

The City Of **LAUDERDALE LAKES**

FLORIDA



ANNUAL COMPREHENSIVE **FINANCIAL REPORT**

FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2022



WHAT'S IMPORTANT TO THE CITY OF LAUDERDALE LAKES?



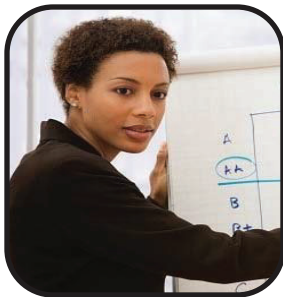
CUSTOMERS

We will build a reputation of being focused on our customers; both our internal and external customers.



OPERATIONS

City operational areas will perform in a manner that generates the greatest innovation, effectiveness and efficiency for the City.



EMPLOYEE DEVELOPMENT

We will have the right people in the correct positions, each having training, support, and a work environment to achieve success.



FINANCIAL MANAGEMENT

The key to building a successful foundation for any organization is having financial stability. We will continue to be good stewards of the residents tax dollars.



Follow us @Lauderdalelakes.org



Annual Comprehensive Financial Report

CITY OF LAUDERDALE LAKES

Fiscal Year Ended September 30, 2022

PREPARED BY THE

DEPARTMENT OF FINANCIAL SERVICES

Asheley Hepburn, MPA, Director
Bobbi Williams, MPA, Assistant Director
Georgina Rodriguez, CPA, CGFO, Chief Accountant
Kurt Brown, Information Technology Manager
Vernon Paul, Jr., Senior Accountant (Temp)
Heidi Brocks, Financial Planning Coordinator
Geeta Roopan-Ramjattan, Senior Accountant
Giovanni Stephenson, Accountant II
Geeta Ramharry, Purchasing Coordinator
Mario Encarnacion, System Analyst
Jolisa Albury, Administrative Coordinator
Hayden Jarman, IT Helpdesk Technician
Andres Valencia, Accounting Specialist (Temp)

We Care



This page left blank intentionally

TABLE OF CONTENTS



A Vibrant, Connected, Diverse and Safe Community





This page left blank intentionally

City of Lauderdale Lakes
Table of Contents

INTRODUCTORY SECTION:

Letter of Transmittal	i-vi
Organizational Chart	vii
List of Elected and Appointed Officials	viii-ix

FINANCIAL SECTION:

Independent Auditor's Report	1-3
Management's Discussion and Analysis	7-18

Basic Financial Statements:

Government-Wide Financial Statements:

Statement of Net Position	21
Statement of Activities	22

Fund Financial Statements:

Balance Sheet - Governmental Funds	23
Reconciliation of the Fund Balance Sheet of Governmental Funds to the Statement of Net Position	24
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	25
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
Statement of Net Position - Proprietary Funds	27
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	28
Statement of Cash Flows - Proprietary Funds	29

Continued:

Notes to the Financial Statements:	33-72
Required Supplementary Information:	
Budgetary Comparison Schedule - General Fund	75-76
Budgetary Comparison Schedule - Fire Rescue Fund	77
Budgetary Comparison Schedule - Grants Fund	78
Budgetary Comparison Schedule - Community Redevelopment Agency Fund	79
Notes to the Budgetary Comparison Schedules	80
Schedule of Changes in OPEB Liability and Related Ratios- Other Post-Employment Health Care Benefits	81
Schedule of Proportionate Share of Net Pension Liability - Florida Retirement System Pension Plan	82
Schedule of Proportionate Share of Net Pension Liability - Retiree Health Insurance Subsidy Program	83
Schedule of Contributions - Florida Retirement System Pension Plan	84
Schedule of Contributions - Retiree Health Insurance Subsidy Program	85
Other Financial Information: Combining and Individual Fund Statements and Schedules:	
Description of Nonmajor Governmental Funds	89
Combining Balance Sheet - Nonmajor Governmental Funds	90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	91

Continued:

Budgetary Comparison Schedules:

Budgetary Comparison Schedules - Nonmajor Governmental Funds	92-94
Budgetary Comparison Schedule - Capital Projects Fund	95
Budgetary Comparison Schedule - Debt Service Fund	96

STATISTICAL SECTION (Not Covered by Independent Auditor's Report):***Financial Trends:***

Table 1 - Net Position by Component	100
Table 2 - Changes in Net Position	101-103
Table 3 - Fund Balances of Governmental Funds	104
Table 4 - Changes in Fund Balances of Governmental Funds	105-106

Revenue Capacity:

Table 5 - Assessed Value and Estimated Actual Value of Taxable Property	107
Table 6 - Direct and Overlapping Property Tax Rates	108
Table 7 - Principal Property Taxpayers	109
Table 8 - Property Tax Levies and Collections	110

Debt Capacity:

Table 9 - Ratios of Outstanding Debt by Type	111
Table 10 - Ratios of General Bonded Debts Outstanding	112
Table 11 - Direct and Overlapping Governmental Activities Debt	113
Table 12 - Legal Debt Margin Information	114
Table 13 - Pledged Revenue Coverage	115

Demographic and Economic Information:

Table 14 - Demographic and Economic Statistics	116
Table 15 - Principal Employers	117

Continued:

Operating Information:

Table 16 - Full-Time Equivalent City Government Employees by Function/Program	118
Table 17 - Operating Indicators by Function/Program	119
Table 18 - Capital Asset Statistics by Function/Program	120

COMPLIANCE SECTION:

Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	123-124
Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	125-126
Management Letter	127-130
Schedule of Expenditures of Federal Awards and State Financial Assistance	131-133

INTRODUCTORY SECTION



A Vibrant, Connected, Diverse and Safe Community





This page left blank intentionally



April 5, 2023

To the Mayor, Vice-Mayor, and City Commissioners of Lauderdale Lakes, Florida

As mandated by both local ordinances and state statutes, the Comprehensive Annual Financial Report (the "CAFR") of the City of Lauderdale Lakes, Florida (the City), for the Fiscal Year ended September 30, 2022, is hereby submitted. In accordance with the philosophy shared by city management, this report provides full disclosure of financial information in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). Additionally, an audit was conducted in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants.

MANAGEMENT RESPONSIBILITY

The responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rest with City Management. To the best of our knowledge and belief, the data, as presented, is accurate in all material respects. The CAFR serves as an essential document which provides a detailed account of the City's financial condition at the specified point in time. The Annual Report is presented in a manner designed to set forth the financial position and results of the City's operations as measured by the financial activity of various funds. The included disclosures will also provide the reader with an understanding of the City's financial affairs.

INTERNAL CONTROLS

Internal controls have been designed to provide reasonable, but not absolute, assurance about the achievement of the City's objectives in reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. An internal control framework has been established to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. We believe the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

AUDIT PROCESS

The City's financial statements have been audited by HCT Certified Public Accountants and Consultants, LLC. The goal of the auditor was to provide reasonable assurance that the financial statements, for fiscal year ended September 30, 2022, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and financial decision made by management; and evaluating the overall financial statement presentation. The independent auditors, based on their audit, rendered an unmodified opinion that the financial statements for the fiscal year ended September 30, 2022, are fairly presented in conformity with GAAP. In addition, the independent audit of the City's financial statements was designed to meet the federal and state mandated "Single Audit" Act which was created to meet the special needs of federal and state agencies. The standards governing Uniform Guidance Audit engagements require the independent auditor to report on the fair presentation of the financial statements and on the audited government's internal controls and compliance with legal requirements relating to the administration of federal and state awards. For fiscal year ended September 30, 2022, the City met the spending threshold and thus single audit reports have been included in a separate report.

Management's Discussion & Analysis (MD&A): The MD&A provides the reader of the City's financial statements with an overview of our current financial condition. The information contained in the MD&A is presented in greater detail than the information in this Letter of Transmittal. The MD&A can be found on pages 4-14 in the CAFR.

INTRODUCTION TO THE ANNUAL FINANCIAL REPORT

The Annual Financial Report is divided into three sections:

- **Introductory Section:** This section contains the letter of transmittal, a list of principal officials as of September 30, 2022, and the City's organizational chart.
- **Financial Section:** This section includes the independent auditor's report management discussion and analysis, the basic financial statements and notes that provide an overview of the City's financial position and operating results, required supplementary information and the combining statements of non-major funds and other schedules.
- **Statistical Section:** This section contains unaudited financial data and debt statistics which are generally presented in a multiyear format. The statistical section is included in the year ended September 30, 2022 report.

PROFILE OF THE GOVERNMENT

On June 22, 1961, the City of Lauderdale Lakes was incorporated by the Florida State Legislature. The City operates under the Mayor/City Commission/City Manager form of government. The Mayor presides over the City Commission meetings *and* is recognized as the head of the municipal government for ceremonial purposes. Effective November 2016, the composition of the commission changed from five Commissioners to four and a Mayor with equal voting rights. The terms of office are four year terms for the Mayor and the City Commissioners. The City Manager is appointed by the City Commission. The City Manager is the Chief Administrative Officer (CAO) of the City which is responsible for achieving the City's goals and objectives. Also, the City Manager handles the appointment and supervision of the City's Department Directors.

The City of Lauderdale Lakes provides a full range of municipal services that include public safety services through a contract with the Broward Sheriff's Office (BSO), development services, public works, parks and human services, and social services including an Alzheimer's Care Center. From an operational perspective, the City is responsible for managing services to include solid waste and recycling services; storm water services; maintenance and repair of streets, bridges, and street lighting; building inspections; business tax (formerly Occupational Licensing); and planning and zoning regulations. The administrative offices established to provide support services to all departmental functions are as follows: City Clerk; City Manager; Financial Services including Information Technology and Purchasing; and Human Resources and Risk Management.

The City of Lauderdale Lakes Community Redevelopment Agency (the CRA) was created by the Mayor and City Commission on September 26, 2000 by adopting a resolution defining and establishing the Agency in accordance with Section 163.357 of the Florida Statutes under the Community Redevelopment Act of 1969. The CRA's board of directors is the City Commission. The purpose of the CRA is to promote redevelopment by improving the uses and taxable values of property within the designated community redevelopment area. The CRA is a special revenue fund of the City of Lauderdale Lakes; therefore, it has been included as a component unit and integral part of the attached financial statements.

In alignment with the CRA's goals, there was a focus on the revitalization of a major corridor in the CRA District. Through the Commercial Facade Improvement Program, \$169,000 was invested to make significant facade improvements to the Lauderdale Lakes Industrial Park. Funds were allocated toward the improvement of multi-family homes on NW 31 Avenue and adjacent streets. The Cassia Estates single family home development started construction.

The Lauderdale Lakes Community Redevelopment Agency funded or partially funded capital projects that paved the way for new development opportunities. This year, capital projects totaling over \$1 million were allocated for the Somerset Drive Roundabout Project, Trailhead Park Project, Northwest 36th Street Gateway (Destination) Signage Project and the proposed 31 Avenue Buffer which is under consideration.

The Business First! Initiative continued to help business owners by offering virtual seminars and forums in collaboration with public and private agencies. Other economic development activities included the Business Consultation Program which provided free one-on-one counseling. The Lauderdale Lakes Community Redevelopment Agency, through the Business First! Initiative, expanded its programming to access resources that supported small businesses recovering from the coronavirus pandemic.

