049)
Increase/(Decrease) in Other Post Employment Benefit	(154)	(170)	(324)
Increase/(Decrease) in net pension liability	6,771	6,771	13,542
Increase/(Decrease) in deferred inflows of resources	6,432	6,432	12,864
Total adjustments	429,543	274,222	703,765
Net cash provided (used) by operating activities	\$ 751,417	\$ 1,745,919	\$ 2,497,336

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2018

	<u>Pension Trust Fund</u>
<u>ASSETS</u>	
Cash	\$ 91,540
Investments, at fair value:	
US government obligations	221,970
Corporate bonds	500,179
Foreign bonds	49,578
Common stock	1,433,518
Accrued income	4,234
Receivables:	
Due from State	2,203
Total assets	<u>2,303,222</u>
Liabilities	
Accounts payable	2,298
Total liabilities	<u>\$ 2,298</u>
<u>NET POSITION</u>	
Net position restricted for pensions	<u>\$ 2,300,924</u>

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, 2018

	<u>Pension Trust Fund</u>
ADDITIONS	
Contributions:	
Plan member	\$ 14,625
Employer	14,625
State	113,804
Member return of refunds plus interest	3,206
Total contributions	<u>146,260</u>
Investment income (loss):	
Net appreciation in fair value of investments	199,295
Interest and dividends	38,806
Less: investment expenses	8,217
Net investment income (loss)	<u>229,884</u>
Total additions	<u>376,144</u>
DEDUCTIONS	
Pension benefits	87,100
Refunds of contributions	2,984
Administrative expenses	36,441
Total deductions	<u>126,525</u>
Net increase (decrease)	249,619
Net position restricted for pensions:	
Beginning, previously stated	2,088,421
Prior period adjustment (Note 1)	(37,116)
Beginning, as restated	<u>2,051,305</u>
Ending	<u><u>\$ 2,300,924</u></u>

See notes to the financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

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*.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 fund type:

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

Prior period adjustment - The beginning net position of the pension trust fund is being adjusted for a state contribution to the pension being improperly accrued as of September 30, 2017:

Net position - beginning, prior to restatement	\$ 2,088,421
Prior period adjustment - overstatement of receivable	<u>(37,116)</u>
Net position - beginning, as restated	<u>\$ 2,051,305</u>

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. New Accounting Standards Adopted

During fiscal year 2018, the Town adopted the following new accounting standards as follows:

GASB Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

This Statement establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities.

The implementation of GASB 75 had the following effect on beginning net position in fiscal year 2018:

	<u>Governmental</u>			<u>Business-Type</u>
	<u>Activities</u>	<u>Sewer Fund</u>	<u>Parking Fund</u>	<u>Activities</u>
Net position - beginning, previously stated	\$ 32,933,433	\$ 3,345,243	\$ 12,670,723	\$ 16,015,966
Prior period adjustment	(115,084)	(5,822)	(5,031)	(10,853)
Net position - beginning, as restated	<u>\$ 32,818,349</u>	<u>\$ 3,339,421</u>	<u>\$ 12,665,692</u>	<u>\$ 16,005,113</u>

GASB Statement No. 81 - Irrevocable Split-Interest Agreements

The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

GASB Statement No. 85 - Omnibus 2017

The objective of this Statement is to improve consistency in accounting and financial reporting by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

GASB Statement No. 86 - Certain Debt Extinguishment Issues

The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2018, 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:

	<u>Assets</u>	<u>Years</u>
Buildings		30 - 50
Utility plant		25 - 75
Infrastructure		50
Improvements other than buildings		25
Furniture, fixtures, machinery and equipment		5 - 10
Motor vehicles		5 - 7

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. Fund Equity (Continued)

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, 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.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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.

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, 2018, the Town had the following investments:

	Amortized Cost	Credit Risk	Weighted Average Maturity
Investment in Local Government Surplus Funds Trust Fund (Florida PRIME)	\$ 248,664	S&P AAAM	33
	<u>\$ 248,664</u>		

Credit Risk - Credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The 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).

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments – Town (Continued)

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.

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.”

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments – Town (Continued)

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, 2018, 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, 2018, the Pension Plan had the following investments:

	<u>Fair Value</u>
Fixed income	
US government obligations	\$ 221,970
Corporate bonds	500,179
Foreign bonds	49,578
Equities	
Common stocks	1,433,518
	<u>\$ 2,205,245</u>

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 \$49,578.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments - Volunteer Firefighter's Pension Plan (Continued)

As of September 30, 2018, the Plan's debt security investments had the following maturities:

	Maturity	Fair Value
Federal Farm Credit Bank	March 13, 2026	\$ 23,895
Federal Farm Credit Bank	March 7, 2028	24,516
Federal Home Loan Bank	November 7, 2025	24,231
United States Treasury Notes	September 30, 2018	25,000
United States Treasury Notes	December 15, 2018	49,904
United States Treasury Notes	February 28, 2019	49,820
United States Treasury Notes	July 15, 2027	24,604
MetLife	December 19, 2018	24,965
American Express Credit	August 15, 2019	24,882
Goldman Sachs Group	December 13, 2019	24,781
Costco	December 15, 2019	24,663
National Rural Utilities Cooperative	June 15, 2020	24,681
Praxair	September 24, 2020	24,580
Kroger	November 1, 2021	24,603
Colgate-Palmolive	November 15, 2021	24,535
John Deere Capital	March 15, 2022	24,537
US Bancorp	July 15, 2022	24,480
Wells Fargo	January 24, 2023	24,401
Burlington North Santa Fe	March 15, 2023	24,581
Public Service Electric & Gas	May 15, 2023	23,710
JP Morgan Chase	September 10, 2024	24,761
Lowe's	September 15, 2024	34,231
Commonwealth Edison	November 1, 2024	24,062
Bank of America	August 1, 2025	24,850
IBM	February 19, 2026	24,707
Apple	February 9, 2027	24,455
Johnson & Johnson	January 15, 2028	23,714
Royal Bank of Canada	October 30, 2020	24,593
Schlumberger Investment	September 14, 2021	24,985
		<u>\$ 771,727</u>

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018:

	Fair Value	Level 1	Level 2
US government obligations	\$ 221,970	\$ 221,970	\$ -
Corporate bonds	500,179	-	500,179
Foreign bonds	49,578	-	49,578
Common stock	1,433,518	1,433,518	-
	<u>\$ 2,205,245</u>	<u>\$ 1,655,488</u>	<u>\$ 549,757</u>

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.
- 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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018 was 3.6873 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, 2018.

NOTE 4 – RECEIVABLES

Receivables for the Town's funds including the applicable allowances for uncollectible accounts as of September 30, 2018 were as follows:

	General Fund	Sewer Utility System	Parking	Total
Receivables:				
Billed	\$ -	\$ 187,263	\$ 8,145	\$ 195,408
Taxes	33,291	-	-	33,291
Intergovernmental	69,938	-	-	69,938
Other	184,966	-	-	184,966
Gross receivables	288,195	187,263	8,145	483,603
Less allowance for uncollectibles	(3,186)	(34,675)	-	(37,861)
Net total receivables	\$ 285,009	\$ 152,588	\$ 8,145	\$ 445,742

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 5 – UNEARNED REVENUES

Unearned revenue reported in the governmental funds and the basic financial statements as of September 30, 2018 was as follows:

	Governmental Activities	Business-type Activities
Occupational licenses	\$ 45,945	\$ -
Planning advances	6,201	-
Fire inspection fees	23,269	-
Other	24,893	4,182
	<u>\$ 100,308</u>	<u>\$ 4,182</u>

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at September 30, 2018 were as follows:

	Receivable	Payable
General Fund	\$ 114,109	\$ 138,329
Capital Projects Fund	126,078	11,208
Sewer Utility System Fund	1,460	70,080
Parking Fund	10,791	32,821
	<u>\$ 252,438</u>	<u>\$ 252,438</u>

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, 2018 were as follows:

	Transfers In In	Transfers Out Out
General Fund	\$ 22,000	\$ 515,822
Capital Projects Fund	489,022	-
Fire Fund	26,800	22,000
	<u>\$ 537,822</u>	<u>\$ 537,822</u>

Transfers between the general fund and capital projects fund were to fund capital improvement projects. 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 2018 budget.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 7 – CAPITAL ASSETS

Capital assets for the governmental activities for the fiscal year ended September 30, 2018 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,939,254	\$ -	\$ -	\$ 1,939,254
Total capital assets, not being depreciated	1,939,254	-	-	1,939,254
Capital assets, being depreciated:				
Building and building improvements	4,304,874	25,314	-	4,330,188
Improvements other than buildings	25,812,797	312,845	-	26,125,642
Furniture, fixtures, machinery and equipment	1,350,986	75,197	-	1,426,183
Motor vehicles	767,977	42,344	-	810,321
Infrastructure	5,902,121	-	-	5,902,121
Total capital assets, being depreciated	38,138,755	455,700	-	38,594,455
Less accumulated depreciation:				
Building and building improvements	1,427,937	82,482	-	1,510,419
Improvements other than buildings	8,285,641	919,854	-	9,205,495
Furniture, fixtures, machinery and equipment	1,301,927	159,792	-	1,461,719
Motor vehicles	626,046	111,174	-	737,220
Infrastructure	4,803,996	112,607	-	4,916,603
Total accumulated depreciation	16,445,547	1,385,909	-	17,831,456
Total capital assets, being depreciated, net	21,693,208	(930,209)	-	20,762,999
Governmental activities capital assets, net	\$ 23,632,462	\$ (930,209)	\$ -	\$ 22,702,253

Capital assets for the business-type activities for the fiscal year ended September 30, 2018 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 8,717,073	\$ -	\$ -	\$ 8,717,073
Construction in progress	194,822	184,318	(194,822)	184,318
Total capital assets, not being depreciated	8,911,895	184,318	(194,822)	8,901,391
Capital assets, being depreciated:				
Buildings and utility plant	4,864,543	727,630	-	5,592,173
Equipment	186,228	45,329	-	231,557
Total capital assets, being depreciated	5,050,771	772,959	-	5,823,730
Less accumulated depreciation:				
Buildings and utility plant	1,740,855	83,866	-	1,824,721
Equipment	73,958	26,337	-	100,295
Total accumulated depreciation	1,814,813	110,203	-	1,925,016
Total capital assets, being depreciated, net	3,235,958	662,756	-	3,898,714
Business-type activities capital assets, net	\$ 12,147,853	\$ 847,074	\$ (194,822)	\$ 12,800,105

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 7 – CAPITAL ASSETS (Continued)

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

Governmental activities:	
General government	\$ 39,676
Public safety	75,987
Transportation	104,413
Recreation	12,326
Physical environment	<u>1,153,507</u>
Total depreciation expense, governmental activities	<u>\$ 1,385,909</u>
Business-type activities:	
Sewer utility	\$ 68,392
Parking	<u>41,811</u>
Total depreciation expense, business-type activities	<u>\$ 110,203</u>

NOTE 8 – LONG-TERM LIABILITIES

Changes in long-term liabilities for governmental activities for the fiscal year ended September 30, 2018 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities:</u>					
Compensated absences	\$ 129,558	\$ 178,254	\$ (184,262)	\$ 123,550	\$ 12,355
	<u>\$ 129,558</u>	<u>\$ 178,254</u>	<u>\$ (184,262)</u>	<u>\$ 123,550</u>	<u>\$ 12,355</u>

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, 2018 are as follows:

Fiscal Year Ending September 30,	Annual Minimum Payments
2019	\$ 72,757
2020	74,940
2021	77,188
2022	79,503
2023	<u>33,533</u>
Total	<u>\$ 337,921</u>

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, 2018, the accumulated depreciation is \$353,224. For the fiscal year ended September 30, 2018, rental income received from the lease was approximately \$68,000.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the Town paid \$4,281,759 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 \$980,605 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, 2018, the Town had open contracts for various construction projects. The contracts totaled approximately \$1,200,000, of which approximately \$1,050,000 was uncompleted at September 30, 2018.

Litigation, Claims and Assessments

The Town is also a defendant in various lawsuits incidental to its operations. The outcome of these lawsuits is not presently determinable and, consequently, no related liabilities have been reported.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 \$640,054 for the fiscal year ended September 30, 2018.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 2018 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u> <u>October 1, 2017 to June 30, 2018</u>		<u>Percent of Gross Salary</u> <u>July 1, 2018 to September 30, 2018</u>	
	<u>Employee</u>	<u>Employer (1)</u>	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	7.92	3.00	8.26
FRS, Senior Management	3.00	22.71	3.00	24.06

(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 \$228,094 for the fiscal year ended September 30, 2018. 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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the Town reported a liability of \$2,523,345 for its proportionate share of the Plan's net pension liability, \$2,296,244 in governmental activities and \$227,101 in business-type activities. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The Town's proportionate share of the net pension liability was based on the Town's contributions for the year ended June 30, 2018 relative to the contributions made during the year ended June 30, 2017 of all participating members. At June 30, 2018, the Town's proportionate share was .00838%, which was an increase of .00027% from its proportionate share measured as of June 30, 2017.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the Town recognized pension expense of \$554,002 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	\$ 213,765	\$ (7,759)
Change of assumptions	824,507	-
Net difference between projected and actual earnings on FRS pension plan investments	-	(194,959)
Changes in proportion and differences between Town FRS contributions and proportionate share of FRS contributions	265,594	-
Town FRS contributions subsequent to the measurement date	66,062	-
Total	\$ 1,369,928	\$ (202,718)

The deferred outflows of resources related to pensions, totaling \$66,062, 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, 2018. 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
2019	\$ 444,976
2020	287,229
2021	64,555
2022	173,945
2023	112,812
Thereafter	17,631
Total	\$ 1,101,148

Actuarial Assumptions – The total pension liability in the July 1, 2018 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	7.00%, 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, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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%	2.9%	2.9%	1.8%
Fixed income	18.0%	4.4%	4.3%	4.0%
Global equity	54.0%	7.6%	6.3%	17.0%
Real estate (property)	11.0%	6.6%	6.0%	11.3%
Private equity	10.0%	10.7%	7.8%	26.5%
Strategic investments	6.0%	6.0%	5.7%	8.6%
Total	100.0%			
Assumed inflation - mean			2.6%	1.9%

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

Discount Rate – The discount rate used to measure the total pension liability was 7.00 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 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town's proportionate share of net pension liability	\$ 4,605,211	\$ 2,523,345	\$ 794,233

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the contribution rate was 1.66% of payroll from October 1, 2017 through September 30, 2018 pursuant to section 112.363, Florida Statutes. 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 \$30,262 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2018, the Town reported a net pension liability of \$670,555 for its proportionate share of the HIS Program's net pension liability, \$610,205 in governmental activities and \$60,350 in business-type activities. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The Town's proportionate share of the net pension liability was based on the year ended June 30, 2018 contributions relative to the year ended June 30, 2017 contributions of all participating members. At June 30, 2018, the Town's proportionate share was .00634%, which was an increase of .00030% from its proportionate share measured as of June 30, 2017.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the Town recognized a pension expense of \$55,947 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:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 10,266	\$ (1,139)
Change of assumptions	74,574	(70,897)
Net difference between projected and actual earnings on HIS pension plan investments	405	-
Changes in proportion and differences between Town HIS contributions and proportionate share of HIS contributions	39,363	(10,136)
Town HIS contributions subsequent to the measurement date	9,393	-
Total	<u>\$ 134,001</u>	<u>\$ (82,172)</u>

The deferred outflows of resources related to pensions, totaling \$9,393, 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending September 30:</u>	<u>Amount</u>
2019	\$ 15,277
2020	15,243
2021	11,430
2022	6,182
2023	(6,227)
Thereafter	531
Total	<u>\$ 42,436</u>

Actuarial Assumptions – The total pension liability in the July 1, 2018, 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	3.87%

Mortality rates were based on the Generational RP-2000 with Projected Scale BB. The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 3.87%. 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 3.87%, 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 (2.87%) or 1-percentage-point higher (4.87%) than the current rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Town's proportionate share of net pension liability	\$ 763,723	\$ 670,555	\$ 592,894

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 2018 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	6.30%
FRS, Senior management	7.67%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 \$30,105 for the fiscal year ended September 30, 2018.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Membership – As of October 1, 2016, 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	10
Active participants	71
Total	<u>81</u>

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the Town reported a net pension asset of \$191,697 related to the Volunteer Firefighters Pension Plan. The net pension asset was measured as of September 30, 2017, using an annual actuarial valuation as of October 1, 2016. For the fiscal year ended September 30, 2018, the Town recognized pension expense of \$101,427. The changes in the Net Pension Asset follow:

	Increases (Decreases)		
	Plan		
	Total Pension Liability	Fiduciary Net Position	Net Pension Asset
Balance at September 30, 2016	\$ 1,768,743	\$ 1,933,935	\$ (165,192)
Changes in the year:			
Service cost	55,966	-	55,966
Interest on the total pension liability	115,897	-	115,897
Changes of Benefit Terms	-	-	-
Differences between actual and expected experience in the measurement of the TPL	17,679	-	17,679
Changes of assumptions	21,808	-	21,808
Contributions - Employer (from Town)	-	12,990	(12,990)
Contributions - Employer (from State)	-	58,209	(58,209)
Contributions - Members	-	12,990	(12,990)
Net investment income	-	180,802	(180,802)
Benefit payments	(76,043)	(76,043)	-
Refunds	(7,326)	(7,326)	-
Pension plan administrative expense	-	(27,136)	27,136
Net changes	127,981	154,486	(26,505)
Balance at September 30, 2017	\$ 1,896,724	\$ 2,088,421	\$ (191,697)

At September 30, 2018 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	\$ 31,095	\$ -	\$ 31,095
Change in assumptions	14,539	-	14,539
Net Difference between projected and actual earnings on pension plan investments	75,895	(48,900)	26,995
Employer's contributions subsequent to the measurement date	113,804	-	113,804
	\$ 235,333	\$ (48,900)	\$ 186,433

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 deferred outflows of resources related to pensions, totaling \$113,804, resulting from employer 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, 2018.

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	Net Deferred Outflows of Resources
2019	\$ 63,113
2020	33,276
2021	(12,569)
2022	(11,191)
Total	<u>\$ 72,629</u>

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, 2018 was determined using the October 1, 2016 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 2018 were as follows: State of Florida \$113,804, Town \$14,625, members \$14,625, and member return of refunds plus interest \$3,206.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2016
Measurement date	September 30, 2017
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	The later of normal retirement eligibility or one year after the valuation.
Mortality	RP-2000 Combined Mortality Table with Blue Collar Adjustment for males and females with mortality improvement projected to all future years after 2000 using Scale BB.

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.

Effective as of October 1, 2016, the mortality assumption was changed from the mortality table detailed above to the mortality assumption used by the Florida Retirement System (FRS) for Special Risk Class members in the actuarial valuation as of July 1, 2016. This assumption change occurred after the September 30, 2016 measurement date, and is therefore not required to be recognized as of this date. If the impact of this assumption change had been recognized as of the September 30, 2016 measurement date, the Total Pension Liability would have increased by \$21,511.

Development of Single Discount Rate

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	2116

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018 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 Position 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.

		Current Single Discount Rate		
		1% Decrease	Assumption	1% Increase
		5.50%	6.50%	7.50%
Net Pension Liability (Asset)	\$	46,233	\$ (191,697)	\$ (383,962)

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 \$23,000 on behalf of employees to the deferred compensation plan and employees contributed approximately \$57,000.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018:

Retirees and beneficiaries	
currently receiving benefits	3
Active employees	37
Total	<u>40</u>

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, 2017	\$ 141,778	\$ -	\$ 141,778
Changes due to:			
Service cost	10,466	-	10,466
Interest	4,485	-	4,485
Changes of assumptions	(7,050)	-	(7,050)
Benefit payments	(11,404)	-	(11,404)
Balance as of September 30, 2018	<u>\$ 138,275</u>	<u>\$ -</u>	<u>\$ 138,275</u>

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

Measurement date	September 30, 2017
Actuarial valuation date	September 30, 2017
Actuarial cost method	Entry Age Cost Method (Level % of Pay)
Actuarial assumptions:	
Discount Rate	3.64%
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

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 (2.64%) or 1-percentage-point higher (4.64%) than the current discount rate:

1% Decrease (2.64%)	Current Discount Rate (3.64%)	1% Increase (4.64%)
\$ 150,827	\$ 138,275	\$ 127,424

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 trend rates:

Healthcare Cost		
1% Decrease 3.00% - 7.50%	Trend Rate 4.00% - 8.50%	1% Increase 5.00% - 9.50%
\$ 127,078	\$ 138,275	\$ 151,361

OPEB Expense – For the fiscal year ended September 30, 2018, the District recognized OPEB expense of \$19,069.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 17 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED

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. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

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 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. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This Statement applies to notes to financial statements of all periods presented. If application for prior periods presented is not practicable, the reason for not applying this Statement to prior periods presented should be disclosed.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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

GASB Statement No. 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 Statement No. 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.

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, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues:				
Property taxes	\$ 8,138,972	\$ 8,138,972	\$ 8,271,252	\$ 132,280
Franchise fees and utility taxes	1,692,000	1,692,000	1,794,609	102,609
Intergovernmental	1,029,159	1,029,159	1,029,976	817
Fines and forfeitures	85,000	85,000	484,086	399,086
Charges for services	10,200	10,200	13,281	3,081
Licenses and permits	815,000	815,000	1,147,773	332,773
Interest income and other	6,600	6,600	21,055	14,455
Grant revenue	84,983	84,983	84,696	(287)
Miscellaneous revenues	141,970	141,970	200,934	58,964
Total revenues	12,003,884	12,003,884	13,047,662	1,043,778
Expenditures:				
General government departments:				
Commission	152,059	152,059	150,328	1,731
Donations	29,825	29,825	29,825	-
Chamber	58,598	59,727	51,001	8,726
Administration	893,182	961,657	958,681	2,976
Attorney	363,000	383,000	382,762	238
General	984,200	698,463	672,418	26,045
Business development	255,550	255,550	91,428	164,122
Total general government	2,736,414	2,540,281	2,336,443	203,838
Other departments:				
Police department	4,382,649	4,382,649	4,295,691	86,958
Emergency medical services	800,558	800,558	799,997	561
Development services	1,261,933	1,398,066	1,400,691	(2,625)
Municipal services	1,984,594	2,044,594	2,047,551	(2,957)
Recreation services	543,914	543,914	440,851	103,063
Total other departments	8,973,648	9,169,781	8,984,781	185,000
Total expenditures	11,710,062	11,710,062	11,321,224	388,838
Excess (deficiency) of revenues over (under) expenditures	293,822	293,822	1,726,438	1,432,616
Other financing sources (uses):				
Use of fund balance	200,000	200,000	-	(200,000)
Transfers in	22,000	22,000	22,000	-
Transfers out	(515,822)	(515,822)	(515,822)	-
Total other financing sources (uses)	(293,822)	(293,822)	(493,822)	(200,000)
Net change in fund balance	\$ -	\$ -	1,232,616	\$ 1,232,616
Fund balance, beginning			6,011,460	
Fund balance, ending			\$ 7,244,076	

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, 2018

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, 2018

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%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS –
VOLUNTEER FIREFIGHTERS PENSION PLAN
FISCAL YEAR ENDED SEPTEMBER 30, 2018

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, 2009	\$ 30,674	\$ 41,177	\$ (10,503)	\$ 111,182	37.04%
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%

* Contributions recognized by the Plan relate to employer and nonemployer entities.

** Covered payroll was calculated based on actual 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, 2017
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 postretirement 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. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS), as mandated by Florida House Bill 1309.

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, 2018

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

	2018	2017	2016	2015
Town's proportion of the FRS net pension liability	0.00838%	0.00811%	0.00739%	0.00716%
Town's proportionate share of the FRS net pension liability	\$2,523,345	\$2,397,897	\$1,867,084	\$ 925,142
Town's covered employee payroll	\$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	139.24%	145.07%	97.88%	50.34%
FRS plan fiduciary net position as a percentage of the total pension liability	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)

	2018	2017	2016	2015
Town's proportion of the HIS net pension liability	0.00634%	0.00604%	0.00618%	0.00599%
Town's proportionate share of the HIS net pension liability	\$ 670,555	\$ 645,544	\$ 720,176	\$ 610,760
Town's covered employee payroll	\$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	37.00%	39.05%	37.75%	33.23%
HIS plan fiduciary net position as a percentage of the total pension liability	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, 2018

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

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

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

	2018	2017	2016	2015
Contractually required HIS contribution	\$ 30,262	\$ 28,387	\$ 32,944	\$ 25,157
HIS contributions in relation to the contractually required contribution	(30,262)	(28,387)	(32,944)	(25,157)
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Town's covered employee payroll	\$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%	1.36%

(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 (www.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, 2018

Total OPEB Liability

Beginning balance	\$ 141,778
Service cost	10,466
Interest	4,485
Changes in assumptions	(7,050)
Benefit payments	(11,404)
Ending balance	<u>\$ 138,275</u>

Plan Fiduciary Net Position

Beginning balance	\$ -
Service cost	-
Expected interest growth	-
Changes in assumptions	-
Benefit payments	-
Ending balance	<u>\$ -</u>

Net OPEB Liability

Beginning balance	\$ 141,778
Service cost	10,466
Interest	4,485
Changes in assumptions	(7,050)
Benefit payments	(11,404)
Ending balance	<u>\$ 138,275</u>

Plan fiduciary net position as a percentage of total OPEB liability 0.00%

Covered employee payroll \$ 2,073,315

Net OPEB liability as a percentage of covered employee payroll 6.67%

COMBINING FUND STATEMENTS

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TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<u>Special Revenue Funds</u>		
	Police Training and Forfeiture	Fire Fund	Total Non-Major Funds
<u>ASSETS</u>			
Cash and cash equivalents	\$ 12,439	\$ 1,168,006	\$ 1,180,445
Prepaid items	-	67,399	67,399
Total assets	<u>\$ 12,439</u>	<u>\$ 1,235,405</u>	<u>\$ 1,247,844</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable and other liabilities	\$ -	\$ 3,827	\$ 3,827
Unearned revenue	-	23,269	23,269
Total liabilities	<u>-</u>	<u>27,096</u>	<u>27,096</u>
Fund balances:			
Nonspendable:			
Prepaid items	-	67,399	67,399
Restricted for:			
Fire department	-	1,140,910	1,140,910
Committed for:			
License plate reader system contract	12,439	-	12,439
Total fund balances	<u>12,439</u>	<u>1,208,309</u>	<u>1,220,748</u>
Total liabilities and fund balances	<u>\$ 12,439</u>	<u>\$ 1,235,405</u>	<u>\$ 1,247,844</u>

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, 2018

	<u>Special Revenue Funds</u>		
	<u>Police</u>	<u>Fire</u>	<u>Total</u>
	<u>Training and</u>	<u>Fund</u>	<u>Non-Major</u>
	<u>Forfeiture</u>		<u>Funds</u>
Revenues:			
Fire assessments	\$ -	\$ 1,051,761	\$ 1,051,761
Charges for services	-	33,732	33,732
Miscellaneous revenues	6,826	-	6,826
Total revenues	6,826	1,085,493	1,092,319
Expenditures:			
Current:			
Public safety	-	832,217	832,217
Capital outlay	-	63,120	63,120
Total expenditures	-	895,337	895,337
Excess (deficiency) of revenues over (under) expenditures	6,826	190,156	196,982
Other financing sources (uses):			
Transfers in	-	26,800	26,800
Transfers out	-	(22,000)	(22,000)
Total other financing sources (uses)	-	4,800	4,800
Net change in fund balances	6,826	194,956	201,782
Fund balances, beginning	5,613	1,013,353	1,018,966
Fund balances, ending	\$ 12,439	\$ 1,208,309	\$ 1,220,748

BUDGETARY COMPARISON SCHEDULES

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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, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues:				
Interest income	\$ -	\$ -	\$ 4,262	\$ 4,262
Total revenues	-	-	4,262	4,262
Expenditures:				
General Government:				
Administrative	184,743	184,743	72,988	111,755
Capital outlay	871,749	871,749	334,136	537,613
Total expenditures	1,056,492	1,056,492	407,124	649,368
Excess (deficiency) of revenues over (under) expenditures	(1,056,492)	(1,056,492)	(402,862)	653,630
Other financing sources (uses):				
Transfers in	489,022	489,022	489,022	-
Use of fund balance	567,470	567,470	-	(567,470)
Total other financing sources (uses)	1,056,492	1,056,492	489,022	(567,470)
Net change in fund balance	\$ -	\$ -	86,160	\$ 86,160
Fund balance, beginning			3,543,608	
Fund balance, ending			\$ 3,629,768	

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, 2018

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 6,826	\$ 6,826
Total revenues	-	-	6,826	6,826
Expenditures:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	6,826	\$ 6,826
Fund balance, beginning			5,613	
Fund balance, ending			<u>\$ 12,439</u>	

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, 2018

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive (Negative)
Revenues:				
Fire assessments	\$ 1,033,502	\$ 1,033,502	\$ 1,051,761	\$ 18,259
Charges for services	35,000	35,000	33,732	(1,268)
Total revenues	1,068,502	1,068,502	1,085,493	16,991
Expenditures:				
Current:				
Public Safety	841,790	841,790	832,217	9,573
Capital outlay	117,500	117,500	63,120	54,380
Total expenditures	959,290	959,290	895,337	63,953
Excess (deficiency) of revenues over (under) expenditures	109,212	109,212	190,156	80,944
Other financing sources (uses):				
Transfers in	26,800	26,800	26,800	-
Transfers out	(136,012)	(136,012)	(22,000)	114,012
Total other financing sources (uses)	(109,212)	(109,212)	4,800	114,012
Net change in fund balances	\$ -	\$ -	194,956	\$ 194,956
Fund balance, beginning			1,013,353	
Fund balance, ending			<u>\$ 1,208,309</u>	

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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.

<u>Contents</u>	<u>Page</u>
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,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Net investment in capital assets	\$ 15,518	\$ 15,222	\$ 15,296	\$ 16,455	\$ 20,759	\$ 23,624	\$ 23,853	\$ 24,579	\$ 23,632	\$ 22,702
Restricted for:										
Town beautification per contractual agreement	1,000	1,000	928	928	678	678	678	678	678	678
Law enforcement	291	212	198	186	139	156	2	3	5	12
Fire enforcement	63	216	486	416	604	793	982	904	946	1,140
Unrestricted	8,358	11,054	12,887	13,698	10,368	8,323	7,969	7,043	7,672	8,610
Total governmental activities net position	25,230	27,704	29,795	31,683	32,548	33,574	33,484	33,207	32,933	33,142
Business-type activities:										
Net investment in capital assets	5,578	5,629	6,255	6,541	7,464	8,454	8,366	9,026	12,148	12,800
Unrestricted	1,853	1,668	1,887	2,312	2,822	2,666	4,291	5,239	3,868	5,013
Total business-type activities net position	7,431	7,297	8,142	8,853	10,286	11,120	12,657	14,265	16,016	17,813
Primary government:										
Net investment in capital assets	21,096	20,851	21,551	22,996	28,223	32,078	32,219	33,605 ¹	35,780	35,502
Restricted for:										
El Mar beautification per contractual agreement	1,000	1,000	928	928	678	678	678	678	678	678
Law enforcement	291	212	198	186	139	156	2	3	5	12
Fire department	63	216	486	416	604	793	982	904	946	1,140
Unrestricted	10,211	12,722	14,774	16,010	13,190	10,989	12,260	12,282	11,540	13,623
Total primary government net position	\$ 32,661	\$ 35,001	\$ 37,937	\$ 40,536	\$ 42,834	\$ 44,694	\$ 46,141	\$ 47,472	\$ 48,949	\$ 50,955

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:	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
General government	\$ 2,153	\$ 2,442	\$ 2,275	\$ 2,392	\$ 2,567	\$ 2,409	\$ 2,471	\$ 2,327	\$ 2,514	\$ 2,535
Public safety	4,795	4,869	4,953	5,566	6,049	6,254	7,093	7,407	7,338	7,428
Transportation	1,602	1,592	1,660	1,269	1,317	1,382	1,516	1,675	1,856	1,978
Recreation	400	418	397	333	362	382	452	442	470	444
Physical environment	320	294	125	563	810	1,007	1,246	1,534	1,591	1,435
Interest on long-term debt	551	-	-	-	-	-	-	-	-	-
Total governmental activities	9,821	9,615	9,410	10,123	11,105	11,434	12,778	13,385	13,769	13,820
Business-type activities:										
Sewer	1,062	1,105	974	1,511	861	1,260	882	950	955	856
Stormwater	-	-	-	-	-	-	-	-	-	-
Parking	201	220	424	440	425	490	660	680	753	765
Interest on long-term debt	-	-	-	-	-	-	-	-	-	-
Total business-type activities	1,263	1,325	1,398	1,951	1,286	1,750	1,542	1,630	1,708	1,621
Total primary government	\$ 11,084	\$ 10,940	\$ 10,808	\$ 12,074	\$ 12,391	\$ 13,184	\$ 14,320	\$ 15,015	\$ 15,477	\$ 15,441
Program revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 244	\$ 148	\$ 154	\$ 636	\$ 887	\$ 1,195	\$ 1,619	\$ 1,502	\$ 1,357	\$ 1,632
Public safety	-	202	38	59	1,085	1,029	1,017	1,018	1,095	1,099
Transportation	299	-	-	-	-	-	-	-	-	-
Recreation	6	226	303	-	-	-	-	-	-	-
Physical environment	19	-	-	-	-	-	-	-	-	-
Operating grants and contributions	71	107	145	84	69	81	82	82	84	85
Capital grants and contributions	1,201	-	-	442	-	32	129	-	-	-
Total governmental activities program revenues	1,840	683	640	1,221	2,041	2,337	2,847	2,602	2,536	2,816
Business type activities:										
Charges for services:										
Sewer	1,002	964	1,153	1,207	1,125	966	1,128	1,051	1,150	1,178
Stormwater	-	-	-	-	-	-	-	-	-	-
Parking	481	389	948	1,620	1,553	1,616	2,034	2,182	2,309	2,237
Capital grants and contributions	34	-	295	-	39	-	-	-	-	-
Total business-type activities program revenues	1,517	1,353	2,396	2,827	2,717	2,582	3,162	3,233	3,459	3,415
Total primary government program revenues	\$ 3,357	\$ 2,036	\$ 3,036	\$ 4,048	\$ 4,758	\$ 4,919	\$ 6,009	\$ 5,835	\$ 5,995	\$ 6,231

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,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (expense) revenue:										
Governmental activities	\$ (7,981)	\$ (8,932)	\$ (8,770)	\$ (8,902)	\$ (9,064)	\$ (9,097)	\$ (9,931)	\$ (10,783)	\$ (11,233)	\$ (11,004)
Business-type activities	254	28	998	876	1,431	832	1,620	1,603	1,751	1,794
Total primary government net expense	<u>\$ (7,727)</u>	<u>\$ (8,904)</u>	<u>\$ (7,772)</u>	<u>\$ (8,026)</u>	<u>\$ (7,633)</u>	<u>\$ (8,265)</u>	<u>\$ (8,311)</u>	<u>\$ (9,180)</u>	<u>\$ (9,482)</u>	<u>\$ (9,210)</u>
General revenues and other changes in net position:										
Governmental activities:										
Property taxes	\$ 9,196	\$ 8,404	\$ 7,938	\$ 7,798	\$ 6,723	\$ 6,915	\$ 7,076	\$ 7,484	\$ 7,920	\$ 8,271
Utility taxes based on gross receipts	943	1,033	1,006	995	932	970	1,009	999	1,050	1,059
Franchise fees based on gross receipts	822	734	701	703	699	707	706	735	749	735
Communications services tax	434	366	330	376	385	351	357	414	317	314
Intergovernmental	556	539	557	594	848	676	916	682	703	716
Unrestricted Interest earnings	34	86	52	49	75	25	32	6	17	25
Miscellaneous	73	78	109	107	267	478	417	186	202	208
Transfers	624	166	167	167	-	-	-	-	-	-
Special items	<u>(9,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>3,488</u>	<u>11,406</u>	<u>10,860</u>	<u>10,789</u>	<u>9,929</u>	<u>10,122</u>	<u>10,513</u>	<u>10,506</u>	<u>10,958</u>	<u>11,328</u>
Business-type activities:										
Unrestricted Interest earnings	7	4	3	2	2	2	2	-	-	6
Miscellaneous	-	-	11	-	-	-	3	5	1	8
Gain on sale of assets	-	-	-	-	-	-	-	-	-	-
Transfers	<u>(624)</u>	<u>(166)</u>	<u>(167)</u>	<u>(167)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>(617)</u>	<u>(162)</u>	<u>(153)</u>	<u>(165)</u>	<u>2</u>	<u>2</u>	<u>5</u>	<u>5</u>	<u>1</u>	<u>14</u>
Total primary government	<u>\$ 2,871</u>	<u>\$ 11,244</u>	<u>\$ 10,707</u>	<u>\$ 10,624</u>	<u>\$ 9,931</u>	<u>\$ 10,124</u>	<u>\$ 10,518</u>	<u>\$ 10,511</u>	<u>\$ 10,959</u>	<u>\$ 11,342</u>
Changes in net position:										
Government activities	\$ (4,493)	\$ 2,474	\$ 2,090	\$ 1,887	\$ 865	\$ 1,025	\$ 582	\$ (277)	\$ (275)	\$ 324
Business-type activities	<u>(363)</u>	<u>(134)</u>	<u>845</u>	<u>711</u>	<u>1,433</u>	<u>834</u>	<u>1,625</u>	<u>1,608</u>	<u>1,752</u>	<u>1,808</u>
Total primary government	<u>\$ (4,856)</u>	<u>\$ 2,340</u>	<u>\$ 2,935</u>	<u>\$ 2,598</u>	<u>\$ 2,298</u>	<u>\$ 1,859</u>	<u>\$ 2,207</u>	<u>\$ 1,331</u>	<u>\$ 1,477</u>	<u>\$ 2,132</u>

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
2009	\$ 9,196	\$ 822	\$ 943	\$ 434	\$ 109	\$ 11,504
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	735	999	414	110	10,717
2017	8,973	749	1,050	317	116	11,205
2018	9,323	735	1,059	314	112	11,543

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,	
		2009	2010
General fund:			
Reserved		\$ 250	\$ 220
Unreserved, designated		4,163	4,556
Unreserved, undesignated		2,189	3,052
Total general fund		<u>\$6,602</u>	<u>\$7,828</u>
All other governmental funds:			
Reserved			
Capital project funds		\$1,000	\$1,000
Unreserved, undesignated		-	-
Special revenue funds		140	176
Capital project funds		1,805	3,236
Special revenue funds		151	36
Capital project funds		162	215
Total all other governmental funds		<u>\$3,258</u>	<u>\$4,663</u>

		Post-GASB 54 September 30,							
		2010	2011	2012	2013	2014	2015	2016	2017
General fund:									
Nonspendable		\$ 4	\$ 76	\$ 57	\$ 170	\$ 160	\$ 167	\$ 202	\$ 158
Restricted		216	-	-	-	-	-	-	-
Assigned		4,556	2,680	2,882	4,399	3,982	3,542	3,740	2,533
Unassigned		3,052	5,914	6,675	3,629	3,324	3,401	2,443	3,320
Total general fund		<u>\$7,828</u>	<u>\$8,670</u>	<u>\$9,614</u>	<u>\$8,198</u>	<u>\$7,466</u>	<u>\$7,110</u>	<u>\$ 6,385</u>	<u>\$6,011</u>
All other governmental funds:									
Nonspendable		\$ -	\$ -	\$ -	\$ 64	\$ 65	\$ 66	\$ 67	\$ 67
Restricted		1,000	1,682	1,529	1,421	1,470	1,659	1,584	1,630
Committed		-	-	-	-	156	3	-	-
Assigned		3,663	4,274	3,973	2,091	714	1,243	1,424	2,866
Total all other governmental funds		<u>\$4,663</u>	<u>\$5,956</u>	<u>\$5,502</u>	<u>\$3,576</u>	<u>\$2,405</u>	<u>\$2,971</u>	<u>\$ 3,075</u>	<u>\$4,563</u>

Note:

Nine 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.

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

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,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues:										
Property taxes and fire assessments	\$ 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	\$ 9,195,526
Franchise fees and utility taxes	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	1,765,462
Intergovernmental	1,029,976	1,019,977	1,095,512	1,273,084	1,027,448	1,233,228	969,266	887,117	905,076	989,834
Fines and forfeitures	484,086	161,139	94,009	165,437	444,386	123,534	125,760	303,767	226,089	254,080
Charges for services	47,013	42,300	43,015	39,935	49,348	41,966	59,284	37,593	202,053	159,131
Interest and other	25,317	17,081	6,024	32,016	25,361	74,648	48,940	51,906	86,830	33,821
Licenses and permits	1,147,773	1,196,042	1,408,293	1,453,520	750,198	763,664	509,892	153,933	147,549	154,835
Grants	84,696	84,237	81,650	81,530	81,387	190,621	404,166	144,653	106,159	272,262
Miscellaneous revenues	207,760	202,005	346,943	416,718	477,969	266,653	107,426	109,409	77,965	1,073,158
Total revenues	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	13,898,109
Expenditures:										
Current:										
General government	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	1,803,315
Public safety	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	4,774,384
Transportation	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	1,272,675
Recreation	431,725	458,066	430,185	439,763	370,420	338,444	330,408	304,613	325,912	307,685
Physical environment	233,592	223,675	230,293	225,740	229,228	184,217	193,526	198,313	311,328	311,328
Capital outlay	495,847	637,985	2,260,012	1,468,907	3,851,212	5,157,495	2,040,544	597,312	287,413	1,138,153
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	6,814,833
Interest	-	-	-	-	-	-	-	-	-	550,849
Total expenditures	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	16,973,222
Excess (deficiency) of revenues over expenditures	1,520,558	1,113,952	(621,318)	210,466	(1,903,427)	(3,341,881)	323,220	1,967,610	2,465,913	(3,075,113)
Other financing sources (uses):										
Transfers in	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	2,365,244
Transfers out	(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)	(2,199,599)
Total other financing sources (uses)	-	-	-	-	-	-	167,000	167,000	165,645	165,645
Net change in fund balances	1,520,558	1,113,952	(621,318)	210,466	(1,903,427)	(3,341,881)	490,220	2,134,610	2,631,558	(2,909,468)
Fund balances - beginning	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	12,769,322
Fund balances - ending	\$ 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

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-Govt	Charges Services	Fines and Forfeitures	Grants	Interest and Other	Total
2009	9,195,526	1,765,462	118,431	154,835	989,834	40,700	254,080	272,262	1,106,979	13,898,109
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

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			
2009	2008	2,612,998,410	16,120,707	504,722,019	4,264	2,124,392,834	2,116,655,262	3.9990
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	3.6873
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

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, 2018

Taxpayer	Type of Use	2018			2009		
		Assessed Valuation ¹	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Florida Development Group	Hotel	\$ 39,775,420	1	1.64%	-	-	-
Edmondson, James P	Restaruant	10,430,860	2	0.43%	\$ 7,123,630	6	0.31%
White Cap of Florida Inc	Condominiums	9,144,050	3	0.38%	-	-	-
Gorana International Inc	Restaurant/Pier	6,880,920	4	0.28%	-	-	-
Seagrape Commons LLC	Hotel	6,105,010	5	0.25%	-	-	-
Z & K Property Corp Inc	Condominiums	5,023,370	6	0.21%	-	-	-
Topflow Property Corp	Hotel	4,889,710	7	0.20%	-	-	-
LBTS Properties LLC	Restaruant/ Prk.lot/ Hotel	4,787,640	8	0.20%	-	-	-
K M & Buschbaum Inc	Condominiums	4,649,530	9	0.19%	-	-	-
Wens Holding LLC	Hotel	4,624,920	10	0.19%	-	-	-
Pier Point LLC	Condominiums	-			\$ 17,063,210	1	0.74%
Minto-Villas-by-the-Sea LLC	Hotel	-			13,891,580	2	0.60%
Ocean 4660 LLC	Hotel	-			13,053,500	3	0.56%
VCH Properties LLC	Condominiums	-			12,116,890	4	0.52%
Chateau De Mer LLC	Condominiums	-			8,061,360	5	0.35%
White Cap of FL, Inc.	Condominiums	-			6,643,560	7	0.29%
Villas of Caprice LLC	Condominiums	-			6,501,770	8	0.28%
Little Italy Oceanside	Condominiums	-			6,020,390	9	0.26%
Costa Del Sol, Inc.	Condominiums	-			520,510	10	0.02%
		<u>\$ 96,311,430</u>		<u>3.97%</u>	<u>\$ 90,996,400</u>		<u>3.93%</u>

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
2009	8,454,913	8,441,725	99.84%	160	8,441,885	99.85%
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%

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

Fiscal Year	Lauderdale By-The-Sea	Broward County	Broward County Schools	Other Taxing Agencies			Special Districts		Total
				South Florida Water Management	Florida Inland Navigation	Broward Children's Services Council	North Broward Hospital	Hillsboro Inlet	
2009	3.9990	5.3145	7.4170	0.6240	0.0345	0.3754	1.7059	0.0860	19.5563
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

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
2009	6,814,833	550,849	7,365,682	17,138,867	42.98%
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%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 12
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-type Activities		Population	Per Capita	Personal Income	Percentage of Personal Income
	Promissory Notes	Line of Credit	Capital Leases	Promissory Notes	Primary Government				
2009	-	-	-	1,573,714	1,573,714	9,800	161	39,267	0.41%
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%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 13
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITY DEBT
SEPTEMBER 30, 2018

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	\$ 181,970,000 ¹	0.07%	\$ 132,058
Broward County School District	151,991 ²	0.07%	110
Subtotal, overlapping debt			132,168
Town of Lauderdale-By-The-Sea Direct Debt			-
Total direct and overlapping debt			<u>\$ 132,168</u>

¹ Source: Broward County 2018 CAFR and Broward County 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, 2018

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	37
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)C	1.200%
	Per Capita Personal Income (2)	65,691
Population Statistics:	Civilian Labor Force (1)A	1,039.20
	Unemployment Rate (1)B	3.3%

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, 2018

<u>Employer</u>	<u>2018</u>			<u>2009</u>		
	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	<u>569</u>			<u>618</u>		

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

<u>Function</u>	Full time Equivalent Positions as of September 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Administration	7.3	7.5	7.5	8.6	8.6	8.5	7.6	8.3	8.3	8.5
General Government	1.5	1.4	1.4	1.4	1.2	1.3	1.6	-	-	-
Public Works	15.8	15.8	15.8	14.8	13.8	13.8	13.8	15.0	15.0	15.0
Development services	3.5	3.4	3.4	3.2	2.5	2.5	4.0	3.8	4.8	4.8
Parking	1.5	1.5	1.5	0.5	0.4	0.4	4.5	4.9	4.0	4.0
Project Management	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
Stormwater	-	-	-	-	-	-	-	-	-	-
Total	32.00	32.00	32.00	31.00	28.75	28.75	33.75	33.15	33.35	33.50

Source: Lauderdale-By-The-Sea Finance Department.