FINANCIAL REPORTING

Based on the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity*, a primary government is financially accountable for the organizations that make up its legal entity. In addition, the primary government is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. Nonetheless, the primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The annual budget is the foundation of the City's financial planning and control. Annual budgets are adopted for the General Fund, Fire Rescue Fund, Grants Fund, Community Redevelopment Fund, Law Enforcement Trust Fund, Minor Home Repair Fund, Transportation Fund, Alzheimer Care Fund, and Debt Service Fund. Public workshops and hearings are held throughout the entire budget process to obtain input from the residents. The City Manager gives directives to Department Directors to develop and submit proposed departmental budgets within the appropriate annual guidelines. Budgetary control is maintained at the fund level, with the financial services department providing support to departments with their budget. The City Manager reviews each proposal with the Directors and prepares a proposed budget that is delivered to the Commission. The Commission holds budget workshops to discuss and amend the City Manager's proposed budget. During the first required Special Budget Public Hearing the Commission adopts a proposed budget, approves the proposed millage rates, and approves final special assessment rates. A second required Budget Public Hearing is then held to adopt a final budget and approve final millage rates. The City's budget goes into effect October 1 and covers the fiscal year, which ends the following September 30th.

LOCAL ECONOMIC CONDITIONS AND OUTLOOK

The City of Lauderdale Lakes is a 3.5 square mile City which resides in the center of Broward County and is the in the heart of the Miami, Fort Lauderdale and West Palm Beach Metropolitan Statistical Area (MSA), the 8th largest metropolitan statistical area in the United States by population. The City is very diverse and is strengthened by having over 50% of its population foreign born. One of our largest local own companies in the City is Broward Meat & Fish which was founded in the City of Lauderdale Lakes. It is local businesses like this that contribute to our community's diverse economy.

Furthermore the business community is anchored by these businesses: Steward's Health Care Network, Interactive Response, Walmart Supercenter, St. John's Nursing Center, Education Training Corporation (DBA Florida Career College). Other diverse businesses in the City include: Burlington Coat Factory, ALDI Food Market, and Banking Services – Chase Bank, Truist Bank and Bank of America, and a variety of specialty stores. The City's future economic development strategy calls for the recruitment of businesses, expansion of existing businesses and establishment

of new businesses will create sustainable jobs in the City of Lauderdale Lakes. The City is also focused on future residential and commercial redevelopment. The City has benefited this past year and will over the next several years from the over \$18.1 Million in funding from the American Rescue Plan Act of 2021 (ARPA). This will aid the City, residents and businesses by ensuring a sustained fiscal recovery from the economic impacts of pandemic that began in 2020. The availability of the ARPA funding will provide a unique opportunity for the City to address underlying challenges we have experienced for some time. The ARPA along with other grants awarded by the Federal and State government will provide nearly \$36 million in Community Infrastructure to address Human Infrastructure (\$2.4 M), Capital Infrastructure (\$25.5 M) and Business Infrastructure (\$8.0 M). This infusion in funding will provide the City with a firm financial foundation and contribute to making the City of Lauderdale Lakes an even better place to live, work and play.

The City experienced an increase in property values as compared to previous years. One of the positive attributes of the City of Lauderdale Lakes relates to the increased number of commercial and residential developments that are on the horizon or nearing completion. Such investments provide for the enhancement of essential city services now and in the future. The increased revenue has placed the City of Lauderdale Lakes and Community Redevelopment Agency in a position to make positive budget adjustments and to meet the community's needs.

LONG-TERM FINANCIAL PLAN

The City of Lauderdale Lakes, with the leadership of the Mayor and Commissioners have developed a strategic framework. This framework allows the City to apply its resources to the priorities of the organization in a strategic manner. The development, approval and execution of the City's annual Budget is a year round process that involves understanding the financial forecasts, legislative impacts and reviewing the impacts of property valuations and aligning the Commission's priorities and direction. The City's various services are broken down into strategic operational areas that include Public Safety, Infrastructure, Growth Management, Cultural and Recreation and Management Services. The most efficient organizations are those that have their strategic operational areas aligned with the Vision. Here in the City of Lauderdale Lakes our strategic framework creates alignment of the City's various perspectives, with the associated strategic objectives. Financial planning serves as a valuable tool to assist the City Commission and City Management in making sound fiscal decisions, particularly as it pertains to capital improvement projects, capital acquisitions and debt service.

The City's strategic plan along with Annual Five Year Capital Improvement Plan outlines investments in major projects. The following projects were completed in Fiscal Year 2021:

- Final completion the 31st Roadway Improvement Project
- Vincent Torres Improvements – Splash Pad and Pavilion
- Completed Design of NW 49th Avenue Drainage Improvement Project
- Installation of Public Works Canopy
- Coordinated with FDOT to complete the C13 Greenway Extension Project
- Funded multifamily property improvements through the Residential Preservation and Enhancement Program (To date, the CRA has awarded over \$180,000)

INDEPENDENT AUDIT

In accordance with Florida Statutes 218.39, the City has engaged the firm of HCT Certified Public Accountants and Consultants, LLC to perform the independent audit of the City's financial statement. The Independent Certified Public Accountant's report is included in the financial section of this Comprehensive Annual Financial Report.

AWARDS

The Government Finance Officers Association for the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standard for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine eligibility for award.

ACKNOWLEDGEMENTS

This report could not have been prepared without the dedication and efficiency of the entire staff of the Financial Services Department. The Financial Services Team continues to implement new procedures to improve the integrity of the City's accounting records and to complete the City's annual report in a responsible manner.

The Mayor, Vice-Mayor, City Commissioners, City Manager, and City Management Team are to be recognized for the important role they have played in overseeing and supporting the improvement of the City's fiscal and financial operations.

Respectfully submitted,



Treasa Brown-Stubbs
Acting City Manager

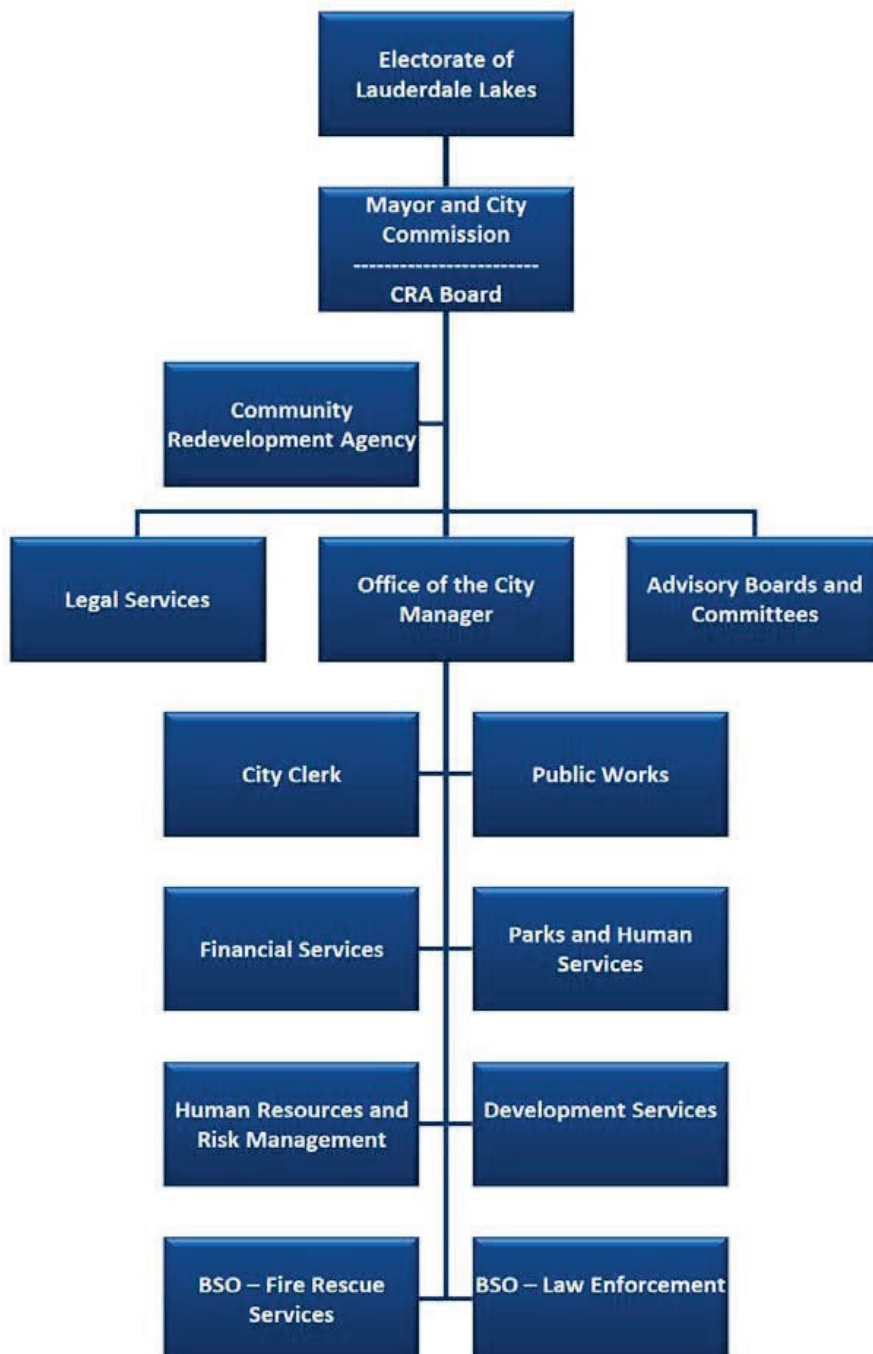


Asheley Hepburn, MPA
Financial Services Director



Lauderdale Lakes

Citywide Organization Chart





Lauderdale Lakes

FORM OF GOVERNMENT

Commission/City Manager

MAYOR

Veronica Edwards Phillips

VICE MAYOR

Karlene Maxwell-Williams

COMMISSIONERS

Tycie Causwell

Mark Spence

Sharon Thomas

CITY MANAGER

Treasa Brown Stubbs, MPA, CRRP, City Manager

CITY ATTORNEY

Sidney Calloway, Esquire

DEPARTMENT OF FINANCIAL SERVICES

Asheley Hepburn, MPA, Director

Georgina Rodriguez, CPA, CGFO, Chief Accountant

Vernon Paul, Jr. Senior Accountant (Temp)



Lauderdale Lakes

MAYOR AND COMMISSION



MAYOR

Veronica Edwards Phillips



VICE-MAYOR

Karlene Maxwell-Williams



COMMISSIONER

Tycie Causwell



COMMISSIONER

Mark Spence



COMMISSIONER

Sharon Thomas



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

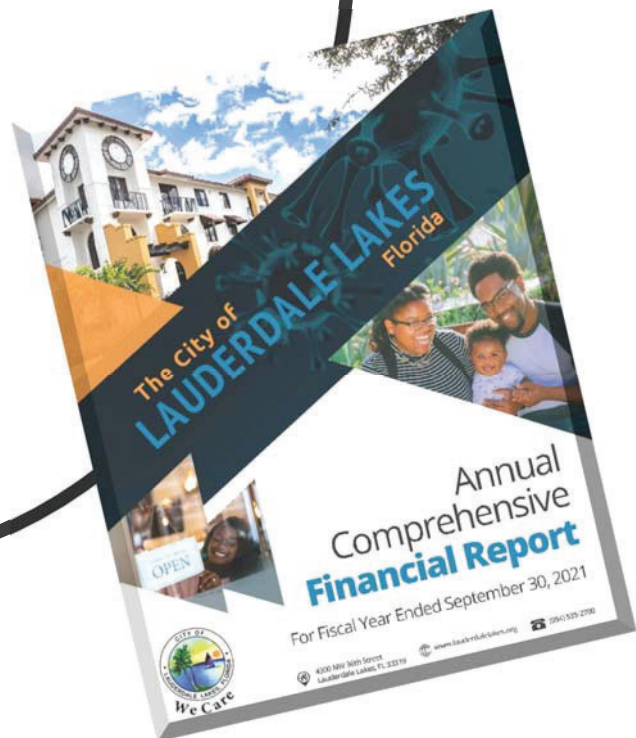
**City of Lauderdale Lakes
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