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

Function	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government:										
Informational calls received	3,317	4,068	4,595	5,305	6,353	6,840	6,912	8,071	7,413	11,131
Public records request	49	47	42	46	46	22	90	99	277	294
Resolutions	36	46	42	48	52	46	61	44	39	29
Ordinances	26	11	15	16	14	41	22	20	16	28
Commission meetings	29	26	30	34	21	22	33	36	55	26
Cash receipts - general operating	6,221	5,786	5,970	5,370	6,556	4,332	3,263	2,608	2,539	2,346
Cash disbursements - general operating	3,673	3,650	3,425	4,064	5,128	3,140	3,423	2,932	2,110	2,314
Payroll disbursements - general operating	3,230	3,397	3,380	3,353	4,540	1,330	1,326	1,380	1,248	1,082
Purchase orders issued	23	18	29	57	57	148	140	190	197	208
Claims processed - gen liability and workers	3	1	4	10	13	9	10	17	8	13
Hours of information technology services	140	181	153	100	415	329	102	256	111	90
Public safety:										
Informational calls received	8,208	9,416	9,116	8,253	7,190	5,179	5,063	4,941	5,185	7,660
Public records request	-	-	-	-	-	-	-	-	-	32
Citizen on patrol membership	32	29	29	29	30	37	29	26	23	21
Neighborhood crime watch membership	-	-	-	-	-	-	-	-	-	55
Fire responses	443	407	353	408	369	364	339	411	345	349
Fire medical services (EMS)	1,115	1,114	1,119	1,101	987	990	943	874	943	1,056
Notices of violations code compliance	314	270	638	180	288	956	158	375	573	844
Citations issued code compliance	-	-	-	-	-	-	-	-	5	13
Complaints investigated	1,231	1,062	1,154	1,458	1,252	1,266	505	151	334	246
Parking citations	5,275	8,447	8,953	6,720	4,358	4,674	7,565	8,289	6,846	9,555
Municipal services:										
Parking maintenance (hours)	-	-	-	-	-	520	1,560	359	89	1,221
Street maintenance and repairs (hours)	-	-	-	-	-	1,547	1,253	952	668	206
Ground maintenance and repairs (hours)	-	-	-	-	-	5,657	5,587	7,508	7,277	1,572
Building maintenance and repairs (hours)	-	-	-	-	-	2,744	2,496	2,884	3,371	6,784
Cultural - recreation:										
Scheduled recreation activities	1,396	1,213	1,157	1,036	995	969	934	1,002	1,131	804
Recreation Volunteer hours	2,124	1,756	1,914	1,677	1,538	1,662	1,772	1,769	1,511	356
Recreation activity participants	3,425	2,621	2,885	2,487	2,816	2,741	6,065	5,740	4,116	5,263
Recreation areas maintenance (hours)	-	-	-	-	-	1,965	2,456	3,136	2,771	1,604

Source: Town of Lauderdale-By-The-Sea Activity Report

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 18
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
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	2	2	2	2	2	2	2	2
Fire Rescue Vehicle	3	3	3	3	3	3	3	2	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	3	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, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our opinion thereon dated May 20, 2019.

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.

A handwritten signature in blue ink that reads "Brian J. Associates".

May 20, 2019



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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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, 2018. 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, 2018.

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

May 20, 2019



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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, 2018, and have issued our report thereon dated May 20, 2019.

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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida 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 May 20, 2019, 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

May 20, 2019

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, 2017.

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, 2018.

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, 2018.

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.



Town Commission Agenda Item Report

Meeting Date: June 11, 2019

Submitted by: Judson Hopping

Submitting Department: Public Safety

Item Type: Report

Agenda Section: PUBLIC SAFETY DISCUSSION

Subject Title:

VFD May Report

Explanation:

May 2019 VFD Report

Recommendation:

Approve/Accept

Attachments:



Lauderdale-By-The-Sea Volunteer Fire Department

Overview

During the month of May 2019, the Volunteer Fire Department attended the Broward County Fire Chief's association monthly meeting. The fire department also continued its focus on fire prevention for high-rise buildings and commercial properties. There were seventy fire inspections, one re-inspection, and no complaints for the month of May.

Responses:

The Volunteer Fire Department responded to 38 fire rescue calls within the limits of our contract.

- Of the 38 fire rescue calls received, there were 10 fire alarms; 1 residential structure fire, 4 accidents, 2 w/Injuries, 3 open water drownings, 1 missing diver, 3 elevator rescues, a hazmat, an explosion, a water main break, and 11 classified as "other" fire.
- There were 94 emergency medical 911 calls for May 2019. The department was dispatched to 8 of those calls, of which 2 were cancelled by the Chief on Duty or Med12. The department assisted Med12/212 on 6 of the medical calls.

Training:

The Volunteer Fire Department had 13 regular in-town members, and 32 associate out of town members for a total of 45 active members.

The fire department held 6 fire drills, an orientation, 2 outside training drills, and 7 car seat instructional installations consisting of the following:

- 218 Hrs - Fire Fighter & Orientation
- 32 Hrs - Live Fire burn at Coral Springs Fire Academy
- 4 Hrs - Hurricane Prep training @ EOC Training Center
- 10 Hrs - Kid Safe "Child Passenger Safety" for the public

A total of 264+ hours were spent in the month of May on training.

In closing, the Volunteer Fire Department will continue to improve and increase its members training, as required by ISO and newly established state training curriculums.

Respectfully,

Judson Hopping,
Fire Chief



Town of Lauderdale-By-The-Sea Fire Department Monthly Report May 2019

	Regular In-town	Associate Out of Town
Active Member	13	32
Fire 1 non-certified	1	0
Fire 1 Certified	1	0
Fire II Certified	11	32
CPR/1 st Responder	6	2
EMT-B (FL)	2	14
Paramedic (FL)	5	16

Emergency Calls

Fire/Rescue	38
Total Medical 911 calls	94
Medical calls V.F.D. Not Dispatched	86
Medical calls V.F.D. Dispatched	8
Medical calls Canceled by COD/M12	2
Medical calls V.F.D. Assisted	6

Training

264+ Total Hrs.

Firefighter skills & orientation	218 Hrs
Live Fire burn	32 Hrs
Hurricane Prep; EOC training	4 Hrs
Public Service: Car Seats	10 Hrs

Station Watch/Community Service

2,943+ Total Hrs.

Firefighter logged Station Watch hours	2,105.5+ Hrs
Ocean Rescue patrol	93.5 Hrs
Chief on Duty/Command	744 Hrs

LBTS Volunteer Fire Department - May 2019, Active Roster

Last Name	First Name	LBTS FF No.	Membership	Town Resident	Rank	Fire Cert	EMS Certification	MTD Calls	YTD Calls
Alarcon	Stacey	6043	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	0	26
Alvarez-Orozco	Elizabeth	6026	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	3	20
Aubrey	Keith	163	Regular Member		Firefighter	Firefighter II	Paramedic (FL)	7	79
Baker	Rebecca	7017	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	0	10
Benrubi	Aaron	7007	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	4	43
Bosanac	Derek	7019	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	5	13
Chenique	Jordan	7008	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	2	31
Cheshire	Amelia	7023	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	5	28
Colbert	Darren	6058	Associate Member		Firefighter	Firefighter II	CPR for healthcare provider	3	27
Eaton	Nicholas	6032	Regular Member		Captain	Firefighter II - D/E	Paramedic (FL)	6	71
Edouard	Myriam	708	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	5	27
Fajkis	Ireneusz	7022	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	3	7
Fann	Kevin	174	Regular Member	*	Firefighter	Firefighter II	EMT-B (FL)	6	14
Freybe	Hileia	7016	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	5	22
Garcia	Raymond	7010	Associate Member		Firefighter	Firefighter II	CPR for healthcare provider	3	36
Gonzalez	Rosemary	7005	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	2	28
Hernandez	Sasha	6013	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	1	22
Hopping	Judson	054	Regular Member		Fire Chief	Firefighter II - D/E	EMT-B (FL)	8	74
Johnson	Kenneth	123	Regular Member	*	Firefighter	Firefighter I	CPR for healthcare provider	35	238
Justice	Jennifer	171	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	3	19
Kane	Mark	155	Associate Member		Firefighter	Firefighter II-D/E - Officer I	EMT-B (FL)	9	80
Karley	Robert	101	Regular Member	*	Firefighter	Firefighter II - D/E	CPR for healthcare provider	30	200
Leiva	Gabriel	6046	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	1	18
Levine	Eric	7012	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	13	22
Louvaris	John	078	Regular Member		Deputy Chief	Firefighter II-D/E - Officer I	CPR for healthcare provider	36	211
Mangin	Andrew	735	Associate Member		Firefighter	Firefighter II - D/E	Paramedic (FL)	10	31
Marshall	Ryan	7020	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	0	5
Martindale	Daniel	7009	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	3	22
McCormick	William	7006	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	2	21
McKenzie	Jacquvias	7015	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	8	17
Miklosh	Joseph	7013	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	6	15
Moraga	Marcos	6059	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	0	28
Paine	Kyle	173	Regular Member		Trainee	Trainee	CPR for healthcare provider	7	26
Paine	Riley	704	Regular Member		Battalion Chief	Firefighter II-D/E - Officer I	Paramedic (FL)	31	115

Last Name	First Name	LBTS FF No.	Membership	Town Resident	Rank	Fire Cert	EMS Certification	MTD Calls	YTD Calls
Paine	Stephen	140	Regular Member		Fire Marshal	Firefighter II	CPR for healthcare provider	21	139
Rozalez	Dezi	7004	Associate Member		Firefighter	Firefighter II	Paramedic (FL)	5	29
Scott, III	Kenneth	7011	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	4	13
Shaw	Kyle	7014	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	5	12
Silverstone	James	25	Regular Member	*	Firefighter	Firefighter II	CPR for healthcare provider	12	110
St.Thomas	Jeffrey	176	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	7	13
Valentine	Alfredo	150	Regular Member		Lieutenant	Firefighter II	Paramedic (FL)	3	61
Vogel	Richard	130	Regular Member		Firefighter	Firefighter II	Paramedic (FL)	5	30
Weisberg	Lee	6034	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	2	29
Woods	Devon	7018	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	0	8
Young	Alexa	6031	Associate Member		Firefighter	Firefighter II	EMT-B (FL)	4	21

Monthly Activity Report - May 2019

Date	Fire/Rescue Calls	Event Description	Start Time	End Time	No. of FF
01-May-19	4013 North Ocean Drive	Fire alarm	9:17:00 AM	9:28:00 AM	9
02-May-19	4013 North Ocean Drive	Fire alarm	8:29:00 AM	8:37:00 AM	8
03-May-19	4301 Bougainville Drive	Other fire - suspicious package	5:42:00 AM	5:48:00 AM	5
03-May-19	216 Commercial Blvd.	Motor vehicle accident	12:08:00 PM	12:21:00 PM	10
04-May-19	249 Commercial Blvd.	Traffic accident	8:59:00 AM	9:31:00 AM	6
04-May-19	4343 North Ocean Drive	Fire alarm	10:27:00 AM	10:44:00 AM	7
04-May-19	4619 Polinciana Street	Water main break	10:57:00 PM	11:08:00 PM	4
04-May-19	4619 Polinciana Street	Other fire - unit flooded	11:07:00 PM	11:08:00 PM	4
06-May-19	Palm & North Ocean	Explosion	10:27:00 AM	10:45:00 AM	8
09-May-19	251 Avalon Avenue	Other fire - forced entry	9:28:00 AM	9:55:00 AM	5
09-May-19	1440 South Ocean Blvd.	Fire alarm - structure fire	1:38:00 PM	2:06:00 PM	7
09-May-19	1440 South Ocean Blvd.	Other fire - wash down	2:47:00 PM	3:51:00 PM	4
09-May-19	1480 South Ocean Blvd.	Elevator rescue	4:00:00 PM	4:23:00 PM	6
09-May-19	1440 South Ocean Blvd.	Other fire - wash down	5:21:00 PM	5:36:00 PM	8
09-May-19	2000 South Ocean Blvd.	Other fire - pt out beach/ocean	8:57:00 PM	9:06:00 PM	4
10-May-19	4319 North Ocean	Fire alarm	9:10:00 PM	9:25:00 PM	8
13-May-19	4300 El Mar Drive	Missing diver	7:21:00 AM	8:11:00 AM	8
15-May-19	106 Commercial Blvd.	Hazmat leak	10:45:00 PM	12:06:00 PM	9
16-May-19	4701 North Ocean Blvd.	Fire alarm	12:22:00 PM	12:23:00 PM	8
17-May-19	Commercial/N. Ocean	Vehicle accident	11:32:00 AM	11:38:00 AM	9
17-May-19	3270 S. Terra Mar Drive	Fire alarm	1:08:00 PM	1:31:00 PM	9
18-May-19	1800 South Ocean Drive	Open water drowning	3:30:00 PM	3:38:00 PM	7
18-May-19	Gatehouse & N. Ocean	Accident w/injuries	4:11:00 PM		8
19-May-19	4516 El Mar Drive	Other fire - vehicle stuck in sand	6:07:00 AM	6:41:00 AM	5
19-May-19	1850 South Ocean	Elevator rescue	7:37:00 AM	7:58:00 AM	10
19-May-19	4900 North Ocean Blvd.	Elevator rescue	11:56:00 AM	12:07:00 PM	7
19-May-19	Commercial/N. Ocean	Open water drowning	12:19:00 PM	12:29:00 PM	7
19-May-19	1439 South Ocean Blvd.	Other fire - smoke coming into apt.	8:21:00 PM	8:37:00 PM	9
20-May-19	4433 North Ocean Drive	Traffic accident	12:49:00 PM	1:00:00 PM	11
22-May-19	5200 North Ocean Drive	Fire alarm	2:46:00 PM	3:04:00 PM	6
25-May-19	1620 South Ocean Blvd.	Other fire - turtle stuck in sand	6:19:00 AM	6:37:00 AM	5
25-May-19	4900 North Ocean Drive	Fire alarm	2:30:00 PM	2:45:00 PM	7
25-May-19	N. Ocean/Washingtonia	Accident w/injuries	3:38:00 PM	3:46:00 PM	7
29-May-19	4300 El Mar Drive	Open water drowning	3:40:00 PM	3:49:00 PM	6
30-May-19	1650 E. Terra Mar Drive	Other fire - wellfare check	10:18:00 PM	10:28:00 PM	4
31-May-19	Datura & El Mar Drive	Other fire - wall collapsed	11:47:00 AM	11:57:00 AM	10
31-May-19	4220 Seagrape Drive	Residential fire structure	3:07:00 PM	3:34:00 PM	11
31-May-19	2000 South Ocean Drive	Fire alarm - commercial structure	3:13:00 PM	3:35:00 PM	11

Total Calls 38

Date	1st Responder Calls	Event Description	Start Time	End Time	No. of FF
03-May-19	North Ocean Drive	medical, canceled by M12	7:31:00 AM	7:42:00 AM	10
05-May-19	Lake Court	medical, E12 canceled	5:48:00 PM	5:54:00 PM	5
10-May-19	Fiesta Way	medical, E12 assisted M12	4:42:00 PM	5:01:00 PM	8
10-May-19	Lake Court	medical, E12 assisted M12	9:55:00 PM	10:19:00 PM	6
11-May-19	Fiesta Way	medical, B12 assisted M12	6:48:00 PM	7:14:00 PM	6
18-May-19	South Ocean Blvd.	medical, E12 assisted M12	9:52:00 PM	11:02:00 PM	4
29-May-19	Commercial Blvd.	medical, E12 assisted M12	4:27:00 AM	5:14:00 AM	5
30-May-19	North Ocean Blvd.	medical, E12 assisted M12	9:18:00 AM	10:05:00 AM	4

Total Calls 8

Date	Public Service	Event Description	Start Time	End Time	No. of FF
03-May-19	Station 12	Installed a rearfacing car seat	12:00:00 PM	1:00:00 PM	1
05-May-19	Commercial Blvd.	Filled water barriers @Taco Craft	7:00:00 AM	8:00:00 AM	6
11-May-19	Station 12	Installed (2) rearfacing car seats	3:00:00 PM	4:00:00 PM	1
15-May-19	234 Avalon	Removed 12 gallons old gasoline from residence & drop off at city garage	5:00:00 PM	5:30:00 PM	3
17-May-19	2600 S.W. 11th Court, Ft. Lauderdale	Career Day @Riverland Elementary School; firefighting, smoke detectors, not playing w/fire, etc.	8:00:00 AM	11:00:00 AM	1
17-May-19	2000 S. Ocean	Unlock Knox Box and gave keys to Royal Coast Mgmt	10:30:00 AM	2:45:00 PM	1
18-May-19	Station 12	Hosted a Safe Kids Car Seat Event for the Public	10:00:00 AM	1:00:00 PM	21
22-May-19	Station 12	Installed a forward facing car seat	12:00:00 PM	1:00:00 PM	1
23-May-19	1850 S. Ocean Blvd.	Assist w/Knox Box keys	9:30:00 AM	10:00:00 AM	2
23-May-19	2000 South Ocean	Rtn Knox Box keys	10:00:00 AM	10:30:00 AM	2
24-May-19	Station 12	Installed a rearfacing car seat	10:00:00 AM	11:00:00 AM	1
27-May-19	Bokampers	Memorial Day Ceremony	4:30:00 PM	8:00:00 PM	5
31-May-19	El Mar & Datura	Keys locked in vehicle	10:00:00 AM	10:30:00 AM	7
31-May-19	Station 12	Installed a forward facing car seat	10:00:00 AM	11:00:00 AM	1
31-May-19	Station 12	Installed a rearfacing car seat	11:00:00 AM	12:00:00 PM	1
31-May-19	Station 12	Installed (2) booster car seats	1:00:00 PM	2:00:00 PM	1

Date	Drill/Training	Event Description	Start Time	End Time	No. of FF
02-May-19	Station 12	Highrise standpipe w/SQ12	6:00:00 PM	10:00:00 PM	7
09-May-19	Plantation EOC	EOC Hurricane Exercise	7:30:00 AM	12:00:00 PM	1
11-May-19	Station 12	Facility maintenance	9:00:00 AM	12:00:00 PM	5
16-May-19	4629 Poinciana Street	Highrise ops @ Poinciana By the Sea Condo	6:00:00 PM	10:00:00 PM	11
20-May-19	4629 Poinciana Street	Highrise ops @ Poinciana By the Sea Condo	6:00:00 PM	10:00:00 PM	9
23-May-19	CSFA	Live burn	6:00:00 PM	10:00:00 PM	8
25-May-19	Station 12	Hose, foam & ladders	9:00:00 AM	12:00:00 PM	6
29-May-19	Jarvis Hall/Station 12	Orientation - new class	6:00:00 PM	9:30:00 PM	22
30-May-19	1530 South Ocean Blvd.	High rise ops @ Oceans East Apts.	6:00:00 PM	10:00:00 PM	9

Date	Ocean Rescue Patrol	Event Description	Start Time	End Time	No. of FF
04-May-19	Beach	Ocean rescue - Air n Sea Show detail	11:00:00 AM	12:30:00 PM	2
04-May-19	Beach	Ocean rescue - Air n Sea Show detail	11:00:00 AM	4:00:00 PM	2
04-May-19	Beach	Ocean rescue - Air n Sea Show detail	2:00:00 PM	4:00:00 PM	1
08-May-19	Beach	Ocean rescue patrol	10:00:00 AM	2:00:00 PM	2
11-May-19	Beach	Ocean rescue patrol	12:00:00 PM	2:30:00 PM	2
11-May-19	Beach	Ocean rescue patrol	12:00:00 PM	5:00:00 PM	2
15-May-19	Beach	Ocean rescue patrol	10:00:00 AM	12:00:00 PM	2
15-May-19	Beach	Ocean rescue patrol	1:00:00 PM	4:00:00 PM	2
18-May-19	Beach	Ocean rescue patrol	11:15:00 AM	5:15:00 PM	2
22-May-19	Beach	Ocean rescue patrol & trng	10:15:00 AM	12:30:00 PM	2
23-May-19	Beach	Ocean rescue patrol	10:30:00 AM	3:30:00 PM	4
25-May-19	Beach	Ocean rescue patrol	2:00:00 PM	6:00:00 PM	2

*Ocean Rescue patrol consist of checking poles/life rings, educating public on flags, rips currents & any fire related issued near or on the beach.

Unit Response Time 3- Month Average

May-19

Apparatus	Batt. Chief 12	Engine 12	Engine 212	Squirt 12
Call Count	25	39	4	5
Response Time	0:05:15	0:06:16	0:00:00	0:00:00

Total Average Response Time : 4:45

Apr-19

Apparatus	Batt. Chief 12	Engine 12	Engine 212	Squirt 12
Call Count	26	27	3	3
Response Time	0:05:29	0:06:57	0:00:00	0:00:00

Total Average Response Time : 4:33

Mar-19

Apparatus	Batt. Chief 12	Engine 12	Engine 212	Squirt 12
Call Count	34	42	1	2
Response Time	0:04:52	0:05:51	0:00:00	0:00:00

Total Average Response Time : 4:18



Town Commission Agenda Item Report

Meeting Date: June 11, 2019

Submitted by: Thomas Palmer

Submitting Department: Public Safety

Item Type: Report

Agenda Section: PUBLIC SAFETY DISCUSSION

Subject Title:

BSO May Report

Explanation:

May 2019 BSO Report

Recommendation:

Approve/Accept

Attachments:



Date: June 6, 2019

To: William Vance
Town Manager
Lauderdale-By-The-Sea

From: Captain Thomas Palmer *Thom*
Lauderdale-By-The-Sea District

Subject: Monthly Report to Commission – May 2019

PERSONNEL CHANGES: N/A

EMPLOYEE OF THE MONTH:

On 5/22/19, a victim locked his Schwinn beach cruiser to the public bicycle rack, located at 4405 N Ocean Drive. The victim returned a short time later and discovered his bike was missing. The LBTS town surveillance system captured the suspect commit the theft and leave a different bicycle behind. An informational BOLO flyer was later distributed by Detective Mursell to LBTS deputies with a photo of the suspect and his distinctive leg tattoos. This was one of several similar bicycle thefts likely attributed to the same unidentified suspect. LBTS detectives later conferred with BSO Pompano Beach detectives and learned similar bicycle thefts had occurred in their city as well.

On 5/29/19, at approx. 1:30 pm, Deputy Klarman was patrolling in the 1700 block of S Ocean Blvd, when he observed a male riding a bicycle who closely matched the description and photo of the suspect in the numerous thefts. Deputy Klarman immediately made a U-turn and conducted a stop of the suspect. As he was initiating the stop, two BSO Pompano Beach detectives were driving in the area and also stopped to assist. The suspect was identified as Patrick Damico (W/M 8/11/70), who has a very extensive record of prior arrests and convictions for thefts and similar property crimes. LBTS Detectives Mursell and Genovese immediately responded to the scene and accompanied Deputy Klarman and the other detectives to the Pompano Beach offices, where Damico was interviewed.

Damico provided a post-Miranda video recorded confession for his involvement in the aforementioned bicycle theft in LBTS and implicated himself in other LBTS and Pompano Beach bicycle thefts. Damico also had multiple active felony warrants for theft.

This investigation involved excellent work by all involved, but was initiated by the attention to detail and tenacity of Deputy Klarman. As a result, of his excellent work, a serial theft suspect was removed from the streets of LBTS, and several felony crimes were solved by arrest. For these actions I have awarded Deputy Klarman the Deputy of the month for May 2019.

COMMUNITY PROGRAMS AND SERVICES: These ancillary programs and services are available to residents on an ongoing basis.

- **Elder Links:** This program offers referral services to elderly residents and other senior citizens in need of medical and mental health care, meal delivery or other social services.
- **Business and Residential Security Surveys:** The Business and Residential Security Survey program teaches participants to secure their business, home or condominium to reduce the likelihood of burglary and theft. Security surveys, conducted by a certified law enforcement security specialist, are provided upon request, at no charge to the business owner or resident.
- **Vacation House Watch Program:** Residents who are traveling out-of-town may register for this program. Deputies will conduct periodic checks of their residence until their return.
- **Neighborhood Crime Prevention Program:** The Neighborhood Crime Prevention program liaison organizes and conducts crime prevention and security seminars at the request of neighborhood civic and condominium associations. We will also help facilitate any Neighborhood Crime Watch programs in which the residents wish to participate.
- **Identity Theft and Scam Prevention Program:** The Identity Theft and Scam Prevention program is designed to inform residents about identity theft and how to lessen their chances of becoming a victim of a scam. Residents are informed on the importance of shredding documents, awareness of suspicious individuals, protection of passwords and use of caution in revealing information. Our Shred-A-Thon to reduce identity theft event is incorporated into this program.
- **Enhanced Marine Law Enforcement Patrol Program:** The BSO Marine Patrol Unit participates in the Enhanced Marine Law Enforcement Grant on behalf of Lauderdale-by-the-Sea. This grant allows for additional maritime patrols throughout the Town's waterways and adjacent ocean area.
- **Citizen Observer Patrol (COP) Program:** COP volunteers are local residents who receive public safety training. They are a tremendous asset to the Town of Lauderdale-by-the-Sea. COP members alternate assisting in administrative duties or patrolling local neighborhoods as an extra pair of eyes and ears to supplement deputy sheriff patrols. COP members also attend monthly patrol information and criminal intelligence briefings. A summary of COP statistical activity is included at the end of this report.
- **Sexual Offender Tracking Program:** There are no individuals legally classified as a sexual offender residing within Town limits. The sex offender database is routinely checked by BSO to ensure compliance with State of Florida legal mandates. Existing municipal ordinances prohibit persons classified as sexual offenders or sexual predators from residing within Town limits.
- **Bicycle Patrol:** Deputies utilize specialized patrol bicycles to enhance public safety and community outreach. This mode of patrol allows the deputies to interact one-on-one with our residents and visitors. The patrol bicycles were utilized for a total of 20 hours this month.

- **All-Terrain Vehicle Patrol:** The ATV / Polaris are primarily utilized on the beach areas in order to conduct patrols to deter criminal activity and maintain the security of the beach-area properties. The ATV patrol is instrumental in marine fisheries regulation enforcement and protection. Deputies used the ATV / Polaris for 62 hours this month.
- **Crisis Intervention Team / Homeless Outreach Team Programs:** The C.I.T. / H.O.T. program is comprised of specially trained patrol deputies and supervisors who are able to intervene in situations involving persons with mental illness or are otherwise experiencing mental health crises or are homeless and in need of services. Twenty (20) individuals experiencing homelessness were contacted during the month. Seven individuals were determined to be suffering from mental anguish and were determined to be a potential harm to themselves or others and were Baker Acted. Six (6) individuals were trespass warned from commercial establishments around town. Two (2) of the individuals accepted services offered by deputies.
- **Automated License Plate Reader Camera System:** The ALPR system installation was completed in October 2014. The system is proving to be an effective tool to Public Safety. **See Notable Incidents/Arrests below.**
- **e – Alerts:** This information initiative allows Town residents to stay informed, via email or text messages, of important topics such as criminal activity, traffic information, upcoming events, security issues and other important public safety information throughout Broward County and Lauderdale-by-the-Sea. Residents can register for this program through either the Lauderdale-by-the-Sea or the Broward Sheriff's Office internet website.
****PLEASE NOTE:** The e-Alert system is being phased out and will be replaced with the Sheriff's new BSO ALERTS. Users must register for the new ALERT system to receive notifications. Citizens can sign up by visiting the Sheriff's website www.sheriff.org and click on BSO ALERTS or I have provided a hyperlink below:
<https://member.everbridge.net/index/892807736729054#/login> **
- **Electronic Message Board:** The BSO Lauderdale-by-the-Sea district continues to utilize the electronic traffic safety message board at various locations within the Town. This allows the district to alert residents about any traffic problems and other important public safety issues impacting them.
- **SaferWatch:** SaferWatch is an application (app) that gives citizens the power to record or report non-emergency incidents as they happen. It provides another option to the "If you see something, say something" message and allows individuals that "If you see something, SEND something" via a mobile application (app) from your smartphone.
- **TWITTER:** The Broward Sheriff's Office recently provided an official Twitter account to Captain Palmer and Lieutenant Wesolowski to provide information to the public via social media. Follow us **@BSOLBTS**.

SPECIAL EVENTS: These events required the participation of the BSO LBTS district.

Cinco de Mayo: The Broward Sheriff's Office assisted with a special event at Taco Craft. Special detail deputies were assigned and Captain Palmer attended.

NOTABLE INCIDENTS / ARRESTS:

CASE: 13-1905-000061

DATE/TIME: 05/04/19 @ 0742 hrs

LOCATION: 200 Block Commercial Blvd.

ARRESTEE: Timothy Lee Young (W/M 09/10/83)

INCIDENT: Violation of Probation

SUMMARY: Subject was stopped for speeding (51/30mph) at the 200 block Commercial Blvd. It was learned that his Florida Driver's License was suspended and revoked (10x) to include a 60 month Habitual Offender Status and (2) others for Fleeing & Eluding & Narcotics. It was also learned that he is currently on Felony Probation for (3) different drug cases. He was violated and charged accordingly. He was transported to BSO Jail.

CASE: 13-1905-000143

DATE/ TIME: 05/07/19 @ 0300 hrs

LOCATION: 4644 El Mar Dr (Shaka Beach Bungalows/Plunge Beach Hotel)

SUBJECT: Jeffrey Innocent (B/M, DOB: 11/20/1990)

INCIDENT: Resisting Officer w/Out Violence, and active warrants: Resisting Officer With Violence, Battery LEO, Assault on LEO and Failure To Comply with Status Check and False Name Given to LEO.

SUMMARY: Deputies responded to suspicious vehicle report at Plunge Beach Hotel. Contact was made with the arrestee who initially gave false name. Through investigation, the suspect's real name was learned, along with multiple felony warrants to include violence towards law enforcement. The arrestee was transported to jail.

CASE: 13-1905-000283

DATE/ TIME: 05/12/19 @ 1539 hrs

LOCATION: 4233 Bougainvillea Drive

SUBJECT: Unknown

INCIDENT: Burglary Conveyance (UNLOCKED)

SUMMARY: Sometime during the previous night, unknown suspect(s) entered the victim's unlocked vehicle and removed two pairs of sunglasses.

CASE: 13-1905-000387

DATE/TIME: 05/15/19 @ 1449 hrs

LOCATION: Terra Mar Dr and S Ocean Blvd

ARRESTEE: Jeremy Farrington (B/M) 04/02/87

VEHICLE: 1995 Toyota Camry 2 door black

INCIDENT: Stolen Tag (Recovered-ALPR)

SUMMARY: Deputies responded to a LPR hit indicating a 1995 Toyota Camry, with a stolen tag, was southbound on S Ocean Blvd from the intersection with Terra Mar Dr. Dep. Klarman located the vehicle, which was now northbound, and coordinated the response of back up deputies, as the vehicle entered the parking lot of the condominium located at 1340 S Ocean Blvd, Pompano Beach. On scene investigation determined driver, Jeremy Farrington, had borrowed the vehicle from a friend who had just purchased it and apparently unlawfully attached a stolen Florida license tag. A teletype check of Farrington revealed 8 suspensions of his driver's license, one of which was for a 20-year period. Farrington was arrested and transported to the BSO Jail. His passenger was also arrested for an active warrant (see below).

CASE: 90-1905-005345
DATE/TIME: 05/15/19 @ 1500 hrs
LOCATION: 1340 S Ocean Dr, Pompano Beach
ARRESTEE: Javarri Ty'ree Earnest Brown (B/M 09/25/96)
INCIDENT: Warrant Arrest
SUMMARY: Suspect was a passenger in the vehicle stopped for the stolen tag as listed in prior case #13-1905-000387. A Teletype check revealed an active arrest capias for: count 1) VOP Dealing in Stolen Property Count 2) VOP False Ownership to Pawn Broker. The suspect was transported to the BSO jail.

CASE: 13-1905-000370
DATE AND TIME: 05/14/19 @ 2050 hrs
LOCATION: 4501 N Ocean Dr
ARRESTEE: Brandon Coyle (W/M 06/29/92)
INCIDENT: Warrant Arrest
SUMMARY: Arrestee was observed crouched down in the shadows near a parking meter in the Town Hall Parking Lot. Upon seeing Deputy Yates he hurriedly walked away; however, he was quickly detained due to his suspicious activity. An inspection of the parking meters showed no tampering. Arrestee had an active warrant reference drug paraphernalia (\$500 Bond) and was taken into custody without incident. A search of his backpack revealed a flat head and phillips head screw driver along with some quarters. It is possible that Deputy Yates' contact may have interrupted a break-in to the public meters. Captain Palmer coordinated with Parking Enforcement who confirmed no meters in town had been tampered with.

CASE: 13-1905-000430
DATE/TIME: 05/17/19 @ 0700 hrs
LOCATION: 4405 El Mar Dr (El Mar Café)
SUSPECT(S): Julio F Edwards (W/M 8/26/46)
John Charles Cleary (W/M 121/3/65)
VEHICLE: Lexus RX350 FL Tag -LBGN77
INCIDENT: Possession of Cannabis < 20 grams
SUMMARY: Deputies responded to a complaint of 2 subjects drinking alcohol and playing loud music inside a vehicle parked in front of the El Mar Café. Contact was made with the vehicle and Det. Genovese observed known suspect Julio Edwards (previously arrested for kayak thefts last month 13-1904-000382) in the driver's seat. The passenger was identified as recent known vagrant John Cleary. After investigation, Edwards was arrested for possession of Cannabis (less than 20 grams) & possession of paraphernalia. Edwards's vehicle was towed and he was TOT the BSO main jail.

CASE: 13-1905-000462
DATE/TIME: 05/19/19 @ 0948 hrs
LOCATION: 251 Hibiscus Av
ARRESTEE: Gonzalez, Joseph (W/M 5/10/89)
INCIDENT: Auto Theft Recovery (ALPR)
SUMMARY: Dep. Koos received an LPR hit for a stolen vehicle heading north into the Town from Flamingo. He located the vehicle and saw it drive around to Allenwood Dr and later located it parked at 257 Allenwood Dr. Units responded to the area and when the vehicle moved, a traffic stop was conducted. Both occupants were placed into custody. The passenger was later released after checking him on teletype and verifying no involvement. The driver/arrestee also had an active capias for DWLS. He was transported to the District Office for an interview. Det. Mursell responded and spoke to the victim on the phone. The victim and suspect are friends

and the victim declined to prosecute. The suspect was charged with the Capias and felony DWLS. TOT Main Jail. The vehicle was removed from teletype and towed to Sal's Towing.

CASE: 13-1905-000482

DATE/ TIME: 05/19/19 @ 00809 hrs

LOCATION: 4300 El Mar Dr

SUBJECT: David Post (W/M 05/14/88)

INCIDENT: Warrant Arrest

SUMMARY: Deputies were dispatched to a call about a vehicle where three occupants were sleeping and the complainant was worried about them. Upon contact, one of the passengers had an active warrant out of Ohio for a Violation of Probation with the original charge being Burglary. The arrestee was transported to jail to await extradition to Ohio.

CASE: 13-1905-000590

DATE/TIME: 05/22/19 @ 1320 hrs

LOCATION: 4327 N Ocean Dr.

ARRESTEE: W/M Michael Freidman 12/17/61

INCIDENT: Aggravated Assault & Simple Battery

SUMMARY: Deputies were dispatched and responded to the incident location regarding a call of a man with a knife threatening another male. Captain Palmer and Lt. Wesolowski were in the area of the call and located the suspect sitting on a bus bench, still clutching the knife in his hand. The suspect obeyed verbal commands and was relieved of the knife and placed into custody. An employee of the realty office recorded the entire event on her cell phone. Investigation determined Friedman approached the victim, who was wearing a US Army t-shirt, and challenged him because he is a former US Marine. Friedman then got within a few feet of the victim while holding an open folding knife in his right hand forcing the victim to retreat. Friedman then repeatedly punched the victim with his free hand, causing a small laceration. 2 additional knives were located clipped to the outside of Friedman's pants pocket. He was arrested for Aggravated Assault with a Deadly Weapon, Battery, and Possession of Marijuana. The suspect was transported to jail.

CASE: 13-1905-000621

DATE AND TIME: 5/23/19 1500-1600 hrs.

LOCATION: 4405 N Ocean Dr.

SUSPECT: Patrick Damico (W/M 8/11/70)

INCIDENT: Petit theft

SUMMARY: The victim locked up her bicycle at the town bike rack at approx. 1000 hrs. She saw the bike still locked up at approx. 1500 hrs. She returned to it at approx. 1600 hrs. and found the cable cut. Bicycle is described as a Schwinn 7 speed "Commuter", lt. blue color, chrome fenders, brown grips, metal basket in front, cup holder on handlebars, luggage rack on rear and design pattern on frame.

CASE: 13-1905-000722

DATE/ TIME: 05/27/19 @ 2136 hrs

LOCATION: 1600 S. Ocean Blvd

SUBJECT: Investigation Pending

INCIDENT: Robbery by Sudden Snatching

SUMMARY: The victim was sitting on the bus bench in front of 1600 S Ocean Blvd watching a video on his phone when it was snatched out of his hands by a male riding past him on a bicycle. The suspect was described as a dark skinned LM with short dark hair with something "bulky" on his back that could have been a jacket or a backpack, and wearing shorts. The victim did not see the suspect's face. Investigation is ongoing.

MONTHLY ARREST LOG:

M Aggravated Assault w/ deadly Weapon w/o Intent to Kill	4327 N Ocean Dr
M Capias - Burglary	4300 El Mar Dr
M Disorderly Intoxication	100 Commercial Blvd
M Driving While License Suspended/Revoked 1st Offense	6002 N Ocean Blvd
Driving While License Suspended/Revoked 3rd or Subsequent	
M Offense	251 Hibiscus Av
M Fraud-False Information Given to LEO	4644 El Mar Dr
M Operate Vehicle w/o Valid License	265 Commercial Blvd
M Petit Theft	4351 El Mar Dr
M Possession of Cannabis < 20 Grams	4405 El Mar Dr
M Warrant -Violation of Probation	200 Commercial Blvd
F Warrant - Resist Officer/Obstruct w/o Violence	4323 Bougainvillea Dr
M Trespassing After Warning -Structure or Conveyance	4501 Bougainvillea Dr
M Warrant -Misdemeanor Battery	4609 N Ocean Dr
F Warrant -Violation of Probation	4605 N Ocean Dr
M Warrant -Felony Petit Theft/2 or More Prior Convictions	1700 S Ocean Blvd
M Warrant -Possession of Paraphernalia	4501 N Ocean Dr
M Warrant -Violation of Probation/Driving While License Suspended	4312 El Mar Dr

CRIME STATISTICS:

CRIME	CURRENT MONTH	PRIOR MONTH	2018 YTD	2019 YTD
AUTO THEFT	0	1	4	2
BURGLARY-BUSINESS	0	0	1	0
BURGLARY-CONVEYANCE	2	1	10	6
BURGLARY-RESIDENCE	0	0	11	2
BURGLARY-STRUCTURE	0	0	0	0
FORCIBLE SEX	0	0	0	0
ARSON	0	0	0	0
ASSAULT-AGGRAVATED	1	0	0	1
HOMICIDE	0	0	0	0
ROBBERY	1	0	6	1
THEFT-GRAND	1	2	9	10
THEFT-PETIT	7	7	16	25
TOTALS	12	11	57	48

CITIZEN OBSERVER PATROL STATISTICAL SUMMARY:

COP Activity	Total
Number of Volunteers	34
COP Hours Worked - Month	171
COP Patrol Miles - Month	349
COP Hours Worked - YTD	1118
COP Patrol Miles - YTD	2024

COP Bike Patrol Hours - Month	0
COP Bike Patrol Hours - YTD	18

COP Beach Patrol Hours - Month	37
COP Beach Patrol Hours - YTD	176.5

RESERVE DEPUTY ASSISTANCE: Reserve Deputies are part-time, fully-sworn deputies who provide supplemental staffing to LBTS, when available, at NO cost to the Town.

	Month	2019 YTD
Reserve Deputy - Days Worked	1	9
Reserve Deputy - Hours Worked	10	81

MONTHLY STAFFING AND STATISTICAL REPORT:

The May 2019 Monthly Staffing and Statistical Report is attached.



Lauderdale by the Sea Monthly Activity May 2019

Reports/Calls	
Miscellaneous Service	
Event Reports	62
Accidents	17
Calls for Service	802

Arrests	
Type of Arrest	
Felony	2
Misdemeanor	4
NTA	0
Capias/Warrant	8
Traffic	3
NIC (felony)	0
DV Misdemeanor	0
DV Felony	0
Municipal Ordinance	0
Total Arrests	17

General	
FI	63
Truant	0
Truant Debriefed	0
Elder Link	1

Traffic	
Types of Citation	
Non-Moving / Moving Citation	187
Parking	0
Warnings	170
Total Citations	357

Time Worked	
Hours Worked	
Bike Patrol	20
Court Overtime	126
Training	262
Detached	9.5
Other Overtime	39
Days Worked	31

Narrative	
ATV: 269 Miles / 62 Hours Reserve Deputies worked 1 Shift (7 hrs)	



MONTHLY STAFFING AND STATISTICAL REPORT LAUDERDALE-BY-THE-SEA DISTRICT

May 31, 2019

CURRENT STAFFING ALLOCATIONS

Position	Budgeted Positions	Actual Positions	Vacant Positions
District Chief	1	1	
Executive Lieutenant	1	1	
Sergeant	3	3	
Deputy Sheriff	19	18	1
Community Service Aide	1	0	1
Administrative Specialist	1	1	
Clerical Specialist (P/T)	2	1	1
TOTAL	28	25	3

PERSONNEL ON LIGHT DUTY, PROMOTED, TRANSFERRED, ETC.

Name	CCN	Status	Circumstances
n/a			

DETACHED PERSONNEL / LOCATION

Name	CCN	Detached To	Reason	Hours
Deputy Javier Barrios	16797	Regional Traffic	Ceremony	4
Deputy Miguel Cedillo	17749	Laud Lks District	Event	5.5
			TOTAL	9.5



LAUDERDALE BY THE SEA DISTRICT
NEARBY SEX OFFENDERS – MAY, 2019



PEREIRA VINCENT

09/18/1950
3333 NE 34 ST .
APT# 1220
FT Lauderdale, 33308
BATTERY U/16
(1999) BROWARD



MESSIER

JOSEPH P

12/11/1974
111 Briny Ave.
Apt 1602
Pompano Bch, 33062
SEX OFFENSE,
FEDERAL
(KNOWINGLY
ENTICING A
MINOR VIA
COMPUTER TO
ENGAGE IN
SEXUAL ACTIVITY)
2003 - FEDERAL
(CONVICTED)



MORALES

MICHAEL WALTER
04/22/1974

516 S. Ocean Blvd #2
Pompano Beach 33062
BROWARD COUNTY
USE OF COMPUTER
TO SOLICIT OR LURE
A CHILD TO ENGAGE
IN SEXUAL
CONDUCT F.S.
847.0135(3)(a)
(PRINCIPAL)
(GUILTY/CONVICT)
10/24/2014)



CLARKE JAMES

ORLIN

05/14/1980
4011 N. Ocean Blvd. #
110
Ft. Lauderdale
33308
SEX OFFENSE, OTHER
STATE (3RD DEGREE
CRIMINAL SEXUAL
CONDUCT-PERSON 13
TO 15)
Macomb, MI

June 3, 2019

Prepared by: Marie Flynn



Town Commission Agenda Item Report

Meeting Date: June 11, 2019

Submitted by: Tedra Allen

Submitting Department: Administration

Item Type: Minutes

Agenda Section: APPROVAL OF MINUTES

Subject Title:

May 16, 2019 Town Commission Workshop Minutes

Explanation:

May 16, 2019 Town Commission Workshop Minutes

Recommendation:

Approve

Attachments:

TOWN OF LAUDERDALE-BY-THE-SEA
TOWN COMMISSION
SPECIAL MEETING MINUTES
Jarvis Hall
4505 Ocean Drive
Thursday, May 16, 2019
5:30 PM

1. CALL TO ORDER

Mayor Chris Vincent called the meeting to order at 5:30 p.m. Also present were Vice Mayor Elliot Sokolow, Commissioner Edmund Malkoon, Commissioner Alfred “Buz” Oldaker, Commissioner Randy Strauss, Town Manager Bill Vance, Deputy Town Manager Tony Bryan, Development Services Director Linda Connors, Town Attorney Susan L. Trevarthen, Municipal Services Director Ken Rubach, Special Projects Coordinator Debbie Hime, Public Information Officer Steve d’Oliveira, and Town Clerk Tedra Allen.