A Vibrant, Connected, Diverse and Safe Community





This page left blank intentionally

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Commission
City of Lauderdale Lakes, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lauderdale Lakes, Florida (the 'City') as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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 City of Lauderdale Lakes, Florida, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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; and Chapter 10.550, Rule of the Auditor General of the State of Florida. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules relating to pensions and other post-employment benefits on pages 7–18 and 92-96 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements is presented for purposes of additional analysis as required by Section 215.97(10)(b), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General of the State of Florida*; are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

HCT Certified Public Accountants & Consultants, LLC

Hollywood, Florida
March 31, 2023



This page left blank intentionally

MANAGEMENT'S DISCUSSION AND ANALYSIS



A Vibrant, Connected, Diverse and Safe Community





This page left blank intentionally

As management of the City of Lauderdale Lakes, Florida (the "City"), we offer the readers of this narrative representation of the City's financial performance for the fiscal year ended September 30, 2022. The Management's Discussion and Analysis (MD&A) section of the Comprehensive Annual Financial Report (CAFR) is designed to:

1. Provide an overview of the City's financial activities
2. Identify changes in the City's financial position
3. Identify any material deviations from the financial plan (the approved budget)
4. Identify any individual fund issues or concerns

We encourage readers to review the transmittal letter on pages I through VI which discusses other relevant items that impact the overall financial condition of the City. Management of the City has prepared the CAFR in accordance with the current principles and standards for financial reporting established by Governmental Accounting Standards Board (GASB) Statement No. 34.

Financial Highlights

The following are the highlights of financial activity for the fiscal year ended September 30, 2022:

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$ 65,128,232, (net position).
- The City's net position increased by \$ 6,742,358 mainly due to maintaining revenues categorized as charges for services and similar activity in the City's overall expenses from the prior year.
- As of the close of fiscal year 2022, the City's governmental funds reported combined ending fund balance of \$ 36,978,000. Per GASB Statement No. 54, the fund balances are classified approximately as follows: 1) \$ 242,755 is Non-Spendable, 2) \$ 14,617,306 is Restricted, 3) \$ - is Committed, 4) \$ 646,365 is Assigned and 5) \$ (2,732,035) is Unassigned.
- The City's governmental activities reflected \$ 39,958,997 in expenses and \$ 45,989,260 million in revenues and transfers. The City's governmental revenues exceeded expenses, providing a) \$ 6,030,263 increase in net position.
- The business-type activities for the City reflected \$ 3,749,933 in expenses and transfers out against \$ 4,462,028 recognized in revenues that resulted in a \$ 712,095, increase in net position.

- The Community Redevelopment Agency (the "CRA") fund revenues exceeded its expenditures by \$ 2,833,455 before Other financing sources. The CRA remained current with all debt obligations and received payment from the City in the amount of \$210,000 in accordance with a forbearance agreement and City Commission approval.

Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the City'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. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, social services, culture and recreation, and economic and physical environment. The business-type activities consist of stormwater services, solid waste/recycling services and building services.

The City is known as the primary government with a legally separate Community Redevelopment Agency for which the City is financially accountable. This blended component unit functions, for all practical purposes, as a department and special revenue fund of the City that has been included as an integral part of the primary government.

The government-wide financial statements are presented on pages 21 and 22 of this report. The remaining statements are fund financial statements that focus on individual parts of the City government by reporting the City's operations in more detail.

Fund financial statements: A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City establishes funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

Governmental funds

Governmental funds are reported in the fund financial statements. These funds encompass the same functions reported as governmental activities in the government-wide financial statements; however, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two financial perspectives may provide insight into the long-term impact of short-term decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives. Individual fund financial data for each of these non-major governmental funds is provided in the form of combining statements on pages 90 and 91 of this report.

The City 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. The basic governmental fund financial statements are presented on pages 19 through 62 of this report.

Proprietary Funds

The proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City's proprietary funds are further classified as enterprise funds. The enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide financial statements. Services are provided to customers external to the City for stormwater services, solid waste/recycling services and building services. The basic enterprise fund financial statements are presented on pages 27 through 28 of this report.

Notes to the basic financial statements: The basic financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, a separate section is included with combining statements that provide details about the non-major governmental funds, each of which is added together and presented in a single column in the basic financial statements.

The accompanying notes to the financial statements provide information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 33 through 72 of this report.

Other supplementary information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which includes the budgetary comparison schedules of major funds and information about the other post-employment health care benefits (OPEB) and pension benefits.

Required supplementary information can be found on pages 75 through 85 of this report.

Government-Wide Financial Analysis

Summary of net position: The overall net position of the City increased in 2021. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. There are six (6) basic transactions that will affect the comparability of the Statement of Net Position summary presentation as reflected below:

- 1) Net results of activities will impact (increase/decrease) current assets and unrestricted net position.
- 2) Borrowing for capital will increase current assets and long-term debt.
- 3) Spending borrowed proceeds on new capital will reduce current assets and increase capital assets. Additionally, an increase in invested capital assets and an increase in related debt will not change the net investment in capital assets
- 4) Spending of non-borrowed current assets on new capital will reduce current assets, increase capital assets, reduce unrestricted net position, and increase net investment in capital assets.
- 5) Principal payment on debt will reduce current assets, reduce long-term debt, decrease unrestricted net position, and increase net investment in capital assets.

City of Lauderdale Lakes, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2022

- 6) Reduction of capital assets through depreciation will reduce capital assets and net investment in capital assets.

Net position may serve as a useful indicator of the City's financial position. The City's total net position as reflected on the Statement of Net Position was \$65,128,232 at the close of this fiscal year. This was an increase of approximately 0.12 % compared to last year's net position of \$58,385,874.

The largest portion of the City's net position reflects its 45% investment in capital assets (e.g.; land, building, and equipment), less any related debt used to acquire those assets that are still outstanding. Capital assets are used to provide services to citizens; and thus, they are not available for future spending. The City's investment in its capital assets is reported net of related debt. The resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

City of Lauderdale Lakes
Government Wide Financial Analysis
Fiscal year 2022 compared to fiscal year 2021

	Governmental Activities		Business -Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 50,404,304	\$ 27,645,970	\$ 13,452,818	\$ 6,801,671	\$ 63,857,122	\$ 34,447,641
Capital asset (net)	31,690,106	31,386,571	7,832,088	7,758,959	39,522,194	39,145,530
Total assets	82,094,410	59,032,541	21,284,906	14,560,630	103,379,316	73,593,171
Total deferred outflow of resources	316,082	310,062	67,309	61,382	383,391	371,444
Current and other liabilities	15,606,759	3,452,052	7,040,625	858,557	22,647,384	4,310,609
Long term liabilities	15,596,449	10,134,748	231,334	58,055	15,827,783	10,192,803
Total liabilities	31,203,208	13,586,800	7,271,959	916,612	38,475,167	14,503,412
Total deferred inflows of resources	141,595	416,641	17,713	113,572	159,308	530,213
Net Position:						
Net Investment in capital assets	22,840,006	20,978,554	7,832,088	7,758,959	30,672,094	28,737,513
Restricted	15,263,671	10,352,780	-	-	15,263,671	10,352,780
Unrestricted (deficit)	12,962,012	13,704,092	6,230,455	5,591,489	19,192,467	19,295,581
Total net position	\$ 51,065,689	\$ 45,035,426	\$ 14,062,543	\$ 13,350,448	\$ 65,128,232	\$ 58,385,874

Statement of activities: There are different types of factors that can positively or negatively impact other operations. Some factors that may impact the revenues are as follows: 1) Economic Conditions; 2) City Commission authority to increase and decrease rates; 3) Changing patterns in intergovernmental and grant revenues; and 4) market impacts on investment income.

Other factors that may impact the expenses are presented below: 1) Introduction of new programs; 2) inflation, any increase of commodities such as chemicals, supplies, fuels and parts; and 3) changes in service demand levels.

For the Year Ended September 30, 2022:

1. Economic conditions can reflect a growing, stable or declining overall economic environment and those conditions can have a significant impact on the underlying drivers of ad valorem taxes, non-ad valorem assessments, sales and use taxes, fees and other revenues derived from the community, as well as those received from other governments.
2. Changes in tax, assessment and fee rates by the City's Governing Board directly affect the most fundamental revenue streams and have the most immediate impact of all changes.
3. Changing patterns in grant and state revenue sharing calculations may cause significant deviations to City intergovernmental revenues and put added pressure on City-generated revenues.
4. Budget management requires that budget expenditures are in line with budget revenues at the end of the fiscal year.

Some other basic impacts are responsible for potential changes in annual expenses:

1. Introduction of new programs can have substantial impact on department/program expenses by requiring new personnel, capital and operating funds. In addition, the enhancement and/or modification of existing programs also requires increased staffing and operational costs that exceeds the actual budgeted resources.
2. Changes in service levels impacts expenses by changing the levels of already appropriated expenses.
3. Salary/contract pricing increases can contribute to increased expenses. Most contracts entered into by the City have provisions for increases, either automatic or negotiated each year.

While inflation has increased significantly , it appears to be moderate, it impacts the prices the City pays for commodities, supplies, fuels, parts and miscellaneous services etc.

The three primary governmental revenues as reflected on the Statement of Activities are comprised of property taxes, charges for services and unrestricted, intergovernmental revenues for fiscal year 2021. For fiscal year 2022, property taxes of \$15,539,440 represents 34% of revenues while charges for services of \$15,733,100 comprise 34% of revenues and unrestricted intergovernmental revenues of \$5,422,601 comprised 12% of revenues. Other major sources of revenues include \$3,286,322 in franchise and other taxes or 6%; \$ 2,891,484 from utility taxes or 6% and operating grants/contribution comprise 3% or \$ 1,290,683. The total governmental revenues are \$45,989,248

The following table that appears on the next page reflects the City's revenues and expenses for fiscal year 2022 compared to fiscal year 2021, with the resulting change in net position:

The rest of this page intentionally left blank

**City of Lauderdale Lakes, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2022**

**City of Lauderdale Lakes
Statement of Activities
Fiscal year 2022 compared to fiscal Year 2021**

	Governmental Activities		Business -Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 15,733,100	\$ 9,567,834	\$ 4,462,028	\$ 4,248,584	\$ 20,195,128	\$ 13,816,418
Operating grants and contributions	1,290,683	2,142,973	-	19,500	1,290,683	2,162,473
Capital grants and contributions	209,526	530,966	-	-	209,526	530,966
General revenues:						
Property taxes and tax increments	15,539,440	14,052,163	-	-	15,539,440	14,052,163
Sales, use and motor fuel taxes	630,676	586,269	-	-	630,676	586,269
Franchise and other taxes	3,286,322	3,249,263	-	-	3,286,322	3,249,263
Utility taxes	2,891,484	2,785,428	-	-	2,891,484	2,785,428
Unrestricted:						
Intergovernmental revenue	5,422,601	4,480,446	-	-	5,422,601	4,480,446
Investment earnings	100,440	68,810	-	-	100,440	68,810
Miscellaneous	884,988	274,345	-	134,206	884,988	408,551
Total revenues	45,989,260	37,738,497	4,462,028	4,402,290	50,451,288	42,140,787
Expenses:						
General government	8,012,278	6,925,483	-	-	8,012,278	6,925,483
Public safety	23,170,080	18,532,266	-	-	23,170,080	18,532,266
Economic and physical environment	937,992	798,974	-	-	937,992	798,974
Social services	1,927,679	1,201,351	-	-	1,927,679	1,201,351
Culture and recreation	2,473,375	1,833,287	-	-	2,473,375	1,833,287
Highways, streets and transportation	2,909,588	2,558,984	-	-	2,909,588	2,558,984
Interest on long-term debt	528,005	588,413	-	-	528,005	588,413
Storm water	-	-	1,499,502	1,374,402	1,499,502	1,374,402
Solid waste /recycling	-	-	1,318,120	1,401,586	1,318,120	1,401,586
Building services	-	-	932,311	842,533	932,311	842,533
Total expenses	39,958,997	32,438,758	3,749,933	3,618,521	43,708,930	36,057,279
Increase in net position before transfers	6,030,263	5,299,739	712,095	783,769	6,742,358	6,083,508
Transfers	-	-	-	-	-	-
Increase in net position	6,030,263	5,299,739	712,095	783,769	6,742,358	6,083,508
Net position, October 1	45,035,426	39,735,687	13,350,448	12,566,679	58,385,874	52,302,366
Prior Period Adjustment					-	-
Net position, September 30	\$ 51,065,689	\$ 45,035,426	\$ 14,062,543	\$ 13,350,448	\$ 65,128,232	\$ 58,385,874

Governmental activity: When compared with fiscal year 2021, there was an increase in property taxes of \$1,487,277 or 11%, due to an increase in assessed valuation of property within the City. The operating millage rate in fiscal year 2022 stayed at 8.60 mills.

Governmental expenses are largely concentrated in one function, public safety, which comprises Police and Fire Rescue Services (provided by the Broward Sheriff's Office). Public safety expenses totaling \$18,532,266 and \$23,170,080 represents 57% of total governmental expenses in 2021 and 58% in 2022, respectively.

Business-type activity: Revenues earned by business-type activities are primarily concentrated in one source, charges for services of \$4,462,028. This represents the fees charged for each of the City's enterprise funds; stormwater of \$1,796,915; solid waste/recycling of \$1,401,167; and building services of \$1,263,946. The City examined all rates and fees to ensure that these funds operate at full cost recovery and there was no increase on the fees when compared to the previous year.

During fiscal year 2022 the fees charged to stormwater customers remained the same at \$6.25 monthly. Charges for services in the stormwater fund increased by \$(126,041) from the prior year. The stormwater fund increased its net position by \$297,413. Solid waste fee stayed the same at \$272 for fiscal year 2022. Total operating revenue in the solid waste fund decreased by \$(109,339) from the prior year.

Building services experienced an increase in revenue in fiscal year 2022 due to the growth in private construction projects in the City. Net position in the building services fund increased slightly by \$331,635. Overall, the Business-type activities net positions increased by \$712,095.

Analysis of the City's Funds

The City uses fund accounting to ensure and demonstrate compliance with the finance related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$36,978,000, an increase of \$10,671,125, in comparison with fiscal year 2021.

The General Fund

The General Fund is the City's primary operating fund and largest source of day-to-day service delivery. General tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs not paid through other funds are paid from this fund.

The general fund increased its fund balance by \$7,308,230 during fiscal year 2022. This increase was mainly caused by an increase from property tax revenue and charges for services in 2021.

Total fund balance in the General Fund was \$24,446,124 as of September 30, 2022, \$242,515 of this amount is non-spendable, \$- of committed fund balance, the remaining fund balance of \$24,203,609 is unassigned.

Major Special Revenue Funds

The Fire Rescue Fund revenues exceeded its expenditures by \$(151,620), The overage in expenditures was a result of an increase in miscellaneous expenditures by the department, resulting in a carry forward deficit fund balance of \$(337,461) at September 30, 2022.

The City's Grants Fund showed a fund balance deficit of \$(683,682) as of September 30, 2022, this resulted in a reduction in the fund deficit that resulted from a reduction in expenditures from the prior year. As a result the Net change in fund balance was \$(24,935)

The CRA fund revenues exceeded its expenditures by \$2,833,455 mainly due to an increase in collections of tax increments and a reduction of expenditures of the fund. The CRA fund had a positive fund balance of \$11,446,814 for the fiscal year ended September 30, 2022.

General Fund Budgetary Highlights

The budget and actual comparison schedule is provided in the required supplementary information for the general fund and major special revenue funds.

The budget and actual comparison schedules show the original adopted budgets, the final revised budget, actual results and variance between the final budget and actual results for the general and major special revenue funds. After the original budget is approved, it may be revised for a variety of reasons such as foreseen circumstances, loan proceeds, new grant awards or other unanticipated revenues and expenditures.

Differences between the original budget and the final amended budget for the General Fund are summarized as follows:

- The base revenue budget was \$24,327,405. Differences between estimated and actual revenues totaled \$6,509,372. These differences were mostly attributed to less collection of revenues from franchise fees, utility taxes, and intergovernmental revenues than what was originally forecasted
- Actual expenditures were less than the final budget by \$ 1,938,274. The differences were mostly due to the reduction in expenditures of general government of \$846,847, public works 496,086 , parks and human services \$412,518, other financial sources and uses exceeded budget by \$(1,139,416). Public safety was slightly under budget by \$ 352,194

City of Lauderdale Lakes, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2022

Capital Assets and Debt Administration

Capital assets: The City's investment in capital assets net of accumulated depreciation for its governmental and business-type activities as of September 30, 2022 amount to \$ 39,522,194 compared to \$ 39,145,531 from the previous year. The City continues to invest in its aging infrastructure. The Five-Year Capital Improvement Plan (CIP) provides a roadmap of projects that are necessary to strengthen the community and protect the City's quality of life. During fiscal year 2021 there were improvements made to the Citywide drainage system, repairs were made to the City's sidewalk and construction of NW 31st Avenue corridor started.

Additional information on the City's capital assets can be found in Note 4 starting on page 44 of this report.

City of Lauderdale Lakes
Capital Assets
Fiscal Year 2022 compared to Fiscal Year 2021

	Governmental Activities		Business -Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Capital assets, net of depreciation:						
Land	\$ 21,497,779	\$ 21,497,779	\$ -	\$ -	\$ 21,497,779	\$ 21,497,779
Construction in progress	2,202,806	1,575,066	277,063	241,380	2,479,869	1,816,446
Buildings	2,347,941	2,263,504	219,639	231,076	2,567,580	2,494,580
Machinery, equipment and vehicles	927,172	674,231	768,479	579,712	1,695,651	1,253,943
Infrastructure	4,714,408	5,375,992	6,566,907	6,706,791	11,281,315	12,082,783
Total	\$ 31,690,106	\$ 31,386,572	\$ 7,832,088	\$ 7,758,959	\$ 39,522,194	\$ 39,145,531

Debt administration: Presented below is a table showing the City's total outstanding debt as of September 30, 2022 compared to 2021. Additional information on the City's long-term debt can be found in Note 6 starting on page 48 of this report.

City of Lauderdale Lakes
Outstanding Debt
Fiscal Year 2022 compared to Fiscal Year 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Long-Term debt:						
General obligation bonds	\$ 4,375,625	\$ 5,344,286	\$ -	\$ -	\$ 4,375,625	\$ 5,344,286
Revenue bonds	8,953,350	2,162,500	-	-	8,953,350	2,162,500
Note Payable - CRA	2,165,097	2,901,232	-	-	2,165,097	2,901,232
Net Lease Liability	356,028	-	10,912	-	366,940	-
Net pension liability	560,752	303,737	149,060	80,740	709,812	384,477
Other post-employment	541,723	577,635	-	-	541,723	577,635
Compensated absences	1,170,256	1,061,054	102,843	72,569	1,273,099	1,133,623
Total	\$ 18,122,831	\$ 12,350,444	\$ 262,815	\$ 153,309	\$ 18,385,646	\$ 12,503,753

Economic Factors and FY 2022 Budget and Rates:

The City's elected officials considered many factors when setting the fiscal year 2023 budget, tax rates and fees. One of those factors is the economy. The City of Lauderdale Lakes like many other municipalities in our nation were reeling from the health and economic impacts of the Coronavirus. We have taken steps in our FY 2023 Budget to mitigate any future impacts. The Federal Government in March of 2021 passed the American Rescue Plan Act and as a result the City was allocated \$18.1 Million to address health and economic impacts of the Coronavirus. \$9.1 Million of this allocation is appropriated in the City's FY 2023 budget.

The City's overall Fiscal Year 2023 Adopted Budget is \$90.572 Million. The budget increased by \$20.43 Million as a result of an increase in General Fund, Grant Fund, CRA Fund, Capital Improvements Plan Fund and Stormwater Fund revenues. The General Fund revenues for Fiscal Year 2023 reflects no increase in the operating millage rate of \$8.60 per \$1,000 of taxable value to the residents of the City. At the adopted rate, the City will generate \$11,439,281 in property tax revenue (minus tax increments financing to the CRA). This is an increase of 13.94% from the tax revenue receipts in FY 2022.

The fiscal year 2023 budget is based upon: (1) the operating millage rate of \$8.60 per \$1,000 of taxable value while still maintaining key services; (2) increased property tax revenue estimated due to the 15.36% increase in the City's property tax base; (3) The residential rate for solid waste collection remains the same as the prior year at \$272; (4) decrease in the voter approved 2005 General Obligation (GO) Bond for capital improvements, the rate is \$.7350 per \$1,000 of taxable value; (5) continuation of the Broward Sheriff Office (BSO) Police, Emergency Medical Services and Fire Services.

In 2023, the City will hopefully continue to experience relief in its financial condition as the economy improves, re-alignment of the City resources, and strategic financial management and planning. As the City moves forward, it endeavors to seek opportunities to leverage its resources to benefit the residents of Lauderdale Lakes. The City continues its focus on implementation of the community's vision for the future and the Redevelopment Plan to improve infrastructure, roadways, canals, streets, and stormwater drainage systems.

Requests for Information

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's Financial Services Director at 4300 N.W. 36th Street, Lauderdale Lakes, Florida 33319 or call (954) 535-2828.

BASIC FINANCIAL STATEMENTS



A Vibrant, Connected, Diverse and Safe Community





This page left blank intentionally

City of Lauderdale Lakes, Florida
Statement of Net Position
As of September 30, 2022

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
Assets:			
Pooled cash and cash equivalents	\$ 21,052,180	\$ 7,417,270	\$ 28,469,450
Investments	3,238,193	-	3,238,193
Receivables (net)	1,085,205	-	1,085,205
Due from other governments	490,694	30,136	520,830
Prepays	242,755	5,412	248,167
Restricted cash	23,949,350	6,000,000	29,949,350
Other Financing Sources -lease proceeds	345,927	-	345,927
Capital assets not being depreciated	23,700,585	277,063	23,977,648
Capital assets being depreciated	7,989,521	7,555,025	15,544,546
Total assets	82,094,410	21,284,906	103,379,316
Deferred Outflows of Resources:			
Deferred outflows related to pension	316,082	67,309	383,391
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	1,414,466	1,009,145	2,423,611
Due to other governments	1,284	-	1,284
Other liabilities	13,339	-	13,339
Unearned revenue	11,651,288	6,000,000	17,651,288
Compensated absences	195,043	20,568	215,611
Lease Liability	120,317	3,949	124,266
Bonds and notes	1,975,311	-	1,975,311
Noncurrent liabilities:			
Bonds and notes	13,518,761	-	13,518,761
Compensated absences	975,213	82,273	1,057,486
Lease Liability beyond one year	235,711	6,963	242,674
Pension liability	560,752	149,061	709,813
OPEB obligation	541,723	-	541,723
Total liabilities	31,203,208	7,271,959	38,475,167
Deferred Inflows of Resources:			
Deferred inflows related to pension	141,595	17,713	159,308
Net Position:			
Net investment in capital assets	22,840,006	7,832,088	30,672,094
Restricted for:			
Community service	921,994	-	921,994
Park projects	794,648	-	794,648
Law enforcement	250,865	-	250,865
Community development	11,446,814	-	11,446,814
Roads & streets	169,704	-	169,704
Capital Projects	646,365	-	646,365
Debt service	1,033,281	-	1,033,281
Unrestricted	12,962,012	6,230,455	19,192,467
Total net position	\$ 51,065,689	\$ 14,062,543	\$ 65,128,232

The accompanying notes to basic financial statements are an integral part of these statements.

City of Lauderdale Lakes, Florida
Statement of Activities
for the fiscal year ended 2022

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-type Activities
Governmental activities:						
General government	\$ 8,012,278	\$ 7,171,960	\$ -	\$ -	\$ (840,318)	\$ -
Public safety	23,170,080	8,373,015	-	-	(14,797,065)	-
Culture and recreation	2,473,375	148,141	106,415	-	(2,218,819)	-
Economic and physical environment	937,992	-	-	183,434	(754,558)	-
Highways and streets	2,909,588	-	-	-	(2,909,588)	-
Social services	1,927,679	39,984	1,184,268	26,092	(677,335)	-
Interest and fiscal charges	528,005	-	-	-	(528,005)	-
Total governmental activities	39,958,997	15,733,100	1,290,683	209,526	(22,725,688)	-
Business-type activities:						
Building Services	932,311	1,263,946	-	-	-	331,635
Solid Waste / Recycling Fund	1,318,120	1,401,167	-	-	-	83,047
Stormwater Utility Fund	1,499,502	1,796,915	-	-	-	297,413
Total business-type activities	3,749,933	4,462,028	-	-	-	712,095
Total primary government	\$ 43,708,930	\$ 20,195,128	\$ 1,290,683	\$ 209,526	\$ (22,725,688)	\$ (22,013,593)
General revenues:						
Property taxes and tax increments					15,539,440	-
Sales, use and motor fuel taxes					630,676	-
Franchise and other taxes					3,286,322	-
Utility taxes					2,891,484	-
Unrestricted intergovernmental revenue					5,422,601	-
Unrestricted investment earnings					100,440	-
Miscellaneous					884,988	-
Total general revenues, special items, and transfers					28,755,951	-
Change in net position					6,030,263	712,095
Net position - beginning					45,035,426	13,350,448
Net position - ending					\$ 51,065,689	\$ 14,062,543
						\$ 65,128,232

* See Note 12 for further information.

The accompanying notes to basic financial statements are an integral part of these statements.

City of Lauderdale Lakes, Florida
Balance Sheet
Governmental Funds
As of September 30, 2022

	Special Revenue Funds			Community Redevelopment Agency Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Fire Rescue Fund	Grants Fund			
ASSETS						
Pooled cash and cash equivalents	\$ 10,987,490	\$ 5,673,973	\$ -	\$ -	\$ 4,390,717	\$ 21,052,180
Investments	3,238,193	-	-	-	-	3,238,193
Receivables (net of allowance for collectibles):						
Accounts	902,208	140,836	-	29,860	12,301	1,085,205
Intergovernmental	405,215	716	12,095	-	72,668	490,694
Due from other funds	9,833,903	-	-	-	-	9,833,903
Advance from General Fund	-	-	-	488,031	-	488,031
Prepaid items	242,515	-	-	-	240	242,755
Restricted for:						
Restricted cash	-	-	12,209,589	11,739,761	-	23,949,350
Total assets	25,609,524	5,815,525	12,221,684	12,257,652	4,475,926	60,380,311
LIABILITIES						
Accounts payable and accrued liabilities	568,885	-	101,838	9,073	734,670	1,414,466
Due to other funds	-	6,040,411	1,356,676	801,765	1,635,051	9,833,903
Due to other governments	534	-	750	-	-	1,284
Advance to community redevelopment fund	488,031	-	-	-	-	488,031
Other liabilities	13,339	-	-	-	-	13,339
Unearned revenue	92,611	112,575	11,446,102	-	-	11,651,288
Total liabilities	1,163,400	6,152,986	12,905,366	810,838	2,369,721	23,402,311
FUND BALANCES (DEFICIT)						
Nonspendable:						
Prepaid items	242,515	-	-	-	240	242,755
Restricted for:						
Community services	-	-	-	-	921,994	921,994
Park projects	-	-	-	-	794,648	794,648
Law enforcement	-	-	-	-	250,865	250,865
Community development	-	-	-	11,446,814	-	11,446,814
Debt service	-	-	-	-	1,033,281	1,033,281
Capital projects	-	-	-	-	646,365	646,365
Roads & streets	-	-	-	-	169,704	169,704
Unassigned:						
Special revenue (deficit)	-	(337,461)	(683,682)	-	(1,710,892)	(2,732,035)
Unassigned	24,203,609	-	-	-	-	24,203,609
Total fund balances (deficits)	24,446,124	(337,461)	(683,682)	11,446,814	2,106,205	36,978,000
Total liabilities and fund balances (deficits)	\$ 25,609,524	\$ 5,815,525	\$ 12,221,684	\$ 12,257,652	\$ 4,475,926	\$ 60,380,311

The accompanying notes to basic financial statements are an integral part of these statements.

City of Lauderdale Lakes, Florida
Reconciliation of the Fund Balance Sheet of Governmental Funds
to the Statement of Net Position
As of September 30, 2022

**Amounts Reported for Governmental Activities in the
Statement of Net Position are Different Because:**

Total fund balances of governmental funds in the balance sheet	\$ 36,978,000
--	---------------

Lease proceeds are not financial resources and therefore are not reported in the governmental funds:	345,927
--	---------

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

Governmental capital assets	64,290,193
Less accumulated depreciation	(32,600,087)

The net pension liability and related deferred inflows and outflows are not an available resources and, therefore, are not reported in the funds:

Net pension liability	(560,752)
Deferred outflows related to pension	316,082
Deferred inflows related to pension	(141,595)

Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:

OPEB obligation	(541,723)
Lease liability	(356,028)
Compensated absences payable	(1,170,256)
Debt	<u>(15,494,072)</u>

Net Position of Governmental Activities	<u>\$ 51,065,689</u>
--	-----------------------------

The accompanying notes to basic financial statements are an integral part of these statements.

City of Lauderdale Lakes, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
for the fiscal year ended 2022

	Special Revenue Funds			Community Redevelopment Agency Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Fire Rescue Fund	Grants Fund			
REVENUES						
Property taxes and tax increments	\$ 10,018,262	\$ -	\$ -	\$ 3,970,895	\$ 1,550,283	\$ 15,539,440
Sales, use and motor fuel taxes	-	-	-	-	630,676	630,676
Franchise and other taxes	3,286,322	-	-	-	-	3,286,322
Utility taxes	2,891,484	-	-	-	-	2,891,484
Revenue intergovernmental	5,310,031	-	-	-	112,570	5,422,601
Special assessments	-	6,503,674	-	-	-	6,503,674
Charges for services	1,593,317	92,647	10,833	-	39,984	1,736,781
Licenses and permits	149,066	-	-	-	-	149,066
Fines and forfeitures	184,278	-	-	-	133,813	318,091
Investment income	79,309	-	-	21,131	-	100,440
Miscellaneous	7,324,708	5,406	-	502,151	78,199	7,910,464
Governmental grants	-	-	1,217,942	-	282,267	1,500,209
Total revenues	30,836,777	6,601,727	1,228,775	4,494,177	2,827,792	45,989,248
EXPENDITURES						
Current:						
General government	5,278,608	-	274,446	677,090	-	6,230,144
Public safety	11,612,079	6,753,347	-	-	-	18,365,426
Culture and recreation	1,827,012	-	117,421	-	-	1,944,433
Economic and physical environment	902,188	-	4,369	-	31,435	937,992
Highways and streets	1,819,414	-	-	-	485,669	2,305,083
Social services	384,864	-	714,537	-	450,462	1,549,863
Capital outlay	372,056	-	93,067	109,361	968,746	1,543,230
Debt service:						
Principal	209,150	-	-	736,135	968,662	1,913,947
Interest and fiscal charges	203,760	-	-	138,136	186,109	528,005
Total expenditures	22,609,131	6,753,347	1,203,840	1,660,722	3,091,083	35,318,123
Excess (deficiency) of revenues over expenditures	8,227,646	(151,620)	24,935	2,833,455	(263,291)	10,671,125
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	919,416	919,416
Transfers out	(919,416)	-	-	-	-	(919,416)
Total other financing sources (uses)	(919,416)	-	-	-	919,416	-
Net change in fund balances	7,308,230	(151,620)	24,935	2,833,455	656,125	10,671,125
Fund balances - beginning	17,137,894	(185,841)	(708,617)	8,613,359	1,450,080	26,306,875
Fund balances - ending	\$ 24,446,124	\$ (337,461)	\$ (683,682)	\$ 11,446,814	\$ 2,106,205	\$ 36,978,000

The accompanying notes to basic financial statements are an integral part of these statements.

City of Lauderdale Lakes, Florida
Reconciliation of the Statement of Revenue, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the fiscal year ended September 30, 2022

**Amounts Reported for Governmental Activities in the
Statement of Activities are Different Because:**

Net change in fund balances - total governmental funds	10,671,125
--	------------

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

Expenditures for capital assets	1,402,586
Less current year provision for depreciation	(1,099,052)

Repayment of debt principal is an expenditure in the
governmental funds, but the repayment reduces long term
liabilities in the statement of net position.
Issuance of long term debt

1,913,947
(7,000,000)

Certain items reported in the statement of activities do not
require the use of current financial resources and therefore are
not reported as expenditures in the governmental funds:

Change in net lease liability	356,028
Change in accrued interest payable	(275,650)
Change in net pension liability	257,015
Change in deferred outflows related to pension	6,020
Change in deferred inflows related to pension	(275,046)
Change in post employment obligation	(35,912)
Change in compensated absences payable	109,202

Change in Net Position of Governmental Activities	6,030,263
--	------------------

The accompanying notes to basic financial statements are an integral part of these statements.