2. PUBLIC COMMENT

At this time Mayor Vincent opened public comment.

Jim Rogers, resident, addressed the problem of noise levels in the Silver Shores area and played a recording of noise from the Downtown area as heard at his home. He did not feel citations were a deterrent to the businesses responsible for the noise. He recommended that permitted entertainment be limited to one night per week, with permits issued once per event, and require monitoring of noise levels.

John Frasene, resident, recalled that some years ago the *Sun-Sentinel* reported that Lauderdale-By-The-Sea permits some of the highest decibel levels in Broward County at 85 dBA between 7 and 10 p.m. in the commercial district and 75 dBA between 10 p.m. and 7 a.m. He expressed concern that Lauderdale-By-The-Sea could be perceived as a “party town.”

As there were no other individuals wishing to speak at this time, Mayor Vincent closed public comment.

3. DISCUSSION ITEM

3.a Downtown Discussion – Music

Development Services Director Linda Connors explained that the Commission had requested a workshop addressing the issues of music levels, signage, and sidewalk cafés in the Downtown area. The workshop was slightly delayed until Town Manager Bill Vance was able to assume all duties.

In 2009, the Town amended its Noise Ordinance, which did not refer to specific decibel levels at that time. These levels were necessary so the Ordinance could be easily implemented. The Town adopted decibel levels of 90 dBA/95 dBc. In 2014, the Commission voted to decrease allowable noise levels to 85 dBA/dBc from 7 a.m. to 10 p.m. After 10 p.m., these levels are reduced to 75 dBA/dBc.

There are two methods of noise measurement: in the absence of a special event, noise readings are taken by trained Code Officers or Broward Sheriff's Office (BSO) Staff. These readings are taken at the property line. If there is a special event, noise readings are taken 100 ft. away from the source of music.

In response to complaints in February and March 2019, Staff took several noise readings for both indoor and outdoor music. Most events at which these readings were taken violated the Noise Ordinance by reaching a level of 86 dBA or higher. Development Services Director Connors also advised that the number of Downtown events should be considered, as these have increased over the years: in 2010, there were 68 events Downtown, while by 2014 this had increased to 102 events. Thus far in 2019, 88 events have been approved or are pending.

Town Manager Vance has offered the following suggestions to amend the Noise Ordinance:

- Cease issuing special event permits for weekly single establishments, and issue special event permits only as part of a cooperative effort involving more than one establishment and use of Town right-of-way
- Establish a Conditional Use permit for musical entertainment to be located inside the business, to be issued to the property owner and include location of music inside the building, dates and times music will be played, specific information regarding allowable sound levels, and contact information and response requirements
- Totally prohibit amplified music outside soundproofed rooms except as part of a Town-approved special event

Town Manager Vance explained that noise related to musical entertainment in the Downtown area was one of the first concerns brought to his attention when he assumed the duties of Town Manager. He reached out to property and business owners in the Downtown area and felt that some collectively negotiated informal agreements may lead to improved conditions.

At present, Code provides little structure, as there is no further limitation than 75 dBA until 7 a.m. Town Manager Vance proposed that some of the informal agreements with businesses be formalized as Conditional Use permits to document a formal understanding of when music may be played and the noise levels it may reach. He expressed confidence that the businesses will continue to earn the privilege of holding musical events in the Downtown area in the future once agreements are in place.

Mayor Vincent recalled that when Friday night musical events began, they were well-received overall, with few complaints regarding noise. Over the last 10 years, as the Town made capital improvements and reinvented itself, a new environment has been created on Commercial Boulevard which is similar to an entertainment district. He pointed out that due to the Town's size, they do not wish to create an entertainment area because of the proximity of residential and commercial neighborhoods. He emphasized the need to work together to reach a mutually beneficial solution.

Development Services Director Connors noted that in addition to the Noise Ordinance, which is in Chapter 13 of Town Code, there are additional regulations in Chapter 3, Alcoholic Beverages. These regulations require that music must be played within an enclosed area after 12 a.m., and businesses must close at 2 a.m. The requirement for music to be played within closed doors after midnight has not been enforced.

Mayor Vincent observed that alternatives might be to bring speakers indoors or face them inward, which could lower the volume significantly. He noted that some businesses provide music multiple nights of the week, as they are on private property. These businesses must still adhere to the decibel restrictions and the closing of doors after midnight.

The Commissioners discussed the issue further, with Commissioner Oldaker noting that any music coming from an electronic device is considered amplified. This would include speaker systems on sidewalks outside some establishments. Development Services Director Connors clarified that under the proposed changes, sound systems would need to be indoors, with music pointing toward the business, rather than outside and toward the street.

Vincent Foti, business owner, asked if this meant no amplified music could be played in businesses after midnight. Mayor Vincent replied that businesses may close their doors after midnight to lessen the sound outside the establishment. He reiterated that this is required by current Code.

Mr. Foti stated that decibel readings have been very high in the absence of amplified music, depending upon crowd activity and size. He characterized the decibel limit as unattainable. Mayor Vincent pointed out that part of the issue may be multiple businesses providing music at the same time, which was not a problem when the Noise Ordinance was enacted. He also observed that while crowd noise and voices may not carry into residential neighborhoods, music does carry.

Vice Mayor Sokolow cautioned that decibel levels may be dependent upon regular calibration of decibel meters and other mitigating factors. He added that it may be difficult to strike a balance between maintaining a vibrant nightlife within the Downtown area and affecting property values in residential areas if noise remains an issue.

Commissioner Malkoon asked how the Noise Ordinance is currently enforced. Town Manager Vance replied that no decibel meters have been used in the past five to six weeks while he reached out to the owners of various establishments. He has contact information from business owners so he can communicate with them in the event of an issue. He reiterated that he is in favor of a written agreement clearly establishing how the Ordinance will be enforced in the future.

Commissioner Strauss proposed that noise might be mitigated through the use of acoustic tiling that can reduce the projection of sound outside an establishment.

Bill Ciani, resident, stated that as a building owner, he would not be willing to sign any agreements that stated his tenants' music must remain within the permitted decibel level. He expected the Town to deal with this issue through Code Enforcement. He also asserted that residents have seen an increase in their property values due in part to the Town's success in attracting businesses and visitors for a vibrant nightlife.

Town Manager Vance noted that it should be possible to arrive at agreements regarding the days and times when entertainment is provided. He recalled that when he first arrived in Lauderdale-By-The-Sea, he excused business owners from appearances before the Special Magistrate related to Noise Ordinance violations, as he knew this issue would be discussed in depth by the Commission.

Vice Mayor Sokolow recommended that any agreements be mindful of the fact that a landlord is not responsible for a tenant's actions. He also agreed with Town Manager Vance that it is easier to work one-on-one with business owners to address the problem than contribute to any animosity between businesses, the Town, and residents.

Commissioner Oldaker commented that the current Fort Lauderdale Entertainment District was once considered a blighted area; however, this is no longer the case, and as more residential development moves into the area, that city may be receiving some complaints from residents regarding the permitted decibel level.

Mayor Vincent addressed Town Manager Vance's Conditional Use proposal, asking how compliance might be enforced. Town Manager Vance replied that the Commission would have the ultimate flexibility to work with property or business owners: if negotiations did not lead to a positive outcome, the Town Manager could recommend that the business's permit be discontinued. While the recent informal understanding between the Town and business owners has improved the situation, greater structure to these agreements could contribute to a better solution. No Special Magistrate involvement was proposed at this time.

Mr. Foti reiterated his concern that the decibel limit of 85 dBA may be unattainable at some times of the year, and asked how this issue might be addressed going forward. Mayor Vincent replied that Town Manager Vance's proposed solution of better communication is the first step in the process; however, he emphasized that help is

needed from the business owners as well, including the possibility of lower volume, change of speaker direction, and other potential solutions.

Mr. Foti felt that requiring businesses to secure permits and enter into agreements for live music events would result in those businesses seeking to relocate. He declared that asking establishments to close their doors after midnight would significantly diminish business. Mayor Vincent pointed out that this has not yet been asked of any business, nor has it been previously enforced although it is part of Code.

Town Manager Vance continued that the agreement would allow an owner to show performers what s/he has agreed to so they are aware of what has been negotiated. He emphasized that his primary intent was for clarity.

Town Attorney Susan Trevarthen asked if there was sufficient Commission consensus for Staff to begin work on appropriate language and documentation. Town Manager Vance requested that an update be provided at a Commission meeting in approximately one month, after which time a recommendation could be brought forward.

3.b Downtown Discussion – Signage

Development Services Director Connors recalled that Vice Mayor Sokolow had requested recommendations on specific changes to the Town's Sign Code.

The first issue was the prohibition of "sandwich signs," which are portable, foldable, and freestanding A-frame boards that are not secured or attached to the ground. Staff has reviewed current requirements and recommends that these signs continue to be prohibited in the East Commercial Boulevard area due to traffic and sidewalk activity. If Code is changed, however, Staff recommends the following:

- Sandwich signs are be limited to one per business
- Signs must be adjacent to the building
- Placement of signs ensures a 5 ft. minimum pedestrian path
- Signs are of a design consistent with Lauderdale-By-The-Sea branding

Mayor Vincent recalled that previous discussion of this issue had considered designating an area for sandwich signs or menu boards. He proposed that the Commission discuss this further to ensure there is no room for error.

Vice Mayor Sokolow stated that he did not agree with the proposal for sandwich signs to be consistent with the Town's branding, as the purpose is for businesses to brand themselves rather than the Town. He also requested clarification of why the proposed change would not apply to other businesses in the area. Development Services Director Connors replied that this recommendation could be changed if it was the Commission's desire.

Development Services Director Connors noted that Staff had considered regulations in the Downtown areas of West Palm Beach, Delray Beach, Fort Lauderdale, and other nearby communities. One issue that led to the branding proposal was the wide variety of sandwich board styles. Staff felt strongly that there should be some standard of style, such as a typical size or material.

Vice Mayor Sokolow advised that he felt the only areas where prohibition of sandwich signs remains necessary would be west of Commercial Boulevard and El Mar Drive north of Commercial Boulevard, where pedestrian traffic is heavy at night. He felt a uniform sign size was not unreasonable.

Development Services Director clarified that these signs would be exempt from permitting, as they are relatively inexpensive and the Town did not wish to require additional permits. She added that menu board signs would also be exempt from permitting in the future.

Development Services Director Connors continued that the Vice Mayor had also requested Staff look into the standard for maximum letter size. This was discussed extensively when the Sign Code was reviewed in 2014. It was determined that letter size and legibility are contingent upon a number of factors, including font, color, traffic speed, and the lane in which a car is traveling.

Because the area east of Ocean Drive is more pedestrian in nature, there was no reason not to allow signs with large lettering. Height range is between 12 and 15 in., subject to change if the sign is in all capital letters, which are considered more difficult to read. In 2014, the Commission voted to limit letter size on signage east of A1A to 12 in., while west of A1A and on Ocean Drive allows a maximum letter size of 18 in.

Vice Mayor Sokolow requested clarification of why larger letters are allowed if they follow Midcentury Modern design. Development Services Director Connors explained that a defining element of this architectural and sign style features a large first letter. Mayor Vincent noted that Midcentury Modern is recorded as the Town's preferred architectural style. Vice Mayor Sokolow stated that he did not feel it was reasonable to penalize individuals or businesses who chose not to follow this style.

Mr. Ciani stated that the standard 12 in. letter size permitted east of A1A is too small, and felt 18 in. was a more appropriate size. He also noted that some corner buildings require two different lettering sizes depending upon their location. Mayor Vincent suggested that corner buildings could permit larger letters on both sides due to the proximity of the main road. The Commissioners agreed by consensus to have Staff look further into this issue and bring back a proposed policy change for greater flexibility on corner buildings.

Commissioner Oldaker asked what a business would have to do to request consistently sized signs on two sides of a corner building. Development Services Director Connors

replied that this would either require a Code change or the smaller sign would need to change to Midcentury Modern. Some signs may not be changed because of the restrictions of nonconforming structures.

Town Manager Vance advised that Staff plans to initiate development team meetings where topics such as this can be discussed at length, including goals for individual business and/or property owners. He and Development Services Director Connors can review Code with these owners to identify the potential for greater flexibility.

Development Services Director Connors continued that another issue was the limitation of signs to three colors. This Code provision dates back to 2001 and is intended to ensure some level of relationship between multiple signs on a single building. Greater flexibility is allowed if a business has a registered trademark.

Vice Mayor Sokolow reiterated that he was not in favor of this type of uniformity and would prefer to see greater individuality expressed through signage. He considered the flexibility afforded trademarks to be an inconsistency. Town Attorney Trevarthen advised that this is also in respect for federal trademark law.

Mayor Vincent agreed that the Town's unique character should allow for more than one color on a building. He felt the current system is reasonable for most businesses. It was determined that there was no new direction to be explored with regard to color regulations.

The current industry standard for sign area, with and without a background, is measured by width and height. In the case of signs with a larger first letter, the measurement is based on the height of the largest letter.

Vice Mayor Sokolow noted that most systems used to design signs can instantaneously calculate the area of letters, logos, and other features. He did not believe Midcentury Modern signs should be allowed a greater area. If differently sized sections of a sign, such as lettering and logos, are calculated differently, the resulting total could be significantly smaller.

Anthony Delia, representing 101 Ocean, commented that the restaurant was only allotted one sign despite multiple storefronts, and asked if it would be possible to add another sign on either the Commercial Boulevard or the El Mar Drive side. Town Manager Vance suggested that Mr. Delia meet with the Staff management team to determine if there were ways to increase the business's flexibility.

Development Services Director Connors noted that 32 sq. ft. is an industry standard for signage, which means sign companies are often familiar with providing signs of these dimensions. Most sign square footage requested is less than 32 sq. ft., as the Town's store frontages are relatively small. Code also allows for buildings set back a certain

distance from the street or above a certain height to increase the size of the sign's letters. Very few signs exceed the 32 ft. limitation, no matter how they are measured, unless the signs are grandfathered under Code or use Midcentury Modern design.

Mr. Foti asked if there is a limit to the number of signs allowed on a building. Development Services Director Connors explained that in the B-1 district, a business may have one permanent sign per building street frontage, with an additional permanent awning, directory, or hanging sign allowed, up to a total of 32 sq. ft. If a building houses multiple businesses, they may have as many signs as businesses. Window or decal signs are not considered permanent signage and may cover up to 25% of a window.

3.c Downtown Discussion – Sidewalk Café

Development Services Director Connors advised that Staff is currently reviewing the Town's Sidewalk Café Ordinance, as some of its provisions are outdated. Staff looked at the regulations of other nearby cities and would like direction from the Commission on potential changes to the Ordinance, including whether or not outdoor bars should be addressed and whether wait staff stations may be located outside.

With regard to outdoor bars, Development Services Director Connors explained that some businesses have added these features to their outdoor dining areas. Code does not specifically prohibit outdoor bars. In addition, when the Ordinance was first written in 1993, permanent barriers were required for sidewalk café areas; however, this language was later deleted to promote a more inviting area. Some businesses have since asked if they could erect barriers.

Mayor Vincent proposed considering the barrier issue on a case-by-case basis. Development Services Director Connors advised that the barriers, which could include features such as planters, could block a portion of public sidewalk. There was Commission consensus that barriers not be allowed in the public right-of-way.

Another issue is storage of sidewalk cafés. Staff suggests allowing on-street storage at night, but ensuring that the tables are open and unchained by a set time in the next morning.

Development Services Director Connors concluded that some businesses would like to provide sidewalk cafés, but only for a limited time, without the full year-round charge. At present, businesses must pay for the full year for a sidewalk café. She recommended that if this provision is added to Code, the business owner should specify how long s/he would like to have the sidewalk café at the beginning of the fiscal year in October. They can be charged on a quarterly basis. The Commission agreed by consensus against this provision.

It was pointed out that some businesses with sidewalk cafés are less thorough than others in keeping those areas clean, and that the Town should ensure that each business takes care of this necessity. Town Manager Vance agreed that Staff would follow up on this issue.

4. ADJOURNMENT

With no further business to come before the Commission at this time, the meeting was adjourned at 7:33 p.m.

Mayor Chris Vincent

ATTEST:

Town Clerk Tedra Allen

Date



Town Commission Agenda Item Report

Meeting Date: June 11, 2019

Submitted by: Debbie Hime

Submitting Department: Administration

Item Type: Consent

Agenda Section: CONSENT AGENDA

Subject Title:

Special Event Application for 34th Annual International Coastal Cleanup, Saturday, September 21, 2019

Explanation:

Broward County Environmental Planning & Community Resilience Division has submitted a Special Event Application (Exhibit 1) for your consideration for the 34th Annual International Coastal Cleanup scheduled for Saturday, September 21, 2019.

The following table shows the event time schedule:

Saturday, September 21, 2019

Set up: 8:00 a.m.

Start of Event: 9:00 a.m.

End of Event: 12:00 p.m.

Tear-down: 1:00 p.m.

As in past years, Broward County has proposed the same logistical arrangements and asks to set up in El Prado Park for the event. The County is requesting the Town to provide free parking permits, which the Commission has approved in previous years. Since this is a volunteer event, there is no special event fee.

The Broward County Environmental Protection & Growth Management Department is monitoring this event for the protection of marine turtles during the marine turtle nesting season (May 1st – Oct. 31st). The County's team will also coordinate recycling efforts with Town's Recycle Coordinator and Municipal Services.

Recommendation:

We recommend approval of the event with the following conditions:

1. The Municipal Services Director shall approve the final staging site at El Prado Park.
2. Fifty (50) parking permits will be provided at no charge for the volunteers to park at Town Hall and El Prado parking lots until 1:00 p.m. on the event day.
3. Marine Turtle Protection:
 - a. The Broward County Sea Turtle Conservation Program will provide to the Applicant a map with updated sea turtle nest locations the first week of September 2019. All proposed beach activities will stay clear of all active nests to accommodate conservation measures.

- b. Nests within the event area shall be marked and left in place unless natural factors threaten the success of the nests. Any nests left in the event area shall be clearly marked and the actual location of the clutch determined. A circle with a radius of ten (10) feet, centered at the clutch, will be marked by stake and survey tape or string. No activities will enter this circle and no adjacent activities will be allowed which might directly or indirectly disturb the area within the staked circle.
4. The Police Chief shall specify the number of BSO detail officers needed for traffic and crowd control.
 - a. The Police Chief shall arrange for the number of detail BSO deputies required to work on public property for crowd and traffic control. The Applicant shall reimburse the Town for this expense.
 - b. The Applicant shall contract with the BSO Detail Office for the number of BSO deputies working on private property at each event.
5. Beach raking will be suspended on the event day in the event area.
6. The Town will arrange for the disposal of the collected beach trash at no cost to Broward County.
7. On the day of the event, a banner sign (2 x 5) may hang at the staging area announcing the cleanup, and Permit Holder will remove sign by end of tear-down (1:00 p.m.)
8. Participants for the event will use the restrooms in Friedt Family Park or El Mar Plaza.
9. Set up is proposed to start at 8:00 a.m. and tear-down time is 1:00 p.m.
10. The event site will be organized in a safe manner to protect attendees.
11. Permit holder shall be responsible for clean-up of the Park following the conclusion of the event.
12. The event site shall be organized in a safe manner to protect attendees. All electric cords and similar material will be covered so as to not pose a hazard to the public or event staff.
13. The Permit Holder shall keep the sidewalks next to event site and within the event site open and clear for pedestrian traffic.
14. Canopies, stage, tables, chairs, etc., will not interfere with pedestrian walkways, ingress or egress.
15. No open flame devices are allowed in or under canopies.
16. The event will be operated so as not to violate the Town's Code with special care regarding the noise levels in Chapter 13.
17. The Applicant shall provide written notice to all properties affected by this event by August 21, 2019. The notice and distribution area will be approved by the Town prior to distribution.
18. Permission for this event may be suspended or modified by the Commission, Town Manager or his designated Staff.
19. Upon showing by the Applicant of a valid reason, the Town Manager may approve minor logistical or site plan changes that are consistent with the Commission's past policy direction on special events.
20. The Town Manager may suspend permission for this event due to failure of the Permit Holder to comply with the terms and conditions of the Town's event permit, due to conflicting activities, for health or safety issues, or for the best interests of the Town.

21. The onsite Town representative may terminate an event due to the Permit Holder not complying with the terms and conditions of the Town's event permit, for health or safety issues, and for such as but not limited to, crowds that exceed the capacity of the event site.

Attachments:



SPECIAL EVENT APPLICATION INFORMATION

For your event to be considered by the Town Commission, a **fully completed** application must be submitted **at least** 60 days prior to the date of the event.

This application is available in Word format at www.lbts-fl.gov/town/docs.htm. If possible please use the Word document and your computer to complete the application.

An application is not considered complete unless it includes:

1. A full description of the proposed event,
2. A detailed site plan (*very important!*),
3. All required documents, and
4. The application fee.

A meeting with Special Events Permitting is required before submitting a Special Event Application. Questions? Call our Special Projects Coordinator at 954-640-4200 or email debbieh@lbts-fl.gov.

Payment of Special Event Permit fee is required at the time of Application submission via hand delivery or by mail to:

***Town of Lauderdale-By-The-Sea
4501 Ocean Drive
Lauderdale-By-The-Sea, Florida 33308***

A Special Event shall be approved by the Town Commission before an event is advertised to the public. A special event is defined as a concert, festival, race, walk, carnival, show, exhibition, parade, or any other similar outdoor event whether operated totally outdoors, on stage, under tents, or with the use of any temporary building or structure, ***to which members of the public are invited as participants or spectators.***

Please review the Town's special event requirements by clicking on: https://www.Special_Event_Requirements
Or download a copy of the Special Event Requirements from our website and review them before submitting your application.

Important to remember:

1. Your event is approved by the Town Commission with "Conditions" that must be met or your event is cancelled. READ and understand the Conditions. *Talk with us if you have questions.*
2. You are responsible for securing and paying for all fees, licenses, and permits required by any governmental agency having jurisdiction, providing the Town evidence of all required insurances, and providing evidence of organization and/or charity.
3. You have to file all of the required documents shall be provided not later than 30 days prior to the event date or the event authorization terminates (unless prior arrangements have been approved by Town).
 - a. Insurance
 - b. Vendor lists and licenses
 - c. File site plan

4. Parking is limited in Lauderdale-By-The-Sea, and will be a consideration when approving your event.
5. You may have to obtain permits from the Building & Fire Departments to meet Florida Building Code and Fire Code standards.
6. You are responsible for securing and paying for all fees, licenses, and permits required by any governmental agency having jurisdiction.

I (Applicant) have read and fully understand the above:



Signature of Applicant

Print Name: Pat Quinn

Event Name: International Coastal Cleanup



SPECIAL EVENT APPLICATION

Submit this completed application at least 60 days prior to the proposed date of your event.

DETAILED SITE PLAN REQUIRED (see details at end of application)

Site Plans often do not include details that are necessary to approve an application or to issue a permit and delays are caused by rejections of initial applications.

Once you have completed the written portion of the application, provide a Site Plan on the last page or attach separately to this application.

Name of Event: International Coastal Cleanup

Event Purpose, Description and Activities: Coordinate with volunteers to clean up the beach and coastal areas.

New Event ☐ **or Returning Event** ☒ **Previous Attendance** _____

Day(s) and Date(s) of Event: Saturday, September 21, 2019

Proposed location of the Event (location, streets, landmarks):

El Prado Park

How many people do you anticipate on site at any peak time?

Participants: _____ #Spectators _____ #Adult volunteers: 120

Please complete the following table:

Activity	Day	Time
Start of set-up:	September 21, 2019	8:00am
Start time of the Event:	September 21, 2019	9:00am
EVENT	September 21, 2019	9am to 12pm
End time of the Event:	September 21, 2019	12:00pm
Start of Clean up:	September 21, 2019	12:00pm
Clean-up completed by: (Site restored to original condition)	September 21, 2019	1:00pm

Name and address of host or sponsoring organization:

Is applicant a Non-Profit Organization? YES NO ☒

Please attach Organization's proof of 501c3 IRS exemption, background, history, accomplishments, and other events:

Person submitting Application ("Responsible Party"):

Name: Pat Quinn

Mailing address: 115 S. Andrews Ave., Room 329H, Fort Lauderdale, FL 33301

Phone: 954-519-1218

Mobile phone: 954-895-8544

Email: pquinn@broward.org

Fax: 954-519-1496

Representative(s) who will be at each day of the event:

Same as above

Name(s):

Mailing address:

Phone:

Mobile phone:

Evening phone:

Fax:

Email:

Add information as necessary:

Will you have an event contractor or planner?

YES NO **X**

If yes, please provide the contact information of your event contractor (event planner)

Name:

Company Name:

Business Address:

Company Email:

Phone Office:

Phone Mobile:

List contractors that will be on site before, during or after the event (use separate page if needed) – final list required 30 days prior to event.

Request for Town Involvement:

Are you requesting the Town be involved with this event in any way? YES **X** NO

If yes, describe services requested, if any:

On the past years, the City has provided buckets for volunteers to use to collect trash. Also, at the end of event the City has scheduled trash pick up and recycling.

STATEMENT OF BENEFIT

If the applicant is seeking sponsorship/co-sponsorship from the Town of Lauderdale-By-The-Sea, a Statement of Benefit is required by Town Code and shall be included here or attached to this application.

If the Town is a sponsor or co-sponsor of the event, the Applicant shall keep financial records of the event sufficient to document all revenues and expenditures. These records shall be available at reasonable time within Broward County for inspection by the Town.

(Insert here or denote if attached)

FEES

Are there fees or donations collected on site from the participants or spectators?

YES NO ☒ X

If yes, provide details:

SOUND SYSTEMS

The event sound systems shall be operated so as not to violate the Town's Code, including and especially Section 13-6, Noise Limitation. Violations of the Town's noise ordinance are grounds for the immediate termination of the source of the noise and may be grounds to terminate the event.

Do you plan to use amplified sound? Provide details, time and location, and if you require electrical connections for: **NO**

_____ Proposed amplified sound/speaker system:

_____ Proposed live music: List genre, type, ambiance:

_____ Planned recorded music

_____ Do you require electrical connections for any of the above? Please give details:

CLEAN EVENT STANDARDS

Keeping the event area clean during the event and immediately following the event, including trash removal, walkways, and streets, is the responsibility of the applicant. See Clean Up Deposit under Conditions

Please note that, except for very small events, all events shall provide a recycling plan and follow recycling requirements. See Recycling Requirements under Conditions. For more info email recycle@lbts-fl.gov.

Name the contractor or organization (including contact information) who is responsible for your Event's recycling:

Like in the past year we will utilize Viki Eckels, Recycling Consultant from Lauderdale By The Sea, to coordinate the recycling of the trash gathered. She implemented the use of buckets to collect the trash instead of plastic bags, which would create new trash. Also, she will coordinate the collection of the buckets at the end of the event.

TENTS, CANOPIES, STAGES, BLEACHERS

Tents are generally defined as temporary structures having two or more sidewalls or drops.

A canopy is a tent without sides.

All Tents, canopies larger than 120 sq. ft., multiple canopies without separation, and stages require a building permit. The use of tents or large canopies require approval of the LBTS Fire Marshal and are required to have building permits obtained via LBTS Building Department prior to Event. Manufacture labels are required to be attached to the tents and canopies.

Rental agencies shall provide documentation of the flame spread labeling of 25 or less submitted with application. All canopies larger than 120 sq. ft. shall submit copies the manufacture's labels attached to the tents or canopies with application.

Stages and bleachers shall include product approvals that are supplied by the manufacturer.

Include sign locations on detailed Site Plan or attach a separate sheet.
Banner will be tied to pavilion at El Parado Park

RESTROOMS (show on Site Plan)

The number of portable toilets required depends on the number of attendees, length and type of event, as determined by the Building Official.

Local businesses that have more than the required number of restroom facilities that allow their facilities to be used may count towards the extra restroom facilities required.

If Event is downtown, permit holder is required to obtain written approval from restaurants to allow participants to use their restroom facilities.

N/A

Number of restroom facilities required by Town: TBD

Number of additional restroom facilities, and type, that will be on event site: _____
(Show on Site Plan)

STREET CLOSURES

Street closures may be required at the Event's expense

Are you requesting that any public streets be closed for the Event? YES NO ☒ X
I don't know, please advise _____

If yes, indicate the streets and blocks and times the closure is requested:

TRAFFIC CONTROL/BARRICADES

A traffic control contractor may be required for events which require barricades or traffic control signage.

Please list your traffic control contractor, if applicable: N/A

VEHICLES

Vehicles are not allowed to drive or park on Town property or park grounds due to damage to underground irrigation systems and to the sod. Applicant shall be responsible for restoration of any damage to Town property.

Are you requesting to drive or park on town property or park grounds: YES NO ☒ X

If you are requesting that vehicles be permitted to drive or park on Town property, please indicate the type(s) of vehicles, the locations, and times they would be parked. Must be approved by Town's Parking Department prior to Event.

LOADING/UNLOADING: If you are requesting that vehicles be permitted to load/unload in non-metered areas, please indicate the location and times loading and unloading would occur:

TRAFFIC CONTROL PLAN

Parking exemptions shall be approved by Assistant Town Manager prior to Application submission to Town Commission). Town may block spaces for safety and other reasons at the expense of the Event.

Include detailed Site Plan indicating how on and off street parking will be accommodated.

Are you requesting the reservation of any Town parking meter spaces for the Event?

☒ X YES NO

If yes, provide the meter numbers on the Site Plan and purpose for which they will be used.
Like the past years, we would like 50 parking passes approved by the Town Commission for the volunteers and staff to park at Town Hall and El Prado Park, free of charge for the duration of the event.
All parking meter fees are paid 30 days prior to the event.

OFF DUTY POLICE/CODE COMPLIANCE OFFICERS

Off duty police officers are required, at the applicant's expense, for street closures, events with alcohol, or large crowds, as determined by the Sheriff's Department. Large events may require a code compliance officer to ensure compliance with Town codes.

Do you anticipate needing off duty police officers for your Event?	YES	NO	X
Do you anticipate needing code compliance officers for your Event?	YES	NO	X

CONCESSIONS:

A no-compete clause pertaining to local restaurants will be required where applicable.

Are you planning to have any type of concessions? YES NO X

If YES, has the Florida Health Department approved the food vending Site Plans?

YES NO

If yes, is the food provided by a Non-Profit _____ or For Profit _____ organization?

Is the food free of charge _____ or for sale _____

Do all food vendors have a temporary food service permit? YES NO

Please list the types of food that will be served:

Are you requesting any of the following types of cooking equipment be used on site:

Charcoal Grills _____	Sterno _____	Fryers _____	Open fires _____
Propane Grills _____	Refrigerators _____	Smokers _____	Hoods _____
Concession trailers _____	Warmers _____	LP Tanks _____	Other _____

Provide details of dispensing locations here and on Site Plan

ALCOHOL

State license is required to be submitted to the Town at least 30 days prior to the event

Are you planning on selling alcoholic beverages at the event? YES NO X

If YES, has a liquor permit been obtained from the State of Florida? YES NO

Provide details of dispensing locations here and on Site Plan

Provide contact information for all license holders that will be serving alcohol:

VENDORS

A list of all vendors their company name is required for initial approval and final list is required 30 days prior to event and subject to approval (add here or on separate page, and vendor location on site Plan):

Name	Company	Vendor Type
------	---------	-------------

ANIMALS

Any exhibition or similar undertaking in which animals are required to participate in performances for the amusement or entertainment of an audience is subject to Town Commission approval.

Are animals included in your event?

YES NO ☒ X

If yes, please give details:

FIREWORKS

(Fireworks require a separate permit approval process and application)

Are you requesting approval to discharge fireworks at the event?

YES NO ☒ X

SALE OF MERCHANDISE

Are you requesting approval to offer other items for sale at the event?

YES NO ☒ X

List items for sale:

RIDES

Rides or other amusement may require a State of Florida inspection

Copies of contracts with any provider of rides, mechanical devices and amusements shall be submitted to the Town at least 30-days prior to the event.

Are rides to be included in the Event?

YES NO ☒ X

If yes, please provide the number and description of each type:

Mechanical/Electrical:

Inflatable (bounce house etc.):

Manual (slides, trampolines):

Other:

NO BALLOONS RELEASED

When balloons are released over the ocean, they become a major source of pollution and significantly increase the mortality rate among sea turtles, birds and other marine life. Sea turtles and fish often mistake the balloons for jellyfish, eat them and die when their stomachs become blocked. Birds can become entangled in the balloon strings and drown. To help reduce the threats caused by balloons, I agree that there will be no release of balloons at this event and I have been informed that the release of balloons is illegal under Florida Statute 379.233. Balloons may be used for decorations at an event but they must either be deflated or taken home at the end of the event, NEVER released into the air. Failure to abide by this requirement will result in the cancellation of the current Event and denial of future special event permits.

I agree no balloons will be released PQ

FIRE WATCH or EMS ONSITE

If required by the Fire Marshall, the applicant shall provide for a fire watch and/or an EMS Crew during the event. Large events or those using combustible materials may require qualified stand-by personnel and the appropriate equipment, the cost of which is the responsibility of the applicant.

First Aid facilities may be required by Town at Event's expense. Initial PQ

INSURANCE

Insurance requirements differ depending on the type of event and if alcohol is served.

For events not serving alcohol and without fireworks, the Applicants shall provide a Certificate of Liability Insurance written in comprehensive form naming the Town as additional insured in the amount of \$1,000,000 per occurrence and \$2,000,000 general aggregate for bodily injury and \$1,000,000 per occurrence and \$2,000,000 general aggregate for property damage with thirty days written notice required for cancellation.

Certificate of Liability Insurance naming the Town as additional insured is required from all Event businesses, promoters, and other related event planners

An approved form of a Certificate of Liability Insurance may be required with your Application for approval by the Town Commission and/or shall be provided the Town at least 30 days prior to the Event date.

Talk to Town Staff representative if your Event proposes serving alcohol or having fireworks about insurance requirements, as both require additional insurance.

Do you and all parties involved have the required insurance coverage needed for this Event?

☒ YES ☐ NO

EVENT CONDITIONS

Approval for this Event shall expire without future action of the Town if all documents such as but not limited to insurance certificates, health and liquor licenses, BSO police detail contract(s), Fire Marshall or Development Services approvals, MOT Plan, Solid Waste Plan, final Site Plan, any monies due to Town, and other material requirements are not submitted at least 30 days prior to the Event.

Copies of State and County licenses for all vendors and contractors shall be filed with the Town 30 days in advance of the Event. (Final list of vendors and their locations shall be submitted to the Town no later than two weeks prior to the event unless otherwise approved in advance by Town)

If the Event is approved by the Commission, they will establish the Event conditions that the application shall abide by during the Event. Standard Conditions shall include, but are not limited to the following:

1. Permission for this Event may be suspended or modified by the Commission, Town Manager or his designated Staff.
2. Turtle Clause: If any of the set-up will take place on the beach sand please avoid any marked sea turtle nests with a minimum buffer of 30 feet.
3. Setup of the Event will start at about _____ and the area will be cleaned and open by _____
4. The Police Chief shall specify the number of BSO detail officers needed for traffic and crowd control. The Applicants shall contract with BSO Detail Office for the detail BSO deputies within ten (10) days of receiving Event approval.

5. The Police Chief shall approve the Applicant's Maintenance of Traffic Plan (MOT), if one is required.
6. The Applicants shall submit a solid waste and recycling plan for approval at least 30 days prior to the Event to the Municipal Services Director. The Applicant shall provide additional waste receptacles and recycling bins. During the event as needed and at the end of the event, the Applicant shall empty all of the waste receptacles and recycling bins and pick up litter within the event site and 100 feet of the site.
7. All signage will be approved and permitted with Development Services at least 30 days prior to the event
8. All related Fire Marshall and Building Official's related requirements have been approved
9. Provide proof of additional restroom facilities ordered at least 30 days prior to event
10. The event and its approved sound systems shall be operated so as not to violate the Town's Code, including and especially Section 13-6, Noise Limitation. All music shall end promptly at ____ pm.
11. The event site shall be organized in a safe manner to protect attendees. All electric cords and similar material shall be covered so as to not pose a hazard to the public or event staff, or will be battery operated.
12. Parking Requirements have been identified, fees paid and listed on site plan
13. The Applicant shall provide a written notice to all properties affected by this event by (date), (30 days in advance) for approval prior to distribution; and confirm in writing which properties have been notified.
14. Clean up Deposit may be imposed, based on the final Site Plan, and due two weeks prior to the event.
15. Clean up fee starting at \$150 will be charged if area is not cleaned to Town standards.
16. Final Site Plan must be presented for approval at least 48 hours in advance of the event.
17. Streets and sidewalks will be free of any debris and cleaned at the end of tear down.
18. A Damage Deposit may be imposed, based on size of event and location.
19. There will be no release of balloons at this Event.
20. Any inspections or work required by Town Staff after normal working hours will incur additional costs set forth by the respective department.
21. Upon showing by the Applicant of a valid reason, or if required by the Town, the Town Manager may approve minor logistical changes that are consistent with the Commission's policy direction on special Events.
22. The Applicant shall meet the following minimum insurance requirements per Ordinance 2015-06, which may be modified by action of the Town Commission for a specific Event:
 - a) Prior to issuance of the requested permit, proof of commercial general liability insurance, whether through a single policy, or a combination of policies, in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate for bodily injury and property damage.
 - b) No required policy shall have a deductible or self-insurance retention greater than \$15,000.
 - c) All policies must be issued by companies authorized to do business in the State of Florida and rated A- or better per Best's Key Rating Guide, latest edition. The certification of insurance shall provide for the Town to receive 30 days' written notice prior to any cancellation, non-renewal or material change in the coverage provided, unless the insurance company refuses to provide such notice, as evidenced by affidavit of the policy holder or written documentation from the insurance company. In any Event, the Applicants shall be held responsible for providing the Town notice of any change in insurance coverage. The Town shall be named as an additional insured on all required insurance policies, and an endorsement reflecting this requirement shall be issued as part of any required policies. The Applicants shall provide an original certificate of insurance as evidence of continued coverage prior to any annual renewal of the permit. Failure

to comply with these requirements shall justify a denial, suspension or revocation of the requested approval by the Town Manager or designee.

- d) In the Event that control of any applicable Event or activity, by contract or other arrangement, becomes the responsibility of a party other than the Applicant (the "sub-applicant"), the sub-applicant shall provide insurance and indemnification meeting the requirements of this Section under which the Applicant is applying, as if they were the Applicant and shall be held responsible for compliance with the Town Code as if the sub-applicant were the Applicant.
 - e) If applicable, at least thirty (30) days prior to the first Event, the Applicants shall provide a Certificate of Liquor Liability Insurance written in comprehensive form naming the Town as additional insured in the amount of \$1,000,000 per occurrence and \$2,000,000 general aggregate for bodily injury and \$1,000,000 per occurrence and \$2,000,000 general aggregate for property damage, which provides coverage for each Event authorized by this permit. The Certificate shall specify that the Town will be given at least thirty (30) days written notice of any cancellation.
23. In the Event that insurance certificates, licenses and other material requirements are not provided by the required dates, the approval for this Event shall expire unless the Town Manager finds there are extenuating circumstances that the Event sponsors have cured or can immediately cure without compromising the health, welfare and safety of the citizens of the Town of Lauderdale-By-The-Sea and those attending the Event, without increasing the administration costs of the Town.
24. Applicant shall owe no monies to the Town at the time of the Event. There shall be no past due fines, moneys, fees, taxes or other charges owed to the Town by the current or past property owners or operators requesting the special Event permit. A special Event permit will not be issued until all past due debts to the Town are paid in full.
25. The Town Manager may suspend permission for this Event due to failure of the Applicants to comply with the terms and conditions of the Town's permit, due to conflicting activities, for health or safety issues, or for the best interests of the Town.
26. The onsite Town representative may terminate an Event due to the Applicant not complying with the terms and conditions of the Town's Event permit, for health or safety issues, and for such as but not limited to, crowds that exceed the capacity of the Event site.

INDEMNIFICATION

Applicant shall indemnify, defend and hold harmless the Town, its officers, agents and employees, from and against any and all claims, suits, actions, damages, liabilities, expenditures or causes of action of any kind arising directly or indirectly from this Special Event and resulting or accruing from any intentional act or any negligent act, omission or error of Applicant which in turn results in or relates to injuries to body, life, limb or property sustained in, about or upon the Special Event Area, and arising from the use of the Town property.

Applicant shall defend, at its sole cost and expense, any legal action, claim or proceeding instituted by any person against the Town as a result of any claim, suit or cause of action accruing or in any way arising out of this Special Event Application for injuries to body, life, limb or property as set forth above.

Applicant shall save the Town harmless from and against all judgments, orders, decrees, attorneys' fees, costs, expenses and liabilities incurred in and about any claim, and the investigation or defense of them, which may be entered, incurred or assessed as result of the foregoing.

PERMISSION OF THE PROPERTY OWNER

Applicant's and Property Owner's Certification

An event held on property that is not owned by the applicant requires the permission of the property owner, which is granted by having the property owner sign this special event application.

By signing this event application, the petitioner agrees to all terms, conditions, and indemnification in this application, and understands that this application or the approval of this event application by the Town Commission does not grant any permission to violate any laws, ordinances or statutes.

Additions and/or revisions to this application must be submitted in writing.

<i>Applicant</i>	<i>Property Owner</i>
<i>I understand the Town's requirements to hold a special event and the information provided in this application is complete to the best of my knowledge.</i>	<i>I give the applicant permission to use my/our property for the proposed special event and I understand the Town's requirements to hold a special event and the information given by the applicant is complete to the best of my knowledge.</i>
Applicant's Signature (required): _____ Date _____	Property owner's Signature (required): _____ Date: _____
Applicant's (Print information below) Name: Title: Organization: Telephone: Mobile: Email:	Property Owner's (Print information below) Name: Title: Organization: Telephone: Mobile: Email:
STATE OF FLORIDA: COUNTY OF BROWARD:	STATE OF FLORIDA: COUNTY OF BROWARD:
SWORN TO AND SUBSCRIBED BEFORE ME, a Notary Public of the State of Florida, by _____ who is personally known to me/provided _____ as identification and who did/did not take an oath.	SWORN TO AND SUBSCRIBED BEFORE ME, a Notary Public of the State of Florida, by _____ who is personally known to me/provided _____ as identification and who did/did not take an oath.
My Commission Expires: _____ _____ Notary Public, State of Florida	My Commission Expires: _____ _____ Notary Public, State of Florida

SITE PLAN DETAILS

Site Plans often do not include the details that are necessary to approve an application or to issue a permit and delays are caused by rejections of initial applications.

The following details are intended to be a guide to assist you in developing a Site Plan. A current survey of the property is most helpful. If a survey is not available, a drawing depicting the area of the Event should include these details, as necessary. More than a one page Site Plan may be included in your application if details of specific areas are important to your Event.

*A detailed map of the Event site identifying location of each of the following **MUST** be drawn here or attached to this application prior to submission. Dimensions are required to determine if available site will support all of the proposed activities.*

Cooking Areas need to be separated from public areas with fences or barricades

Canopy, tents or other covers: locations should include the size, type, & (shelter, vending, food, EMS)

Location:

The site of the event, with streets, parks and other landmarks identified

Routes for races, parades, etc.

Traffic routing and road closures

Ticket Kiosks

Access control points

Signage (*shall be approved by Development Services prior to Application submission to Town Commission*)

Signs (location, size, color and wording)*

Public Services:

Fire lanes (emergency access for fire equipment and EMS)

Restroom facilities (incl. Portable & Private)

Locate electrical equipment, permanent and temporary (temporary electrical installation (must be to code and approved by Town)

Trash and Recycling receptacle locations

Smoking and No Smoking areas

Pedestrian walkways

Garbage Cans

Recycling Bins

Hazard/ Precautions:

Hazards at the site (ditches, construction areas, obstructions to pedestrian traffic, bodies of water)

Fencing, barriers, barricades, walls, gates, etc.

Gasoline, propane, grills, fire, charcoal, generators, any other flammable fuel

Fuel Storage and dispensing areas

Fire Extinguishers Minimum size 4A/10BC one every 75 ft. of travel. If cooking, Class K or 1 40BC rated Fire Extinguisher for every cooking station or canopy (at discretion of Fire Marshall)

Generators (shall be approved by Fire Marshall in advance)

Event:

Canopies, tents, stages (types shall be specified) locations for sales, food service, etc. *Large tents will require Fire Marshall approval of illuminated exit signs and fire extinguishers*

Vendor locations (booths or tables and approximate size, (Vendor's company names phone numbers and email addresses required on separate page at least 48 hours in advance of the Event)

Restrooms – Portable and Private

First Aid facilities

Trailers, storage, sleeping facilities, service boxes, displays, etc.