City of Lauderdale Lakes, Florida
Statement of Net Position
Proprietary Funds
As of September 30, 2022

	Business-type Activities - Enterprise Funds			
	Major Funds		Nonmajor Fund	Total Enterprise Funds
	Stormwater Utility Fund	Solid Waste / Recycling Fund	Building Services	
ASSETS				
Current assets:				
Pooled cash and cash equivalents	\$ 3,776,608	\$ 2,098,876	\$ 1,541,786	\$ 7,417,270
Restricted Cash	6,000,000	-	-	6,000,000
Prepaid	-	-	5,412	5,412
Intergovernmental	30,018	118	-	30,136
Total current assets	9,806,626	2,098,994	1,547,198	13,452,818
Noncurrent assets:				
Capital assets, net of accumulated depreciation	7,440,712	122,802	268,574	7,832,088
Total current assets	7,440,712	122,802	268,574	7,832,088
Total assets	17,247,338	2,221,796	1,815,772	21,284,906
Deferred Outflows of Resources:				
Deferred outflows related to pension	54,510	-	12,799	67,309
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	343,233	120,014	545,898	1,009,145
Lease liability due in one year	-	-	3,949	3,949
Current portion of compensated absences	15,241	-	5,327	20,568
Unearned revenue	6,000,000	-	-	6,000,000
Total current liabilities	6,358,474	120,014	555,174	7,033,662
Noncurrent liabilities:				
Compensated absences net of current portion	60,963	-	21,310	82,273
Lease liability beyond one year	-	-	6,963	6,963
Net pension liabilities	149,061	-	-	149,061
Total noncurrent liabilities	210,024	-	28,273	238,297
Total liabilities	6,568,498	120,014	583,447	7,271,959
Deferred Inflows of Resources:				
Deferred inflows related to pension	17,713	-	-	17,713
NET POSITION				
Net investment in capital assets	7,440,712	122,802	268,574	7,832,088
Unrestricted	3,274,925	1,978,980	976,550	6,230,455
Total net position	\$ 10,715,637	\$ 2,101,782	\$ 1,245,124	\$ 14,062,543

The accompanying notes to basic financial statements are an integral part of these statements.

City of Lauderdale Lakes, Florida
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
for the fiscal year ended 2022

	Business-type Activities - Enterprise Funds			
	Major Funds		Nonmajor Fund	Total Enterprise Funds
	Stormwater Utility Fund	Solid Waste / Recycling Fund	Building Services	
OPERATING REVENUES				
Charges for services	\$ 1,796,915	\$ 1,401,167	\$ 1,263,946	\$ 4,462,028
Total operating revenues	<u>1,796,915</u>	<u>1,401,167</u>	<u>1,263,946</u>	<u>4,462,028</u>
OPERATING EXPENSES				
Personnel costs	1,006,967	211,615	423,544	1,642,126
Operating expenses	286,646	1,095,256	493,371	1,875,273
Provision for depreciation	205,104	11,249	15,396	231,749
Interest expense	785	-	-	785
Total operating expenses	<u>1,499,502</u>	<u>1,318,120</u>	<u>932,311</u>	<u>3,749,933</u>
Change in net position	297,413	83,047	331,635	712,095
Net position - beginning of year	<u>10,418,224</u>	<u>2,018,735</u>	<u>913,489</u>	<u>13,350,448</u>
Net position - end of year	<u>\$ 10,715,637</u>	<u>\$ 2,101,782</u>	<u>\$ 1,245,124</u>	<u>\$ 14,062,543</u>

The accompanying notes to basic financial statements are an integral part of these statements.

City of Lauderdale Lakes, Florida
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended September 30, 2022

	Business-type Activities Enterprise Funds			
	Major Funds		Nonmajor Fund	Total Enterprise Funds
	Stormwater Fund	Solid Waste Fund	Building Services Fund	
Cash Flows from Operating Activities:				
Receipts from customers and users	\$ 1,796,915	\$ 1,401,167	\$ 1,263,946	\$ 4,462,028
Payments to employees	(1,006,967)	(211,615)	(423,544)	(1,642,126)
Payments to suppliers	(286,646)	(1,095,256)	(493,371)	(1,875,273)
Net cash provided (used) by operating activities	503,302	94,296	347,031	944,629
Cash Flows from Capital and Related Financing Activities:				
Acquisition of capital assets	32,962	126,895	(34,143)	125,714
Capital Grants			19,500	19,500
Repayments of capital debt		-	-	-
Interest paid	(785)	-	1,218	433
Net cash provided (used) by capital and related financing activities	32,177	126,895	(13,425)	145,647
Net increase (decrease) in cash and cash equivalents	535,479	221,191	333,606	1,090,276
Pooled Cash and Cash Equivalents - beginning of year	<u>3,241,129</u>	<u>1,877,685</u>	<u>1,208,180</u>	<u>6,326,994</u>
Pooled Cash and Cash Equivalents - end of year	<u>\$ 3,776,608</u>	<u>\$ 2,098,876</u>	<u>\$ 1,541,786</u>	<u>\$ 7,417,270</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	\$ 297,413	\$ 83,047	\$ 331,635	\$ 712,095
Adjustments to Reconcile Operating Income to Net Cash Provided By Operating Activities:				
Provision for depreciation	205,104	11,249	15,396	231,749
(Increase) decrease in:				
Receivables		(135,000)	-	(135,000)
Prepays	-	-	5,193	5,193
Deferred outflows of resources	(1,601)	135,000	7,528	140,927
Increase (decrease) in:				
Accounts payable and accrued liabilities	7,179	-	(20,248)	(13,069)
Deferred inflows of resources	(95,859)	-	-	(95,859)
Net pension Liability	68,321	-		68,321
Compensated absences	22,745	-	7,527	30,272
Total adjustments	205,889	11,249	15,396	232,534
Net cash provided by operating activities	<u>\$ 503,302</u>	<u>\$ 94,296</u>	<u>\$ 347,031</u>	<u>\$ 944,629</u>

The accompanying notes to basic financial statements are an integral part of these statements.



This page left blank intentionally

NOTES TO THE BASIC FINANCIAL STATEMENTS



A Vibrant, Connected, Diverse and Safe Community





This page left blank intentionally

Note 1 – Summary of Significant Accounting Policies

The summary of significant accounting policies for the City of Lauderdale Lakes, Florida (the “City”) is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements.

The accompanying financial statements are presented in conformity with accounting principles generally accepted in the United States of America (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources. A summary of the more significant accounting policies is presented below:

Financial reporting entity: On June 22, 1961, the City was incorporated to carry on a centralized city government pursuant to Special Act Chapter 61-2386 of the Florida Legislature. The City Charter was readopted by the electorate pursuant to the creation of home rule powers for municipalities in 1973. The City adopted its Code of Ordinances in 1992 and, thereafter, in March 1998, adopted and ratified Ordinance No. 589 whereby the City is governed by a mayor/city commission/city manager form of government. All legislative, regulatory, and policy making powers are vested in the City Commission, which is comprised of the Mayor and five elected commissioners. All administrative powers are vested in the City Manager, who is appointed by the Commission and acts as the City’s Chief Administrative Officer.

The City provides or contracts for the following services pursuant to the City Charter and Ordinances: general government; public safety (police & fire); public works; parks and recreation; social services; community development; infrastructure; and, planning and zoning.

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

Blended Component Unit: The City of Lauderdale Lakes Community Redevelopment Agency (“CRA”) deemed to be an entity legally separate from the City, is governed by the City Commission and designated to be the CRA board. In 2001, the City created the CRA, pursuant to Sec. 163.330 et. seq., Florida Statutes, for the purpose of revitalizing and enhancing the City. The CRA’s annual budget, contracts, grants and all other actions must be authorized directly by resolutions of the CRA board. In addition, the City has issued several loans to finance CRA projects and is financially responsible for the CRA. Therefore, for financial reporting purposes, the CRA is reported as if it were part of the City’s operations and included within the City’s reporting entity as a special revenue fund. The CRA is the City’s only component unit and does not issue separate financial statements.

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

Note 1 – Summary of Significant Accounting Policies (Continued)

The Government-wide financial statements (the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. They also distinguish between the governmental and business-type activities of the City. Governmental activities, which normally are financed through taxes and intergovernmental revenues, are reported separately from business-type activities, which are financed in whole or in part by fees charged to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment, including special assessments. General revenues consist of taxes and other items, not included among program revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting and financial statement presentation: The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash-flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. Expenditures are generally recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Activities recorded in this fund include the preparation of the City's general service departments; street and highway maintenance; public safety; fixed charges; and, capital improvement costs not paid through other funds.

Note 1 – Summary of Significant Accounting Policies (Continued)

The Community Redevelopment Agency Fund includes activities of the City's blended component unit. It accounts for the tax increment financing revenues received from the county and other agencies for infrastructure improvements and rehabilitation of deteriorated properties within the City's boundary.

The Fire Rescue Fund is used to account for monies generated by a fire rescue assessment fee, which provides for fire rescue services, facilities and programs within the City.

The Grants Fund is used to account for revenues received from various grant programs. It accounts for activities related to the performance of grant fund programs for federal, state and locally funded programs.

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 stormwater, solid waste/recycling and the building services funds are charges to customers for sales and services. Operating expenses for enterprise funds include the costs 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.

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

The City reports the following major proprietary funds:

The Stormwater Utility Fund accounts for the infrastructure and operations of stormwater management system, which is funded through user charges.

The Solid Waste/Recycling Fund accounts for the costs related to collection, disposal, and recycling efforts in the City. Fees are charged on all residential units and commercial property.

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

Deposits and investments: The City's pooled cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City is authorized to invest in those instruments authorized by the Florida Statutes. Investments include the Local Government Surplus Funds Trust Fund. Investment in the Local Government Surplus Funds Trust Fund administered by the State Board of Administration is reported at its fair value of its position in the pool, which is the same as the value of the pool shares.

Resources of all funds have been combined into a pooled cash and investment system for the purpose of maximizing earnings. Interest earned on pooled cash and investments is recorded as earned and is allocated monthly based upon equity of the respective funds.

Note 1 – Summary of Significant Accounting Policies (Continued)

For the purpose of the statement of cash flows, pooled cash and cash equivalents mean short term, highly liquid investments with an original maturity of three months or less. All investments are reported at fair value, based on quoted market prices.

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Receivables include amounts due from other governments and others for services provided by the City. Receivables are recorded and revenues are recognized as earned or as specific program expenditures/expenses are incurred based on the accounting basis required for that fund. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of receivables.

Property taxes: Property values are assessed as of January 1, of each year, at which time taxes becomes an enforceable lien on property. Tax bills are mailed by the Broward County Property Appraiser’s Office for the City on or about October 1 of each year, and are payable with discounts of up to 4% for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes.

Assessed values are established by the Broward County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters which provides for limiting the increases in homestead property valuation for ad valorem tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the City. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida. There were no material delinquent property taxes at September 30, 2022.

State statutes permit municipalities to levy property taxes at a rate up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the City is established by the City Commission. The Broward County Property Appraiser then incorporates the City’s millage into the total tax levy, which includes the County, the County School Board, and other agency tax requirements. The millage rate assessed by the City for the year ended September 30, 2019 was 8.6 mills (\$8.6 per \$1,000 of taxable assessed valuation). Non ad valorem special assessments for the enterprise funds are separate and distinct from the ad valorem tax levy as these amounts are assessed to recover costs associated with providing services to the residents and businesses within the City.

Restricted assets: Assets of the City are reported as restricted due to requirements of bond/loan agreements, other externally imposed constraints, or by legislation. When both restricted and unrestricted resources are available for use, it is City policy to use unrestricted resources first, and then restricted resources as needed.

Note 1 – Summary of Significant Accounting Policies (Continued)

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. Prepaid items in the governmental fund financial statements are classified as nonspendable fund balance. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital assets: Capital assets - property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Purchased or constructed assets are recorded at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value rather than fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized. Capital assets are depreciated using the straight line method over the following estimated useful lives:

Buildings	30 years
Infrastructure	20 - 50 years
Machinery, equipment, and vehicles	5 years

Compensated absences: It is City policy to permit employees to accrue earned but unused vacation and sick time. Effective June 2008 employees with 10 years of service receive 25% of their accumulated value of sick time and employees with 20 years of service receive 50% of their accumulated sick time value to be paid upon termination.

Accrued vacation time is paid at 100% to employees in accordance with the City's policy. Each fiscal year an employee may elect to convert a minimum of ten (10) hours of accrued vacation leave time to cash out at a rate of 75% of its accrued value if the buy-back is requested between October 1 through October 31 of the applicable fiscal year in which such buy-back occurs and at a rate of 60% of its accrued value if the buy-back is requested between November 1 through September 30 of such fiscal year.

Vacation and sick pay benefits are 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 resignation and retirements. In the case of proprietary funds financial statements, vested or accumulated vacation and sick leave, both current and non-current, is recorded as an expense and liability in the relevant proprietary fund as the benefits accrue to employees. No liability is recorded for non-vesting rights to personal leave.

Long-term obligations: In the government-wide financial statements and 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.

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Deferred outflows of resources: Represent a consumption of net position that applies to a future periods.

Deferred inflows of resources: Represent an acquisition of net assets that applies to future periods.

Fund balance: The City presents fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement requires that governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by resolution of the City Commission. The City Commission is the highest level of decision making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. These amounts cannot be used for any other purpose unless the Commission removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. The Commission has by resolution authorized the City Manager to assign fund balance. The Commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's appropriated budget. Unlike commitments; assignments only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

Note 1 – Summary of Significant Accounting Policies (Continued)

Unassigned: This classification includes the residual fund balance for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Net position: Net position of the government-wide and proprietary funds are 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 City'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 all net positions that do not meet the definition of either of the other two components.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position are available, the City considers restricted funds to have been spent first.

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

Date of management review: Subsequent events were evaluated through March 27, 2023, which is the date the financial statements were available to be issued.

The rest of this page intentionally left blank

Note 2 – Deposits and Investments

For accounting and investment purposes, the City maintains a cash and investment pool for use by all City funds. This gives the City the ability to invest large amounts of idle cash for short periods of time and to maximize earning potential. Income earned on pooled cash and investments is allocated to the respective funds based on average daily balances.

Deposits: In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Therefore, all amounts presented as deposits are insured or collateralized.

Investments: Florida Statutes, Chapter 218.415, authorize the City to establish its own investment policy by ordinance. The investment ordinance allows up to 100% investment in the following instruments, subject to maturity limitations: local government surplus trust fund (the “SBA”); Securities and Exchange Commission (the “SEC”) registered money market funds with the highest quality rating from a nationally recognized rating agency; savings accounts and certificates of deposit in state-certified qualified public depositories; direct obligations of the U.S. Treasury; and, securities issued by federal agencies and instrumentalities. Up to 10% may be invested in common stocks, subject to quality restrictions.

The City is authorized to invest in obligations of the United States Treasury, its agencies, instrumentalities and the Local Government Surplus Funds Trust Fund administered by the State Board of Administration. The investments follow the investment rules defined in Florida Statutes Chapter 215. The investment policy defined in the statutes attempts to promote, through state assistance, the maximization of net investment earnings on invested surplus funds of local units of governments while limiting the risk to which the funds are exposed.

The City invests surplus funds in an external investment pool, the Local Government Surplus Funds Trust Fund (the “State Pool”), and with the Florida Local Government Investment Trust (the “Investment Trust”). The State Pool is administered by the Florida State Board of Administration (“SBA”), who provides regulatory oversight. The Florida PRIME has adopted operating procedures consistent with the requirement for a 2a7-like fund. The City's investment in the Florida PRIME, money market instruments, and certificates of deposit are reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares. The Investment Trust is reported at net asset value.

Per GASB 79, with regard to liquidity fees, Florida Statutes 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.

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 2 – Deposits and Investments (Continued)

The City had the following investments as of September 30, 2022:

Investment	Value	Maturities
Certificates of deposit:		
Anthem Bank & Trust	2,169,711	Weighted average duration is 0.9 years
Florida PRIME	14,995	Weighted average days to maturity is 50 days
Florida Local Government Investment Trust	1,053,486	Weighted average duration is 1.43 years
	<u>\$ 3,238,192</u>	

Credit risk: The City’s investment policy limits investments to the highest ratings issued by a nationally recognized statistical rating organization (NRSRO). The Florida PRIME is rated AAAm by Standard and Poor’s. The Investment Trust is rated AAA.

The rest of this page intentionally left blank

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 3 – Receivables and Payables

Receivables for the City's individual major funds and nonmajor funds at September 30, 2022, in aggregate, are comprised of the following amounts, net of allowances:

Receivables:	General Fund	Fire Rescue Fund	Grant Fund	Other Nonmajor Governmental Funds	Stormwater Fund	Solid Waste Fund	Total
Intergovernmental	\$ 405,215	\$ 716	\$ 12,095	\$ -	\$ 30,018	\$ 118	\$ 448,162
Business tax receipts	166,748	-	-	-	-	-	166,748
Alzheimer care		-	-	72,668	-	-	72,668
Emergency medical services	166,663	-	-	-	-	-	166,663
Fire inspections	-	279,422	-	-	-	-	279,422
Utilities	645,168	-	-	-	-	-	645,168
Gross receivables	<u>1,383,794</u>	<u>280,138</u>	<u>12,095</u>	<u>72,668</u>	<u>30,018</u>	<u>118</u>	<u>1,778,831</u>
Less allowance for uncollectibles:	(76,371)	(138,586)	-	-	-	-	(214,957)
Total receivables	<u>\$ 1,307,423</u>	<u>\$ 141,552</u>	<u>\$ 12,095</u>	<u>\$ 72,668</u>	<u>\$ 30,018</u>	<u>\$ 118</u>	<u>\$ 1,563,874</u>

For the year ended 9/30/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the 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. For additional information, refer to the disclosures below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 258 month lease as Lessor for the use of Ordinance No. 09-14. An initial lease receivable was recorded in the amount of \$360,192. As of 09/30/2022, the value of the lease receivable is \$345,927. The lessee is required to make monthly fixed payments of \$1,695.96. The lease has an interest rate of 1.8820%. Lauderdale Lakes, FL recognized lease revenue of \$16,753 during the fiscal year.

Principal and Interest Expected to Maturity			
Governmental Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 13,961	\$ 6,390	\$ 20,352
2024	14,226	6,125	20,352
2025	14,496	5,855	20,352
2026	14,771	5,580	20,352
2027- 2044	288,472	47,328	335,800
Total	<u>345,927</u>	<u>71,279</u>	<u>417,206</u>

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 3 – Receivables and Payables (Continued)

Account payable and accrued liabilities for the City's individual major and nonmajor funds at September 30, 2022 are as follows:

<u>Payables:</u>	<u>General Fund</u>	<u>Grant Fund</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Stormwater Fund</u>	<u>Solid Waste Fund</u>	<u>Building Services Fund</u>	<u>Total</u>
Vendors	\$ 563,515	\$ 101,838	\$ 655,523	\$ 280,724	\$ 94,474	\$ 531,944	\$ 2,228,018
Payroll liabilities	5,370	-	88,220	62,509	25,540	13,954	195,593
Other Liabilities	13,339						13,339
Due to other governments	534	750	-	-	-		1,284
	<u>\$ 582,758</u>	<u>\$ 102,588</u>	<u>\$ 743,743</u>	<u>\$ 343,233</u>	<u>\$ 120,014</u>	<u>\$ 545,898</u>	<u>\$ 2,438,234</u>

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 4 – Capital Assets

Capital asset activity for the year ended September 30, 2022 was as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets not being Depreciated:				
Land	\$ 21,497,779			\$ 21,497,779
Construction in Progress	1,575,066	627,740		2,202,806
Total capital assets not being depreciated	23,072,845	627,740	-	23,700,585
Capital Assets being Depreciated:				
Buildings	11,866,441	307,149	194	12,173,396
Machinery, Equipment and Vehicles	3,014,305	608,341	140,450	3,482,196
Infrastructure	24,934,016	-	-	24,934,016
Total capital assets being depreciated	39,814,762	915,490	140,644	40,589,608
Total capital assets	62,887,607	1,543,230	140,644	64,290,193
Less Accumulated Depreciation:				
Buildings	9,602,937	222,518	-	9,825,455
Machinery, Equipment and Vehicles	2,340,073	235,851	20,900	2,555,024
Infrastructure	19,558,025	661,583	-	20,219,608
Total accumulated depreciation	31,501,035	1,119,952	20,900	32,600,087
Total capital assets being depreciated, net	8,313,727	(204,462)	119,744	7,989,521
Governmental activities capital assets, net	<u>\$ 31,386,572</u>	<u>\$ 423,278</u>	<u>\$ 119,744</u>	<u>\$ 31,690,106</u>

The rest of this page intentionally left blank

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 4 – Capital Assets (Continued)

Depreciation was charged to governmental activities functions/programs of the City during the year ended September 30, 2022 as follows:

Governmental activities:	
General government	\$ 672,911
Culture and recreation	162,721
Public safety	5,861
Public works	219,943
Social services	34,957
Economic and physical environment	<u>2,660</u>
Total provision for depreciation - governmental activities	<u><u>\$ 1,099,053</u></u>

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets not being Depreciated:				
Construction in Progress	\$ 241,380	\$ 35,683	\$ -	\$ 277,063
Total capital assets not being depreciated	<u>241,380</u>	<u>35,683</u>	<u>0</u>	<u>277,063</u>
Capital Assets being Depreciated:				
Automobiles	299,342	145,892	-	445,234
Building / Building Improvements	263,879	-	-	263,879
Improvements Other than Building (Infrastructure)	76,190	-	-	76,190
Machinery and Equipment	821,708	123,303	-	945,011
Storm Drainage	1,542,042	-	-	1,542,042
Canals	8,235,188	-	-	8,235,188
Box Culverts	298,308	-	-	298,308
Total capital assets being depreciated	<u>11,536,657</u>	<u>269,195</u>	<u>-</u>	<u>11,805,852</u>
Total capital assets	<u>11,778,037</u>	<u>304,878</u>	<u>0</u>	<u>12,082,915</u>
Less Accumulated Depreciation:				
Automobiles	92,644	42,243	-	134,887
Building / Building Improvements	32,803	11,437	-	44,240
Improvements Other than Building (Infrastructure)	11,462	3,826	-	15,288
Machinery and Equipment	448,694	38,185	-	486,879
Storm Drainage	957,762	-	-	957,762
Canals	2,240,076	131,540	-	2,371,616
Box Culverts	235,637	4,518	-	240,155
Total accumulated depreciation	<u>4,019,078</u>	<u>231,749</u>	<u>-</u>	<u>4,250,827</u>
Total capital assets being depreciated, net	<u>7,517,579</u>	<u>37,446</u>	<u>0</u>	<u>7,555,025</u>
Business-type activities capital assets, net	<u><u>\$ 7,758,959</u></u>	<u><u>\$ 73,129</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 7,832,088</u></u>

Note 4 – Capital Assets (Continued)

Depreciation was charged to business-type activities functions/programs of the City during the year ended September 30, 2022 as follows:

Business-type activities:	
Enterprise-Stormwater	\$ 205,104
Enterprise-Solid waste	11,249
Enterprise-Building services	<u>15,396</u>
 Total provision for depreciation- business-type activities	 \$ <u><u>231,749</u></u>

The rest of this page intentionally left blank

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 5 – Interfund Balances, Advances and Transfers

Interfund Balances: The composition of interfund balances at September 30, 2022, is as follows:

Due from:	2005 GO Bond Construction		Total
	Fund	Fund	
Fire Fund	\$ 6,040,411	\$ -	\$ 6,040,411
Grants Fund	1,356,676	-	1,356,676
Community Redevelopment Agency Fund	801,765	-	801,765
Arts	1,378	-	1,378
Code Enforcement Trust Fund	946	-	946
Capital Projects Fund	257,638	-	257,638
Alzheimer's Fund	813,174	-	813,174
Debt Service Fund	343,118	-	343,118
Construction Fund	-	218,797	218,797
	<u>\$ 9,615,106</u>	<u>\$ 218,797</u>	<u>\$ 9,833,903</u>

Interfund balances are necessary to offset short from cash needs due to various timing differences of expenditures and the receipt of budget monies.