Alcohol serving/consuming areas

Rides and Amusements, Rides, demonstrations, performance areas and stages including Musicians and Artists

Parking:

Parking areas, location, parking spaces, and parking space numbers that will be blocked; to load/unload before, during or after the event and the amount of time for each occurrence

Code or Security Enforcement (paid by Event)

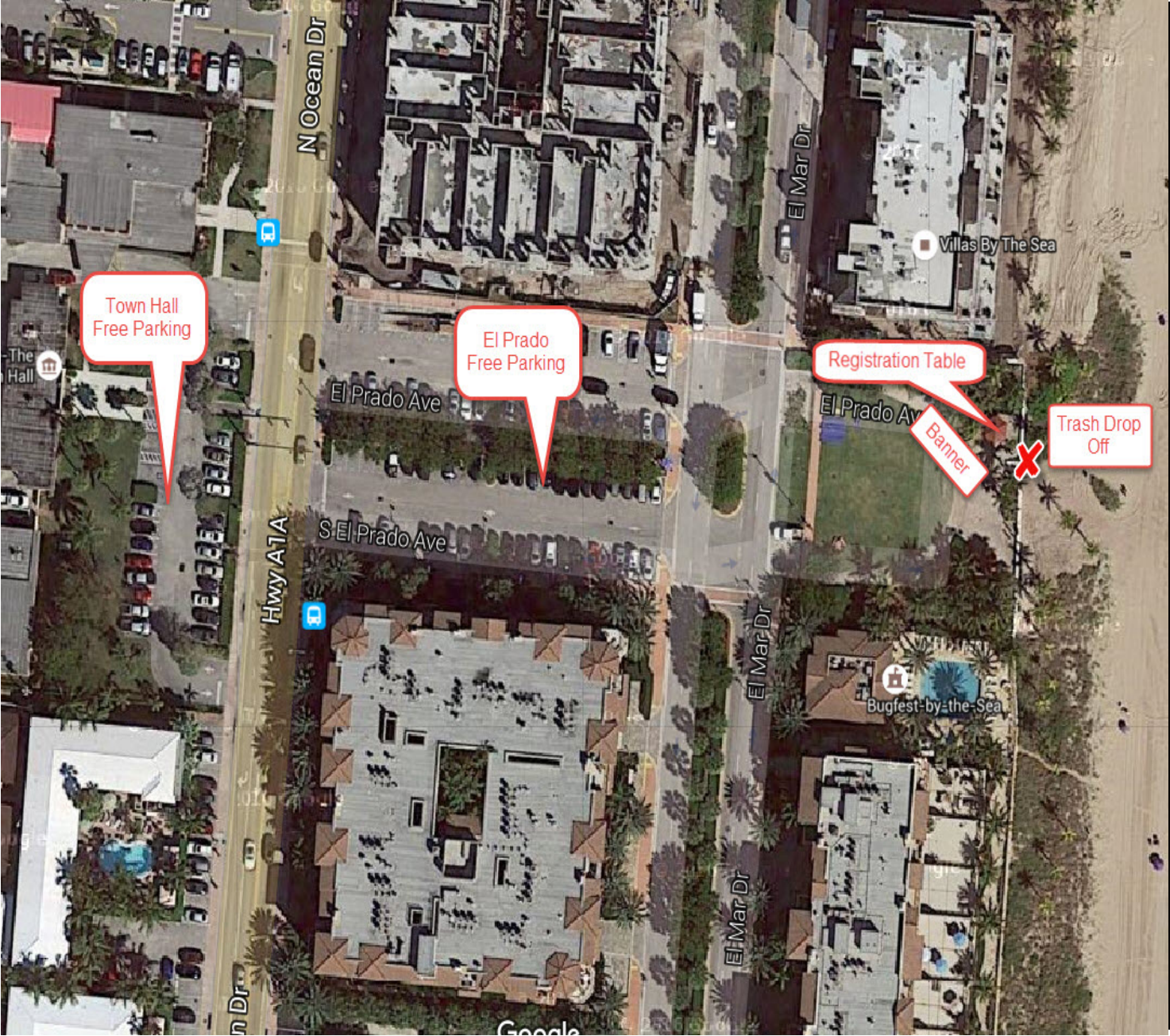
EMS stand-by or Fire watch areas (include first aid stations)

Police: Off duty police officers (if known)

DETAILED SITE PLAN

See above for inclusion examples

A detailed map of the event site identifying location of each of the following **MUST** be drawn here or attached to this application prior to submission. Dimensions are required to determine if available site will support all of the proposed activities.





Finance and Administrative Services Department

RISK MANAGEMENT DIVISION

115 S. Andrews Avenue, Room 210 • Fort Lauderdale, Florida 33301 • 954-357-7215 • FAX 954-357-7187

October 1, 2018

RE: Certification of Self-Insurance - January 1, 2019 - December 31, 2019

To Whom It May Concern:

Broward County / Broward County Board of County Commissioners (Board) is a self-insured political subdivision of the State of Florida.

The liability program, in effect since May 10, 1977, operates in accordance with Florida Statutes 768.28, and provides statutory limits on a basis for liability without waiver of sovereign immunity. This is a fully funded self-insured and self-administered program.

The workers' compensation program operates in compliance with and under the auspices of Florida Statutes, Chapter 440. This is a fully funded self-insured and self-administered program, and the Board has elected to purchase excess coverage.

Yours truly,

A handwritten signature in blue ink that reads "Wayne Fletcher".

Wayne Fletcher
Director, Risk Management
Office: 954-357-7203

Applicant's Certification

By signing this event application, the petitioner agrees to all terms, conditions, and indemnification in this application, and understands that this application or the approval of this event application by the Town Commission does not grant any permission to violate any laws, ordinances or statutes.

Additions and/or revisions to this application shall be submitted in writing.

I understand the Town's requirements to hold a special event and the information provided in this application is complete to the best of my knowledge.



Applicant's Signature (required)

4/1/2019

Date

Pat Quinn, NRS Senior, Broward County

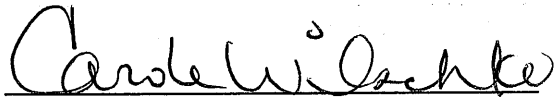
Applicant's Printed Name and Title/Organization

954 519 1218

Telephone Number

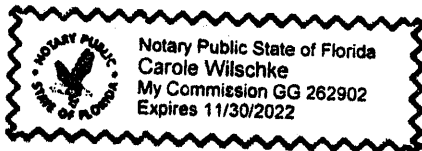
STATE OF FLORIDA:
COUNTY OF BROWARD:

SWORN TO AND SUBSCRIBED BEFORE ME, a Notary Public of the State of Florida,
by Pat Quinn who is personally known to me provided
as identification and who did not take an oath.



Notary Public, State of Florida

My Commission Expires:





**ENVIRONMENTAL PROTECTION AND GROWTH MANAGEMENT DEPARTMENT
ENVIRONMENTAL PLANNING AND COMMUNITY RESILIENCE DIVISION**

115 S. Andrews Avenue, Room 329H • Fort Lauderdale, Florida 33301 • 954-519-1270 • FAX 954-519-1496

MEMO

To: All city personnel responsible for beach parking, beach cleaning, and events

Event: Coastal Cleanup 2019

September 21, 2019 from 9AM – 12PM

From: Pat Quinn, Broward County Coastal Cleanup Coordinator

It is time again for the annual International Coastal Cleanup. I would like to thank the Town of Lauderdale-By-The-Sea for their participation in the past. Please accept this letter as an invitation to continue to help us make this event a success. If this event requires Town Commission approval, we would like to request this be placed on an upcoming agenda prior to the Town Commission going on summer recess. In 2018, the Coastal Cleanup brought out 26 volunteers who collected 141 lbs. of trash from the Town's beach; countywide, over 2,540 people volunteered to participate.

As we have in the past, we would like to set up a cleanup site at El Prado Park just north of Commercial Blvd. The volunteers will be bringing back buckets with trash they have collected to this location and I would like to coordinate the specifics of the site set up and trash disposal using the attached information sheet. Please contact me with any comments or directions. In the past years some sites have arranged for some additional dumpsters.

We are asking for the same parking permit for the volunteers to allow them to park at the "El Prado Parking Lot" and "Town Hall Lot" for no charge on the morning of the cleanup. This has been a great way that the Town has helped reward the volunteers for their efforts. Attached is a copy of the pass. If this is acceptable, please have the appropriate person sign the pass and email or fax it back along with the additional information sheet to 954-519-1496 and we will see that each of the volunteers has a parking pass.

If possible, and you would be willing, this would be a great day to suspend beach raking/cleaning. We are trying to have this event make an impact on the lives of the volunteers, many of whom are young, and they have a great feeling of success seeing the beach before and after.

Thank you for your assistance. If you have any problems or questions, please let me know. I am available via email and phone for any additional information, Pat Quinn, pquinn@broward.org, 954-519-1218. Also available is Angel Rovira, event assistant coordinator, arovira@broward.org, 954-519-1296.



**ENVIRONMENTAL PROTECTION AND GROWTH MANAGEMENT DEPARTMENT
ENVIRONMENTAL PLANNING AND COMMUNITY RESILIENCE DIVISION**

115 S. Andrews Avenue, Room 329H • Fort Lauderdale, Florida 33301 • 954-519-1270 • FAX 954-519-1496

MEMO

To: Villas by the Sea

Event: Coastal Cleanup 2019

September 21, 2019 from 9AM – 12PM

From: Pat Quinn, Broward County Coastal Cleanup Coordinator

It is time again for the annual International Coastal Cleanup. I would like to thank the Town of Lauderdale-By-The-Sea and Villas by the Sea for their participation in the past. Please accept this letter as an invitation to continue to help us make this event a success. In 2018, the Coastal Cleanup brought out 26 volunteers who collected 141 lbs. of trash from the Town's beach; countywide, over 2,540 people volunteered to participate.

As we have in the past, we would like to set up a cleanup site at El Prado Park just north of Commercial Blvd. The volunteers will be bringing back buckets with trash that they have collected on this location. We are asking for the residents of Villas by the Sea to come out for a day of fun and helping the environment. This event has a positive impact on the lives of the volunteers, many of whom are young, and they have a great feeling of success seeing the beach before and after. Please contact me with any comments.

Thank you for your assistance. If you have any problems or questions, please let me know. I am available via email and phone for any additional information, Pat Quinn, pquinn@broward.org, 954-519-1218. Also available is Angel Rovira, event assistant coordinator, arovira@broward.org, 954-519-1296.



Town Commission Agenda Item Report

Meeting Date: June 11, 2019

Submitted by: Debbie Hime

Submitting Department: Administration

Item Type: Discussion Item

Agenda Section: OLD BUSINESS

Subject Title:

Taco Craft's Request to Extend Special Event Permit for Three Months

Explanation:

Taco Craft submitted the original Special Event Application (**Exhibit 1**) at the February 12 meeting requesting weekly Sunday music at the corner of A1A and Commercial from 1:00 p.m. to 10:30 p.m.

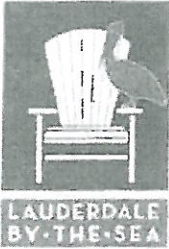
Choosing to focus on the launch of the restaurant, Taco Craft did not present any shows during the first three months of the Permit and now are requesting approval to extend the Permit for weekly Sunday Music event(s) with the following revisions:

1. Extend the existing permit for 3 months between Sunday, June 23 through September 22;
2. Reduce the entertainment hours to 12 p.m. to 8 p.m. (set up 11 a.m. – tear down by 9 p.m.);
3. Spectators will be diners at tables and within the restaurant's inside area;
4. Move the stage from the corner of Commercial and A1A approximately 20 feet to the cut-out area next to the Pier sign (**Exhibit 2**);
5. One canopy needed in case of rain;
6. Musicians will plug into restaurant's power, and Permit Holder will supply cover mat(s) for cords; and
7. Sound will be monitored by restaurant floor managers.

Recommendation:

Commission Direction

Attachments:



SPECIAL EVENT APPLICATION

Submit this completed application at least 60 days prior to the proposed date of your event.

DETAILED SITE PLAN REQUIRED (see details at end of application)

Site Plans often do not include details that are necessary to approve an application or to issue a permit and delays are caused by rejections of initial applications.

Once you have completed the written portion of the application, provide a Site Plan on the last page or attach separately to this application.

Name of Event: SUNDAY MUSIC BY THE SEA

Event Purpose, Description and Activities: LIVE MUSIC ADJ SIDEWALK EVERY SUNDAY

New Event ☒ or Returning Event ☐ Previous Attendance MP

Day(s) and Date(s) of Event: 3/3/19 Fri 3/4/20 * 6/23 thru 9/22

Proposed location of the Event (location, streets, landmarks):

AIA & COMMENCEMENT BLVD (Within OUTDOOR SEATING)

How many people do you anticipate on site at any peak time?

Participants: _____ # Spectators: 200 # Adult volunteers: _____

* IN House Seating

Please complete the following table:

Activity	Day	Time
Start of set-up:		<u>10:00</u> 11am
Start time of the Event:		<u>1:00</u> 12pm
EVENT		
End time of the Event:		<u>10:30</u> 8pm
Start of Clean up:		<u>10:30</u> 9pm
Clean-up completed by: (Site restored to original condition)		<u>11:00</u> N/A

Name and address of host or sponsoring organization:

Is applicant a Non-Profit Organization?

YES ☐ NO ☒

Please attach Organization's proof of 501c3 IRS exemption, background, history, accomplishments, and other events:

WALKER CENTER

Person submitting Application ("Responsible Party"):

Name: PAT MARZANO

Mailing address: 4900 N. Ocean Dr. Apt 821 Land by the Sea, FL 33308

Mobile Phone: 954-214-1572 Mobile phone:

Email: PAT@MARZANO.biz Fax: Janice MARZANO
JANICELRVB@YAHOO.COM

Representative(s) who will be at each day of the event:

Name(s): PAT MARZANO

Mailing address:

Phone: SAME

Mobile phone:

Evening phone: Fax:

Email:

Add information as necessary:

Will you have an event contractor or planner?

YES ☒ NO

If yes, please provide the contact information of your event contractor (event planner)

Name:

Company Name:

Business Address:

Company Email:

Phone Office:

Phone Mobile:

List contractors that will be on site before, during or after the event (use separate page if needed) – final list required 30 days prior to event.

Request for Town Involvement:

Are you requesting the Town be involved with this event in any way? YES ☒ NO

If yes, describe services requested, if any:

STATEMENT OF BENEFIT

If the applicant is seeking sponsorship/co-sponsorship from the Town of Lauderdale-By-The-Sea, a Statement of Benefit is required by Town Code and shall be included here or attached to this application.

If the Town is a sponsor or co-sponsor of the event, the Applicant shall keep financial records of the event sufficient to document all revenues and expenditures. These records shall be available at reasonable time within Broward County for inspection by the Town.

(Insert here or denote if attached)

FEES

Are there fees or donations collected on site from the participants or spectators?

YES NO

If yes, provide details:

SOUND SYSTEMS

The event sound systems shall be operated so as not to violate the Town's Code, including and especially Section 13-6, Noise Limitation. Violations of the Town's noise ordinance are grounds for the immediate termination of the source of the noise and may be grounds to terminate the event.

Do you plan to use amplified sound? Provide details, time and location, and if you require electrical connections for:

Yes Proposed amplified sound/speaker system:

Yes Proposed live music: List genre, type, ambiance: Top 40 Pop

No Planned recorded music

No Do you require electrical connections for any of the above? Please give details:
OWN POWER PROVIDED. COVER BY POWER MATS

CLEAN EVENT STANDARDS

Keeping the event area clean during the event and immediately following the event, including trash removal, walkways, and streets, is the responsibility of the applicant. See Clean Up Deposit under Conditions

Please note that, except for very small events, all events shall provide a recycling plan and follow recycling requirements. See Recycling Requirements under Conditions. For more info email recycle@lbts-fl.gov.

Name the contractor or organization (including contact information) who is responsible for your Event's recycling:

Name: WASTE PRO

Email:

Address: Will speak with Vicki prior to 1st event

Daytime phone:

Mobile phone:

TENTS, CANOPIES, STAGES, BLEACHERS

Tents are generally defined as temporary structures having two or more sidewalls or drops.

A canopy is a tent without sides.

All Tents, canopies larger than 120 sq. ft., multiple canopies without separation, and stages require a building permit. The use of tents or large canopies require approval of the LBTS Fire Marshal and are required to have building permits obtained via LBTS Building Department prior to Event. Manufacture labels are required to be attached to the tents and canopies.

Rental agencies shall provide documentation of the flame spread labeling of 25 or less submitted with application. All canopies larger than 120 sq. ft. shall submit copies the manufacture's labels attached to the tents or canopies with application.

Stages and bleachers shall include product approvals that are supplied by the manufacturer.

Indicate if any of the following will be assembled at the Event and include locations on Site Plan. List sizes and numbers of each:

Tents: ~~2~~ 10 x 10 to be erected only for inclement weather
Canopies: ~~2~~ 1
Stages: ~~2~~ 1 Small Stage 8 x 12
Bleachers: _____ list size and max load:

UTILITIES

All utilities requirements shall be approved by the Director of Development Services and the Fire Marshall prior to Application submission to Town Commission.

Depending on location of event, electrical and/or water may be available from the Town for a fee.

Electrical Requirements: Electrical work requires an Electrical Building Permit.
Generators over 5KW require an Electrical Building Permit.
A Florida Licensed Electrical Contractor is required to obtain permits.

* 1 Small Generator may be used. Provided by the contractor.
All electrical requests shall meet the requirements of the Florida Building Code with final approval from the Town's Building Official at least 30 days prior to the Event. Contractor is required to schedule and successfully complete inspection of work prior to Event opening. Florida Building Code 101.4.1, 105.4.5.

Will any electrical equipment be installed in conjunction with the Special Event? (i.e. lighting in tents, outlets for cooking, stages, etc.) Yes NO

If the Event requires the following on public property, list what equipment is to be installed and locations (include voltage, amperage, and phases of wiring) as well as company name providing the equipment. Describe below, include location and use, and also include locations on Site Plan:

~~_____ Electrical power:~~
~~_____ Water:~~
~~_____ Gas, propane, BBQ grills, generators:~~
~~_____ Fuel Storage:~~

SIGNAGE

All signage shall be included in the application if you wish to exceed the Town Code requirements. Signage shall be reviewed by Development Services (LindaC@lbtts-fl.gov) before Application is submitted to Town Commission). No signage shall be installed without permit.

Information on signage shall include location, colors, size and number of signs. Indicate signage to be placed in any right of way that directs traffic to the Event and their approximate size.

Are you requesting permission to erect signage for this Event?

YES NO

For each sign please provide:

Description, number of signs, proposed dates, location, size of signs in square feet and letter size:

Include sign locations on detailed Site Plan or attach a separate sheet.

RESTROOMS (show on Site Plan)

The number of portable toilets required depends on the number of attendees, length and type of event, as determined by the Building Official.

Local businesses that have more than the required number of restroom facilities that allow their facilities to be used may count towards the extra restroom facilities required.

If Event is downtown, permit holder is required to obtain written approval from restaurants to allow participants to use their restroom facilities.

Number of restroom facilities required by Town: TBD

Number of additional restroom facilities, and type, that will be on event site: _____
(Show on Site Plan)

STREET CLOSURES

Street closures may be required at the Event's expense

Are you requesting that any public streets be closed for the Event? YES ☒ NO
I don't know, please advise _____

If yes, indicate the streets and blocks and times the closure is requested:

TRAFFIC CONTROL/BARRICADES

A traffic control contractor may be required for events which require barricades or traffic control signage.

Please list your traffic control contractor, if applicable:

VEHICLES

Vehicles are not allowed to drive or park on Town property or park grounds due to damage to underground irrigation systems and to the sod. Applicant shall be responsible for restoration of any damage to Town property.

Are you requesting to drive or park on town property or park grounds: YES ☒ NO

If you are requesting that vehicles be permitted to drive or park on Town property, please indicate the type(s) of vehicles, the locations, and times they would be parked. Must be approved by Town's Parking Department prior to Event.

LOADING/UNLOADING: If you are requesting that vehicles be permitted to load/unload in non-metered areas, please indicate the location and times loading and unloading would occur:

TRAFFIC CONTROL PLAN

Parking exemptions shall be approved by Assistant Town Manager prior to Application submission to Town Commission). Town may block spaces for safety and other reasons at the expense of the Event.

Include detailed Site Plan indicating how on and off street parking will be accommodated.

Are you requesting the reservation of any Town parking meter spaces for the Event? YES ☒ NO

If yes, provide the meter numbers on the Site Plan and purpose for which they will be used.

All parking meter fees are paid 30 days prior to the event.

OFF DUTY POLICE/CODE COMPLIANCE OFFICERS

Off duty police officers are required, at the applicant's expense, for street closures, events with alcohol, or large crowds, as determined by the Sheriff's Department. Large events may require a code compliance officer to ensure compliance with Town codes.

** We will discuss needs with BSD in the next few weeks*

Do you anticipate needing off duty police officers for your Event?

YES NO

Do you anticipate needing code compliance officers for your Event?

YES NO

** TBD.*

CONCESSIONS:

A no-compete clause pertaining to local restaurants will be required where applicable.

Are you planning to have any type of concessions?

YES NO

If YES, has the Florida Health Department approved the food vending Site Plans?

YES NO

If yes, is the food provided by a Non-Profit _____ or For Profit _____ organization?

Is the food free of charge _____ or for sale _____

Do all food vendors have a temporary food service permit?

YES NO

Please list the types of food that will be served:

Are you requesting any of the following types of cooking equipment be used on site:

Charcoal Grills _____	Sterno _____	Fryers _____	Open fires _____
Propane Grills _____	Refrigerators _____	Smokers _____	Hoods _____
Concession trailers _____	Warmers _____	LP Tanks _____	Other _____

Provide details of dispensing locations here and on Site Plan

ALCOHOL

State license is required to be submitted to the Town at least 30 days prior to the event

Are you planning on selling alcoholic beverages at the event?

YES NO

If YES, has a liquor permit been obtained from the State of Florida?

YES NO

Provide details of dispensing locations here and on Site Plan

Provide contact information for all license holders that will be serving alcohol:

VENDORS

A list of all vendors their company name is required for initial approval and final list is required 30 days prior to event and subject to approval (add here or on separate page, and vendor location on site Plan):

Name

Company

Vendor Type

N/A

ANIMALS

Any exhibition or similar undertaking in which animals are required to participate in performances for the amusement or entertainment of an audience is subject to Town Commission approval.

Are animals included in your event?
If yes, please give details:

YES ☒ NO

FIREWORKS

(Fireworks require a separate permit approval process and application)

Are you requesting approval to discharge fireworks at the event?

YES ☒ NO

SALE OF MERCHANDISE

Are you requesting approval to offer other items for sale at the event?
List items for sale:

YES ☒ NO

RIDES

Rides or other amusement may require a State of Florida inspection

Copies of contracts with any provider of rides, mechanical devices and amusements shall be submitted to the Town at least 30-days prior to the event.

Are rides to be included in the Event?

YES ☒ NO

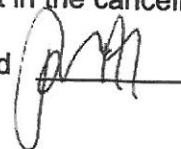
If yes, please provide the number and description of each type:

Mechanical/Electrical:
Inflatable (bounce house etc.):
Manual (slides, trampolines):
Other:

NO BALLOONS RELEASED

When balloons are released over the ocean, they become a major source of pollution and significantly increase the mortality rate among sea turtles, birds and other marine life. Sea turtles and fish often mistake the balloons for jellyfish, eat them and die when their stomachs become blocked. Birds can become entangled in the balloon strings and drown. To help reduce the threats caused by balloons, I agree that there will be no release of balloons at this event and I have been informed that the release of balloons is illegal under Florida Statute 379.233. Balloons may be used for decorations at an event but they must either be deflated or taken home at the end of the event, NEVER released into the air. Failure to abide by this requirement will result in the cancellation of the current Event and denial of future special event permits.

I agree no balloons will be released



FIRE WATCH or EMS ONSITE

If required by the Fire Marshall, the applicant shall provide for a fire watch and/or an EMS Crew during the event. Large events or those using combustible materials may require qualified stand-by personnel and the appropriate equipment, the cost of which is the responsibility of the applicant.

First Aid facilities may be required by Town at Event's expense. Initial PM

INSURANCE

Insurance requirements differ depending on the type of event and if alcohol is served.

For events not serving alcohol and without fireworks, the Applicants shall provide a Certificate of Liability Insurance written in comprehensive form naming the Town as additional insured in the amount of \$1,000,000 per occurrence and \$2,000,000 general aggregate for bodily injury and \$1,000,000 per occurrence and \$2,000,000 general aggregate for property damage with thirty days written notice required for cancellation.

Certificate of Liability Insurance naming the Town as additional insured is required from all Event businesses, promoters, and other related event planners

An approved form of a Certificate of Liability Insurance may be required with your Application for approval by the Town Commission and/or shall be provided the Town at least 30 days prior to the Event date.

Talk to Town Staff representative if your Event proposes serving alcohol or having fireworks about insurance requirements, as both require additional insurance.

Do you and all parties involved have the required insurance coverage needed for this Event?
YES NO

EVENT CONDITIONS

Approval for this Event shall expire without future action of the Town if all documents such as but not limited to insurance certificates, health and liquor licenses, BSO police detail contract(s), Fire Marshall or Development Services approvals, MOT Plan, Solid Waste Plan, final Site Plan, any monies due to Town, and other material requirements are not submitted at least 30 days prior to the Event.

Copies of State and County licenses for all vendors and contractors shall be filed with the Town 30 days in advance of the Event. (Final list of vendors and their locations shall be submitted to the Town no later than two weeks prior to the event unless otherwise approved in advance by Town)

If the Event is approved by the Commission, they will establish the Event conditions that the application shall abide by during the Event. Standard Conditions shall include, but are not limited to the following:

1. Permission for this Event may be suspended or modified by the Commission, Town Manager or his designated Staff.
2. Turtle Clause: If any of the set-up will take place on the beach sand please avoid any marked sea turtle nests with a minimum buffer of 30 feet.
3. Setup of the Event will start at about 1:00 and the area will be cleaned and open by 10:30
4. The Police Chief shall specify the number of BSO detail officers needed for traffic and crowd control. The Applicants shall contract with BSO Detail Office for the detail BSO deputies within ten (10) days of receiving Event approval.

5. The Police Chief shall approve the Applicant's Maintenance of Traffic Plan (MOT), if one is required.
6. The Applicants shall submit a solid waste and recycling plan for approval at least 30 days prior to the Event to the Municipal Services Director. The Applicant shall provide additional waste receptacles and recycling bins. During the event as needed and at the end of the event, the Applicant shall empty all of the waste receptacles and recycling bins and pick up litter within the event site and 100 feet of the site.
7. All signage will be approved and permitted with Development Services at least 30 days prior to the event
8. All related Fire Marshall and Building Official's related requirements have been approved
9. Provide proof of additional restroom facilities ordered at least 30 days prior to event
10. The event and its approved sound systems shall be operated so as not to violate the Town's Code, including and especially Section 13-6, Noise Limitation. All music shall end promptly at 10:30pm.
11. The event site shall be organized in a safe manner to protect attendees. All electric cords and similar material shall be covered so as to not pose a hazard to the public or event staff, or will be battery operated.
12. Parking Requirements have been identified, fees paid and listed on site plan
13. The Applicant shall provide a written notice to all properties affected by this event by (date), (30 days in advance) for approval prior to distribution; and confirm in writing which properties have been notified.
14. Clean up Deposit may be imposed, based on the final Site Plan, and due two weeks prior to the event.
15. Clean up fee starting at \$150 will be charged if area is not cleaned to Town standards.
16. Final Site Plan must be presented for approval at least 48 hours in advance of the event.
17. Streets and sidewalks will be free of any debris and cleaned at the end of tear down.
18. A Damage Deposit may be imposed, based on size of event and location.
19. There will be no release of balloons at this Event.
20. Any inspections or work required by Town Staff after normal working hours will incur additional costs set forth by the respective department.
21. Upon showing by the Applicant of a valid reason, or if required by the Town, the Town Manager may approve minor logistical changes that are consistent with the Commission's policy direction on special Events.
22. The Applicant shall meet the following minimum insurance requirements per Ordinance 2015-06, which may be modified by action of the Town Commission for a specific Event:
 - a) Prior to issuance of the requested permit, proof of commercial general liability insurance, whether through a single policy, or a combination of policies, in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate for bodily injury and property damage.
 - b) No required policy shall have a deductible or self-insurance retention greater than \$15,000.
 - c) All policies must be issued by companies authorized to do business in the State of Florida and rated A- or better per Best's Key Rating Guide, latest edition. The certification of insurance shall provide for the Town to receive 30 days' written notice prior to any cancellation, non-renewal or material change in the coverage provided, unless the insurance company refuses to provide such notice, as evidenced by affidavit of the policy holder or written documentation from the insurance company. In any Event, the Applicants shall be held responsible for providing the Town notice of any change in insurance coverage. The Town shall be named as an additional insured on all required insurance policies, and an endorsement reflecting this requirement shall be issued as part of any required policies. The Applicants shall provide an original certificate of insurance as evidence of continued coverage prior to any annual renewal of the permit. Failure

- to comply with these requirements shall justify a denial, suspension or revocation of the requested approval by the Town Manager or designee.
- d) In the Event that control of any applicable Event or activity, by contract or other arrangement, becomes the responsibility of a party other than the Applicant (the "sub-applicant"), the sub-applicant shall provide insurance and indemnification meeting the requirements of this Section under which the Applicant is applying, as if they were the Applicant and shall be held responsible for compliance with the Town Code as if the sub-applicant were the Applicant.
 - e) If applicable, at least thirty (30) days prior to the first Event, the Applicants shall provide a Certificate of Liquor Liability Insurance written in comprehensive form naming the Town as additional insured in the amount of \$1,000,000 per occurrence and \$2,000,000 general aggregate for bodily injury and \$1,000,000 per occurrence and \$2,000,000 general aggregate for property damage, which provides coverage for each Event authorized by this permit. The Certificate shall specify that the Town will be given at least thirty (30) days written notice of any cancellation.
23. In the Event that insurance certificates, licenses and other material requirements are not provided by the required dates, the approval for this Event shall expire unless the Town Manager finds there are extenuating circumstances that the Event sponsors have cured or can immediately cure without compromising the health, welfare and safety of the citizens of the Town of Lauderdale-By-The-Sea and those attending the Event, without increasing the administration costs of the Town.
24. Applicant shall owe no monies to the Town at the time of the Event. There shall be no past due fines, moneys, fees, taxes or other charges owed to the Town by the current or past property owners or operators requesting the special Event permit. A special Event permit will not be issued until all past due debts to the Town are paid in full.
25. The Town Manager may suspend permission for this Event due to failure of the Applicants to comply with the terms and conditions of the Town's permit, due to conflicting activities, for health or safety issues, or for the best interests of the Town.
26. The onsite Town representative may terminate an Event due to the Applicant not complying with the terms and conditions of the Town's Event permit, for health or safety issues, and for such as but not limited to, crowds that exceed the capacity of the Event site.

INDEMNIFICATION

Applicant shall indemnify, defend and hold harmless the Town, its officers, agents and employees, from and against any and all claims, suits, actions, damages, liabilities, expenditures or causes of action of any kind arising directly or indirectly from this Special Event and resulting or accruing from any intentional act or any negligent act, omission or error of Applicant which in turn results in or relates to injuries to body, life, limb or property sustained in, about or upon the Special Event Area, and arising from the use of the Town property.

Applicant shall defend, at its sole cost and expense, any legal action, claim or proceeding instituted by any person against the Town as a result of any claim, suit or cause of action accruing or in any way arising out of this Special Event Application for injuries to body, life, limb or property as set forth above.

Applicant shall save the Town harmless from and against all judgments, orders, decrees, attorneys' fees, costs, expenses and liabilities incurred in and about any claim, and the investigation or defense of them, which maybe entered, incurred or assessed as result of the foregoing.

PERMISSION OF THE PROPERTY OWNER

Applicant's and Property Owner's Certification

An event held on property that is not owned by the applicant requires the permission of the property owner, which is granted by having the property owner sign this special event application.

By signing this event application, the petitioner agrees to all terms, conditions, and indemnification in this application, and understands that this application or the approval of this event application by the Town Commission does not grant any permission to violate any laws, ordinances or statutes.

Additions and/or revisions to this application must be submitted in writing.

Applicant	Property Owner
<i>I understand the Town's requirements to hold a special event and the information provided in this application is complete to the best of my knowledge.</i>	<i>I give the applicant permission to use my/our property for the proposed special event and I understand the Town's requirements to hold a special event and the information given by the applicant is complete to the best of my knowledge.</i>
Applicant's Signature (required): _____	Property owner's Signature (required): _____
Date _____	Date: _____
Applicant's (Print information below) Name: Title: Organization: Telephone: Mobile: Email:	Property Owner's (Print information below) Name: Title: Organization: Telephone: Mobile: Email:
STATE OF FLORIDA: COUNTY OF BROWARD:	STATE OF FLORIDA: COUNTY OF BROWARD:
SWORN TO AND SUBSCRIBED BEFORE ME, a Notary Public of the State of Florida, by _____ who is personally known to me/provided _____ as identification and who did/did not take an oath.	SWORN TO AND SUBSCRIBED BEFORE ME, a Notary Public of the State of Florida, by _____ who is personally known to me/provided _____ as identification and who did/did not take an oath.
My Commission Expires: _____	My Commission Expires: _____
Notary Public, State of Florida	Notary Public, State of Florida

SITE PLAN DETAILS

Site Plans often do not include the details that are necessary to approve an application or to issue a permit and delays are caused by rejections of initial applications.

The following details are intended to be a guide to assist you in developing a Site Plan. A current survey of the property is most helpful. If a survey is not available, a drawing depicting the area of the Event should include these details, as necessary. More than a one page Site Plan may be included in your application if details of specific areas are important to your Event.

*A detailed map of the Event site identifying location of each of the following **MUST** be drawn here or attached to this application prior to submission. Dimensions are required to determine if available site will support all of the proposed activities.*

Cooking Areas need to be separated from public areas with fences or barricades

Canopy, tents or other covers: locations should include the size, type, & (shelter, vending, food, EMS)

Location:

- The site of the event, with streets, parks and other landmarks identified
- Routes for races, parades, etc.
- Traffic routing and road closures
- Ticket Kiosks
- Access control points
- Signage (*shall be approved by Development Services prior to Application submission to Town Commission*)
- Signs (location, size, color and wording)*

Public Services:

- Fire lanes (emergency access for fire equipment and EMS)
- Restroom facilities (incl. Portable & Private)
- Locate electrical equipment, permanent and temporary (temporary electrical installation (must be to code and approved by Town)
- Trash and Recycling receptacle locations
- Smoking and No Smoking areas
- Pedestrian walkways
- Garbage Cans
- Recycling Bins

Hazard/ Precautions:

- Hazards at the site (ditches, construction areas, obstructions to pedestrian traffic, bodies of water)
- Fencing, barriers, barricades, walls, gates, etc.
- Gasoline, propane, grills, fire, charcoal, generators, any other flammable fuel
- Fuel Storage and dispensing areas
- Fire Extinguishers Minimum size 4A/10BC one every 75 ft. of travel. If cooking, Class K or 1 40BC rated Fire Extinguisher for every cooking station or canopy (at discretion of Fire Marshall)
- Generators (shall be approved by Fire Marshall in advance)

Event:

- Canopies, tents, stages (types shall be specified) locations for sales, food service, etc. *Large tents will require Fire Marshall approval of illuminated exit signs and fire extinguishers*
- Vendor locations (booths or tables and approximate size, (Vendor's company names phone numbers and email addresses required on separate page at least 48 hours in advance of the Event)
- Restrooms – Portable and Private
- First Aid facilities
- Trailers, storage, sleeping facilities, service boxes, displays, etc.
- Alcohol serving/consuming areas
- Rides and Amusements, Rides, demonstrations, performance areas and stages including Musicians and Artists

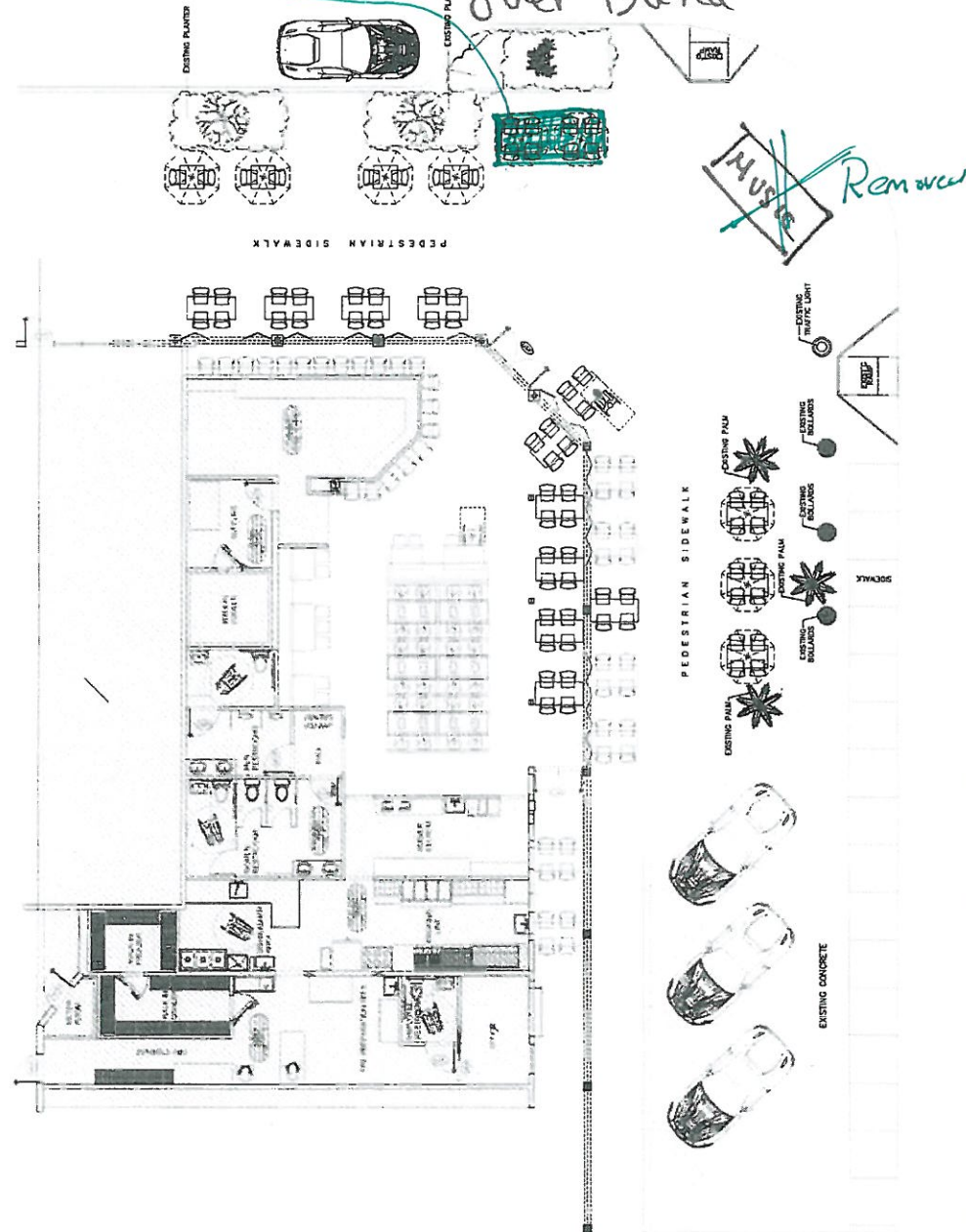
Parking:

- Parking areas, location, parking spaces, and parking space numbers that will be blocked; to load/unload before, during or after the event and the amount of time for each occurrence

Code or Security Enforcement (paid by Event)

- EMS stand-by or Fire watch areas (include first aid stations)
- Police: Off duty police officers (if known)

- ✓ * Music will not interfere with Walkways
- ✓ * NO outside Bar or Add'l Outside seating
- ✓ Canopy for inclement weather over Band



Applicant's Certification

By signing this event application, the petitioner agrees to all terms, conditions, and indemnification in this application, and understands that this application or the approval of this event application by the Town Commission does not grant any permission to violate any laws, ordinances or statutes.

Additions and/or revisions to this application shall be submitted in writing.

I understand the Town's requirements to hold a special event and the information provided in this application is complete to the best of my knowledge.

Pat Marzano
Applicant's Signature (required)

2/1/19
Date

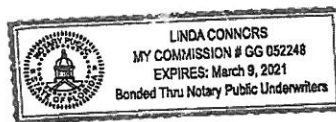
Pat Marzano
Applicant's Printed Name and Title/Organization

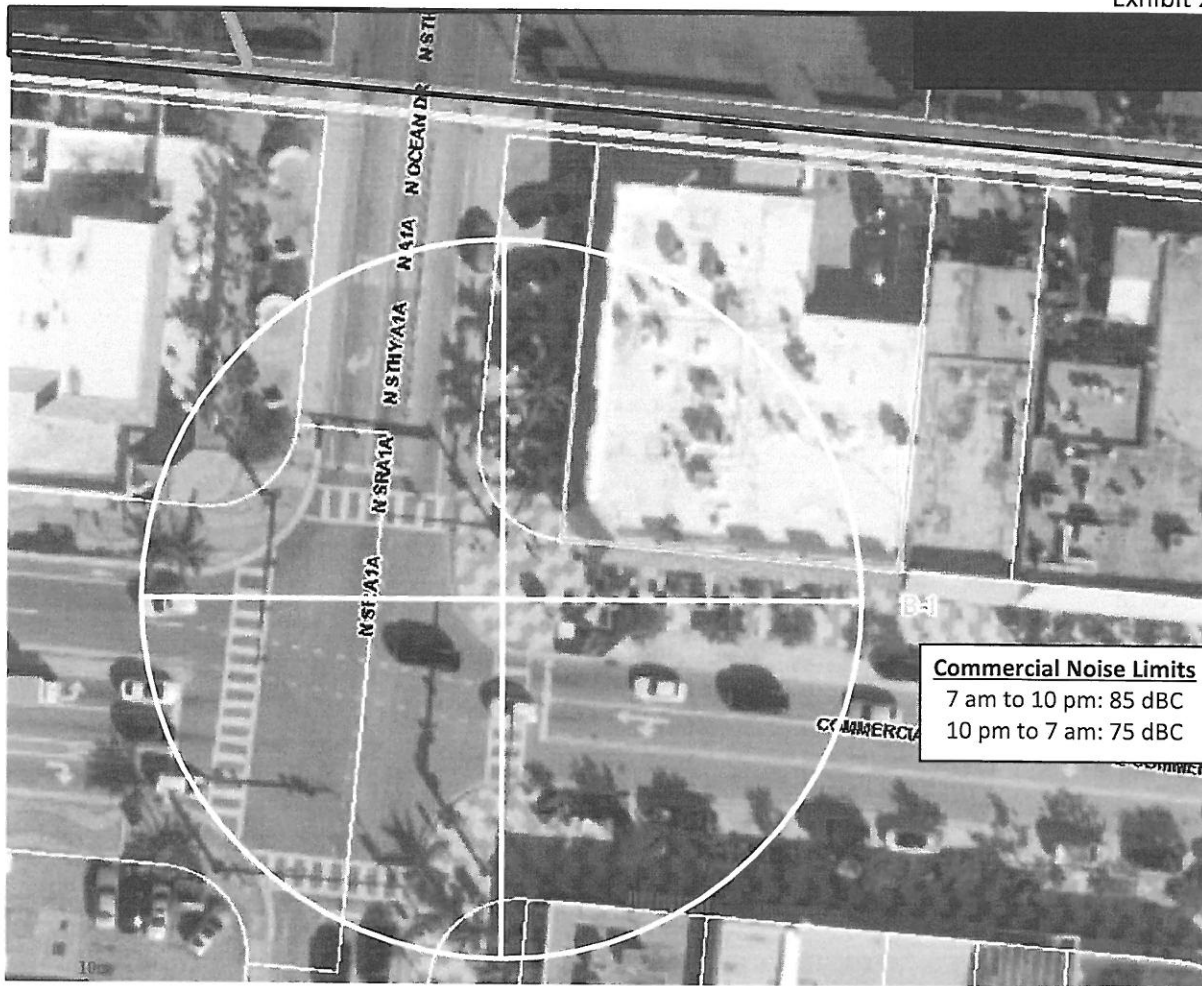
954 214/512
Telephone Number

STATE OF FLORIDA:
COUNTY OF BROWARD:

SWORN TO AND SUBSCRIBED BEFORE ME, a Notary Public of the State of Florida,
by PAT MARZANO who is personally known to me/provided
_____ as identification and who did/did not take an oath.

Linda Connors
Notary Public, State of Florida
My Commission Expires:





Code Compliance Staff Memo

Event Name: Saturday Music By The Sea

Event Date(s): Every Saturday beginning January 5, 2019 through January 5, 2020, from 6:30 P.M. – 10:30 P.M.

Event Location: Taco Craft, 4400 N Ocean Drive

Notes: The approximate noise measurement radius is depicted above. Measurements were determined using the Broward County Property Appraiser's measuring tool. The radius extends 100 feet in every direction from the source of sound, in accordance with measurement standards of Ordinance Section 13-6(d). Measurements may be taken at any point at or beyond 100 feet from the source of sound.

The source of the event sound is to be located approximately **139 feet south and 210 feet north** of the surrounding Residential Zones (shaded in blue). Residential noise limitations are substantially lower than the Commercial noise limitations. The maximum noise levels for continuous amplified noise (music) in each zone are shown on the map. Advance care should be taken to ensure the noise emitted by the event, located in the Commercial Zone, will not exceed the Residential noise limits when measured from any portion of the nearby Residential Zone areas. Additionally, the event will run past 10:00 P.M., at which time the Commercial noise limitations are reduced by 10 decibels. Any amplified noise continuing past this time must be accordingly reduced.



LAUDERDALE BY THE SEA

Agenda Memorandum

Administration

Department

Debbie Hime

Special Projects Coordinator

COMMISSION MEETING DATE: February 12, 2019

ITEM CATEGORY: Consent

SUBJECT TITLE: Special Event Application for Weekly Sunday Music at Taco Craft Beginning Sunday, March 3, 2019

EXPLANATION: The attached special event application (**Exhibit 1**) has been submitted by TacoCraft requesting an annual permit to host live music entertainment at the corner of A1A and Commercial on Sundays beginning March 3, 2019 and ending March 1, 2020.

The applicant estimates 200 people, both inside and in their sidewalk café area at the weekly event. The site plan indicates that there will be no stage, or outdoor bar set up, and the applicant will use their electrical power for the event.

Start of Setup	12:00 p.m.
Event Starts	1:00 p.m.
Events Ends Up to	10:30 p.m.
Cleanup Completed By	11:00 p.m.

Code has provided the attached Noise Radius map (**Exhibit 2**) for the event(s).

The updated application was received less than 60 days prior to the first event, and the applicant has submitted payment of \$800 for an annual permit plus the additional \$250 fee for applications submitted between 30 and 59 days.

The applicant proposes no stage; they will use their own electricity, and will ask for Fire Marshal approval to set up a canopy to cover the band and their equipment during inclement weather.

Fisherman's Pier has a dumpster code case on the Pier property; however, this property is under contract to be purchased and the new owners expect to close soon. We recommend the Commission waive its policy for this special circumstance.



RECOMMENDATION: The Commission has never to our knowledge approved an annual permit for a new event so we recommend the event be initially approved for three months, which would be March 3rd through May 26th, with the Town Manager authorized to approve the following nine months.

The recommended event permit conditions are:

1. The event site shall be organized in a safe manner to protect attendees. All electric cords and similar material shall be covered so as to not pose a hazard to the public or event staff.
2. Security and MOT:
 - a. The Police Chief shall specify the number of BSO detail officers needed for traffic and crowd control.
 - b. a. The Police Chief shall arrange for the number of detail BSO deputies required to work on public property for crowd and traffic control. The Permit Holder shall reimburse the Town for this expense on a weekly basis.
 - c. b. If the Permit Holder wants BSO detail officers to work on private property during the event, Permit Holder shall make those arrange directly with the BSO Detail Office for the number of BSO deputies working.
 - d. The Police Chief shall approve the Applicant's Maintenance of Traffic Plan (**MOT**).
3. The Permit Holder may erect a 10x10 canopy to cover band equipment during inclement weather without needing approval from the Fire Marshal. If other 10 x 10 canopies are used, a permit from the town Building Department will be needed, along with inspection.
4. There will be no stage. Musician's staging area will be clear of the sidewalk ramps. Permit Holder shall provide a fire extinguisher at the band's staging site.
5. No outside bar or other special seating arrangements.
6. Parking will operate according to normal parking regulations.
7. No road closures are approved.
8. The Permit Holder shall provide access to bathroom facilities in their business for attendees of the event.
9. The Permit Holder shall keep the sidewalks next to and within the event site open and clear for pedestrian traffic. Tables, chairs, other equipment etc., shall not interfere with pedestrian walkways, ingress or egress.
10. The event site shall be organized in a safe manner to protect attendees. All electric cords and similar material shall be covered so as to not pose a hazard to the public or event staff.
11. The Permit Holder shall submit a solid waste and recycling plan for approval at least 30 days prior to the event to the Municipal Services Director. If the Director requires, the Permit Holder shall provide additional waste receptacles and recycling bins. During the event as needed and at the end of the event, the Permit Holder shall empty all of the waste receptacles and recycling bins and pick up litter within the event site, including in the landscaping, and within 100 feet of the site and appropriately disposal of all refuse. Nearby streets and sidewalks will be free of any debris and cleaned at the end of tear down.
12. A Clean up deposit may be required by the Town Manager, based on the final Site Plan or the Town's experience with past events, and due two weeks prior to the next event. A Clean up fee starting at \$150 will be charged if the area is not cleaned to Town standards and the Town is required to clean the area.



13. No open flame devices are allowed.
14. No alcohol is permitted outside of the designated event area.
15. All sound systems will be operated so as not to violate the Town's Code, including Section 13-6, Noise Limitation. (Noise shall not exceed 85 dba or 85 dbc between the hours of 7:00 a.m. and 10:00 p.m. and 75 dba or 75 dbc during the hours of 10:00 p.m. and 11:00 p.m. when measured at or beyond 100 ft. If applicable, the limit is 65 dbc reaching into a residential area.)
16. The Permit Holder shall provide written notice to all properties affected by this event by Dec. 15, 2018. The notice and distribution area shall be approved by the Town prior to distribution.
17. A Final Site Plan or any revised Site Plan must be submitted to Town Manager for approval.
18. All Fire Marshall and Building Official's related requirements are to be approved prior to event day.
19. All sound systems will be operated so as not to violate the Town's Code, including Section 13-6, Noise Limitation. (Noise shall not exceed 85 dba or 85 dbc between the hours of 7:00 a.m. and 10:00 p.m. and 75 dba or 75 dbc during the hours of 10:00 p.m. and 11:00 p.m. when measured at or beyond 100 ft. If applicable, the limit is 65 dbc reaching into a residential area.)
20. All signage will be approved and permitted by Development Services at least 30 days prior to the event.
21. The Permit Holder shall provide written notice to all properties affected by this event by February 18, 2019 after Town's approval prior to distribution.
22. The cost of any inspections or work required by Town Staff after normal working hours will be billed to the Permit Holder and must be paid within two weeks of invoice date.
23. Permit Holder shall meet the minimum insurance requirements set forth in Ordinance 2015-06, which may be modified by action of the Town Commission for this event as follows:
 - a. Prior to issuance of the requested permit, proof of commercial general liability insurance, whether through a single policy, or a combination of policies, in the amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate for bodily injury and property damage.
 - b. No required policy shall have a deductible or self-insurance retention greater than \$15,000. All policies must be issued by companies authorized to do business in the State of Florida and rated A- or better per Best's Key Rating Guide, latest edition. The certification of insurance shall provide for the Town to receive thirty (30) days' written notice prior to any cancellation, nonrenewal or material change in the coverage provided, unless the insurance company refuses to provide such notice, as evidenced by affidavit of the policy holder or written documentation from the insurance company.
 - c. In the event that control of any applicable event or activity, by contract or other arrangement, becomes the responsibility of a party other than the Permit Holder, then the "sub-permit holder" shall provide insurance and indemnification meeting the requirements of this Section under which the Permit Holder is applying, as if they were the Permit Holder and shall be held responsible for compliance with the Town Code as if the sub-Permit Holder were the Permit Holder.
24. In the event that insurance certificates, licenses and other material requirements are not provided by the required dates, the approval for this event or, if applicable, that Permit Holder, shall expire unless the Town Manager finds there are extenuating circumstances that the event sponsors have cured or can immediately cure without compromising the health, welfare and safety of the citizens of the Town of Lauderdale-By-The-Sea and those attending the event, without increasing the administration costs of the Town.



26. No alcohol is permitted outside of the designated event area.
27. The Final Site Plan must be submitted one week prior to the first event for approval by the Town Manager. Any minor modification to the Site Plan must be submitted in writing at least 48 hours in advance of the event.
28. Permit Holder shall owe no monies to the Town at the time of the event or have any code citations or violations. There shall be no code violations or monies due such as fines, fees, taxes or other charges, permits or licenses outstanding or owed to the Town by the current or past property owners or operators of the Permit Holder. A Permit Holder may not hold an event unless all monies due are paid, permits/paperwork received, and code issues resolved 14 days prior to the event.
29. Upon showing by the Permit Holder of a valid reason, or if required by the Town, the Town Manager may approve minor logistical changes that are consistent with the Commission's policy direction on special events.
30. The Town Manager may suspend permission for this event due to conflicting activities, for health or safety issues, or for the best interests of the Town.
31. Permission for this event may be suspended or modified by the Commission, Town Manager, or his designated staff.
32. The Town Manager or onsite Town representative may terminate the event or a Permit Holder's participation due to Permit Holder not complying with the terms and conditions of the Town's event permit, for health or other safety reasons.

Exhibits: **Exhibit 1.** Special Event Application for Taco Craft's Weekly Sunday Music By The Sea
 Exhibit 2. Code Noise Radius Map

Reviewed by Town Attorney:

☐	Yes	☒	No
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File: R:\0 Agenda\1-22-19 Commission\Admin\Taco Craft Weekly Saturday Music\1-22-19 AM Spl Event App Taco Craft Weekly Saturday Music.docx

Exhibit 1

Office of the

FEB 01 2019

SPECIAL EVENT APPLICATION INFORMATION



For your event to be considered by the Town Commission, a ^{Town Manager} ~~fully completed~~ application must be submitted at least 60 days prior to the date of the event.

This application is available in Word format at www.lbts-fl.gov/town/docs.htm. If possible please use the Word document and your computer to complete the application.

An application is not considered complete unless it includes:

1. A full description of the proposed event,
2. A detailed site plan (*very important!*),
3. All required documents, and
4. The application fee.

A meeting with Special Events Permitting is required before submitting a Special Event Application. Questions? Call our Special Projects Coordinator at 954-640-4200 or email debbieh@lbts-fl.gov.

Payment of Special Event Permit fee is required at the time of Application submission via hand delivery or by mail to:

**Town of Lauderdale-By-The-Sea
4501 Ocean Drive
Lauderdale-By-The-Sea, Florida 33308**

A Special Event shall be approved by the Town Commission before an event is advertised to the public. A special event is defined as a concert, festival, race, walk, carnival, show, exhibition, parade, or any other similar outdoor event whether operated totally outdoors, on stage, under tents, or with the use of any temporary building or structure, ***to which members of the public are invited as participants or spectators.***

Please review the Town's special event requirements by clicking on: https://www.Special_Event_Requirements
Or download a copy of the Special Event Requirements from our website and review them before submitting your application.

Important to remember:

1. Your event is approved by the Town Commission with "Conditions" that must be met or your event is cancelled. READ and understand the Conditions. *Talk with us if you have questions.*
2. You are responsible for securing and paying for all fees, licenses, and permits required by any governmental agency having jurisdiction, providing the Town evidence of all required insurances, and providing evidence of organization and/or charity.
3. You have to file all of the required documents shall be provided not later than 30 days prior to the event date or the event authorization terminates (unless prior arrangements have been approved by Town).
 - a. Insurance
 - b. Vendor lists and licenses
 - c. File site plan

1. Town of Lauderdale-By-The-Sea
Special Event Application

4. Parking is limited in Lauderdale-By-The-Sea, and will be a consideration when approving your event.
5. You may have to obtain permits from the Building & Fire Departments to meet Florida Building Code and Fire Code standards.
6. You are responsible for securing and paying for all fees, licenses, and permits required by any governmental agency having jurisdiction.

I (Applicant) have read and fully understand the above:

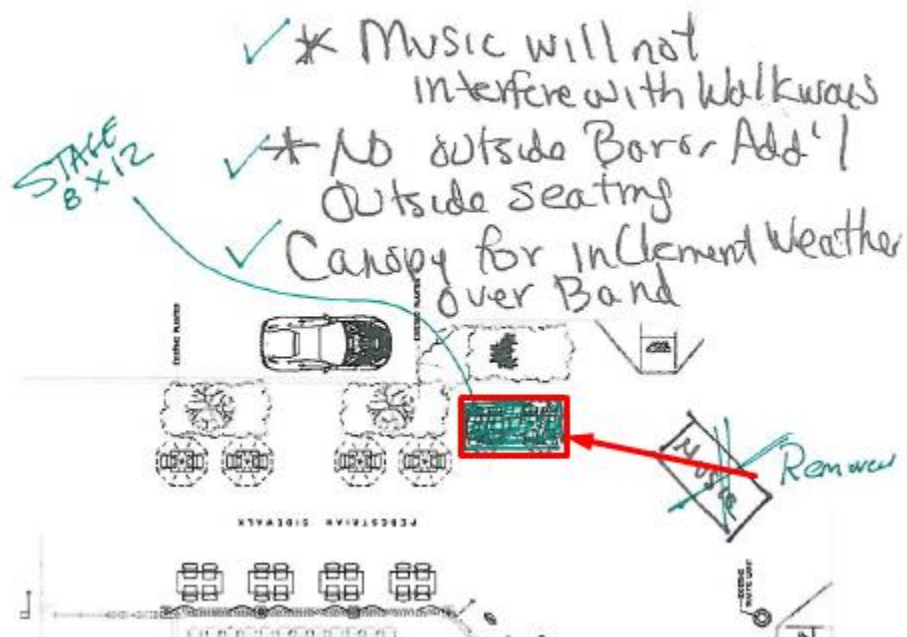
Pat. Marzano
Signature of Applicant

Print Name: PAT MARZANO

Event Name: SATURDAY MUSIC
By the Sea

Exhibit 2

Taco Craft Proposed New Location for Stage





Town Commission Agenda Item Report

Meeting Date: June 11, 2019

Submitted by: Ken Rubach

Submitting Department: Administration

Item Type: Discussion Item

Agenda Section: OLD BUSINESS

Subject Title:

East Terra Mar Drainage Design

Explanation:

At the September 13, 2017 meeting, the Commission ranked East Terra Mar as the top drainage priority. On June 8, 2018 the Town Manager executed a Work Authorization (\$14,847) to have Mathews Consulting (Mathews) to do a drainage study of the Terra Mar Island. The attached report **(Exhibit 1)** explains their findings and recommendations.

On January 12, 2019 Municipal Services staff and Mathews Consulting attended the Terra Mar annual meeting at which time a presentation was given that laid out the overall plan for the work to be done. A question and answer session followed in which clarifications were made regarding the scope and extent of the project. This ultimately led to the creation of a swale document with the hope to clear up any misconceptions and provide as much information to the residents of Terra Mar regarding the extent of what is being proposed.

After distribution of the pamphlet staff received additional feedback from the Terra Mar residents. This led to additional conversations between Town staff, the Town Engineer and Mathews regarding the swales. The Town Manager recommended a meeting being arranged with the County to get additional clarification as to what would and would not be allowed on the project.

On April 24, 2019 Town staff, Town Engineer Flynn and Mathews met with County staff to review the project plans. At that meeting several important determinations were made by the County: 1) In the original Craven Thompson report from 2005 the exfiltration trenches were proposed to "increase percolation" with no mention of water quality. This sufficiently proved that the trenches were intended to help address the street flooding and not to provide water quality. 2) Swales in some areas of the project would be impractical due to the high-water table. 3) Because the existing trenches were not intended for improvement of water quality the County agreed that no swales would need to be included in this project for that purpose.

With this new information in hand staff determined it was no longer in the best interest of the project to include swales and requested they be removed from the proposed design. In addition, staff requested that the scope of work further be modified to reduce the size of storm sewer being installed at the recommendation of the Town Engineer as he was not confident of what the County would permit in the future regarding drainage and it was best to address those issues at that time should a pump station need to be built. The revised design work is shown in the attached Project Overview Map. **(Exhibit 3)**

At our request, Mathews has prepared Work Authorization No. 4 **(which is attached as Exhibit 2)** (\$97,985.00) for the design, permitting and construction services for the East Terra Mar Drainage Project.

The engineer's construction estimate for this project based on the smaller pipe diameter is \$452,483.00, we included \$500,000 in the FY19 Capital Fund for the East Terra Mar Drainage Project.

1. The streets in Terra Mar will still pond in significant storm events. The project will reduce the severity and duration of standing water but it will not eliminate it.

It is important for our credibility with the neighborhood and their satisfaction with the project for this to be clearly understood.

Recommendation:

Staff recommends approving a Work Authorization with Mathews Consulting for the East Terra Mar Drainage Project not to exceed \$97,985.00

Attachments:



September 20, 2018

Don Prince, Municipal Services Director
Town of Lauderdale-By-The-Sea
4501 N. Ocean Drive
Lauderdale-By-The-Sea, FL 33308.

**Subject: Terra Mar Drainage Evaluation
Project No. 51965407
Letter Report (Revised 9-20-2018)**

Dear Mr. Prince,

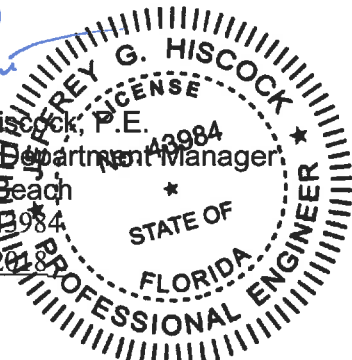
We are pleased to submit this letter report regarding our drainage analysis of the Terra Mar neighborhood. The attached includes a description of the analysis, the findings of the model and our recommendations,

Please let me know if you have any questions or comments.

Sincerely,

**MATHEWS CONSULTING,
A Baxter and Woodman Company**


Jeffrey G. Hiscock, P.E.
Stormwater Department Manager
West Palm Beach
FL P.E. No. 43984
Date: 9-20-2018

A circular professional engineer seal for Jeffrey G. Hiscock, State of Florida, License No. 43984. The seal contains the text 'JEFFREY G. HISCOCK', 'LICENSE', '43984', 'STATE OF FLORIDA', and 'PROFESSIONAL ENGINEER'.

MC File LBTST/180533/WPB

Lauderdale-By-The-Sea Terra Mar Drainage Evaluation Letter Report

1. Introduction and Background

The Town of Lauderdale-By-The-Sea (Town) has requested the services of Mathews Consulting, a Baxter & Woodman Company (MC) to evaluate the drainage system in the Terra Mar subdivision where frequent flooding has occurred and to provide recommendations to improve the system.

Terra Mar is an island community located in the Intracoastal Waterway (**Figure 1**). Home construction started in the 1950s until the 1970s and some homes have been reconstructed/ renovated since then. Original construction drawings of the neighborhood infrastructure were not available, but it appears that the roads included several small outfall pipes to the Intracoastal. The island is approximately 46 acres in size with the northern 12 acres located in the City of Pompano Beach and the southern 34 acres located in the Town.

In 2005 the portion of the subdivision in the Town's limits was modified to include isolated drainage systems of inlets, culverts and exfiltration trenches and a new 24-inch outfall pipe with a raised inlet. Existing catch basins and outfalls were removed or abandoned. This system was permitted and exists today. The City's portion of the subdivision still exists with direct discharge to the Intracoastal Waterway.

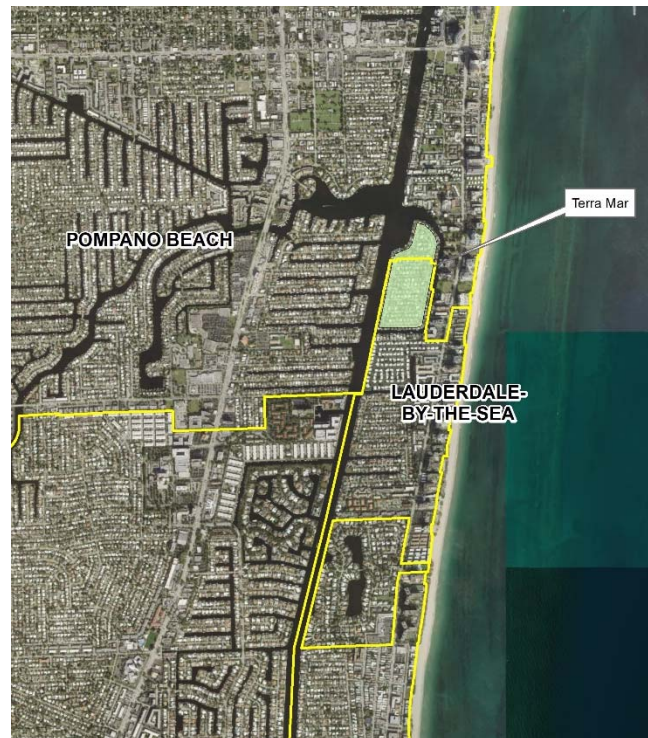


Figure 1: Location

2. Coordination with Broward County

A meeting was held on June 20, 2018 between MC and Broward County Environmental and Permitting Division at Broward County's office in Plantation to discuss flooding at the Terra Mar subdivision. The following items were discussed:

1. The isolated drainage systems are not interconnected, nor are they connected to the 24-inch outfall pipe. Runoff from large storm events that is not exfiltrated must stage up in the streets above the raised inlet before it can discharge through the 24-inch outfall pipe.
2. Considering that the road elevations are between 2 and 3 feet, NAVD, the exfiltration trenches are saturated and provide limited exfiltration.
3. The Town would like to connect the drainage systems together and make a direct connection to the 24-inch outfall pipe and add a check valve to the pipe. The Town would also coordinate with Pompano Beach to add check valves to their outfall pipes as well.
4. The County speculated that the goal of the 2004 design may have been to provide water quality where there was none before. Any redesign would still be required to address water quality. The Town is favorable to the idea of adding swales which would be a better means of providing water quality compared to exfiltration trenches considering the close proximity to the water table. The County agreed.
5. MC proposed that the exfiltration trenches could still be utilized for whatever limited treatment they provide. This would be done by using a more conventional design that includes a weir at the outlet pipe with a crest elevation set at or above the crown of the exfiltration pipes.
6. The County appeared to agree with the approach, but pointed out that the allowable discharge cannot be exceeded which should be based on the existing discharge rate during a 25-year, 3-day storm event.
7. The County mentioned that the County permit/license SWM2005-014-2 and South Florida Water Management District (SFWMD) permit 06-04328-P would both need to be modified. The County would administer both applications. Based on the area, which would only need to include the road rights-of-way, it is estimated that the fees would be \$1,000 and \$1,200, respectively. The Town and the City of Pompano Beach could be co-permittees on the applications.
8. The County indicated that a dewatering permit, if required, would need to be obtained from SFWMD. That permit would be administered by SFWMD, but would need to be submitted concurrently with the other applications and approved simultaneously.
9. The County mentioned that there is a special condition in the existing permit regarding archeological sites and construction which would still apply and also, that the required 5-year inspection/certification for the permit is several years overdue. This would need to be submitted at or before the time of the proposed permit modification and requires a fee of \$750.
10. The County requires that the Town confirm that an easement was obtained over the existing outfall pipe located at the east end Oleander Way.

3. Stormwater Modeling

3.1 Hydrology Input

Because of the low elevations that exist at the boundary with the City of Pompano Beach and the geophysical similarities, hydrologically, the island can be considered a single drainage basin. The basin consists of a single land use (medium density residential) and a single soil type (Arents-Urban Land Complex) which is described by the Soil Conservation Service (SCS) as “Somewhat Poorly Drained.”

There is a low depth to the water table of approximately two feet. Based on this, and the poor nature of the soils, the soil storage value for the basin is 2.2 inches per SFWMD’s Soil Storage tables. This translates to an SCS Curve Number (CN) of 84. The soil storage is further reduced by the amount of impervious area which is estimated to be approximately 50 percent for the land use.

Aboveground stage-storage was calculated using LiDAR (Light Detection and Ranging) data, available from the Florida Department of Emergency Management, which provides elevations every 5 feet. The elevation data is shown in **Figure 2**.

Three design storm events were modeled based on rainfall amounts and distributions prescribed by the South Florida Water Management District. These storm events include:

3-Year, 1-Day Storm	6.4 inches in 24 hours
5-Year, 1-Day Storm	8.0 inches in 24 hours
25-Year, 3-Day Storm	15.5 inches in 72 hours

3.2 Hydraulic Input

The isolated drainage systems that were installed in 2005 consist of inlets connected by exfiltration trenches. These systems are not connected to each other, nor are they connected to the 24-inch outfall pipe. The plans called for a “duck bill” valve at the outlet of the 24-inch outfall pipe which was assumed to be existing. There is a raised inlet at the upstream end of the pipe and a bleeder in the side of the inlet. Considering the head needed to maintain an open duck bill valve, it is likely that the bleeder would only be partially effective. Stormwater discharging through the bleeder alone cannot provide sufficient flow to create the continuous head needed to keep the valve open.

Other outfall pipes exist that may date back to the original site development. Most of these pipes are located in the Pompano Beach portion of the basin. It was assumed that these pipes, which range from 8 to 18 inches in diameter do not include check valves. Sizes and invert elevations were obtained for Pompano Beach’s GIS infrastructure geodatabase. These pipes and the existing exfiltration trenches are shown in **Figure 2**. There is at least one other miscellaneous pipe installed by a homeowner that is 3 inches in diameter, but considered negligible for this analysis.

A major discharge feature of the system is the combined overland flow capacity that exists between homes. This exists along Terra Mar Drive East which has lower elevations between homes than on other streets. The widths and elevations of these open spaces were combined to create an

irregular broad crested weir to represent stormwater overflow that occurs starting at elevation 2.5 feet, NAVD.

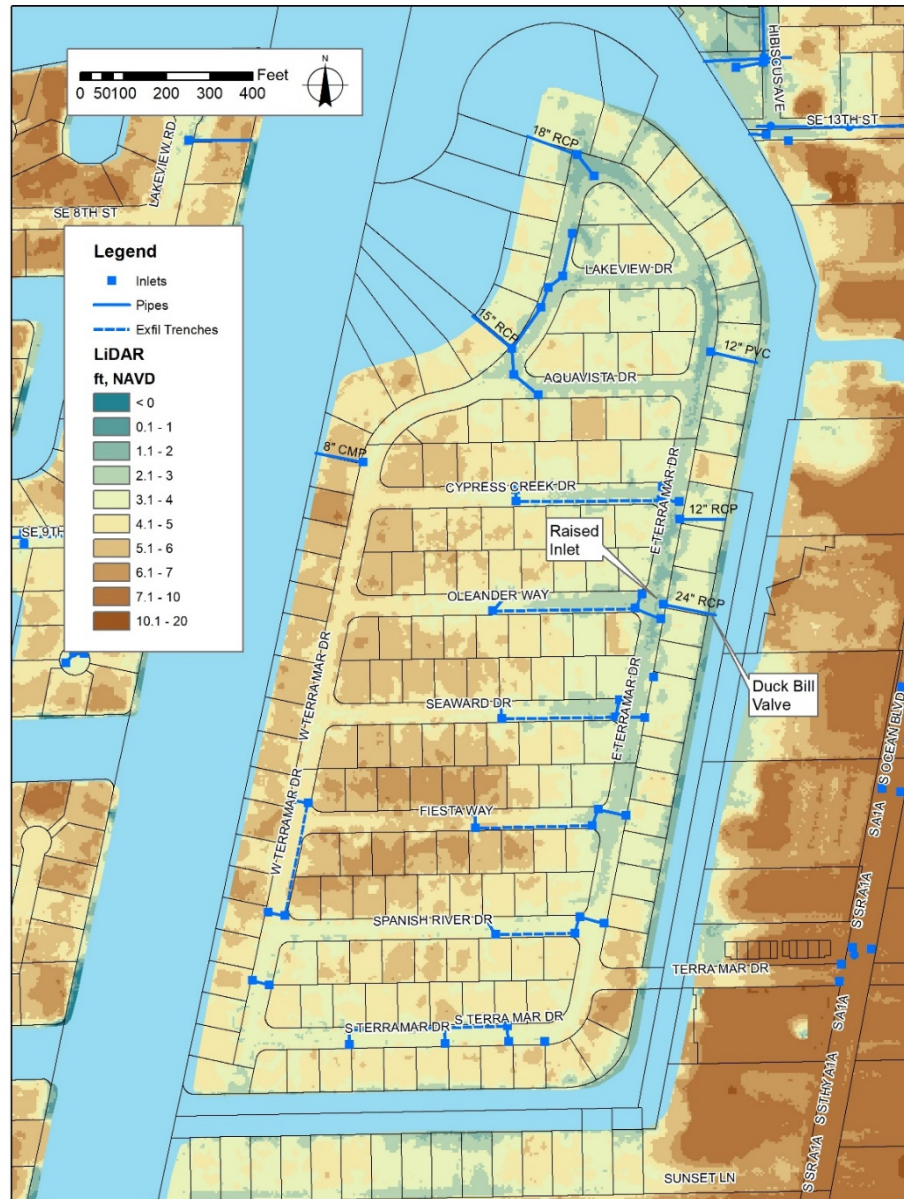


Figure 2: Existing Drainage

The boundary condition for the model is the tidal fluctuation of the Intracoastal Waterway. There are no monitoring stations located close enough to the project that can be considered to be representative of the tidal stages. Based on the characteristics of the waterway and the distance from the outlet to the ocean, Station S-41 in southern Palm Beach County was considered to be similar to the waterway configuration here. High tide elevations can vary widely. The average high tide is currently elevation 1.0 feet, NAVD. A time series of tidal stages was created ranging from

-1.0 to +1.0 feet, NAVD every 12 hours. The timing of cycles was set such that the peak stages occurred at the peak times of the rainfall hydrographs as a conservative approach.

3.3 Modeled Improvements

Based on discussions with Broward County Environmental and Permitting Division, the concept of connecting the existing isolated drainage system appears to be a feasible plan to improve drainage. Pipes along East Terra Mar Drive will be needed to connect the existing systems to the 24-inch outfall pipe. The raised inlet will be removed and replaced with a manhole, flush to ground. The manhole will include a 6 foot wide weir with a crest elevation of 0.0 feet, NAVD. This elevation is set based on the crown elevations of existing exfiltration trench pipes. It is a regulatory requirement that exfiltration trenches include downstream weirs set at or above the pipe crown elevation. Other proposed improvements include check valves on all of the existing outfall pipes

3.4 Model Results

The model results for the analysis show that street flooding occurs for all three storm events (3-year 1-day, 5-year 1-day and 25-year 3-day). This was not surprising considering the magnitude of these events and the accounts by the residents for storms of lesser magnitudes. For the 25-year, 3-day storm, the peak discharge rate of 37 cfs was observed by the model for the outfall culverts. The majority of the discharge (79 cfs), however, occurs as sheetflow between homes for a total existing discharge rate of 116 cfs. This figure represents the allowable discharge rate that must be observed for proposed modifications to the drainage system. Previous modeling performed when the system was modified and permitted in 2005 indicated an existing discharge rate of 80 cfs. However, the calculations only represented the portion of the subdivision located within the Town. If extrapolated to cover the entire island, the discharge rate would be consistent with the current findings.

The model shows that the proposed modifications will result in lower peak flood stages will not exceed the allowable discharge. Street flooding will be less, but will still occur. This was expected considering that the upstream storage is the same and that the discharge rate cannot be exceeded. The benefits are a result of changing the distribution of flow so that more discharge can occur before the peak of the storm. By connecting the system and lowering the raised inlet, more water is allowed to discharge through the 24-inch outfall pipe earlier during the storm which lowers the peak flood stage that occurs. The lower stage results in less sheetflow discharge between homes. Even though the discharge rate in the pipe will be greater than the current rate, the total peak discharge rate is offset by a lower sheetflow discharge rate.

The results show that the benefits of flood reduction decline as the intensity of the storm increases; an 18 percent reduction for the 3-year as opposed to only a 2 percent reduction for the 25-year storm. Another important factor to consider, however, is the duration of the flooding. A reduction in the flood duration of approximately 50 percent was observed for all three storm events. These reductions can be seen in the time-series graphs shown in *Figure 3*.

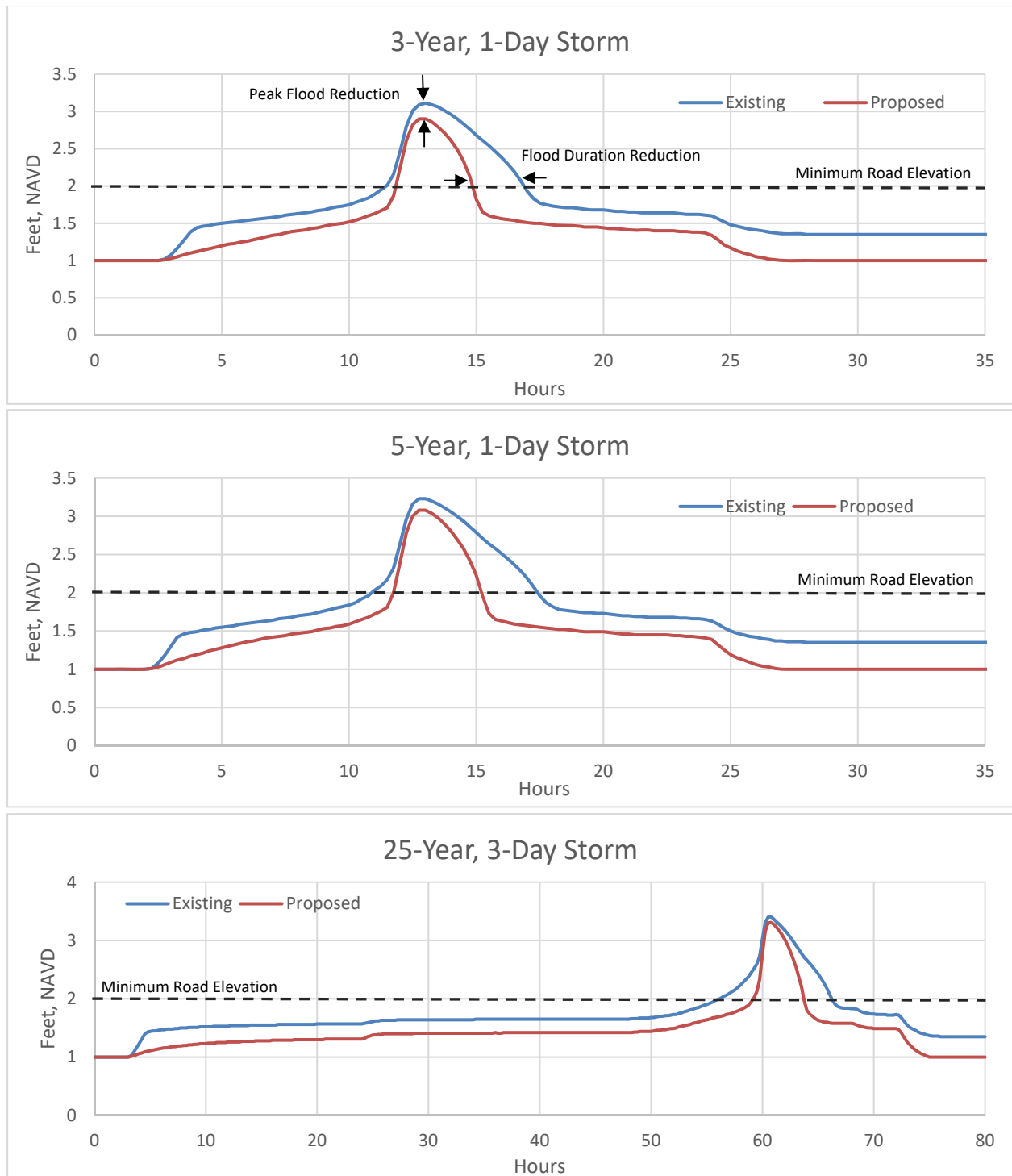


Figure 3: Existing vs. Proposed Design Storm Water Levels and Duration (with Current Sea Level Conditions)

3.5 Sea Level Rise (SLR)

The Unified Sea Level Projection was published in October 2015 by the Southeast Florida Regional Climate Change Compact (SEFRCCC) with regional projections for the period from 1992 through 2100 based on projections and scientific literature released since 2011. This publication is being used by local municipalities for SLR planning purposes. The unified projections include three global mean curves that were regionally adapted to account for observed acceleration in SLR in South Florida as shown in **Figure 4**. The three curves consist of an adjusted “NOAA High” curve, U.S. Army Corps of Engineers (USACE) “High” curve (same as the “NOAA Intermediate-High”), and the median of the Intergovernmental Panel on Climate Change Fifth Assessment Report Representative Concentration Pathway 8.5 scenario (i.e. “IPCC AR5 Median” curve). The “USACE Intermediate”, which is equivalent to the “NOAA Intermediate-Low” curve, was also included to reflect the projection based on a significant reduction in greenhouse gas emissions, which is not likely given the current emission trends. The “USACE Intermediate/ NOAA Intermediate-Low” curve is not part of SEFRCCC’s recommendations.

SEFRCCC Unified Sea Level Rise Projection (SEFRCCC Sea Level Rise Work Group, 2015)

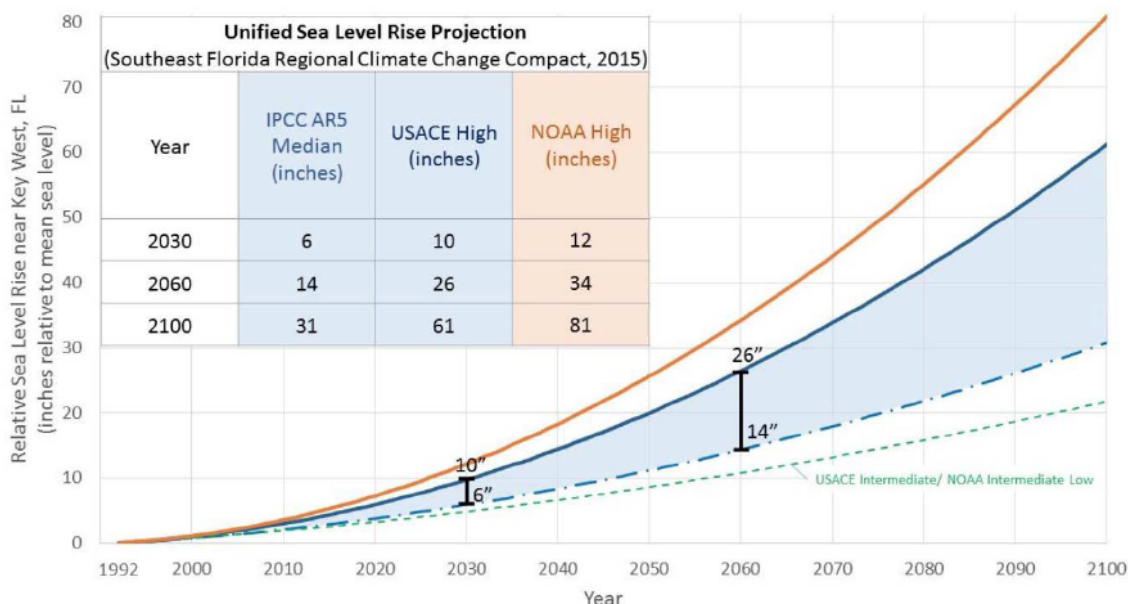


Figure 4: Sea Level Rise Projections

For this project, the 2060 USACE High prediction was used. According to the graph in Figure 4, the change in sea level between 2018 and 2060 is approximately 20 inches for that prediction. This corresponds to 2060 average high tide elevation of 2.7 feet, NAVD.

As the sea level rises, it is expected that the effectiveness of the proposed drainage improvements will be diminished by the reduction in discharge due to higher tailwater elevations (aka SLR). If trends continue, a conversion from a gravity to a pumped system will ultimately be needed within the next 30 years based on the current SLR predictions.

The model was modified to reflect a sea level rise of 1.7 feet corresponding to the year 2060 to assess the impacts of SLR, effectiveness of the proposed improvements and for a pump scenario. It is anticipated that by 2050, landowners will have likely raised the low lying portions of their property to prevent high tides from breaching their property. A higher minimum boundary crest elevation of 3.0 feet, NAVD was added to the model for all three SLR scenarios (existing system, proposed system and pumped system).

For the pumped system, pumps totaling 80 cfs were used. This is less than the current peak discharge rate. The advantage of pumped vs. gravity systems is that pumps can discharge continuously at higher rates throughout the storm. This maintains lower water levels, providing more storage in the system and making it possible to lower the peak discharge rate without compromising flood protection. Various on/off elevations were used considering that significantly less pumping is needed for the more frequent, lower intensity storms. Full pumping was set in the model to begin after street flooding begins. **Figure 5** shows the time-series results of the three scenarios for the three modeled storm events under SLR conditions. Significant street flooding would occur with the existing and proposed drainage systems. The pumped system, however, would provide adequate flood protection. The stage fluctuation associated with the pump scenario is due to the on/off elevations that were assumed.

A more detailed analysis of the pumped scenario would be required to establish the number of pumps and appropriate on/off elevation. It may also be possible to reduce the total discharge rate even further while maintaining the level of service associated with the proposed improvements (before SLR). A number of pump stations would need to be established which would be based on the availability of a new outfall or suitability of other existing outfalls. It is estimated that the existing 24-inch outfall pump would only be able to pass approximately 50 cfs of the 80 cfs that is needed to be pumped. This is primarily due to the velocity of the flow exiting the pipe which could cause scour that may undermine the seawalls and docks in the channel. A more detailed analysis would need to be performed to confirm this. The high pressure that pipe would be exposed to as the result of a pump station would also likely require slip lining the pipe to avoid separation at the joints. Assuming that this that this outfall pipe can only handle a portion of the flow, two or more pump stations may be needed.

It would also need to be determined through a geotechnical analysis whether the existing exfiltration trenches would need to be lined or removed. The exfiltration trenches may create an influx of groundwater that would cause the pumps to run continuously, pumping groundwater, even in dry conditions. SLR, however, will cause the groundwater to rise and control of the groundwater may become a necessity in the future. The geotechnical analysis would need to make that determination.

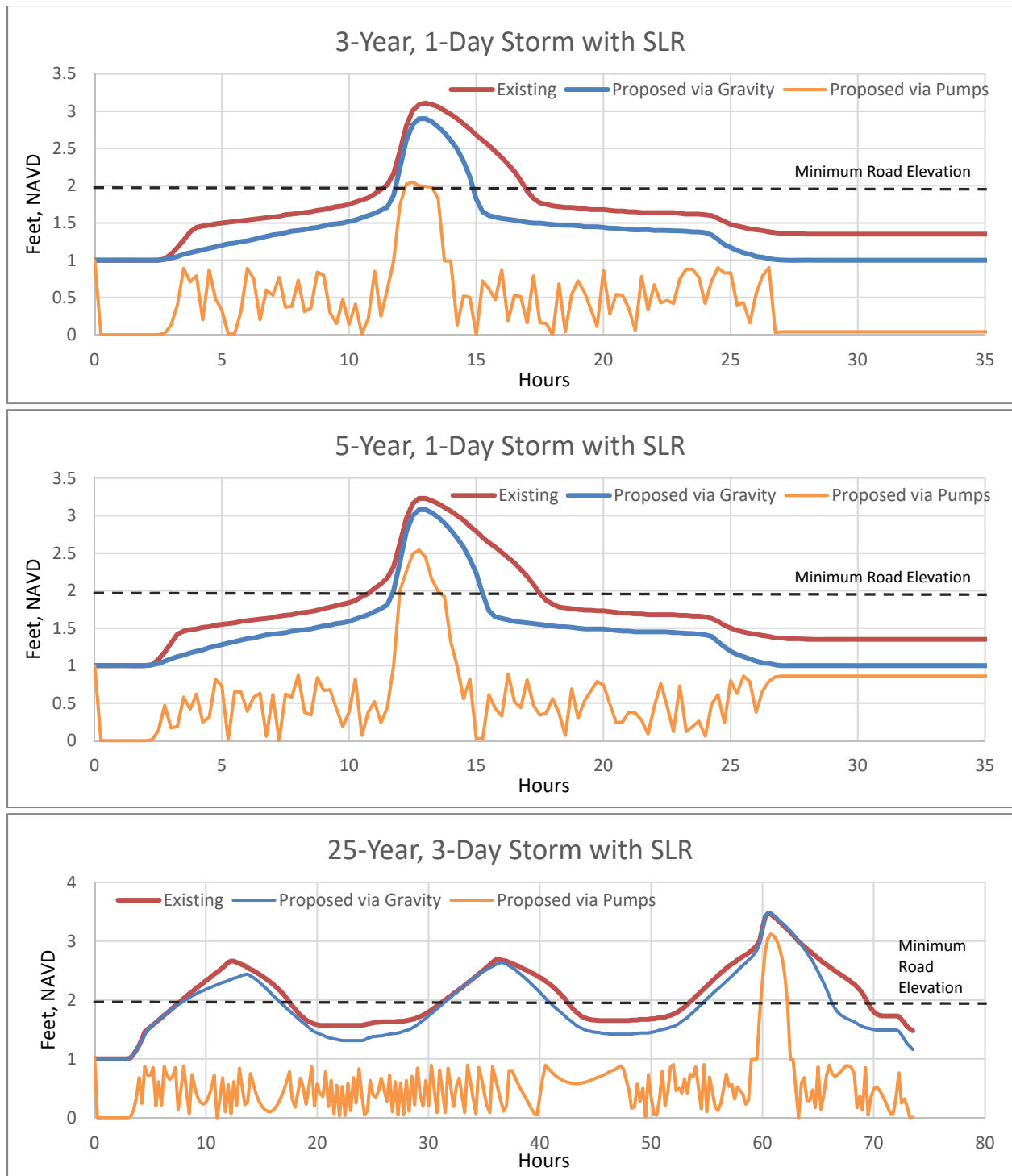


Figure 5: Existing vs. Proposed Design Storm Water Levels with Current Sea Level Conditions

4. Recommendations

The results show that the by connecting the existing isolated drainage systems to the 24-inch RCP outfall pipe, lower flood stages can be achieved which vary depending on the intensity of the storm event. The benefits are greater for the smaller, more frequent events (18 percent reduction for 3-year storm) as opposed to a major 10+ inch storm. The modeling also shows that the durations of roadway flooding would be cut in half. It is recommended that these connections be made.

The size of the connections should consider future needs in regard to SLR. The modeling shows that the because of the raised inlet, the 24-inch outfall pipe would currently only discharge 2.3 cfs during a 25-year storm. With the proposed modifications, this would increase to 25 cfs, taking full advantage of the pipe's capacity. A significant amount of discharge occurs via sheetflow between homes. In the future, the ability to sheetflow will greatly diminish because homeowners will likely to raise their property to combat rise in high tides and king tides. Future drainage will need to be accomplished via pumps.

It is estimated that the 24-inch pipe, if slip-lined to handle higher pressures, could potentially discharge up to 50 cfs of the 80 cfs total that will be needed. The new pipes leading to the 24-inch outfall pipe should be sized to consider the future capacity (50 cfs pump station). Based on the future capacity, a series of pipes ranging from 30 to 48 inches in diameter would be needed to maintain manageable head losses in the system.

Installing larger pipes upstream of smaller pipes is not usually advisable because it can produce low velocities and more settling in the larger pipes. However, it is more important to consider the future. The depths of the pipes should be set to consider future pumps which require minimum submergence to operate. The increased piped sizes also provide more storage in the pipes which will reduce pumps cycling on and off as often.

Figure 6 shows the improvements that are recommended at this time. Short-term recommendations include:

- Pipes ranging from 30 to 48 inches in diameter would be installed to connect the existing isolated drainage systems to the existing 24-inch outfall pipe. Existing pipes that cross East Terra Mar Drive should be replaced with 18-inch RCP due the deteriorated condition of the existing pipes as reported by the Town.
- Swales are recommended to provide water quality treatment which Broward County has indicated should be provided.
- The existing raised inlet at the upstream end of the 24-inch outfall pipe would be replaced because it will not accommodate the depths and sizes of the new incoming pipes.
- A manhole should be installed with a 6-foot wide weir set with a crest elevation of 0.0 feet, NAVD, in place of the raised inlet.
- The existing duck bill valve at the downstream end of the end of the 24-inch outfall pipe would be replace with an in-line check valve. Duck bill valve requires higher head to open

and are more susceptible to barnacles. Similarly, an in-line valve should be added to the 12-inch outfall pipe located just north of the 24-inch outfall pipe.

- The Town should coordinate with the City of Pompano Beach for the City to install in-line check valves to their outfall pipes.

Long-term recommendations include:

- Consider installation of two or more stormwater pump stations within the next 15 to 20 years based on SLR predictions. The existing 24-inch outfall pipe, if slip-lined, could potentially handle up to 50 of the 80 cfs that will be needed. The next largest outfall pipe on the island (18-inch RCP) is located within the City of Pompano Beach. This location could be considered for a pump station as well.
- The pumps should be electric submersible which are efficient and quieter than diesel, aboveground installations.
- The remaining existing outfall pipes would remain (with check valves inspected regularly) to provide drainage discharge during low tide and to serve as a backup in case the pumps fail.
- Backup power should be considered in the form of a permanent generator or portable generators.
- A geotechnical analysis should be performed to determine if the presence of the existing exfiltration trenches will be a hindrance or necessity in controlling the groundwater levels which would likely rise with the sea level.

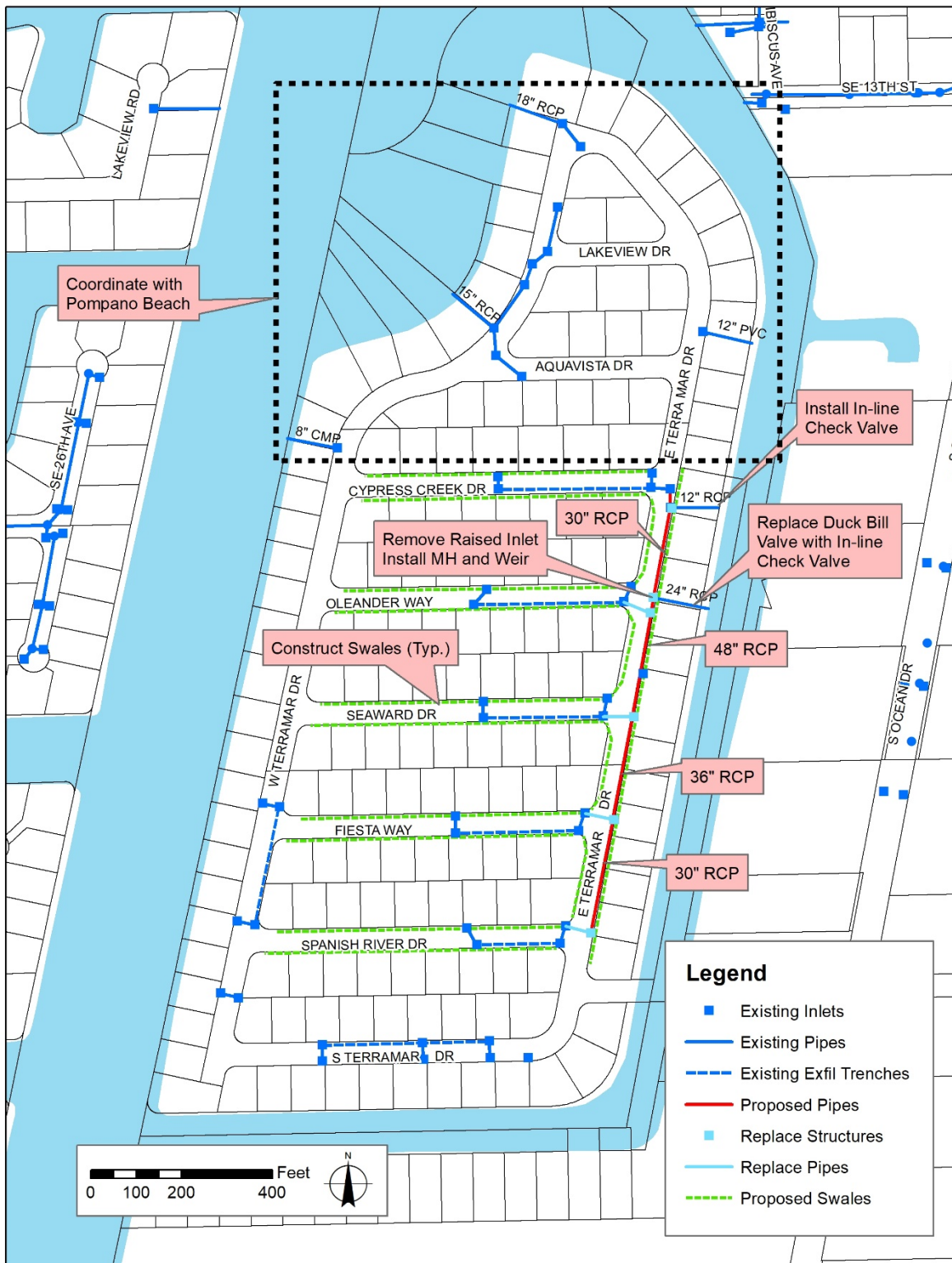


Figure 6: Recommended Short-term Improvements

**TOWN OF LAUDERDALE BY-THE-SEA
WORK AUTHORIZATION FOR PROFESSIONAL SERVICES**

Contractor: Mathews Consulting, a Baxter & Woodman Company

Contractor's Address: 477 S. Rosemary Ave, Suite 330, West Palm Beach, FL 33401

Contract No.

Work Authorization No.: 4

Agreement Description: Continuing Professional Services Contract

Effective Date _____

P.O. # For Work Authorization:

Budget

Brief Task Description: Provide data collection, drainage design, permitting, bidding, and construction services for drainage improvements for Terra Mar Neighborhood. See detailed scope of services for limits of project area and description of the project components.

In accordance with the above referenced agreement, you are authorized to perform the tasks detailed in attached Exhibit A (Scope of Services). All required services will be completed on or before: See Exhibit "C"

The total amount or the limiting amount of the compensation will be: \$ 97,985.00 unless additional services are authorized by the Town in writing. See Exhibit "B"

Compensation elements are as follows:

	Method of Compensation (Lump Sum, Hourly NTE)	Amount (\$)	Project Code
Data Collection	Lump Sum	\$25,205.00	
Design Services	Lump Sum	\$39,930.00	
Permitting	Lump Sum	\$8,490.00	
Services During Construction	NTE	\$23,160.00	
Reimbursables	NTE	\$1,200.00	
Total		<u>\$97,985.00</u>	

Other Notes:

This Work Authorization is subject to the same terms and conditions of the Continuing Professional Services Contract dated 3/15/2017.

Please acknowledge receipt of, and agreement with, this Work Authorization by signing and dating and returning three (3) original signed copies to the Town Manager. The Town will send you one fully executed copy.

Town of Lauderdale by-the-Sea Approval:

Bill Vance, Town Manager

(Signature)

(Date)

Tedra Smith, Town Clerk

(Signature)

(Date)

If over \$15,000, date this work was approved by the Town Commission on: _____

Contractor Acceptance:

Contractor Name: Rebecca Travis, P.E.

Title: Vice President


(Signature)

5/8/19
(Date)

Approved Form HSK 11-8-11

Exhibit A

Terra Mar Drive Drainage Design, Permitting, Bidding, and Construction

Scope of Services

A. Background

Terra Mar is an island community that is bounded the Intracoastal Waterway on all sides. The island is approximately 46 acres in size with the northern 12 acres located in the City of Pompano Beach and the southern 34 acres located in the Town. Refer to **Exhibit 1** for Project Location Map. In 2005 the portion of the subdivision in the Town's limits was modified to include isolated drainage systems of inlets, culverts and exfiltration trenches and a new 24-inch outfall pipe with a raised inlet. Most of the existing catch basins and outfalls were removed or abandoned. This system was permitted and exists today, however the Town has experienced roadway ponding during rainfall events. Mathews Consulting (MC) recently completed a drainage study that recommended short term and long term solutions in regard to the current conditions and consideration of future sea level rise conditions. The Town has requested Consultant to design the recommended short term drainage improvements (**Exhibit 2**) to help alleviate the roadway ponding.



EXHIBIT 1

The project components include:

- Drainage improvements (piping and catch basins)
- Outfall improvements
- Roadway Improvements

Work Authorization No. 4 provides the scope of work, schedule, and fees for data collection, design, permitting, bidding, construction administration, and inspection services for the Terra Mar Drive Drainage Improvements.

B. Scope of Services

The Engineering Services of Mathews Consulting (Consultant) shall include the following tasks:

- Task 1 – Data Collection
- Task 2 – Drainage Design and Plan Preparation
- Task 3 – Permitting
- Task 4 – Bidding
- Task 5 – Services during Construction

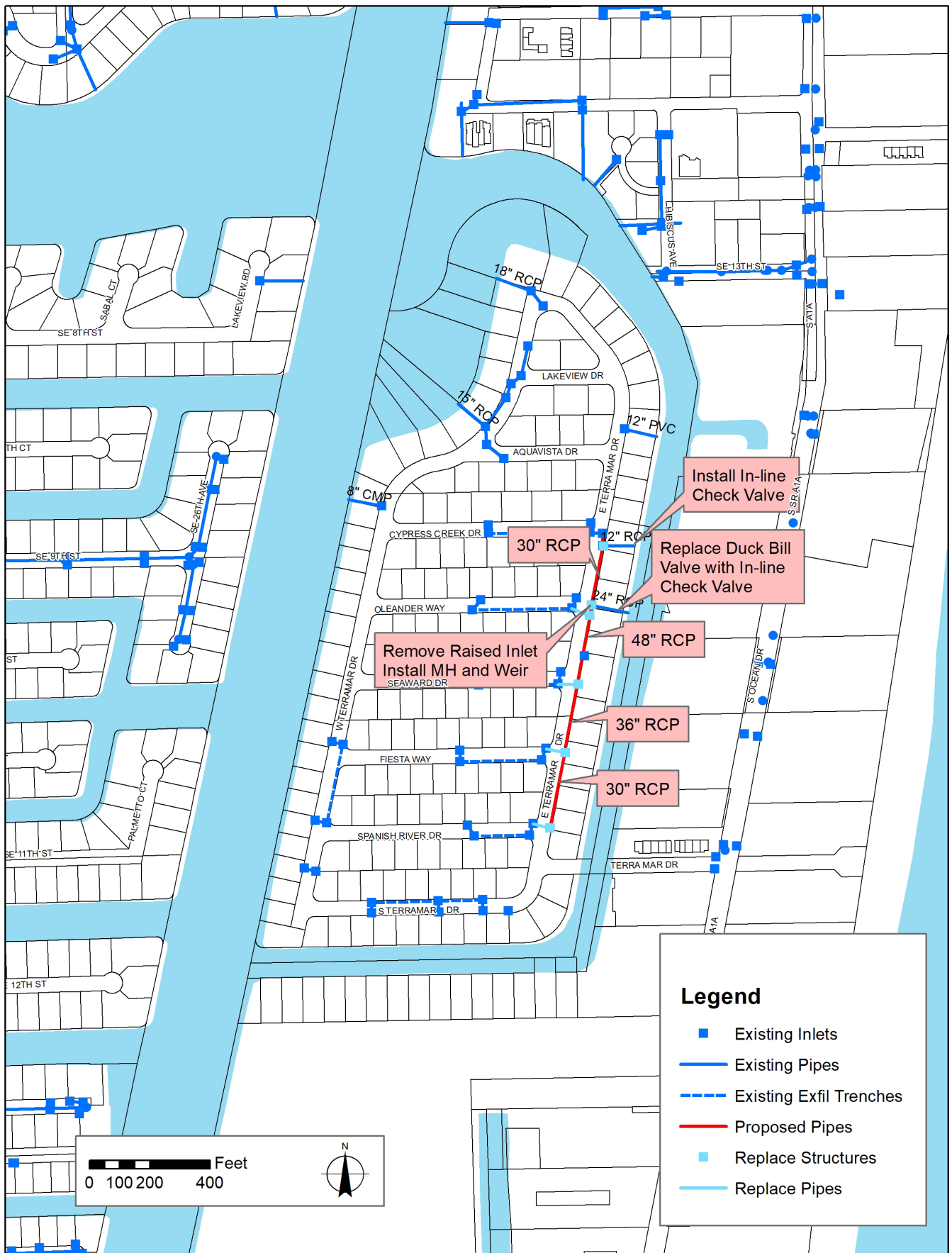


EXHIBIT 2

The specific scope of services to be provided by Consultant in this Work Authorization includes the following:

Task 1 - Data Collection

Subtask 1.1 Topographical Survey

Consultant shall furnish the services of a professional surveyor to provide survey services consisting of field topography and horizontal locations referenced by baseline stationing. As required by Broward County, the design survey shall utilize the 1988 NAVD datum. The limits of the survey include E Terra Mar Drive between Cypress Creek Drive and Spanish River Drive. All existing facilities and utilities within these limits will be referenced by baseline station with an offset distance (left or right) from baseline for the project and will include the following:

1. Topography survey at 50-foot intervals and at major ground elevation changes to depict existing ground profile at proposed project area. This shall be accomplished by creating a baseline in the field to collect pertinent data which shall include the following:
 - a. Location of all visible fixed improvements within the project limits, including physical objects, roadway pavement, driveways, sidewalks, curb, trees, signs, fences, power poles, buildings, and other encumbrances, including point of curvature and point of tangency.
 - b. Location of all known above and below ground existing utilities: FP&L, AT&T, Cable TV, Natural Gas, Potable Water (pipe diameter, TOP, valves, fire hydrants, and meters), Force Mains (pipe diameter, TOP, and valves), Sanitary Sewer (pipe diameter, manhole inverts and direction, rim elevations, laterals, and clean-outs), Storm Sewers (pipe diameter, manhole inverts and direction, catch basins, weir elevations, and rim/grate elevations), and **all** other accessible structures within E Terra Mar Drive and the intersections with side streets. This will include coordination with Sunshine and Town of Lauderdale by the Sea.
 - c. Identify platted rights-of-way (including bearing and distances for centerline), lot numbers, house address, ownership lines, block numbers and dedicated easements.
 - d. Elevations shall be indicated every 50 feet, at a minimum, to indicate centerline grades, edge of pavement grades, and shoulder grades, low points, and all right-of-way lines. Intermediate grades shall be indicated at all grade breaks, driveways and sidewalks. Sufficient grades shall be indicated on the driveways and parking areas to indicate direction of grade.
 - e. Provide and reference benchmarks at **maximum 600-foot intervals**. Elevations to be referenced to an existing established County Benchmark.
 - f. The topographical survey data will be prepared in AutoCAD (Version 2016) format at a scale of 1"=20', as one continuous file.
 - g. Survey will be field verified along with existing outfall diameters including those from the City of Pompano Beach's jurisdiction on the island.

Subtask 1.2 Geotechnical

Consultant shall furnish the services of a professional geotechnical engineer to provide subsurface investigations (data shall be incorporated into the design documents) of the project area that will include:

- Perform up to four (4) standard penetration test (SPT) borings to depths ranging from 15 to 20 feet.
- Evaluate field data collected and provide geotechnical engineering evaluation report (signed and sealed).

Subtask 1.3 Field Verification – Soft Digs

Consultant shall furnish the services of a professional underground services company to provide underground field locations of affected existing utilities. The work shall consist of measuring and recording the approximate horizontal, vertical, width and depth data of affected utilities within the project limits. It is estimated that approximately ten (10) utility locations will need to be pot-holed.

Task 2 - Design Services

The work will include preparation of Drawings and Specifications to be used for bidding and construction.

Subtask 2.1 Utility Coordination

Coordination with utility agencies (electric, phone, gas, cable TV, and fiber optics, potable water, sanitary sewer, etc.) shall be performed to collect record information. A field reconnaissance of the proposed pipeline alignment shall also be performed. Photograph log walk-through will be included. In addition, potential underground existing utilities will be identified. This Subtask includes reconciling apparent discrepancies between record information and existing photographic and field-verification information.

Consultant will prepare agenda, attend and prepare meeting minutes for meeting with the City of Pompano Beach to discuss drainage outfalls and siting a power feed for a future pump station control panel. The preferable location is adjacent to the City's wastewater lift station.

Subtask 2.2 Design Drawings

Contract drawings shall include: cover sheet, general notes, plan/profile drawings, and miscellaneous detail sheets. The drawing scale shall be 1-inch equals 20 feet for pipeline plan and 1-inch equals 2 feet for pipeline profile. Topographic survey data will be used as the base drawings for the infrastructure improvements on E Terra Mar Drive. High definition aerials will be used for the east-west streets between and including Cypress Creek Drive and Spanish River Drive and along W Terra Mar Drive and S Terra Mar Drive. Consultant will prepare the engineering design plans in AutoCAD release 2016 format and the layering system for design elements shall be Consultant's standard. Drawings (three copies) shall be submitted for Town review at 50%, 75% and 100% stages. Consultant shall meet with the Town to discuss comments, and incorporate comments into final documents. Consultant shall furnish with the 100% design drawings, one (1) set of AutoCAD Version 2016 files in electronic format on CD.

Subtask 2.3 Technical Specifications

Specifications shall be prepared by Consultant for bidding purposes for the Terra Mar Drive Drainage Improvements. Consultant shall utilize the Town's Front-End Contract Documents as provided by the Town. Specifications shall be submitted for Town review at 75% and 100% stages. Consultant shall meet with the Town to discuss comments, and incorporate comments into final documents. Consultant shall utilize applicable technical specifications from the Town's "General Construction Contract."

Subtask 2.4 Construction Cost Opinion

An opinion of probable construction cost will be prepared for the 50%, 75% and 100% drawings and specifications. The cost opinion shall reflect changes in general scope, extent or character of design requirements incorporated during the various design review stages. The cost estimate format will be consistent

with the bid proposal tabulation sheet for the project. The cost opinion will be provided to the Town during the 50%, 75% and 100% design reviews.

Subtask 2.5 Design Meetings

Consultant shall attend one (1) kick-off meeting and two (2) design workshop meetings with the Town and provide a written summary of the issues discussed.

Subtask 2.6 Public Meetings

Consultant shall attend up to two (2) public meetings with residents to explain the project and answer questions regarding concerns that are raised. Consultant shall prepare presentation materials using PowerPoint.

Subtask 2.7 Quality Assurance

Consultant shall provide internal QA/QC reviews on the 50%, 75% and 100% Design Documents (e.g. drawings, specifications, and cost estimates).

Task 3 - Permitting

MC has met with Broward County Environmental Licensing & Building Permitting Division as part of the recently completed drainage study to determine the permitting requirements. The County issued a surface water management license (SWM2005-014) in 2005 and was the review agency for the SFWMD ERP permit (06-04328-P) issued that same year, both of which will need to be revised. The County indicated that a dewatering permit will need to be obtained and reviewed by SFWMD concurrently with the other permit application reviews. The County also indicated that a required 5-year inspection and certification will need to be submitted prior to approval of any permit modifications. Services do not include preparation and submittal of the NPDES Notice of Intent (NOI) and Notice of Termination (NOT) applications.

Consultant shall prepare and sign/seal permit applications for Broward County and SFWMD, submit the required documentation for the applications, and address agency comments (one RFI per application is anticipated). Associated permit application fees shall be determined by Consultant and paid by Town.

Anticipated permit applications include:

- Broward County Surface Water Management License Modification
- SFWMD ERP Modification
- SFWMD Dewatering Permit Application

Task 4 - Services During Construction

Construction phase services (Note: a 5-month construction period is assumed in budgeting these tasks) to be performed by the Consultant will include the following:

Subtask 4.1 Pre-Construction Conference

Consultant shall attend the pre-construction conference with selected Contractor and Town staff.

Subtask 4.2 Submittal Review

Receive, log, and review Shop Drawing and Product submittals for general conformance with the design intent and provisions of the Contract Documents. Review of up to 9 submittals (total, which includes submittals, and re-submittals, if required) is included in the budget for services during construction.

Subtask 4.3 Construction Clarifications

Respond in writing to Contractor's Request for Information (RFI) regarding the design documents during the 5-month construction period. A total of five (5) RFI responses have been included in this task. Consultant shall issue interpretations and clarifications of the Contract Documents, along with associated support materials, as requested by the Contractor. These interpretations will be rendered and a response prepared and submitted to the Contractor within one week.

Subtask 4.4 – Substantial & Final Completion Inspections

In conjunction with Town staff, Consultant shall conduct substantial and final completion inspections to determine if the project has been completed in accordance with the contract documents. A "punch list" will be prepared for each inspection (substantial and final) for the project. Consultant shall review completion of identified punch list items to assist in the determination that Substantial Completion and Final Completion has been achieved by the Contractor.

C. Assumptions

In addition to the work items discussed above, the following assumptions were made in establishing the scope of this Work Authorization and associated fee. Changes and/ or modifications in the above work items or these assumptions are considered an Additional Services Item under the terms of the Contract. Assumptions include:

1. Consultant assumes that all existing and proposed drainage pipeline alignments are within Town's right-of-way or easements.
2. It is understood that the Town has legal authority to perform required improvements to the outfall piping. The Town shall coordinate with individual property owners to provide access to the Design Team and Contractor as needed. It is the Town's responsibility to secure necessary surveying and legal professionals required to prepare documents for and to secure easements (temporary for construction and/or permanent) required for installation of the piping and improvements.
3. Roadway Improvements will be provided only along E Terra Mar Drive and only as a result of the drainage improvement impacts. No other roadway, sidewalk or driveway improvements are anticipated.
4. Town will provide Consultant available record drawings of existing facilities and proposed facilities within the project area. The information will be provided to Consultant within 5 calendar days of NTP.
5. Town will assist with the scheduling of the coordination meeting with the City of Pompano Beach regarding installation of proposed check valves on City outfalls. All shop drawing review and field inspection services on City property, easements or rights-of-way are not included and shall be the responsibility of the City of Pompano Beach.
6. City of Pompano Beach personnel will assist in field verification of affected existing City utilities. **This includes painting the locations of sanitary sewers and laterals, force mains, and water mains in the field for the surveyor in a timely manner.**
7. The Town is responsible for all permitting fees, including costs of public notification in local newspapers.

8. The design is to be based on federal, state, and local codes and standards in effect at the beginning of the project. Revisions required for compliance with any subsequent changes to those regulations is considered an Additional Services Item not currently included in this Scope of Services.
9. Consultant assumes that there are no contaminated soils or groundwater in the project area.
10. Scope does not include services for addressing a bid protest or rebid of the project.
11. Assisting the Town in the settlement of construction contract claims is an Additional Services and is not included in this Scope of Services.
12. Deviations from the Final Design Drawings will be compiled by the Contractor and electronically incorporated onto the drawing files. Two sets of signed and sealed RECORD drawings by Florida Registered Surveyor will then be submitted by the Contractor to the Town. One set of RECORD drawings will be provided to Consultant for submittal to Broward County.
13. Services do not include preparation and submittal of the NPDES Notice of Intent (NOI) and Notice of Termination (NOT) applications.
14. During construction, Town Staff will be onsite daily and will be the Contractor's primary point of contact.
15. Town will provide the Consultant with daily inspection documentation (email is acceptable) and digital project photos on days the Consultant is not onsite.
16. Inspection services will be performed weekly to ensure work is being completed in accordance with the plans and specifications. It is anticipated that the Consultant will be onsite two 4-hour days a week, on average.
17. Inspection services assume a 5 month construction period. If construction exceeds 5 months and the Town requests the inspections to continue, Additional Services will be needed.
18. Town will not be charged travel time for inspections.

Exhibit B
Town of Lauderdale by the Sea
Work Authorization #4
Design & Construction Phase Services for Terra Mar Drainage Improvements
Budget Summary

Task	Description	Principal Engineer \$170.00	Project Manager \$160.00	Senior Engineer \$135.00	Engineer II \$110.00	Engineering Tech (Inspector) \$100.00	Construction Manager \$115.00	Senior Prof. Surveyor \$150.00	Survey Crew (2 party) \$130.00	CADD Designer \$95.00	Office Support \$70.00	Total Labor	Sub-Consultant Services
1	Data Collection												
1.1	Topographical Survey		3		8			16	48	32		\$13,040	
1.2	Geotechnical		3		1							\$590	\$4,700
1.3	Field Verification - Soft Digs		2		1					5		\$905	\$5,000
	Subtotal		8		10			16	48	37		\$14,535	\$9,700
2	Design Services												
2.1	Utility Coordination / Meeting w/ Pompano Beach		4		6					8		\$2,060	
2.2	Design Drawings (50%, 75% and 100%)												
2.2a	50% Design Drawings	2	12		24					38		\$8,510	
2.2b	75% Design Drawings	2	12		32					48		\$10,340	
2.2c	100% Design Drawings	1	10		20					24		\$6,250	
2.3	Technical Specifications (75% and 100%)	2	10		10						5	\$3,390	
2.4	Construction Cost Opinion (50%,75% and 100%)		10		12							\$2,920	
2.5	Design Meetings (3 total)		9		12							\$2,760	
2.6	Public Meetings (2 total)		6		14							\$2,500	
2.7	Quality Assurance/Constructability	3					6					\$1,200	
	Subtotal	10	73		130		6			118	5	\$39,930	
3	Permitting												
3.1	Broward County SW License												
3.1.a	SW 5-Yr Inspection & Certification for existing permit		2		4						2	\$900	
3.1.b	SW License Modification	1	6		12						3	\$2,660	
3.2	SFWMD ERP Modification	1	6		10						3	\$2,440	
3.3	SFWMD Dewatering		6		12						3	\$2,490	
	Subtotal	2	20		38						11	\$8,490	
4	Services During Construction (assumed 5 months)												
4.1	Pre-Construction Conference		3				4					\$940	
4.2	Submittal Review (9 submittals)						18					\$2,070	
4.3	Construction Clarifications						10					\$1,150	
4.4	Periodic Inspections (2 half days/wk)					176						\$17,600	
4.5	Substantial & Final Completion Inspections/Certifications		3				8					\$1,400	
			6			176	40					\$23,160	
	Labor Subtotal Hours	12	107		178	176	46	16	48	155	16	\$86,115	\$9,700
	Labor Subtotal Costs	\$2,040	\$17,120		\$19,580	\$17,600	\$5,290	\$2,400	\$6,240	\$14,725	\$1,120		
	Labor Total Costs	\$86,115											
	Subconsultant Costs Total	\$9,700											
	Subconsultant Multiplier	1.1											
	Subconsultant Total	\$10,670											
	Reimbursable Expenses	\$1,200											
	Total Project	\$97,985											

Exhibit C
Work Authorization Schedule

SCHEDULE

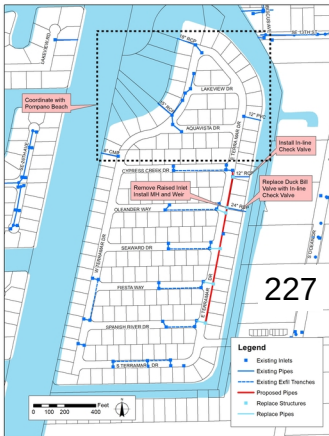
The schedule for the completion of the Work Authorization is as follows:*

<u>Task</u>	<u>Task Duration</u>	<u>Completion Date**</u>
1	Data Collection	16 weeks
2	Design Services	24 weeks
3	Permitting	28 weeks
4	Bidding	36 weeks
5	Services during Construction	56 weeks

Refer to the attached Project Schedule

*Time is of the essence for all timeframes provided herein. The Consultant's failure to comply with the foregoing schedule is a default by Consultant, unless the delay is due to circumstances beyond Consultant's control. Town owns all documents and other evidence of design effort created as a result of this Work Authorization. All documents and other evidence of design effort created by Consultant pursuant to this Work Authorization must be promptly provided to the Town in Auto Cad format as a precondition to payment at any time the Consultant is in default with the terms hereof.

**The Completion date for Tasks and the Project as a whole should be expressed in weeks or months as measured from date of the notice to proceed.





Town Commission Agenda Item Report

Meeting Date: June 11, 2019

Submitted by: Ken Rubach

Submitting Department: Administration

Item Type: Discussion Item

Agenda Section: NEW BUSINESS

Subject Title:

Datura Portal Structural Damage Report

Explanation:

While in the course of cleaning the Datura portal and performing a survey of the site Municipal Services staff noticed cracking in the fascia coral stone that covers the concrete pillars at the entrance to the beach at Datura. The amount of damaged varied from very fine cracks to medium sized pieces.



Staff contacted MBR Construction (who originally built the portals) to come and assess the damage in order to make repairs. Initially this was thought to be merely a replacement of several cracked bricks. However, as MBR was removing the bricks it became apparent there was also cracks in the concrete structure underneath. After this was discovered the Municipal Services Director and the Chief Building Official visited the site to perform further inspection. It was decided that a Structural Engineer should be brought in prior to performing any more work. Staff has reached out to Mathews Consulting to assist the Town with this effort. Further information will be disseminated through the Town Manager's Office as it becomes available.



Recommendation:

While this is not a budgeted item Staff is recommending that the Commission authorize the Town Manager to expend up to \$20,000.00 (from account 001-541-000-500-520) in order to expedite repairs once a report is received from the structural engineer. Should the repair costs exceed the approved amount staff will seek Commission approval for further expenditure of funds.

Attachments:



Town Commission Agenda Item Report

Meeting Date: June 11, 2019

Submitted by: Bill Vance

Submitting Department: Administration

Item Type: Discussion Item

Agenda Section: RESOLUTIONS – PUBLIC COMMENTS

Subject Title:

Resolution 2019-15 - A RESOLUTION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA; APPOINTING AN ACTING TOWN MANAGER TO SERVE IN THE EVENT THE TOWN MANAGER IS ABSENT OR DISABLED; PROVIDING FOR REPEAL OF ANY CONFLICTING RESOLUTION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Explanation:

The Town Charter outlines in Sec. 5.4 the process for appointing an Acting Town Manager.

Sec. 5.4. - Town Manager—Absence or disability; removal.

During the absence or disability of the Town Manager, the Town Commission may by resolution designate some properly qualified person to temporarily execute the functions of the Town Manager. The person thus designated shall have the same powers and duties as the Town Manager, and shall be known while so serving as "Acting Town Manager." The Town Manager or Acting Town Manager may be removed by the Town Commission at any time.

The proposed Resolution 2019-15 (Exhibit 1) provides for the orderly transition of duties by designating the Director of Municipal Services as the Acting Town Manager if the Town Manager is absent from or unable to serve the Town.

Recommendation:

Approve Resolution 2019-15

Attachments:

RESOLUTION NO. 2019-15

A RESOLUTION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA; APPOINTING AN ACTING TOWN MANAGER TO SERVE IN THE EVENT THE TOWN MANAGER IS ABSENT OR DISABLED; PROVIDING FOR REPEAL OF ANY CONFLICTING RESOLUTION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, William “Bill” Vance was appointed by the Town Commission to serve as the Town Manager, effective as of March 18, 2019; and

WHEREAS, pursuant to Section 5.4 of the Town Charter, the Town Commission desires to appoint an Acting Town Manager, effective June 11, 2019, to execute the functions of Town Manager in the event and for the duration of the period of time the Town Manager may be absent from or unable to serve the Town.

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

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

Section 2. Appointment of Acting Town Manager. Effective June 11, 2019, the Municipal Services Director is hereby appointed as Acting Town Manager, in the event and for the duration of the period of time the Town Manager is absent from or unable to serve the Town. In the event that the Municipal Services Director is unable to serve as Acting Town Manager, the Town Manager is specifically authorized to designate a properly qualified person to temporarily execute the powers and duties of Town Manager. The foregoing appointment includes providing to the Acting Town Manager the same powers and duties as Town Manager.

1 **Section 3. Further Actions.** The Town Manager, Municipal Services Director, and/or their
2 designees, and the Town Attorney are authorized to take all actions necessary to implement the
3 intentions of this Resolution.

4 **Section 4. Conflicting Resolutions.** All resolutions or parts of resolutions in conflict
5 herewith are hereby repealed to the extent of such conflict.

6 **Section 5. Severability.** If any clause, section or other part of this resolution shall be held
7 by any court of competent jurisdiction to be unconstitutional or invalid, such unconstitutional or
8 invalid part shall be considered as eliminated and in no way affecting the validity of the other
9 provisions of this Resolution.

10 **Section 6. Effective Date.** This Resolution shall become effective immediately upon its
11 passage.

12 **PASSED AND ADOPTED** this 11th day of June, 2019.

13
14
15 Attest:

Mayor Chris Vincent

16
17
18 _____
19 Tedra Allen, CMC Town Clerk
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22
23 APPROVED AS TO FORM:
24
25
26

27 _____
28 Susan L. Trevarthen, Town Attorney
29
30

31 File: T:\0 Agenda\3-26-19 Commission\Admin\Acting TM\Ex1 Reso 2019-06 Designating Acting Town Manager.docx



Town Commission Agenda Item Report

Meeting Date: June 11, 2019

Submitted by: Susan Trevarthen

Submitting Department: Administration

Item Type: Discussion Item

Agenda Section: RESOLUTIONS – PUBLIC COMMENTS

Subject Title:

Resolution 2019-19 - A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, APPROVING A SETTLEMENT AGREEMENT AND RELEASE WITH JAMES OBER; AUTHORIZING THE TOWN MANAGER TO EXECUTE THE AGREEMENT AND AUTHORIZING THE TOWN MANAGER AND TOWN ATTORNEY TO TAKE ALL ACTIONS NECESSARY TO OBTAIN EXECUTION OF AND IMPLEMENT THE AGREEMENT; PROVIDING AN EFFECTIVE DATE.

Explanation:

In April 2014, James Ober filed suit against the Town to remove multiple code enforcement liens, incurred by a prior owner, recorded against his real property ("Lawsuit"). The Lawsuit followed a disagreement between Ober and the Town concerning his request for fine mitigation. In response to the Lawsuit, the Town counterclaimed against Ober to foreclose the liens.

The key issue between the parties concerned whether a lis pendens, recorded in November 2006 by a lender foreclosing against the prior owner, was still effective after the date that the Court issued its final judgment of foreclosure. This issue was very important because if the effect of the lis pendens terminated with a final judgment as indicated by the caselaw, then the Town's code enforcement liens would impair the lender's security, possibly forcing lenders to maintain the property to Code to avoid the imposition of fines and liens. If that was not true, then lenders could ignore the Town's Code requirements with no consequences, as neither the fines nor the liens that secured payment of those fines would have any effect until the property was sold at a judicial sale.

The Town won the case twice, first in the trial court, and then unanimously on appeal. However, following a motion for rehearing where multiple business organizations and even Florida Bar sections filed briefs against the Town's position, the court of appeals (4th DCA) unanimously reversed itself. As a result, only three of the Town's liens were still viable, having been recorded after the judicial sale of the property. In an unusual move, the Florida Supreme Court declined to accept jurisdiction to review the Fourth DCA's decision by a narrow 4-3 vote.

As directed by the Fourth DCA, we returned to the trial court for entry of a modified judgment consistent with its ruling: removing the foreclosure of the seven liens entered after foreclosure judgment and before sale, and reaffirming the foreclosure of the three liens entered after sale. The Town obtained a final judgment in its favor concerning these three remaining liens, which would allow the Town to auction the property to satisfy them, and a sale date was set. However, Ober filed a motion for rehearing on the judgment, raising the possibility that the Town could be required to pay Ober's attorneys' fees, as well as bear the expense of further appeals promised by Ober concerning the judgment in the Town's favor. Ober faced the same risks, as well as the risk of the Town's successful foreclosure of its three remaining liens.

As a result, the parties agreed to mediate the dispute on June 5, 2019, and negotiated a tentative settlement subject to Commission approval. The nature of the settlement is that each party will withdraw any claims against

the other, release the other from further claims or litigation arising from this Lawsuit or the facts that underlie it, and bear its own costs and fees. As is customary, the parties have shared the cost of the mediation.

The Town Attorney, the Town's authorized representative Commissioner Randy Strauss (accompanied by former Town Manager Bud Bentley), and Town Manager Bill Vance all recommend approval.

Recommendation:

Approval of the resolution approving the settlement agreement with James Ober.

Attachments:

Exhibit 1

RESOLUTION 2019-16

**A RESOLUTION OF THE TOWN COMMISSION OF
THE TOWN OF LAUDERDALE-BY-THE-SEA,
FLORIDA, APPROVING A SETTLEMENT
AGREEMENT AND RELEASE WITH JAMES OBER;
AUTHORIZING THE TOWN MANAGER TO
EXECUTE THE AGREEMENT AND AUTHORIZING
THE TOWN MANAGER AND TOWN ATTORNEY
TO TAKE ALL ACTIONS NECESSARY TO OBTAIN
EXECUTION OF AND IMPLEMENT THE
AGREEMENT; PROVIDING AN EFFECTIVE DATE.**

WHEREAS, on or about April 9, 2014, Ober commenced an action against the Town to quiet title of certain real property, styled as *Ober v. Town of Lauderdale-By-The-Sea*, Case No. CACE14006782 (Broward County Circuit Court) (“Lawsuit”); and

WHEREAS, the Town filed a counterclaim against Ober in the Lawsuit on May 30, 2014; and

WHEREAS, the Town obtained a non-final Amended Order Granting Defendant’s Motion for Summary Judgment and Final Judgment of Foreclosure against Ober in the Lawsuit on January 22, 2019 (“Order”); and

WHEREAS, Ober filed a motion for reconsideration of the Order which remains pending in the Lawsuit; and

WHEREAS, both parties have pending motions for attorneys’ fees and costs in the Lawsuit; and

WHEREAS, the Parties desire to make a full and final compromise and settlement of any and all claims and counterclaims, and potential claims and counterclaims, and any and all other matters in controversy, disputes, causes of action, claims, contentions and differences between them without further judicial or administrative resolution and without any admission of liability to each other in any way whatsoever with respect to any issues presented or capable of being presented; and

WHEREAS, the Town Commission finds that the settlement of these litigation matters is in the best interest of the Town and its residents.

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

SECTION 1. Recitals. The foregoing “**Whereas**” clauses are hereby ratified and confirmed by the Town Commission, and incorporated herein.

SECTION 2. Settlement Agreement Approved. The Settlement Agreement, attached hereto as Exhibit “A,” is hereby approved.

SECTION 3. Authorization to Execute the Agreement. The Town authorizes the Town Manager or his designee to execute the Settlement Agreement, in substantially the same form as attached Exhibit “A.” The Town Manager or designee and Town Attorney may make any non-material changes to the Agreement necessary to obtain execution of the Agreement.

SECTION 4. Implementation. The Town Manager and Town Attorney are authorized to take all actions necessary to implement the Agreement.

SECTION 5. Effective Date. This Resolution shall become effective upon passage and adoption.

PASSED AND ADOPTED this _____th day of June, 2019.

MAYOR CHRIS VINCENT

ATTEST:

Tedra Allen, Town Clerk

63 **Approved as to form:**
64
65
66 _____
67 Susan L. Trevarthen, Town Attorney

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Agreement”) is made and entered into by and between the TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, its officials, employees, agents, and assigns (“Town”), and JAMES OBER, including his heirs, legal representatives, successors and assigns (collectively, the “Parties”).

WHEREAS, on or about On April 9, 2014 1, 2016, Ober commenced an action against the Town styled as *Ober v. Town of Lauderdale-By-The-Sea*, Case No. CACE14006782 (Broward County Circuit Court) (“Lawsuit”);

WHEREAS the Town filed a counterclaim against Ober in the Lawsuit on May 30, 2014;

WHEREAS the Town obtained a non-final Amended Order Granting Defendant’s Motion for Summary Judgment and Final Judgment of Foreclosure against Ober in the Lawsuit on January 22, 2019 (“Order”);

WHEREAS, Ober filed a motion for reconsideration of the Order which remains pending in the Lawsuit;

WHEREAS, both parties have pending motions for attorneys’ fees and costs in the Lawsuit; and

WHEREAS, the Parties desire to make a full and final compromise and settlement of any and all claims and counterclaims, and potential claims and counterclaims, and any and all other matters in controversy, disputes, causes of action, claims, contentions and differences between them without further judicial or administrative resolution and without any admission of liability to each other in any way whatsoever with respect to any issues presented or capable of being presented;

NOW THEREFORE, intending to be legally bound, and in consideration of the mutual

covenants and other good and valuable consideration set forth herein below, the parties do hereby agree as follows:

1. The foregoing recitations are true and correct.
2. Successors and Assigns. The terms of this Agreement are intended to be, and shall be binding upon, and inure to the benefit of, the Parties' respective successors (whether successors in interest, successors in title, or otherwise), assigns, grantees, transferees (whether said assigns, grantees and/or transferees be direct or remote) heirs, or legal representatives.
3. Dismissal of Lawsuit. Within thirty (30) days of the date that the last party hereto executes this Agreement, the following shall occur or shall have occurred:
 - a. The Town shall vacate the Order;
 - b. The Town shall record releases of all liens that the Town has previously recorded against Ober's property located at 3270 Spanish River Drive, Lauderdale-By-The-Sea, Florida, 33308 (sometimes referred to as Pompano Beach);
 - c. The Parties will stipulate to dismissal *with prejudice* of the Lawsuit, including all matters presently pending in the Lawsuit, with each party to bear his or its own expenses, fees, and costs.
4. Attorneys' Fees. As between the Parties hereto, each of the Parties to this Agreement shall bear its or their own costs, attorneys' fees, and expenses in connection with the mediation and settlement negotiations, and in connection with the matters set forth in this Agreement, including but not limited to, the negotiations for and preparation of this Agreement. In any subsequent proceeding to enforce the terms of this Agreement, the prevailing party shall be entitled to an award of costs and attorneys' fees.

5. Town's Release of Ober. The Town, its past and present agents, representatives, officials, attorneys, directors, employees, and assigns, hereby releases, acquits and forever discharges Ober, his agents, representatives, attorneys, successors, heirs, executors and assigns, from any and all legal, equitable or other claims, counterclaims, demands, setoffs, defenses, contracts, accounts, suits, debts, agreements, actions, causes of action, sums of money, reckoning, bonds, bills, specialties, covenants, promises, variances, trespasses, damages, liabilities, losses, extents, executions, judgments, attorney's fees and costs, findings, controversies and disputes, which they had or now have from the beginning of the world to the date hereof. This release includes claims that were or could have been raised in the Lawsuit, whether known or unknown, direct or indirect, arising out of contract or tort, vested, contingent or otherwise.

6. Ober's Release of Town. Ober, his past and present agents, representatives, attorneys, successors, heirs, executors and assigns, hereby releases, acquits and forever discharges the Town, its past and present agents, representatives, officials, attorneys, directors, employees, and assigns, from any and all legal, equitable or other claims, counterclaims, demands, setoffs, defenses, contracts, accounts, suits, debts, agreements, actions, causes of action, sums of money, reckoning, bonds, bills, specialties, covenants, promises, variances, trespasses, damages, liabilities, losses, extents, executions, judgments, attorney's fees and costs, findings, controversies and disputes, which they had or now have from the beginning of the world to the date hereof. This release includes claims that were or could have been raised in the Lawsuit, whether known or unknown, direct or indirect, arising out of contract or tort, vested, contingent or otherwise.

7. Municipal Rights Preserved. Nothing herein shall be deemed or construed to limit the Town's powers or rights under State or Federal law as a municipality to act for or against Ober or the Property except as released herein including, without limitation, enforcement of the Code of Ordinances of the Town of Lauderdale-By-The-Sea that occur or are alleged to have occurred after the effective date of this Agreement.

8. Mutual Representations and Warranties. Each of the Parties hereto represents and warrants that (1) they are fully authorized to enter into this Agreement; (2) they have read and fully understand each of the provisions of this Agreement; (3) the terms of this Agreement are contractual and not merely recitals; (4) that they have the power and authority to release each other and dismiss the Lawsuit; (5) that they have not transferred their rights to any other individual or entity.

9. No Other Proceedings. The parties represent and warrant that they have filed no other claims and know of no other claims filed in court, arbitration, or in any other forum between these parties pertaining to the subject matter of the Lawsuit and, in the event that any such claims do exist, the parties agree to immediately withdraw and dismiss them with prejudice, with each party to bear their own expenses, fees, and costs.

10. Agreement Voluntarily Entered into by Each of the Parties. This Agreement is executed voluntarily by each of the Parties without any duress or undue influence on the part, or on behalf, of any of them. The Parties represent and warrant to each other that they have read and fully understand each of the provisions of this Agreement and have relied on the advice and representation of competent legal counsel of their own choosing.

11. Compromise. This Agreement, and the releases contained herein effect the compromise and settlement of disputed and contested claims and nothing contained herein shall be construed as an admission by any party hereto of any liability of any kind to any other party.

12. Governing Law. This Agreement and any other documents referred to herein shall be governed by, construed, and enforced in accordance with the laws of the State of Florida, without regard to conflicts of laws principles. Any dispute between the parties arising under or in any way relating to this Agreement shall be subject to the exclusive jurisdiction of federal or state courts located in Broward County, Florida. Each party irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of such courts with respect to this Agreement.

13. Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by each of the parties affected thereby. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity.

14. Severability. If for any reason any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions of this Agreement nevertheless shall be construed, performed, and enforced as if the invalidated or unenforceable provision had not been included in the text of the Agreement.

15. Drafting. The drafting and negotiation of this Agreement have been participated in by each of the parties, and for all purposes this Agreement shall be deemed to have been drafted jointly by each of the parties.

16. Counterparts. This Agreement may be executed in counterparts. Each counterpart shall be deemed an original, and all counterparts so executed shall constitute one agreement binding on all of the parties hereto, notwithstanding that all of the parties are not signatory to the same counterpart. A faxed or scanned signature shall be deemed an original.

17. Entire Agreement. This Agreement constitutes the sole agreement between the Parties relating to the subject matter hereof. No party is relying upon any representation, understanding, undertaking, or agreement not set forth in this Agreement, and each party expressly disclaims any reliance on any such representation, understanding, undertaking, or agreement. This is an integrated agreement.

18. Cumulative Rights. All rights and remedies provided in this Agreement are cumulative and not exclusive of any other rights or remedies that may be available to the Parties, whether provided by law, equity, statute, or otherwise.

IN WITNESS WHEREOF, expressly intending to be legally bound hereby, the parties have executed this Settlement Agreement and Release on the dates indicated below.

[SIGNATURES ON FOLLOWING PAGE]

TOWN OF LAUDERDALE-BY-THE-SEA

By: _____

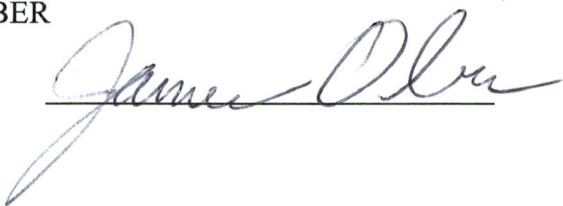
Print Name: _____

Title: _____

Date: _____

JAMES OBER

By:

A handwritten signature in dark ink, appearing to read "James Ober", is written over a horizontal line.

Print Name: James Ober

Date: 6/10/19

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Prepared By:

The Finance Department

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

FISCAL YEAR ENDED SEPTEMBER 30, 2018

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TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

FISCAL YEAR ENDED SEPTEMBER 30, 2018

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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

May 20, 2019

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, 2018.

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, 2018, 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, 2018 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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 Sheriff'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 2018 increased by \$156,559,166 or approximately 7.1% from 2017 (including net new construction). New construction, which represents improvements to real property that were not on the tax roll in the prior year, accounted for \$39,675,195 of the increase in the tax roll. Fiscal year 2018 marks the culmination of the recovery since property values peaked in fiscal year 2008 and subsequently declined.

Tax Roll Year	Fiscal Year	WCC Taxable Values		Year-to-Year Comparison		Year-to-FY2008 Comparison	
2007	2008	\$	2,321,901,228 *	\$	-		
2008	2009	\$	2,117,169,658 *	\$	(204,731,570)	-8.8%	\$ (204,731,570) -8.8%
2009	2010	\$	1,911,499,581 *	\$	(205,670,077)	-9.7%	\$ (410,401,647) -17.7%
2010	2011	\$	1,766,370,472 *	\$	(145,129,109)	-7.6%	\$ (555,530,756) -23.9%
2011	2012	\$	1,729,711,519 *	\$	(36,658,953)	-2.1%	\$ (592,189,709) -25.5%
2012	2013	\$	1,758,499,775 *	\$	28,788,256	1.7%	\$ (563,401,453) -24.3%
2013	2014	\$	1,811,104,269 *	\$	52,604,494	3.0%	\$ (510,796,959) -22.0%
2014	2015	\$	1,928,187,948 *	\$	117,083,679	6.5%	\$ (393,713,280) -17.0%
2015	2016	\$	2,073,594,801 *	\$	145,406,853	7.5%	\$ (248,306,427) -10.7%
2016	2017	\$	2,219,593,247 *	\$	145,998,446	7.0%	\$ (102,307,981) -4.4%
2017	2018	\$	2,376,152,413	\$	156,559,166	7.1%	\$ 54,251,185 2.3%

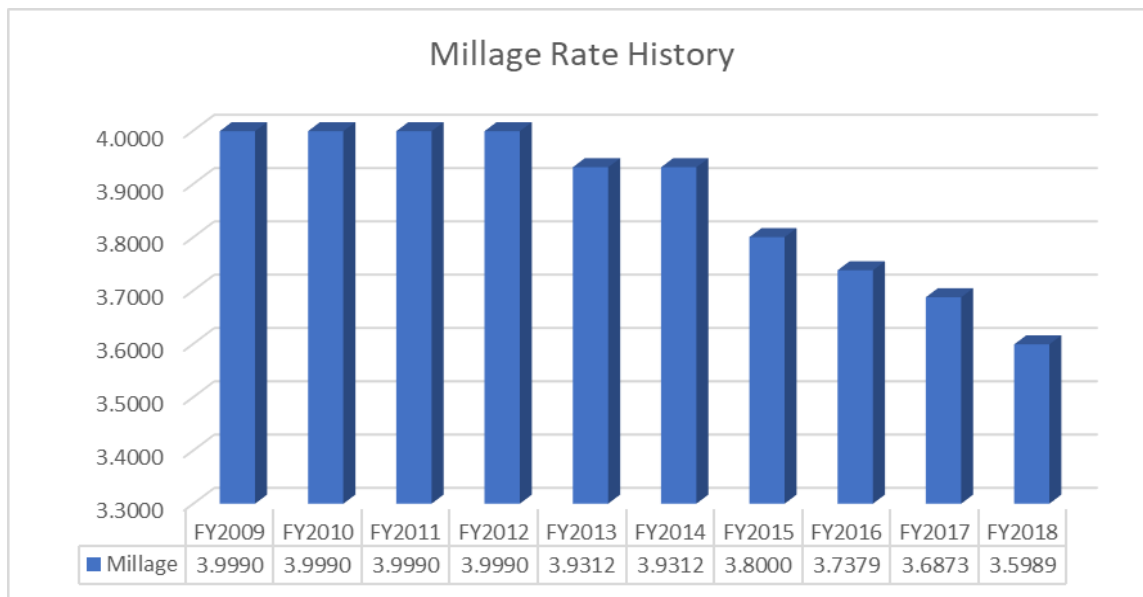
* Total Taxable Value with correction certificates (Source: Taxable Value Report, BCPA)

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
2008	1,011,156	947,625	63,531	6.30%
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%

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

As indicated in the following chart, during fiscal year 2018 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, 2018

The table below shows the balances of the governmental funds as of September 30, 2018. The unassigned balance of the general fund was \$4,301,685. The other significant component of the general fund balance is the \$2,500,000 assigned to the emergency reserve. The balance of \$91,466 is the prepaid items as of September 30, 2018 which consists contractual services; and a \$350,925 appropriation from the General Fund balance which is reflected in the fiscal year 2019 budget.

As of September 30, 2018, the balance of the capital projects fund was \$3,629,768. 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 \$2,952,202 is for future capital projects.

The Town's non-major funds are the fire fund and the law enforcement trust fund (LETF). Excluding the \$67,399 amount that was prepaid, as of September 30, 2018 these funds had \$1,140,910 and \$12,439 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	\$ 91,466	\$ -	\$ 67,399	\$ 158,865
Restricted for:				
Fire department	-	-	1,140,910	1,140,910
El Mar beautification per contract	-	677,566	-	677,566
Law enforcement	-	-	12,439	12,439
Assigned to:				
Emergency reserve	2,500,000	-	-	2,500,000
Subsequent year's expenditures	350,925	-	-	350,925
Capital projects	-	2,952,202	-	2,952,202
Unassigned	4,301,685	-	-	4,301,685
Total fund balances	\$ 7,244,076	\$ 3,629,768	\$ 1,220,748	\$ 12,094,592

Proprietary Funds

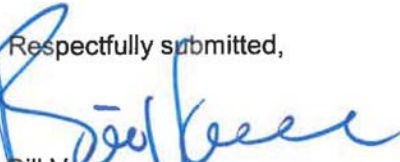
As of September 30, 2018, the unrestricted balance of the sewer fund was \$1,033,340, and the unrestricted balance of the parking fund was \$3,979,300. The table below shows the history of the proprietary fund unrestricted balances over the past ten years.

Year	Total Proprietary Funds		
	Sewer Fund	Parking Fund	
2009	\$ 1,613,946	\$ 238,710	\$ 1,852,656
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

Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated services of Edner Saint-Jean 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,

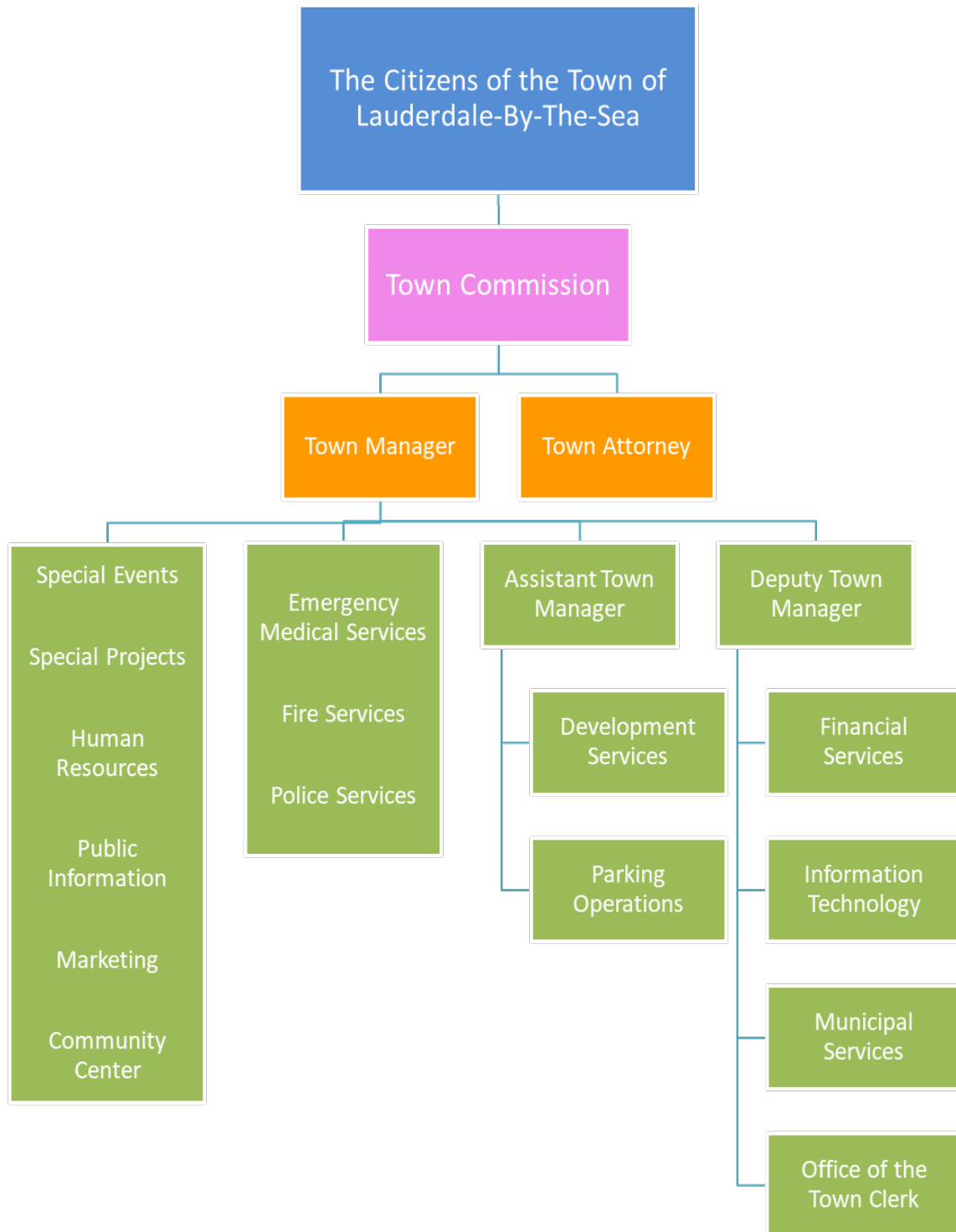


Bill Vance
Town Manager



Tony Bryan
Deputy Town Manager

**TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
ORGANIZATION CHART
SEPTEMBER 30, 2018**



**TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
TOWN OFFICIALS
SEPTEMBER 30, 2018**

TOWN COMMISSION

CHRIS VINCENT
Mayor

ELLIOT SOKOLOW
Vice-Mayor

EDMUND MALKOON
Commissioner

BUZ OLDAKER
Commissioner

RANDY STRAUSS
Commissioner

TOWN ATTORNEY
Susan L. Trevarthen

MANAGEMENT TEAM

TOWN MANAGER
Ralph Bentley

DEPUTY TOWN MANAGER
Tony Bryan

ASSISTANT TOWN MANAGER
Sharon Ragoonan

MUNICIPAL SERVICES DIRECTOR
Donald Prince

DEVELOPMENT SERVICES DIRECTOR
Linda Connors

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, 2018, 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, 2018, 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 the 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 May 20, 2019, 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 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.

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

Report on Other Legal and Regulatory Requirements

We have also issued our report dated May 20, 2019, on our consideration of the Town's compliance with the requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

Bhav & Associates

May 20, 2019

**MANAGEMENT'S DISCUSSION ANALYSIS
(MD&A)**

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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, 2018. 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 \$50,955,685 (*net position*). Of this amount, \$13,622,412 (*unrestricted net position*) may be used to meet the ongoing obligations to citizens and creditors. The Town's net position increased by \$2,006,286 from the prior fiscal year primarily as a result of the Town's parking fund having generated operating income of \$1,555,829 during the fiscal year. During fiscal year 2018 the Town started to renovate the Poinciana / Bougainvillea Roadway and expand the A1A Parking lot to include the property at 4410 Bougainvillea Drive (i.e., the former Majestica Apartment Building). The project is being done in two phases. The first phase was completed in February 2019 and the second phase is expected to be completed in November 2019.

At the close of the fiscal year 2018, the Town of Lauderdale-By-The-Sea's governmental funds reported combined ending fund balances of \$12,094,592, an increase of \$1,520,558 from the prior fiscal year.

At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,301,685 or approximately 38% 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 indicator 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, 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, 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 four individual governmental funds (general, capital projects, and two 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 two special revenue funds. The general fund and capital projects funds are both considered to be major funds. The two special revenue funds are both considered to be non-major funds.

Overview of the Financial Statements (Continued)

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 \$50,955,655 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 \$324,591 in fiscal year 2018. 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 \$1,807,632, \$1,484,149 of which, is attributable to the parking fund.

Government-Wide Financial Analysis (Continued)

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

Net Position September 30,						
	Governmental Activities		Business-type Activities		Total	
	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)
Current and other assets	\$ 13,135,163	\$ 11,851,141	\$ 6,052,240	\$ 4,356,573	\$ 19,187,403	\$ 16,207,714
Capital assets, net	22,702,253	23,632,462	12,800,105	12,147,853	35,502,358	35,780,315
Total assets	35,837,416	35,483,603	18,852,345	16,504,426	54,689,761	51,988,029
Deferred outflows of resources	1,618,034	1,631,965	136,794	138,763	1,754,828	1,770,728
Long-term liabilities	3,155,488	2,912,673	300,238	287,020	3,455,726	3,199,693
Other liabilities	848,874	1,226,999	850,514	338,278	1,699,388	1,565,277
Total liabilities	4,004,362	4,139,672	1,150,752	625,298	5,155,114	4,764,970
Deferred inflows of resources	308,148	157,547	25,642	12,778	333,790	170,325
Net position:						
Investment in capital assets	22,702,253	23,632,462	12,800,105	12,147,853	35,502,358	35,780,315
Restricted for:						
El Mar beautification per contractual agreement	677,566	677,566	-	-	677,566	677,566
Fire department	1,140,910	945,954	-	-	1,140,910	945,954
Law enforcement	12,439	5,613	-	-	12,439	5,613
Unrestricted	8,609,772	7,556,754	5,012,640	3,857,260	13,622,412	11,414,014
Total net position	\$ 33,142,940	\$ 32,818,349	\$ 17,812,745	\$ 16,005,113	\$ 50,955,685	\$ 48,823,462

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	
	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)
Revenues:						
Program Revenues:						
Charges for services, including fire assessments	\$ 2,730,633	\$ 2,452,508	\$ 3,414,989	\$ 3,458,628	\$ 6,145,622	\$ 5,911,136
Operating grants and contributions	84,696	84,237	-	-	84,696	84,237
General Revenues:						
Property taxes	8,271,252	7,920,011	-	-	8,271,252	7,920,011
Franchise taxes and utility taxes	1,794,609	1,799,511	-	-	1,794,609	1,799,511
Grants and contributions not restricted to specific programs	1,029,976	1,019,977	-	-	1,029,976	1,019,977
Unrestricted investment earnings	25,317	17,081	6,561	134	31,878	17,215
Miscellaneous revenues	207,760	202,005	7,500	-	215,260	202,005
Total revenues	14,144,243	13,495,330	3,429,050	3,458,762	17,573,293	16,954,092
Expenses:						
General government	2,535,113	2,513,736	-	-	2,535,113	2,513,736
Public safety	7,427,617	7,338,209	-	-	7,427,617	7,338,209
Transportation	1,977,665	1,855,963	-	-	1,977,665	1,855,963
Recreation	444,051	470,066	-	-	444,051	470,066
Physical environment	1,435,206	1,590,521	-	-	1,435,206	1,590,521
Sewer	-	-	855,750	955,498	855,750	955,498
Parking	-	-	765,668	753,075	765,668	753,075
Total expenses	13,819,652	13,768,495	1,621,418	1,708,573	15,441,070	15,477,068
Increase in net position	324,591	(273,165)	1,807,632	1,750,189	2,132,223	1,477,024
Net position - beginning, as restated (Note 1)	32,818,349	33,091,514	16,005,113	14,254,924	48,823,462	47,346,438
Net position - ending	\$ 33,142,940	\$ 32,818,349	\$ 17,812,745	\$ 16,005,113	\$ 50,955,685	\$ 48,823,462

Property tax revenue increased by \$351,241 primarily as the result of the Town increasing taxes by approximately \$300,000 in order to raise funds for future capital projects.

In the governmental funds, revenue from charges for services increased by \$278,125. This increase is largely attributable to the difference between a \$324,003 increase in code enforcement fines and \$62,287 decline in building permit fees collected during the fiscal year. Grants and contributions not restricted to specific programs increased by \$9,999. The increase is largely attributable to the difference between an \$18,374 increase in sales tax revenue and an \$11,801 (or 76%) decline in recycling revenue. Franchise tax and utility tax revenues remained relatively flat.

In the proprietary funds, revenue from charges for services declined by \$43,639 due to a \$27,900 increase in sewer revenue and a parking revenue and a \$71,539 decline in parking revenue.

Government-Wide Financial Analysis (Continued)

General Government and Public Safety expense remained relatively flat. Transportation expense increased by \$121,702. 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 partially offset by the \$88,803 decline in hurricane related expenditures in fiscal year 2018, relative to fiscal year 2017. Specifically, at the end of fiscal year 2017 expenditures related to Hurricane Irma were estimated at \$183,521 however the Town made another \$94,718 of Hurricane Irma related expenditures in fiscal year 2018.

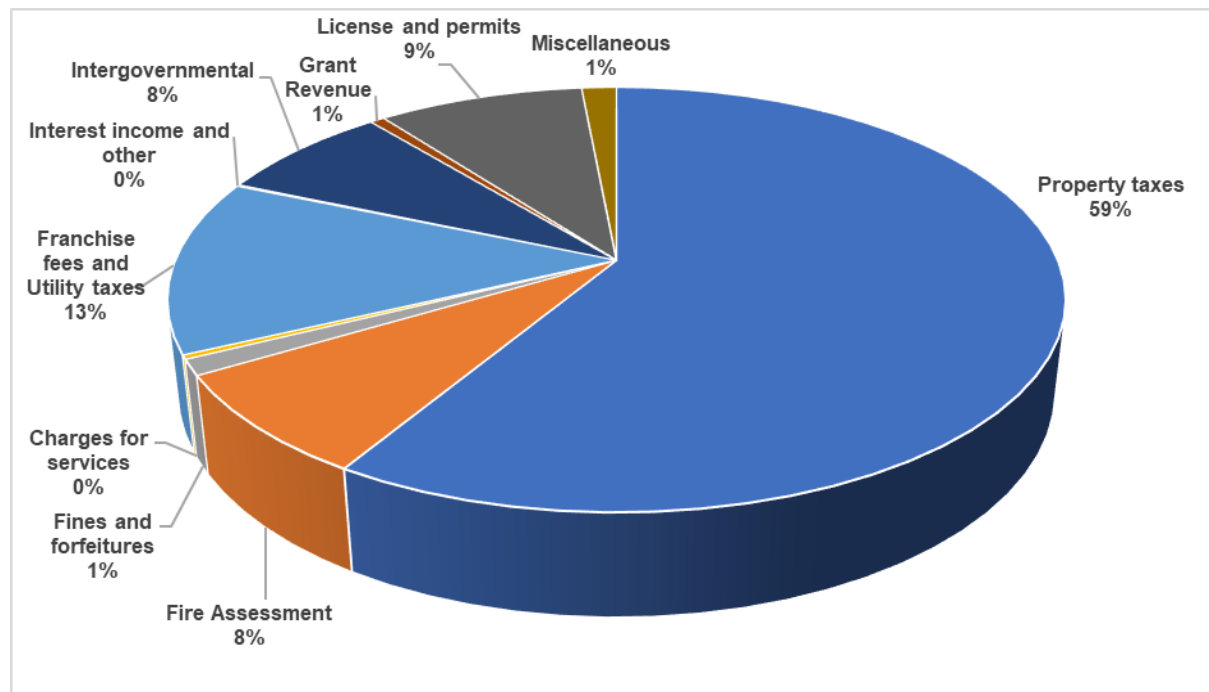
Recreation expense declined by \$26,015 as a result of cost saving initiatives that were undertaken in 2018, including utilizing Town staff to install decorative holiday lights rather than a contractor.

Physical Environment expense declined by \$155,315 primarily because of a large one-time expenditure in fiscal 2017. Specifically, the Town purchased new upgraded radios for the Volunteer Fire Department, as a requirement of participation in the pending Regional E-911 Public Safety Intranet.

Sewer expense declined by \$99,748 primarily as a result of declines in professional services, payments to Pompano for wastewater treatment, and pump station maintenance. Parking expense remained relatively flat.

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 \$12,094,592 an increase of \$1,520,558 from the prior fiscal year.

The general fund is the primary operating fund of the Town. At the end of the fiscal year 2018, the fund balance of the general fund was \$7,244,076, an increase of \$1,232,616. The increase is the result of revenues being \$1,043,778 more than budgeted and spending \$388,838 less than budgeted. The more significant revenue surplus items were as follows: Property taxes (\$132,280), Franchise and utility taxes (\$102,609), Fines and forfeitures (\$399,086), and Licenses and permits (\$332,773). There was less spending than expected on Business Development & marketing (\$164,122) and Recreation (\$103,063).

The fund balance of the capital projects fund increased by \$86,160 to \$3,629,768 as budgeted transfers from the General Fund (\$489,022) and interest income exceeded expenditures. The most significant expenditure in the Capital Fund was \$298,128 for street resurfacing.

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 declined from the prior fiscal year in the proprietary funds. Parking revenues declined by \$71,539 or approximately 3% from the prior fiscal year. Sewer revenues increased by \$27,900 or approximately 2% as the result of a 2 ½ percent rate increase. Operating expenses in the sewer fund declined by \$99,748 or approximately 10%. The decline is a result of several factors including a reduction in the payments to the City of Pompano Beach for wastewater treatment (\$26,728), a decline in expenditures related to pump station and sewer line maintenance (\$30,587) relative to prior year, and decline in professional expenditures related to the installation of cured-in-place sewer lining (\$24,365). Operating expenses in the parking fund increased by \$12,593 or approximately 2% primarily as the result of lease payments associated with a new street sweeper (\$20,078). The unrestricted net position of the Sewer and Parking Funds combined at the end of the fiscal year amounted to \$5,012,640, an increase of \$1,144,527 or approximately 30% from the prior fiscal year. The increase is primarily the result of the parking fund generating operating income of \$1,471,697.

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 108.3% of budgeted levels. Franchise fee collections came in at 103.1% of budgeted levels. Utility taxes increased 0.9% from the prior fiscal year and franchise fees declined 1.9% from the prior fiscal year.

General Fund Budgetary Highlights (Continued)

Intergovernmental revenues collected were 100.1% of budget.

Licenses, permits and fees revenue came in at 140.8% of budgeted levels. This represents a 4% decline relative to the prior fiscal year.

Actual expenditures of the general fund were approximately 3.3% 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, 2018, amounted to \$35,502,358 (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 the University of Central Florida's Institute for Economic Competitiveness' March 2019 report, the Miami-Fort Lauderdale-West Palm Beach area is expected to show mixed levels of growth in key economic indicators. Specifically, personal income is expected to grow at an average of 4.9% per year while average annual wage growth is expected to average 3.7% per year. Employment is expected to grow at an average rate of 3.5% each year, while unemployment is expected to be moderate at an average rate of 3.4%.

In preparing the fiscal year 2019 budget, the Town provided funding for the following projects:

- ❖ Expand the A1A Parking Lot
- ❖ Install drainage in the East Terra Mar neighborhood
- ❖ Construct sidewalks along Hibiscus Avenue (from Seagrape to state road A1A).
- ❖ Design the Palm Club Sewer
- ❖ Improve the Friedt Municipal Park.

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.

BASIC FINANCIAL STATEMENTS

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TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

	Governmental	Business-type	
	Activities	Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 12,148,027	\$ 5,864,256	\$ 18,012,283
Investments	248,664	-	248,664
Accounts receivable, net	285,009	160,733	445,742
Due from business/governmental type activities	102,901	12,251	115,152
Prepaid items	158,865	15,000	173,865
Net pension asset - Volunteer Firefighters Pension Plan	191,697	-	191,697
Capital assets:			
Nondepreciable capital assets	1,939,254	8,901,392	10,840,646
Depreciable capital assets, net	20,762,999	3,898,713	24,661,712
Total assets	<u>35,837,416</u>	<u>18,852,345</u>	<u>54,689,761</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Volunteer Firefighters Pension Plan	235,333	-	235,333
Other Post Employment Benefits	14,127	1,439	15,566
Florida Retirement System Pension Plan	1,368,574	135,355	1,503,929
Total deferred outflows of resources	<u>1,618,034</u>	<u>136,794</u>	<u>1,754,828</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND</u>			
<u>NET POSITION</u>			
Liabilities:			
Accounts payable and other liabilities	557,763	741,853	1,299,616
Contracts and retainage payable	8,843	-	8,843
Accrued liabilities	153,315	1,578	154,893
Due to business/governmental type activities	12,251	102,901	115,152
Unearned revenues	100,308	4,182	104,490
Deposits	16,394	-	16,394
Noncurrent liabilities due within one year	12,355	-	12,355
Noncurrent liabilities:			
Net Other Post Employment Benefit obligation	125,491	12,784	138,275
Net pension liability - Florida Retirement System	2,906,447	287,454	3,193,901
Due in more than one year	111,195	-	111,195
Total liabilities	<u>4,004,362</u>	<u>1,150,752</u>	<u>5,155,114</u>
Deferred inflows of resources:			
Volunteer Firefighters Pension Plan	48,900	-	48,900
Florida Retirement System Pension Plan	259,248	25,642	284,890
Total deferred outflows of resources	<u>308,148</u>	<u>25,642</u>	<u>333,790</u>
Net position:			
Investment in capital assets	22,702,253	12,800,105	35,502,358
Restricted for:			
El Mar beautification per contractual agreement	677,566	-	677,566
Law enforcement	12,439	-	12,439
Fire department	1,140,910	-	1,140,910
Unrestricted	8,609,772	5,012,640	13,622,412
Total net position	<u>\$ 33,142,940</u>	<u>\$ 17,812,745</u>	<u>\$ 50,955,685</u>

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2018

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business- type Activities	
Primary government:						
Governmental activities:						
General government	\$ 2,535,113	\$ 1,631,859	\$ -	\$ (903,254)	\$ -	\$ (903,254)
Public safety	7,427,617	1,098,774	-	(6,328,843)	-	(6,328,843)
Transportation	1,977,665	-	-	(1,977,665)	-	(1,977,665)
Recreation	444,051	-	84,696	(359,355)	-	(359,355)
Physical environment	1,435,206	-	-	(1,435,206)	-	(1,435,206)
Total government activities	13,819,652	2,730,633	84,696	(11,004,323)	-	(11,004,323)
Business-type activities:						
Sewer	855,750	1,177,624	-	-	321,874	321,874
Parking	765,668	2,237,365	-	-	1,471,697	1,471,697
Total business-type activities	1,621,418	3,414,989	-	-	1,793,571	1,793,571
Total primary government	\$ 15,441,070	\$ 6,145,622	\$ 84,696	(11,004,323)	1,793,571	(9,210,752)
General revenues:						
Property taxes				8,271,252	-	8,271,252
Franchise taxes and utility taxes				1,794,609	-	1,794,609
Grants and contributions not restricted to specific programs				1,029,976	-	1,029,976
Unrestricted investment earnings				25,317	6,561	31,878
Miscellaneous revenues				207,760	7,500	215,260
Total general revenues and transfers				11,328,914	14,061	11,342,975
Change in net position				324,591	1,807,632	2,132,223
Net position - beginning, as restated (Note 1)				32,818,349	16,005,113	48,823,462
Net position - ending				\$ 33,142,940	\$ 17,812,745	\$ 50,955,685

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	Major Funds			Total
	General	Capital	Non-Major	Governmental
	Fund	Projects	Funds	Funds
		Fund		
<u>ASSETS</u>				
Cash and cash equivalents	\$ 7,443,341	\$ 3,524,241	\$ 1,180,445	\$ 12,148,027
Investments	248,664	-	-	248,664
Accounts receivable, net	285,009	-	-	285,009
Due from other funds	114,109	126,078	-	240,187
Prepaid items	91,466	-	67,399	158,865
Total assets	<u>\$ 8,182,589</u>	<u>\$ 3,650,319</u>	<u>\$ 1,247,844</u>	<u>\$ 13,080,752</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and other liabilities	\$ 553,936	\$ -	\$ 3,827	\$ 557,763
Contracts and retainage payable	-	8,843	-	8,843
Accrued liabilities	153,315	-	-	153,315
Due to other funds	138,329	11,208	-	149,537
Unearned revenue	76,539	500	23,269	100,308
Deposits	16,394	-	-	16,394
Total liabilities	<u>938,513</u>	<u>20,551</u>	<u>27,096</u>	<u>986,160</u>
Fund balances:				
Nonspendable:				
Prepaid items	91,466	-	67,399	158,865
Restricted for:				
Fire department	-	-	1,140,910	1,140,910
El Mar beautification per contract	-	677,566	-	677,566
Law enforcement	-	-	12,439	12,439
Assigned to:				
Emergency reserve	2,500,000	-	-	2,500,000
Subsequent year's expenditures	350,925	-	-	350,925
Capital projects	-	2,952,202	-	2,952,202
Unassigned	4,301,685	-	-	4,301,685
Total fund balances	<u>7,244,076</u>	<u>3,629,768</u>	<u>1,220,748</u>	<u>12,094,592</u>
Total liabilities and fund balances	<u>\$ 8,182,589</u>	<u>\$ 3,650,319</u>	<u>\$ 1,247,844</u>	<u>\$ 13,080,752</u>

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, 2018

Fund balance - governmental funds \$ 12,094,592

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	40,533,709	
Accumulated depreciation	<u>(17,831,456)</u>	22,702,253

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.	191,697
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Deferred outflows of resources related to the pension and other post employment benefits are recorded in the statement of net position.	1,618,034
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Deferred inflows of resources related to the pension are recorded in the statement of net position.	(308,148)
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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	(123,550)
Net pension liability - Florida Retirement System	(2,906,447)
Other Post Employment Benefit obligation	(125,491)

Net position of governmental activities	<u><u>\$ 33,142,940</u></u>
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TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Major Funds			Total
	General	Capital	Non-Major	Governmental
	Fund	Projects	Funds	Funds
Revenues:				
Property taxes and fire assessments	\$ 8,271,252	\$ -	\$ 1,051,761	\$ 9,323,013
Franchise fees and utility taxes	1,794,609	-	-	1,794,609
Intergovernmental	1,029,976	-	-	1,029,976
Fines and forfeitures	484,086	-	-	484,086
Charges for services	13,281	-	33,732	47,013
Licenses and permits	1,147,773	-	-	1,147,773
Interest income and other	21,055	4,262	-	25,317
Grant revenue	84,696	-	-	84,696
Miscellaneous revenues	200,934	-	6,826	207,760
Total revenues	13,047,662	4,262	1,092,319	14,144,243
Expenditures:				
Current:				
General government	2,313,067	72,988	-	2,386,055
Public safety	6,493,691	-	832,217	7,325,908
Transportation	1,750,558	-	-	1,750,558
Recreation	431,725	-	-	431,725
Physical environment	233,592	-	-	233,592
Capital outlay	98,591	334,136	63,120	495,847
Total expenditures	11,321,224	407,124	895,337	12,623,685
Excess (deficiency) of revenues over (under) expenditures	1,726,438	(402,862)	196,982	1,520,558
Other financing sources (uses):				
Transfers in	22,000	489,022	26,800	537,822
Transfers out	(515,822)	-	(22,000)	(537,822)
Total other financing sources (uses)	(493,822)	489,022	4,800	-
Net change in fund balances	1,232,616	86,160	201,782	1,520,558
Fund balances, beginning	6,011,460	3,543,608	1,018,966	10,574,034
Fund balances, ending	\$ 7,244,076	\$ 3,629,768	\$ 1,220,748	\$ 12,094,592

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, 2018

Net change in fund balances - total governmental funds \$ 1,520,558

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. 455,700

Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense on the statement of activities. (1,385,909)

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	6,008
Change in Other Post Employment Benefit obligation	17,306
Changes related to the FRS net pension liability (NPL)	(301,449)
Changes related to the Volunteer Firefighters Pension Plan NPL	12,377
Change in net position of governmental activities	\$ 324,591

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2018

	Enterprise Funds		
	Sewer Utility System	Parking	Total
<u>ASSETS</u>			
Current Assets:			
Cash and cash equivalents	\$ 1,517,070	\$ 4,347,186	\$ 5,864,256
Accounts receivable, net	152,588	8,145	160,733
Due from other funds	1,460	10,791	12,251
Prepaid items	-	15,000	15,000
Total current assets	<u>1,671,118</u>	<u>4,381,122</u>	<u>6,052,240</u>
Noncurrent Assets:			
Capital Assets:			
Land	-	8,717,073	8,717,073
Equipment	39,504	146,724	186,228
Buildings and utility plant	4,199,413	1,438,088	5,637,501
Construction in progress	1	184,318	184,319
Total capital assets	<u>4,238,918</u>	<u>10,486,203</u>	<u>14,725,121</u>
Less accumulated depreciation	<u>(1,609,354)</u>	<u>(315,662)</u>	<u>(1,925,016)</u>
Net capital assets	<u>2,629,564</u>	<u>10,170,541</u>	<u>12,800,105</u>
Total noncurrent assets	<u>2,629,564</u>	<u>10,170,541</u>	<u>12,800,105</u>
Total assets	<u>4,300,682</u>	<u>14,551,663</u>	<u>18,852,345</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Florida Retirement System Pension Plan	67,680	67,675	135,355
Other Post Employment Benefits	681	758	1,439
Total deferred outflows of resources	<u>68,361</u>	<u>68,433</u>	<u>136,794</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>			
Current Liabilities:			
Accounts payable	472,847	269,006	741,853
Accrued liabilities	612	966	1,578
Due to other funds	70,080	32,821	102,901
Unearned revenue	-	4,182	4,182
Total current liabilities	<u>543,539</u>	<u>306,975</u>	<u>850,514</u>
Long-Term Liabilities:			
Other Post Employment Benefit Obligation	6,053	6,731	12,784
Net pension liability - Florida Retirement System	143,726	143,728	287,454
Total long-term liabilities	<u>149,779</u>	<u>150,459</u>	<u>300,238</u>
Total Liabilities	<u>693,318</u>	<u>457,434</u>	<u>1,150,752</u>
Deferred inflows of resources:			
Florida Retirement system Pension Plan	12,821	12,821	25,642
Total deferred outflows of resources	<u>12,821</u>	<u>12,821</u>	<u>25,642</u>
Net position:			
Investment in capital assets	2,629,564	10,170,541	12,800,105
Unrestricted	1,033,340	3,979,300	5,012,640
Total net position	<u>\$ 3,662,904</u>	<u>\$ 14,149,841</u>	<u>\$ 17,812,745</u>

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, 2018

	Enterprise Funds		
	Sewer Utility		
	System	Parking	Total
Operating revenues:			
Charges for services	\$ 1,177,624	\$ 2,237,365	\$ 3,414,989
Total operating revenues	<u>1,177,624</u>	<u>2,237,365</u>	<u>3,414,989</u>
Operating expenses:			
Operating, administrative and maintenance	787,358	723,857	1,511,215
Depreciation and amortization	68,392	41,811	110,203
Total operating expenses	<u>855,750</u>	<u>765,668</u>	<u>1,621,418</u>
Operating income	<u>321,874</u>	<u>1,471,697</u>	<u>1,793,571</u>
Nonoperating revenues (expenses):			
Interest income	1,609	4,952	6,561
Other nonoperating income	-	7,500	7,500
Total nonoperating revenues (expenses)	<u>1,609</u>	<u>12,452</u>	<u>14,061</u>
Change in net position	323,483	1,484,149	1,807,632
Net position - beginning, as restated (Note 1)	<u>3,339,421</u>	<u>12,665,692</u>	<u>16,005,113</u>
Net position - ending	<u>\$ 3,662,904</u>	<u>\$ 14,149,841</u>	<u>\$ 17,812,745</u>

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Enterprise Funds		
	Sewer Utility		
	System	Parking	Total
Cash Flows From Operating Activities			
Receipts from customers and users	\$ 1,282,607	\$ 2,231,750	\$ 3,514,357
Payments to suppliers	(385,638)	(365,965)	(751,603)
Payments to employees	(145,552)	(119,866)	(265,418)
Net cash provided (used) by operating activities	751,417	1,745,919	2,497,336
Cash Flows Provided (Used) By Noncapital Financing Activities			
Miscellaneous	-	7,500	7,500
Net cash provided (used) by noncapital financing	-	7,500	7,500
Cash Flows Provided (Used) By Capital and Related Financing Activities			
Purchase of capital assets	(456,177)	(306,278)	(762,455)
Net cash provided (used) by capital and related financing activities	(456,177)	(306,278)	(762,455)
Cash Flows Provided (Used) By Investing Activities			
Interest received	1,609	4,952	6,561
Net cash provided (used) by investing activities	1,609	4,952	6,561
Net increase (decrease) in cash	296,849	1,452,093	1,748,942
Cash and cash equivalents, beginning	1,220,221	2,895,093	4,115,314
Cash and cash equivalents, ending	\$ 1,517,070	\$ 4,347,186	\$ 5,864,256
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities operating income (loss):	\$ 321,874	\$ 1,471,697	\$ 1,793,571
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	68,392	41,811	110,203
Changes in assets and liabilities:			
(Increase)/Decrease in accounts receivable	60,513	1,870	62,383
(Increase)/Decrease in interfund receivable	(1,460)	(7,648)	(9,108)
(Increase)/Decrease in deferred outflows of resources	1,023	946	1,969
Increase/(Decrease) in accounts payable	242,516	223,922	466,438
Increase/(Decrease) in accrued liabilities	(420)	125	(295)
Increase/(Decrease) in interfund payable	45,930	6,212	52,142
Increase/(Decrease) in unearned revenue	-	(6,049)	(6,049)
Increase/(Decrease) in Other Post Employment Benefit	(154)	(170)	(324)
Increase/(Decrease) in net pension liability	6,771	6,771	13,542
Increase/(Decrease) in deferred inflows of resources	6,432	6,432	12,864
Total adjustments	429,543	274,222	703,765
Net cash provided (used) by operating activities	\$ 751,417	\$ 1,745,919	\$ 2,497,336

See notes to the financial statements.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2018

	<u>Pension Trust Fund</u>
<u>ASSETS</u>	
Cash	\$ 91,540
Investments, at fair value:	
US government obligations	221,970
Corporate bonds	500,179
Foreign bonds	49,578
Common stock	1,433,518
Accrued income	4,234
Receivables:	
Due from State	2,203
Total assets	<u>2,303,222</u>
Liabilities	
Accounts payable	2,298
Total liabilities	<u>\$ 2,298</u>
<u>NET POSITION</u>	
Net position restricted for pensions	<u>\$ 2,300,924</u>

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, 2018

	<u>Pension Trust Fund</u>
ADDITIONS	
Contributions:	
Plan member	\$ 14,625
Employer	14,625
State	113,804
Member return of refunds plus interest	3,206
Total contributions	<u>146,260</u>
Investment income (loss):	
Net appreciation in fair value of investments	199,295
Interest and dividends	38,806
Less: investment expenses	8,217
Net investment income (loss)	<u>229,884</u>
Total additions	<u>376,144</u>
DEDUCTIONS	
Pension benefits	87,100
Refunds of contributions	2,984
Administrative expenses	36,441
Total deductions	<u>126,525</u>
Net increase (decrease)	249,619
Net position restricted for pensions:	
Beginning, previously stated	2,088,421
Prior period adjustment (Note 1)	(37,116)
Beginning, as restated	<u>2,051,305</u>
Ending	<u><u>\$ 2,300,924</u></u>

See notes to the financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

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*.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 fund type:

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

Prior period adjustment - The beginning net position of the pension trust fund is being adjusted for a state contribution to the pension being improperly accrued as of September 30, 2017:

Net position - beginning, prior to restatement	\$ 2,088,421
Prior period adjustment - overstatement of receivable	<u>(37,116)</u>
Net position - beginning, as restated	<u>\$ 2,051,305</u>

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. New Accounting Standards Adopted

During fiscal year 2018, the Town adopted the following new accounting standards as follows:

GASB Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

This Statement establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities.

The implementation of GASB 75 had the following effect on beginning net position in fiscal year 2018:

	<u>Governmental</u>			<u>Business-Type</u>
	<u>Activities</u>	<u>Sewer Fund</u>	<u>Parking Fund</u>	<u>Activities</u>
Net position - beginning, previously stated	\$ 32,933,433	\$ 3,345,243	\$ 12,670,723	\$ 16,015,966
Prior period adjustment	(115,084)	(5,822)	(5,031)	(10,853)
Net position - beginning, as restated	<u>\$ 32,818,349</u>	<u>\$ 3,339,421</u>	<u>\$ 12,665,692</u>	<u>\$ 16,005,113</u>

GASB Statement No. 81 - Irrevocable Split-Interest Agreements

The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

GASB Statement No. 85 - Omnibus 2017

The objective of this Statement is to improve consistency in accounting and financial reporting by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

GASB Statement No. 86 - Certain Debt Extinguishment Issues

The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2018, 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:

	<u>Assets</u>	<u>Years</u>
Buildings		30 - 50
Utility plant		25 - 75
Infrastructure		50
Improvements other than buildings		25
Furniture, fixtures, machinery and equipment		5 - 10
Motor vehicles		5 - 7

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. Fund Equity (Continued)

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, 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.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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.

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, 2018, the Town had the following investments:

	Amortized Cost	Credit Risk	Weighted Average Maturity
Investment in Local Government Surplus Funds Trust Fund (Florida PRIME)	\$ 248,664	S&P AAAm	33
	<u>\$ 248,664</u>		

Credit Risk - Credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The 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).

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments – Town (Continued)

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.

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.”

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments – Town (Continued)

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, 2018, 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, 2018, the Pension Plan had the following investments:

	<u>Fair Value</u>
Fixed income	
US government obligations	\$ 221,970
Corporate bonds	500,179
Foreign bonds	49,578
Equities	
Common stocks	1,433,518
	<u>\$ 2,205,245</u>

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 \$49,578.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Investments - Volunteer Firefighter's Pension Plan (Continued)

As of September 30, 2018, the Plan's debt security investments had the following maturities:

	Maturity	Fair Value
Federal Farm Credit Bank	March 13, 2026	\$ 23,895
Federal Farm Credit Bank	March 7, 2028	24,516
Federal Home Loan Bank	November 7, 2025	24,231
United States Treasury Notes	September 30, 2018	25,000
United States Treasury Notes	December 15, 2018	49,904
United States Treasury Notes	February 28, 2019	49,820
United States Treasury Notes	July 15, 2027	24,604
MetLife	December 19, 2018	24,965
American Express Credit	August 15, 2019	24,882
Goldman Sachs Group	December 13, 2019	24,781
Costco	December 15, 2019	24,663
National Rural Utilities Cooperative	June 15, 2020	24,681
Praxair	September 24, 2020	24,580
Kroger	November 1, 2021	24,603
Colgate-Palmolive	November 15, 2021	24,535
John Deere Capital	March 15, 2022	24,537
US Bancorp	July 15, 2022	24,480
Wells Fargo	January 24, 2023	24,401
Burlington North Santa Fe	March 15, 2023	24,581
Public Service Electric & Gas	May 15, 2023	23,710
JP Morgan Chase	September 10, 2024	24,761
Lowe's	September 15, 2024	34,231
Commonwealth Edison	November 1, 2024	24,062
Bank of America	August 1, 2025	24,850
IBM	February 19, 2026	24,707
Apple	February 9, 2027	24,455
Johnson & Johnson	January 15, 2028	23,714
Royal Bank of Canada	October 30, 2020	24,593
Schlumberger Investment	September 14, 2021	24,985
		<u>\$ 771,727</u>

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018:

	Fair Value	Level 1	Level 2
US government obligations	\$ 221,970	\$ 221,970	\$ -
Corporate bonds	500,179	-	500,179
Foreign bonds	49,578	-	49,578
Common stock	1,433,518	1,433,518	-
	<u>\$ 2,205,245</u>	<u>\$ 1,655,488</u>	<u>\$ 549,757</u>

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.
- 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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018 was 3.6873 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, 2018.

NOTE 4 – RECEIVABLES

Receivables for the Town's funds including the applicable allowances for uncollectible accounts as of September 30, 2018 were as follows:

	General Fund	Sewer Utility System	Parking	Total
Receivables:				
Billed	\$ -	\$ 187,263	\$ 8,145	\$ 195,408
Taxes	33,291	-	-	33,291
Intergovernmental	69,938	-	-	69,938
Other	184,966	-	-	184,966
Gross receivables	288,195	187,263	8,145	483,603
Less allowance for uncollectibles	(3,186)	(34,675)	-	(37,861)
Net total receivables	\$ 285,009	\$ 152,588	\$ 8,145	\$ 445,742

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 5 – UNEARNED REVENUES

Unearned revenue reported in the governmental funds and the basic financial statements as of September 30, 2018 was as follows:

	Governmental Activities	Business-type Activities
Occupational licenses	\$ 45,945	\$ -
Planning advances	6,201	-
Fire inspection fees	23,269	-
Other	24,893	4,182
	<u>\$ 100,308</u>	<u>\$ 4,182</u>

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at September 30, 2018 were as follows:

	Receivable	Payable
General Fund	\$ 114,109	\$ 138,329
Capital Projects Fund	126,078	11,208
Sewer Utility System Fund	1,460	70,080
Parking Fund	10,791	32,821
	<u>\$ 252,438</u>	<u>\$ 252,438</u>

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, 2018 were as follows:

	Transfers In In	Transfers Out Out
General Fund	\$ 22,000	\$ 515,822
Capital Projects Fund	489,022	-
Fire Fund	26,800	22,000
	<u>\$ 537,822</u>	<u>\$ 537,822</u>

Transfers between the general fund and capital projects fund were to fund capital improvement projects. 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 2018 budget.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 7 – CAPITAL ASSETS

Capital assets for the governmental activities for the fiscal year ended September 30, 2018 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,939,254	\$ -	\$ -	\$ 1,939,254
Total capital assets, not being depreciated	1,939,254	-	-	1,939,254
Capital assets, being depreciated:				
Building and building improvements	4,304,874	25,314	-	4,330,188
Improvements other than buildings	25,812,797	312,845	-	26,125,642
Furniture, fixtures, machinery and equipment	1,350,986	75,197	-	1,426,183
Motor vehicles	767,977	42,344	-	810,321
Infrastructure	5,902,121	-	-	5,902,121
Total capital assets, being depreciated	38,138,755	455,700	-	38,594,455
Less accumulated depreciation:				
Building and building improvements	1,427,937	82,482	-	1,510,419
Improvements other than buildings	8,285,641	919,854	-	9,205,495
Furniture, fixtures, machinery and equipment	1,301,927	159,792	-	1,461,719
Motor vehicles	626,046	111,174	-	737,220
Infrastructure	4,803,996	112,607	-	4,916,603
Total accumulated depreciation	16,445,547	1,385,909	-	17,831,456
Total capital assets, being depreciated, net	21,693,208	(930,209)	-	20,762,999
Governmental activities capital assets, net	\$ 23,632,462	\$ (930,209)	\$ -	\$ 22,702,253

Capital assets for the business-type activities for the fiscal year ended September 30, 2018 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 8,717,073	\$ -	\$ -	\$ 8,717,073
Construction in progress	194,822	184,318	(194,822)	184,318
Total capital assets, not being depreciated	8,911,895	184,318	(194,822)	8,901,391
Capital assets, being depreciated:				
Buildings and utility plant	4,864,543	727,630	-	5,592,173
Equipment	186,228	45,329	-	231,557
Total capital assets, being depreciated	5,050,771	772,959	-	5,823,730
Less accumulated depreciation:				
Buildings and utility plant	1,740,855	83,866	-	1,824,721
Equipment	73,958	26,337	-	100,295
Total accumulated depreciation	1,814,813	110,203	-	1,925,016
Total capital assets, being depreciated, net	3,235,958	662,756	-	3,898,714
Business-type activities capital assets, net	\$ 12,147,853	\$ 847,074	\$ (194,822)	\$ 12,800,105

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 7 – CAPITAL ASSETS (Continued)

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

Governmental activities:	
General government	\$ 39,676
Public safety	75,987
Transportation	104,413
Recreation	12,326
Physical environment	<u>1,153,507</u>
Total depreciation expense, governmental activities	<u>\$ 1,385,909</u>
Business-type activities:	
Sewer utility	\$ 68,392
Parking	<u>41,811</u>
Total depreciation expense, business-type activities	<u>\$ 110,203</u>

NOTE 8 – LONG-TERM LIABILITIES

Changes in long-term liabilities for governmental activities for the fiscal year ended September 30, 2018 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities:</u>					
Compensated absences	\$ 129,558	\$ 178,254	\$ (184,262)	\$ 123,550	\$ 12,355
	<u>\$ 129,558</u>	<u>\$ 178,254</u>	<u>\$ (184,262)</u>	<u>\$ 123,550</u>	<u>\$ 12,355</u>

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, 2018 are as follows:

Fiscal Year Ending September 30,	Annual Minimum Payments
2019	\$ 72,757
2020	74,940
2021	77,188
2022	79,503
2023	<u>33,533</u>
Total	<u>\$ 337,921</u>

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, 2018, the accumulated depreciation is \$353,224. For the fiscal year ended September 30, 2018, rental income received from the lease was approximately \$68,000.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the Town paid \$4,281,759 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 \$980,605 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, 2018, the Town had open contracts for various construction projects. The contracts totaled approximately \$1,200,000, of which approximately \$1,050,000 was uncompleted at September 30, 2018.

Litigation, Claims and Assessments

The Town is also a defendant in various lawsuits incidental to its operations. The outcome of these lawsuits is not presently determinable and, consequently, no related liabilities have been reported.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 \$640,054 for the fiscal year ended September 30, 2018.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 2018 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u> <u>October 1, 2017 to June 30, 2018</u>		<u>Percent of Gross Salary</u> <u>July 1, 2018 to September 30, 2018</u>	
	<u>Employee</u>	<u>Employer (1)</u>	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	7.92	3.00	8.26
FRS, Senior Management	3.00	22.71	3.00	24.06

(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 \$228,094 for the fiscal year ended September 30, 2018. 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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the Town reported a liability of \$2,523,345 for its proportionate share of the Plan's net pension liability, \$2,296,244 in governmental activities and \$227,101 in business-type activities. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The Town's proportionate share of the net pension liability was based on the Town's contributions for the year ended June 30, 2018 relative to the contributions made during the year ended June 30, 2017 of all participating members. At June 30, 2018, the Town's proportionate share was .00838%, which was an increase of .00027% from its proportionate share measured as of June 30, 2017.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the Town recognized pension expense of \$554,002 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	\$ 213,765	\$ (7,759)
Change of assumptions	824,507	-
Net difference between projected and actual earnings on FRS pension plan investments	-	(194,959)
Changes in proportion and differences between Town FRS contributions and proportionate share of FRS contributions	265,594	-
Town FRS contributions subsequent to the measurement date	66,062	-
Total	\$ 1,369,928	\$ (202,718)

The deferred outflows of resources related to pensions, totaling \$66,062, 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, 2018. 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
2019	\$ 444,976
2020	287,229
2021	64,555
2022	173,945
2023	112,812
Thereafter	17,631
Total	\$ 1,101,148

Actuarial Assumptions – The total pension liability in the July 1, 2018 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	7.00%, 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, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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%	2.9%	2.9%	1.8%
Fixed income	18.0%	4.4%	4.3%	4.0%
Global equity	54.0%	7.6%	6.3%	17.0%
Real estate (property)	11.0%	6.6%	6.0%	11.3%
Private equity	10.0%	10.7%	7.8%	26.5%
Strategic investments	6.0%	6.0%	5.7%	8.6%
Total	100.0%			
Assumed inflation - mean			2.6%	1.9%

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

Discount Rate – The discount rate used to measure the total pension liability was 7.00 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 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town's proportionate share of net pension liability	\$ 4,605,211	\$ 2,523,345	\$ 794,233

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the contribution rate was 1.66% of payroll from October 1, 2017 through September 30, 2018 pursuant to section 112.363, Florida Statutes. 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 \$30,262 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2018, the Town reported a net pension liability of \$670,555 for its proportionate share of the HIS Program's net pension liability, \$610,205 in governmental activities and \$60,350 in business-type activities. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The Town's proportionate share of the net pension liability was based on the year ended June 30, 2018 contributions relative to the year ended June 30, 2017 contributions of all participating members. At June 30, 2018, the Town's proportionate share was .00634%, which was an increase of .00030% from its proportionate share measured as of June 30, 2017.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the Town recognized a pension expense of \$55,947 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:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 10,266	\$ (1,139)
Change of assumptions	74,574	(70,897)
Net difference between projected and actual earnings on HIS pension plan investments	405	-
Changes in proportion and differences between Town HIS contributions and proportionate share of HIS contributions	39,363	(10,136)
Town HIS contributions subsequent to the measurement date	9,393	-
Total	<u>\$ 134,001</u>	<u>\$ (82,172)</u>

The deferred outflows of resources related to pensions, totaling \$9,393, 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending September 30:</u>	<u>Amount</u>
2019	\$ 15,277
2020	15,243
2021	11,430
2022	6,182
2023	(6,227)
Thereafter	531
Total	<u>\$ 42,436</u>

Actuarial Assumptions – The total pension liability in the July 1, 2018, 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	3.87%

Mortality rates were based on the Generational RP-2000 with Projected Scale BB. The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 3.87%. 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 3.87%, 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 (2.87%) or 1-percentage-point higher (4.87%) than the current rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Town's proportionate share of net pension liability	\$ 763,723	\$ 670,555	\$ 592,894

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 2018 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	6.30%
FRS, Senior management	7.67%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 \$30,105 for the fiscal year ended September 30, 2018.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 13 – VOLUNTEER FIREFIGHTERS PENSION FUND (Continued)

Membership – As of October 1, 2016, 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	10
Active participants	71
Total	<u>81</u>

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018, the Town reported a net pension asset of \$191,697 related to the Volunteer Firefighters Pension Plan. The net pension asset was measured as of September 30, 2017, using an annual actuarial valuation as of October 1, 2016. For the fiscal year ended September 30, 2018, the Town recognized pension expense of \$101,427. The changes in the Net Pension Asset follow:

	Increases (Decreases)		
	Plan		
	Total Pension Liability	Fiduciary Net Position	Net Pension Asset
Balance at September 30, 2016	\$ 1,768,743	\$ 1,933,935	\$ (165,192)
Changes in the year:			
Service cost	55,966	-	55,966
Interest on the total pension liability	115,897	-	115,897
Changes of Benefit Terms	-	-	-
Differences between actual and expected experience in the measurement of the TPL	17,679	-	17,679
Changes of assumptions	21,808	-	21,808
Contributions - Employer (from Town)	-	12,990	(12,990)
Contributions - Employer (from State)	-	58,209	(58,209)
Contributions - Members	-	12,990	(12,990)
Net investment income	-	180,802	(180,802)
Benefit payments	(76,043)	(76,043)	-
Refunds	(7,326)	(7,326)	-
Pension plan administrative expense	-	(27,136)	27,136
Net changes	127,981	154,486	(26,505)
Balance at September 30, 2017	\$ 1,896,724	\$ 2,088,421	\$ (191,697)

At September 30, 2018 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	\$ 31,095	\$ -	\$ 31,095
Change in assumptions	14,539	-	14,539
Net Difference between projected and actual earnings on pension plan investments	75,895	(48,900)	26,995
Employer's contributions subsequent to the measurement date	113,804	-	113,804
	\$ 235,333	\$ (48,900)	\$ 186,433

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 deferred outflows of resources related to pensions, totaling \$113,804, resulting from employer 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, 2018.

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	Net Deferred Outflows of Resources
2019	\$ 63,113
2020	33,276
2021	(12,569)
2022	(11,191)
Total	<u>\$ 72,629</u>

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, 2018 was determined using the October 1, 2016 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 2018 were as follows: State of Florida \$113,804, Town \$14,625, members \$14,625, and member return of refunds plus interest \$3,206.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2016
Measurement date	September 30, 2017
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	The later of normal retirement eligibility or one year after the valuation.
Mortality	RP-2000 Combined Mortality Table with Blue Collar Adjustment for males and females with mortality improvement projected to all future years after 2000 using Scale BB.

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.

Effective as of October 1, 2016, the mortality assumption was changed from the mortality table detailed above to the mortality assumption used by the Florida Retirement System (FRS) for Special Risk Class members in the actuarial valuation as of July 1, 2016. This assumption change occurred after the September 30, 2016 measurement date, and is therefore not required to be recognized as of this date. If the impact of this assumption change had been recognized as of the September 30, 2016 measurement date, the Total Pension Liability would have increased by \$21,511.

Development of Single Discount Rate

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	2116

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018 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 Position 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.

		Current Single Discount Rate		
		1% Decrease	Assumption	1% Increase
		5.50%	6.50%	7.50%
Net Pension Liability (Asset)	\$	46,233	\$ (191,697)	\$ (383,962)

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 \$23,000 on behalf of employees to the deferred compensation plan and employees contributed approximately \$57,000.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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, 2018:

Retirees and beneficiaries	
currently receiving benefits	3
Active employees	37
Total	<u>40</u>

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, 2017	\$ 141,778	\$ -	\$ 141,778
Changes due to:			
Service cost	10,466	-	10,466
Interest	4,485	-	4,485
Changes of assumptions	(7,050)	-	(7,050)
Benefit payments	(11,404)	-	(11,404)
Balance as of September 30, 2018	<u>\$ 138,275</u>	<u>\$ -</u>	<u>\$ 138,275</u>

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

Measurement date	September 30, 2017
Actuarial valuation date	September 30, 2017
Actuarial cost method	Entry Age Cost Method (Level % of Pay)
Actuarial assumptions:	
Discount Rate	3.64%
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

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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 (2.64%) or 1-percentage-point higher (4.64%) than the current discount rate:

1%	Current	1%
Decrease	Discount Rate	Increase
(2.64%)	(3.64%)	(4.64%)
\$ 150,827	\$ 138,275	\$ 127,424

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 trend rates:

Healthcare Cost		
1% Decrease	Trend Rate	1% Increase
3.00% - 7.50%	4.00% - 8.50%	5.00% - 9.50%
\$ 127,078	\$ 138,275	\$ 151,361

OPEB Expense – For the fiscal year ended September 30, 2018, the District recognized OPEB expense of \$19,069.

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.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

NOTE 17 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED

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. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

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 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. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This Statement applies to notes to financial statements of all periods presented. If application for prior periods presented is not practicable, the reason for not applying this Statement to prior periods presented should be disclosed.

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

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

GASB Statement No. 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 Statement No. 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.

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, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues:				
Property taxes	\$ 8,138,972	\$ 8,138,972	\$ 8,271,252	\$ 132,280
Franchise fees and utility taxes	1,692,000	1,692,000	1,794,609	102,609
Intergovernmental	1,029,159	1,029,159	1,029,976	817
Fines and forfeitures	85,000	85,000	484,086	399,086
Charges for services	10,200	10,200	13,281	3,081
Licenses and permits	815,000	815,000	1,147,773	332,773
Interest income and other	6,600	6,600	21,055	14,455
Grant revenue	84,983	84,983	84,696	(287)
Miscellaneous revenues	141,970	141,970	200,934	58,964
Total revenues	12,003,884	12,003,884	13,047,662	1,043,778
Expenditures:				
General government departments:				
Commission	152,059	152,059	150,328	1,731
Donations	29,825	29,825	29,825	-
Chamber	58,598	59,727	51,001	8,726
Administration	893,182	961,657	958,681	2,976
Attorney	363,000	383,000	382,762	238
General	984,200	698,463	672,418	26,045
Business development	255,550	255,550	91,428	164,122
Total general government	2,736,414	2,540,281	2,336,443	203,838
Other departments:				
Police department	4,382,649	4,382,649	4,295,691	86,958
Emergency medical services	800,558	800,558	799,997	561
Development services	1,261,933	1,398,066	1,400,691	(2,625)
Municipal services	1,984,594	2,044,594	2,047,551	(2,957)
Recreation services	543,914	543,914	440,851	103,063
Total other departments	8,973,648	9,169,781	8,984,781	185,000
Total expenditures	11,710,062	11,710,062	11,321,224	388,838
Excess (deficiency) of revenues over (under) expenditures	293,822	293,822	1,726,438	1,432,616
Other financing sources (uses):				
Use of fund balance	200,000	200,000	-	(200,000)
Transfers in	22,000	22,000	22,000	-
Transfers out	(515,822)	(515,822)	(515,822)	-
Total other financing sources (uses)	(293,822)	(293,822)	(493,822)	(200,000)
Net change in fund balance	\$ -	\$ -	1,232,616	\$ 1,232,616
Fund balance, beginning			6,011,460	
Fund balance, ending			\$ 7,244,076	

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, 2018

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, 2018

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%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS –
VOLUNTEER FIREFIGHTERS PENSION PLAN
FISCAL YEAR ENDED SEPTEMBER 30, 2018

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, 2009	\$ 30,674	\$ 41,177	\$ (10,503)	\$ 111,182	37.04%
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%

* Contributions recognized by the Plan relate to employer and nonemployer entities.

** Covered payroll was calculated based on actual 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, 2017
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 postretirement 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. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS), as mandated by Florida House Bill 1309.

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, 2018

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

	2018	2017	2016	2015
Town's proportion of the FRS net pension liability	0.00838%	0.00811%	0.00739%	0.00716%
Town's proportionate share of the FRS net pension liability	\$2,523,345	\$2,397,897	\$1,867,084	\$ 925,142
Town's covered employee payroll	\$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	139.24%	145.07%	97.88%	50.34%
FRS plan fiduciary net position as a percentage of the total pension liability	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)

	2018	2017	2016	2015
Town's proportion of the HIS net pension liability	0.00634%	0.00604%	0.00618%	0.00599%
Town's proportionate share of the HIS net pension liability	\$ 670,555	\$ 645,544	\$ 720,176	\$ 610,760
Town's covered employee payroll	\$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	37.00%	39.05%	37.75%	33.23%
HIS plan fiduciary net position as a percentage of the total pension liability	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, 2018

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

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

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

	2018	2017	2016	2015
Contractually required HIS contribution	\$ 30,262	\$ 28,387	\$ 32,944	\$ 25,157
HIS contributions in relation to the contractually required contribution	(30,262)	(28,387)	(32,944)	(25,157)
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Town's covered employee payroll	\$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%	1.36%

(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 (www.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, 2018

Total OPEB Liability

Beginning balance	\$ 141,778
Service cost	10,466
Interest	4,485
Changes in assumptions	(7,050)
Benefit payments	(11,404)
Ending balance	<u>\$ 138,275</u>

Plan Fiduciary Net Position

Beginning balance	\$ -
Service cost	-
Expected interest growth	-
Changes in assumptions	-
Benefit payments	-
Ending balance	<u>\$ -</u>

Net OPEB Liability

Beginning balance	\$ 141,778
Service cost	10,466
Interest	4,485
Changes in assumptions	(7,050)
Benefit payments	(11,404)
Ending balance	<u>\$ 138,275</u>

Plan fiduciary net position as a percentage of total OPEB liability	0.00%
Covered employee payroll	\$ 2,073,315
Net OPEB liability as a percentage of covered employee payroll	6.67%

COMBINING FUND STATEMENTS

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TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<u>Special Revenue Funds</u>		
	Police Training and Forfeiture	Fire Fund	Total Non-Major Funds
<u>ASSETS</u>			
Cash and cash equivalents	\$ 12,439	\$ 1,168,006	\$ 1,180,445
Prepaid items	-	67,399	67,399
Total assets	<u>\$ 12,439</u>	<u>\$ 1,235,405</u>	<u>\$ 1,247,844</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable and other liabilities	\$ -	\$ 3,827	\$ 3,827
Unearned revenue	-	23,269	23,269
Total liabilities	<u>-</u>	<u>27,096</u>	<u>27,096</u>
Fund balances:			
Nonspendable:			
Prepaid items	-	67,399	67,399
Restricted for:			
Fire department	-	1,140,910	1,140,910
Committed for:			
License plate reader system contract	12,439	-	12,439
Total fund balances	<u>12,439</u>	<u>1,208,309</u>	<u>1,220,748</u>
Total liabilities and fund balances	<u>\$ 12,439</u>	<u>\$ 1,235,405</u>	<u>\$ 1,247,844</u>

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, 2018

	<u>Special Revenue Funds</u>		
	<u>Police</u>	<u>Fire</u>	<u>Total</u>
	<u>Training and</u>	<u>Fund</u>	<u>Non-Major</u>
	<u>Forfeiture</u>		<u>Funds</u>
Revenues:			
Fire assessments	\$ -	\$ 1,051,761	\$ 1,051,761
Charges for services	-	33,732	33,732
Miscellaneous revenues	6,826	-	6,826
Total revenues	6,826	1,085,493	1,092,319
Expenditures:			
Current:			
Public safety	-	832,217	832,217
Capital outlay	-	63,120	63,120
Total expenditures	-	895,337	895,337
Excess (deficiency) of revenues over (under) expenditures	6,826	190,156	196,982
Other financing sources (uses):			
Transfers in	-	26,800	26,800
Transfers out	-	(22,000)	(22,000)
Total other financing sources (uses)	-	4,800	4,800
Net change in fund balances	6,826	194,956	201,782
Fund balances, beginning	5,613	1,013,353	1,018,966
Fund balances, ending	\$ 12,439	\$ 1,208,309	\$ 1,220,748

BUDGETARY COMPARISON SCHEDULES

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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, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues:				
Interest income	\$ -	\$ -	\$ 4,262	\$ 4,262
Total revenues	-	-	4,262	4,262
Expenditures:				
General Government:				
Administrative	184,743	184,743	72,988	111,755
Capital outlay	871,749	871,749	334,136	537,613
Total expenditures	1,056,492	1,056,492	407,124	649,368
Excess (deficiency) of revenues over (under) expenditures	(1,056,492)	(1,056,492)	(402,862)	653,630
Other financing sources (uses):				
Transfers in	489,022	489,022	489,022	-
Use of fund balance	567,470	567,470	-	(567,470)
Total other financing sources (uses)	1,056,492	1,056,492	489,022	(567,470)
Net change in fund balance	\$ -	\$ -	86,160	\$ 86,160
Fund balance, beginning			3,543,608	
Fund balance, ending			\$ 3,629,768	

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, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Positive (Negative)</u>
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 6,826	\$ 6,826
Total revenues	-	-	6,826	6,826
Expenditures:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	6,826	<u>\$ 6,826</u>
Fund balance, beginning			<u>5,613</u>	
Fund balance, ending			<u><u>\$ 12,439</u></u>	

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, 2018

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive (Negative)
Revenues:				
Fire assessments	\$ 1,033,502	\$ 1,033,502	\$ 1,051,761	\$ 18,259
Charges for services	35,000	35,000	33,732	(1,268)
Total revenues	1,068,502	1,068,502	1,085,493	16,991
Expenditures:				
Current:				
Public Safety	841,790	841,790	832,217	9,573
Capital outlay	117,500	117,500	63,120	54,380
Total expenditures	959,290	959,290	895,337	63,953
Excess (deficiency) of revenues over (under) expenditures	109,212	109,212	190,156	80,944
Other financing sources (uses):				
Transfers in	26,800	26,800	26,800	-
Transfers out	(136,012)	(136,012)	(22,000)	114,012
Total other financing sources (uses)	(109,212)	(109,212)	4,800	114,012
Net change in fund balances	\$ -	\$ -	194,956	\$ 194,956
Fund balance, beginning			1,013,353	
Fund balance, ending			\$ 1,208,309	

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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.

<u>Contents</u>	<u>Page</u>
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,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Net investment in capital assets	\$ 15,518	\$ 15,222	\$ 15,296	\$ 16,455	\$ 20,759	\$ 23,624	\$ 23,853	\$ 24,579	\$ 23,632	\$ 22,702
Restricted for:										
Town beautification per contractual agreement	1,000	1,000	928	928	678	678	678	678	678	678
Law enforcement	291	212	198	186	139	156	2	3	5	12
Fire enforcement	63	216	486	416	604	793	982	904	946	1,140
Unrestricted	8,358	11,054	12,887	13,698	10,368	8,323	7,969	7,043	7,672	8,610
Total governmental activities net position	<u>25,230</u>	<u>27,704</u>	<u>29,795</u>	<u>31,683</u>	<u>32,548</u>	<u>33,574</u>	<u>33,484</u>	<u>33,207</u>	<u>32,933</u>	<u>33,142</u>
Business-type activities:										
Net investment in capital assets	5,578	5,629	6,255	6,541	7,464	8,454	8,366	9,026	12,148	12,800
Unrestricted	1,853	1,668	1,887	2,312	2,822	2,666	4,291	5,239	3,868	5,013
Total business-type activities net position	<u>7,431</u>	<u>7,297</u>	<u>8,142</u>	<u>8,853</u>	<u>10,286</u>	<u>11,120</u>	<u>12,657</u>	<u>14,265</u>	<u>16,016</u>	<u>17,813</u>
Primary government:										
Net investment in capital assets	21,096	20,851	21,551	22,996	28,223	32,078	32,219	33,605 ¹	35,780	35,502
Restricted for:										
El Mar beautification per contractual agreement	1,000	1,000	928	928	678	678	678	678	678	678
Law enforcement	291	212	198	186	139	156	2	3	5	12
Fire department	63	216	486	416	604	793	982	904	946	1,140
Unrestricted	10,211	12,722	14,774	16,010	13,190	10,989	12,260	12,282	11,540	13,623
Total primary government net position	<u>\$ 32,661</u>	<u>\$ 35,001</u>	<u>\$ 37,937</u>	<u>\$ 40,536</u>	<u>\$ 42,834</u>	<u>\$ 44,694</u>	<u>\$ 46,141</u>	<u>\$ 47,472</u>	<u>\$ 48,949</u>	<u>\$ 50,955</u>

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:	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
General government	\$ 2,153	\$ 2,442	\$ 2,275	\$ 2,392	\$ 2,567	\$ 2,409	\$ 2,471	\$ 2,327	\$ 2,514	\$ 2,535
Public safety	4,795	4,869	4,953	5,566	6,049	6,254	7,093	7,407	7,338	7,428
Transportation	1,602	1,592	1,660	1,269	1,317	1,382	1,516	1,675	1,856	1,978
Recreation	400	418	397	333	362	382	452	442	470	444
Physical environment	320	294	125	563	810	1,007	1,246	1,534	1,591	1,435
Interest on long-term debt	551	-	-	-	-	-	-	-	-	-
Total governmental activities	9,821	9,615	9,410	10,123	11,105	11,434	12,778	13,385	13,769	13,820
Business-type activities:										
Sewer	1,062	1,105	974	1,511	861	1,260	882	950	955	856
Stormwater	-	-	-	-	-	-	-	-	-	-
Parking	201	220	424	440	425	490	660	680	753	765
Interest on long-term debt	-	-	-	-	-	-	-	-	-	-
Total business-type activities	1,263	1,325	1,398	1,951	1,286	1,750	1,542	1,630	1,708	1,621
Total primary government	\$ 11,084	\$ 10,940	\$ 10,808	\$ 12,074	\$ 12,391	\$ 13,184	\$ 14,320	\$ 15,015	\$ 15,477	\$ 15,441
Program revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 244	\$ 148	\$ 154	\$ 636	\$ 887	\$ 1,195	\$ 1,619	\$ 1,502	\$ 1,357	\$ 1,632
Public safety	-	202	38	59	1,085	1,029	1,017	1,018	1,095	1,099
Transportation	299	-	-	-	-	-	-	-	-	-
Recreation	6	226	303	-	-	-	-	-	-	-
Physical environment	19	-	-	-	-	-	-	-	-	-
Operating grants and contributions	71	107	145	84	69	81	82	82	84	85
Capital grants and contributions	1,201	-	-	442	-	32	129	-	-	-
Total governmental activities program revenues	1,840	683	640	1,221	2,041	2,337	2,847	2,602	2,536	2,816
Business type activities:										
Charges for services:										
Sewer	1,002	964	1,153	1,207	1,125	966	1,128	1,051	1,150	1,178
Stormwater	-	-	-	-	-	-	-	-	-	-
Parking	481	389	948	1,620	1,553	1,616	2,034	2,182	2,309	2,237
Capital grants and contributions	34	-	295	-	39	-	-	-	-	-
Total business-type activities program revenues	1,517	1,353	2,396	2,827	2,717	2,582	3,162	3,233	3,459	3,415
Total primary government program revenues	\$ 3,357	\$ 2,036	\$ 3,036	\$ 4,048	\$ 4,758	\$ 4,919	\$ 6,009	\$ 5,835	\$ 5,995	\$ 6,231

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,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (expense) revenue:										
Governmental activities	\$ (7,981)	\$ (8,932)	\$ (8,770)	\$ (8,902)	\$ (9,064)	\$ (9,097)	\$ (9,931)	\$ (10,783)	\$ (11,233)	\$ (11,004)
Business-type activities	254	28	998	876	1,431	832	1,620	1,603	1,751	1,794
Total primary government net expense	<u>\$ (7,727)</u>	<u>\$ (8,904)</u>	<u>\$ (7,772)</u>	<u>\$ (8,026)</u>	<u>\$ (7,633)</u>	<u>\$ (8,265)</u>	<u>\$ (8,311)</u>	<u>\$ (9,180)</u>	<u>\$ (9,482)</u>	<u>\$ (9,210)</u>
General revenues and other changes in net position:										
Governmental activities:										
Property taxes	\$ 9,196	\$ 8,404	\$ 7,938	\$ 7,798	\$ 6,723	\$ 6,915	\$ 7,076	\$ 7,484	\$ 7,920	\$ 8,271
Utility taxes based on gross receipts	943	1,033	1,006	995	932	970	1,009	999	1,050	1,059
Franchise fees based on gross receipts	822	734	701	703	699	707	706	735	749	735
Communications services tax	434	366	330	376	385	351	357	414	317	314
Intergovernmental	556	539	557	594	848	676	916	682	703	716
Unrestricted Interest earnings	34	86	52	49	75	25	32	6	17	25
Miscellaneous	73	78	109	107	267	478	417	186	202	208
Transfers	624	166	167	167	-	-	-	-	-	-
Special items	<u>(9,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>3,488</u>	<u>11,406</u>	<u>10,860</u>	<u>10,789</u>	<u>9,929</u>	<u>10,122</u>	<u>10,513</u>	<u>10,506</u>	<u>10,958</u>	<u>11,328</u>
Business-type activities:										
Unrestricted Interest earnings	7	4	3	2	2	2	2	-	-	6
Miscellaneous	-	-	11	-	-	-	3	5	1	8
Gain on sale of assets	-	-	-	-	-	-	-	-	-	-
Transfers	<u>(624)</u>	<u>(166)</u>	<u>(167)</u>	<u>(167)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>(617)</u>	<u>(162)</u>	<u>(153)</u>	<u>(165)</u>	<u>2</u>	<u>2</u>	<u>5</u>	<u>5</u>	<u>1</u>	<u>14</u>
Total primary government	<u>\$ 2,871</u>	<u>\$ 11,244</u>	<u>\$ 10,707</u>	<u>\$ 10,624</u>	<u>\$ 9,931</u>	<u>\$ 10,124</u>	<u>\$ 10,518</u>	<u>\$ 10,511</u>	<u>\$ 10,959</u>	<u>\$ 11,342</u>
Changes in net position:										
Government activities	\$ (4,493)	\$ 2,474	\$ 2,090	\$ 1,887	\$ 865	\$ 1,025	\$ 582	\$ (277)	\$ (275)	\$ 324
Business-type activities	<u>(363)</u>	<u>(134)</u>	<u>845</u>	<u>711</u>	<u>1,433</u>	<u>834</u>	<u>1,625</u>	<u>1,608</u>	<u>1,752</u>	<u>1,808</u>
Total primary government	<u>\$ (4,856)</u>	<u>\$ 2,340</u>	<u>\$ 2,935</u>	<u>\$ 2,598</u>	<u>\$ 2,298</u>	<u>\$ 1,859</u>	<u>\$ 2,207</u>	<u>\$ 1,331</u>	<u>\$ 1,477</u>	<u>\$ 2,132</u>

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
2009	\$ 9,196	\$ 822	\$ 943	\$ 434	\$ 109	\$ 11,504
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	735	999	414	110	10,717
2017	8,973	749	1,050	317	116	11,205
2018	9,323	735	1,059	314	112	11,543

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,	
		2009	2010
General fund:			
Reserved		\$ 250	\$ 220
Unreserved, designated		4,163	4,556
Unreserved, undesignated		2,189	3,052
Total general fund		<u>\$6,602</u>	<u>\$7,828</u>
All other governmental funds:			
Reserved			
Capital project funds		\$1,000	\$1,000
Unreserved, undesignated		-	-
Special revenue funds		140	176
Capital project funds		1,805	3,236
Special revenue funds		151	36
Capital project funds		162	215
Total all other governmental funds		<u>\$3,258</u>	<u>\$4,663</u>

		Post-GASB 54 September 30,							
		2010	2011	2012	2013	2014	2015	2016	2017
General fund:									
Nonspendable		\$ 4	\$ 76	\$ 57	\$ 170	\$ 160	\$ 167	\$ 202	\$ 158
Restricted		216	-	-	-	-	-	-	-
Assigned		4,556	2,680	2,882	4,399	3,982	3,542	3,740	2,533
Unassigned		3,052	5,914	6,675	3,629	3,324	3,401	2,443	3,320
Total general fund		<u>\$7,828</u>	<u>\$8,670</u>	<u>\$9,614</u>	<u>\$8,198</u>	<u>\$7,466</u>	<u>\$7,110</u>	<u>\$ 6,385</u>	<u>\$6,011</u>
All other governmental funds:									
Nonspendable		\$ -	\$ -	\$ -	\$ 64	\$ 65	\$ 66	\$ 67	\$ 67
Restricted		1,000	1,682	1,529	1,421	1,470	1,659	1,584	1,630
Committed		-	-	-	-	156	3	-	-
Assigned		3,663	4,274	3,973	2,091	714	1,243	1,424	2,866
Total all other governmental funds		<u>\$4,663</u>	<u>\$5,956</u>	<u>\$5,502</u>	<u>\$3,576</u>	<u>\$2,405</u>	<u>\$2,971</u>	<u>\$ 3,075</u>	<u>\$4,563</u>

Note:

Nine 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.

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

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,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues:										
Property taxes and fire assessments	\$ 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	\$ 9,195,526
Franchise fees and utility taxes	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	1,765,462
Intergovernmental	1,029,976	1,019,977	1,095,512	1,273,084	1,027,448	1,233,228	969,266	887,117	905,076	989,834
Fines and forfeitures	484,086	161,139	94,009	165,437	444,386	123,534	125,760	303,767	226,089	254,080
Charges for services	47,013	42,300	43,015	39,935	49,348	41,966	59,284	37,593	202,053	159,131
Interest and other	25,317	17,081	6,024	32,016	25,361	74,648	48,940	51,906	86,830	33,821
Licenses and permits	1,147,773	1,196,042	1,408,293	1,453,520	750,198	763,664	509,892	153,933	147,549	154,835
Grants	84,696	84,237	81,650	81,530	81,387	190,621	404,166	144,653	106,159	272,262
Miscellaneous revenues	207,760	202,005	346,943	416,718	477,969	266,653	107,426	109,409	77,965	1,073,158
Total revenues	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	13,898,109
Expenditures:										
Current:										
General government	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	1,803,315
Public safety	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	4,774,384
Transportation	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	1,272,675
Recreation	431,725	458,066	430,185	439,763	370,420	338,444	330,408	304,613	325,912	307,685
Physical environment	233,592	223,675	230,293	225,740	229,228	184,217	193,526	198,313	311,328	311,328
Capital outlay	495,847	637,985	2,260,012	1,468,907	3,851,212	5,157,495	2,040,544	597,312	287,413	1,138,153
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	6,814,833
Interest	-	-	-	-	-	-	-	-	-	550,849
Total expenditures	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	16,973,222
Excess (deficiency) of revenues over expenditures	1,520,558	1,113,952	(621,318)	210,466	(1,903,427)	(3,341,881)	323,220	1,967,610	2,465,913	(3,075,113)
Other financing sources (uses):										
Transfers in	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	2,365,244
Transfers out	(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)	(2,199,599)
Total other financing sources (uses)	-	-	-	-	-	-	167,000	167,000	165,645	165,645
Net change in fund balances	1,520,558	1,113,952	(621,318)	210,466	(1,903,427)	(3,341,881)	490,220	2,134,610	2,631,558	(2,909,468)
Fund balances - beginning	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	12,769,322
Fund balances - ending	\$ 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

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-Govt	Charges Services	Fines and Forfeitures	Grants	Interest and Other	Total
2009	9,195,526	1,765,462	118,431	154,835	989,834	40,700	254,080	272,262	1,106,979	13,898,109
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

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			
2009	2008	2,612,998,410	16,120,707	504,722,019	4,264	2,124,392,834	2,116,655,262	3.9990
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	3.6873
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

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, 2018**

Taxpayer	Type of Use	2018			2009		
		Assessed Valuation ¹	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Florida Development Group	Hotel	\$ 39,775,420	1	1.64%	-	-	-
Edmondson, James P	Restaruant	10,430,860	2	0.43%	\$ 7,123,630	6	0.31%
White Cap of Florida Inc	Condominiums	9,144,050	3	0.38%	-	-	-
Gorana International Inc	Restaurant/Pier	6,880,920	4	0.28%	-	-	-
Seagrape Commons LLC	Hotel	6,105,010	5	0.25%	-	-	-
Z & K Property Corp Inc	Condominiums	5,023,370	6	0.21%	-	-	-
Topflow Property Corp	Hotel	4,889,710	7	0.20%	-	-	-
LBTS Properties LLC	Restaruant/ Prk.lot/ Hotel	4,787,640	8	0.20%	-	-	-
K M & Buschbaum Inc	Condominiums	4,649,530	9	0.19%	-	-	-
Wens Holding LLC	Hotel	4,624,920	10	0.19%	-	-	-
Pier Point LLC	Condominiums	-			\$ 17,063,210	1	0.74%
Minto-Villas-by-the-Sea LLC	Hotel	-			13,891,580	2	0.60%
Ocean 4660 LLC	Hotel	-			13,053,500	3	0.56%
VCH Properties LLC	Condominiums	-			12,116,890	4	0.52%
Chateau De Mer LLC	Condominiums	-			8,061,360	5	0.35%
White Cap of FL, Inc.	Condominiums	-			6,643,560	7	0.29%
Villas of Caprice LLC	Condominiums	-			6,501,770	8	0.28%
Little Italy Oceanside	Condominiums	-			6,020,390	9	0.26%
Costa Del Sol, Inc.	Condominiums	-			520,510	10	0.02%
		<u>\$ 96,311,430</u>		<u>3.97%</u>	<u>\$ 90,996,400</u>		<u>3.93%</u>

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
2009	8,454,913	8,441,725	99.84%	160	8,441,885	99.85%
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%

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

Fiscal Year	Lauderdale By-The-Sea	Broward County	Broward County Schools	Other Taxing Agencies			Special Districts		Total
				South Florida Water Management	Florida Inland Navigation	Broward Children's Services Council	North Broward Hospital	Hillsboro Inlet	
2009	3.9990	5.3145	7.4170	0.6240	0.0345	0.3754	1.7059	0.0860	19.5563
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

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
2009	6,814,833	550,849	7,365,682	17,138,867	42.98%
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%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 12
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-type Activities		Population	Per Capita	Personal Income	Percentage of Personal Income
	Promissory Notes	Line of Credit	Capital Leases	Promissory Notes	Primary Government				
2009	-	-	-	1,573,714	1,573,714	9,800	161	39,267	0.41%
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%

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 13
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITY DEBT
SEPTEMBER 30, 2018

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	\$ 181,970,000 ¹	0.07%	\$ 132,058
Broward County School District	151,991 ²	0.07%	110
Subtotal, overlapping debt			132,168
Town of Lauderdale-By-The-Sea Direct Debt			-
Total direct and overlapping debt			<u>\$ 132,168</u>

¹ Source: Broward County 2018 CAFR and Broward County 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, 2018

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	37
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)C	1.200%
	Per Capita Personal Income (2)	65,691
Population Statistics:	Civilian Labor Force (1)A	1,039.20
	Unemployment Rate (1)B	3.3%

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, 2018

<u>Employer</u>	<u>2018</u>			<u>2009</u>		
	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	<u>569</u>			<u>618</u>		

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

<u>Function</u>	Full time Equivalent Positions as of September 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Administration	7.3	7.5	7.5	8.6	8.6	8.5	7.6	8.3	8.3	8.5
General Government	1.5	1.4	1.4	1.4	1.2	1.3	1.6	-	-	-
Public Works	15.8	15.8	15.8	14.8	13.8	13.8	13.8	15.0	15.0	15.0
Development services	3.5	3.4	3.4	3.2	2.5	2.5	4.0	3.8	4.8	4.8
Parking	1.5	1.5	1.5	0.5	0.4	0.4	4.5	4.9	4.0	4.0
Project Management	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
Stormwater	-	-	-	-	-	-	-	-	-	-
Total	32.00	32.00	32.00	31.00	28.75	28.75	33.75	33.15	33.35	33.50

Source: Lauderdale-By-The-Sea Finance Department.

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

Function	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government:										
Informational calls received	3,317	4,068	4,595	5,305	6,353	6,840	6,912	8,071	7,413	11,131
Public records request	49	47	42	46	46	22	90	99	277	294
Resolutions	36	46	42	48	52	46	61	44	39	29
Ordinances	26	11	15	16	14	41	22	20	16	28
Commission meetings	29	26	30	34	21	22	33	36	55	26
Cash receipts - general operating	6,221	5,786	5,970	5,370	6,556	4,332	3,263	2,608	2,539	2,346
Cash disbursements - general operating	3,673	3,650	3,425	4,064	5,128	3,140	3,423	2,932	2,110	2,314
Payroll disbursements - general operating	3,230	3,397	3,380	3,353	4,540	1,330	1,326	1,380	1,248	1,082
Purchase orders issued	23	18	29	57	57	148	140	190	197	208
Claims processed - gen liability and workers	3	1	4	10	13	9	10	17	8	13
Hours of information technology services	140	181	153	100	415	329	102	256	111	90
Public safety:										
Informational calls received	8,208	9,416	9,116	8,253	7,190	5,179	5,063	4,941	5,185	7,660
Public records request	-	-	-	-	-	-	-	-	-	32
Citizen on patrol membership	32	29	29	29	30	37	29	26	23	21
Neighborhood crime watch membership	-	-	-	-	-	-	-	-	-	55
Fire responses	443	407	353	408	369	364	339	411	345	349
Fire medical services (EMS)	1,115	1,114	1,119	1,101	987	990	943	874	943	1,056
Notices of violations code compliance	314	270	638	180	288	956	158	375	573	844
Citations issued code compliance	-	-	-	-	-	-	-	-	5	13
Complaints investigated	1,231	1,062	1,154	1,458	1,252	1,266	505	151	334	246
Parking citations	5,275	8,447	8,953	6,720	4,358	4,674	7,565	8,289	6,846	9,555
Municipal services:										
Parking maintenance (hours)	-	-	-	-	-	520	1,560	359	89	1,221
Street maintenance and repairs (hours)	-	-	-	-	-	1,547	1,253	952	668	206
Ground maintenance and repairs (hours)	-	-	-	-	-	5,657	5,587	7,508	7,277	1,572
Building maintenance and repairs (hours)	-	-	-	-	-	2,744	2,496	2,884	3,371	6,784
Cultural - recreation:										
Scheduled recreation activities	1,396	1,213	1,157	1,036	995	969	934	1,002	1,131	804
Recreation Volunteer hours	2,124	1,756	1,914	1,677	1,538	1,662	1,772	1,769	1,511	356
Recreation activity participants	3,425	2,621	2,885	2,487	2,816	2,741	6,065	5,740	4,116	5,263
Recreation areas maintenance (hours)	-	-	-	-	-	1,965	2,456	3,136	2,771	1,604

Source: Town of Lauderdale-By-The-Sea Activity Report

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

TABLE 18
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
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	2	2	2	2	2	2	2	2
Fire Rescue Vehicle	3	3	3	3	3	3	3	2	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	3	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, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our opinion thereon dated May 20, 2019.

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.

A handwritten signature in blue ink that reads "Brian J. Associates".

May 20, 2019



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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, 2018. 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, 2018.

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

May 20, 2019



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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, 2018, and have issued our report thereon dated May 20, 2019.

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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida 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 May 20, 2019, 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

May 20, 2019

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, 2017.

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, 2018.

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, 2018.

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.