Advances from Community Redevelopment Agency: The General Fund was previously the recipient of funds totaling \$2,568,031 from the CRA. The City and the CRA have entered into an agreement for repayment of these funds. The agreement requires annual payments of \$150,000 beginning January 2013 through January 2025, at which time the remaining balance is due. No interest is due on the outstanding obligation. As of September 30, 2022, the remaining balance to be paid by the General Fund to the CRA was \$488,031 and is reflected as an advance in the accompanying balance sheet— governmental funds. In an effort to extinguish the debt sooner than the agreement requires, during fiscal year 2022 the City elected to paid \$210,000 to the CRA which is \$60,000 in excess of the \$150,000 required annual payment.

Interfund Transfers: Enterprise Funds and Non Major Funds transfer funds in lieu of services provided by the General Fund. There were no interfund transfers during the year ended September 30, 2022.

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 6 – Long-Term Liabilities

The following schedule details the City's long-term liability and obligation activity for governmental and business-type activities for the year ended September 30, 2022:

	Balance October 1, 2021	Increases	Decreases	Balance September 30, 2022	Due Within One Year
<u>Governmental activities:</u>					
Bonds and notes payable:					
General obligation debt	\$ 5,344,286		\$ 968,661	\$ 4,375,625	\$ 982,700
Revenue bonds	2,162,500	7,000,000	209,150	8,953,350	220,600
Notes payable - CRA	2,901,232		736,135	2,165,097	772,011
Net lease liability	-	475,578	119,550	356,028	120,317
Net pension liability	303,737	257,015		560,752	
OPEB liability	577,635		35,912	541,723	
Compensated absences payable	1,061,054	126,370	17,168	1,170,256	195,043
Total governmental activities	<u>\$ 12,350,444</u>	<u>\$ 7,858,963</u>	<u>\$ 2,086,576</u>	<u>\$ 18,122,831</u>	<u>\$ 2,290,671</u>
<u>Business-type activities:</u>					
Net lease liability		14,846	3,934	10,912	3,949
Net pension liability	80,740	68,320		149,060	-
Compensated absences payable	72,569	30,274		102,843	20,568
Total business-type activities	<u>153,309</u>	<u>98,594</u>	<u>-</u>	<u>262,815</u>	<u>24,517</u>
Total long-term debt	<u>\$ 12,503,753</u>	<u>\$ 7,957,557</u>	<u>\$ 2,086,576</u>	<u>\$ 18,385,646</u>	<u>\$ 2,315,188</u>

General Obligation Bonds: General obligation bonds provide funds for the acquisition and construction of major capital projects within a five-year period. General obligation bonds are direct obligations and pledge of full faith and credit of the government. The total bonds approved and authorized by the voters was not to exceed \$15,000,000. General obligation bonds outstanding at year-end are as follows:

2005 General Obligation Bonds (SunTrust Bank)

The City previously issued \$ 6,697,503 of General Obligation Bonds, Series 2005 to finance various capital improvement projects throughout the City. Principal and interest are due semi-annually through January 2025. The Bonds bear interest at 3.84% and is secured and payable from a pledge of ad- valorem tax revenues. At September 30, 2022, the outstanding principal balance on the bonds was \$1,184,091.

Note 6 – Long-Term Liabilities (Continued)

General Obligation Bond, Series 2007 (Bank of America)

The City previously issued \$8,302,497 of General Obligation Bonds, Series 2007 to finance various capital improvement projects throughout the City. Principal and interest are due semi-annually through January 2028. The Bonds bear interest at 3.81% and are secured and payable from a pledge of ad-valorem tax revenues. At September 30, 2022, the outstanding principal balance of the bonds was \$3,191,534

Annual debt service requirements of the City's general obligation bonds are approximately as follows:

Year Ending September 30,	Principal	Interest
2023	517,708	116,726
2024	543,917	96,755
2025	571,453	75,772
2026	600,382	53,728
2027-2028	957,894	36,802
	<u>\$ 3,191,354</u>	<u>\$ 379,783</u>

Revenue Bonds:

Refunding Revenue Bond, Series 2015 (BB&T)

On April 1, 2015, the City entered into a loan agreement in the amount of \$3,308,200 for the purpose of refinancing and refunding of the FMLC Series 2005C Bonds. Principal payments are due annually through April 2030 with interest payments due semi-annually at a rate of 3.07%. The loan is subject in all respects to the payment of obligations secured by a pledge of the City's non-ad valorem revenues. At September 30, 2022, the outstanding balance was \$1,953,350.

Annual debt service requirements of the City's revenue bond is as follows:

Year Ending September 30,	Principal	Interest
2023	220,600	59,900
2024	222,900	53,100
2025	230,100	46,234
2026	242,200	39,170
2027-2030	1,037,550	80,606
	<u>\$ 1,953,350</u>	<u>\$ 279,010</u>

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 6 – Long-Term Liabilities (Continued)

Capital Improvement Revenue Bond 2022 (TRUIST)

On July 15 2022, the City entered into a loan agreement in the amount of \$7,000,000 for construction of a Fire Station and Community Center. Principal and interest payments are due annually through July 2032 at 3.02% interest rate. The loan is secured by the pledge of the City's non-ad Valorem revenues. At September 30, 2022 the outstanding balance was \$7,000,000.

Year Ending		
September 30,	Principal	Interest
2023	\$ 610,051	\$ 211,400
2024	628,475	192,976
2025	647,455	173,997
2026	667,008	154,443
2027-2032	4,447,011	481,667
	<u>7,000,000</u>	<u>1,214,483</u>

Notes Payable:

SunTrust Bank CRA Line of Credit, Series 2007

The City's CRA previously executed a line of credit agreement with SunTrust Bank for \$10,000,000 of which a total of \$6,296,815 was drawn upon. This line of credit bears interest at 5.10% per annum with principal and interest payable semi-annually through April 2025. As of September 30, 2022 the outstanding balance on the line-of-credit was \$1,665,503.

Sun Trust Bank CRA Line of Credit, Series 2008

The City's CRA previously executed a line of credit agreement with SunTrust Bank for \$3,055,000. This line of credit bears interest at 4.52% per annum with semiannual principal and interest payments through December 2024. The line of credit was established to assist with CRA's portion of the joint project with Broward County for the construction of the Library and the Educational & Cultural Center. As of September 30, 2022 the outstanding balance on the line-of-credit was \$499,592

The annual principal and interest payments on CRA loans are approximately as follows:

Year Ending		
September 30,	Principal	Interest
2023	772,011	101,200
2024	809,658	64,000
2025	583,426	25,000
	<u>\$ 2,165,095</u>	<u>\$ 190,200</u>

As of September 30, 2022, the City has complied with all significant loan covenants and restrictions.

Note 6 -Long Term Liabilities (Continued)

Leases Payable

For the year ended 9/30/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the 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. For additional information, refer to the disclosures below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 48 month lease as Lessee for the use of Vehicle - #23FGW9. An initial lease liability was recorded in the amount of \$16,204. As of 09/30/2022, the value of the lease liability is \$12,181. Lauderdale Lakes, FL is required to make monthly fixed payments of \$341. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$16,204. with accumulated amortization of \$4,051 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 49 month lease as Lessee for the use of Vehicle - #23FG25. An initial lease liability was recorded in the amount of \$24,517. As of 09/30/2022, the value of the lease liability is \$18,555. Lauderdale Lakes, FL is required to make monthly fixed payments of \$505. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$24,517 with accumulated amortization of \$6,004 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 49 month lease as Lessee for the use of Vehicle - #23FG2G. An initial lease liability was recorded in the amount of \$28,719. As of 09/30/2022, the value of the lease liability is \$21,735. Lauderdale Lakes, FL is required to make monthly fixed payments of \$592. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$28,719.01 with accumulated amortization of \$7,033 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 44 month lease as Lessee for the use of Vehicle - #23FGVH. An initial lease liability was recorded in the amount of \$19,965.19. As of 09/30/2022, the value of the lease liability is \$14,553. Lauderdale Lakes, FL is required to make monthly fixed payments of \$458.28. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$19,965 with accumulated amortization of \$5,445 is included with Vehicles on the Lease Class activities table found below.

Note 6 – Long-Term Liabilities (Continued)

Leases Payable (Continued)

On 10/01/2021, Lauderdale Lakes, FL entered into a 43 month lease as Lessee for the use of Vehicle - #23FGW6. An initial lease liability was recorded in the amount of \$23,725. As of 09/30/2022, the value of the lease liability is \$17,143. Lauderdale Lakes, FL is required to make monthly fixed payments of \$557. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$23,725 with accumulated amortization of \$6,620 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 44 month lease as Lessee for the use of Vehicle - #23FG4B. An initial lease liability was recorded in the amount of \$26,290.90. As of 09/30/2022, the value of the lease liability is \$19,164. Lauderdale Lakes, FL is required to make monthly fixed payments of \$603.48. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$26,290 with accumulated amortization of \$7,170 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 49 month lease as Lessee for the use of Vehicle - #23FGVS. An initial lease liability was recorded in the amount of \$22,145. As of 09/30/2022, the value of the lease liability is \$16,760. Lauderdale Lakes, FL is required to make monthly fixed payments of \$456. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$22,145 with accumulated amortization of \$5,423 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 49 month lease as Lessee for the use of Vehicle - #23FG3G. An initial lease liability was recorded in the amount of \$28,719. As of 09/30/2022, the value of the lease liability is \$21,735. Lauderdale Lakes, FL is required to make monthly fixed payments of \$592. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$28,719 with accumulated amortization of \$7,033 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 44 month lease as Lessee for the use of Vehicle - #23FG4V. An initial lease liability was recorded in the amount of \$26,290. As of 09/30/2022, the value of the lease liability is \$19,164. Lauderdale Lakes, FL is required to make monthly fixed payments of \$603. The lease has an interest rate of 0.5550%. TThe value of the right to use asset as of 09/30/2022 of \$26,290 with accumulated amortization of \$7,170 is included with Vehicles on the Lease Class activities table found below.

Note 6 – Long-Term Liabilities (Continued)

Leases Payable (Continued)

On 10/01/2021, Lauderdale Lakes, FL entered into a 44 month lease as Lessee for the use of Vehicle - #23FGKX. An initial lease liability was recorded in the amount of \$20,449. As of 09/30/2022, the value of the lease liability is \$14,906. Lauderdale Lakes, FL is required to make monthly fixed payments of \$469. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$20,449.21 with accumulated amortization of \$5,577 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 44 month lease as Lessee for the use of Vehicle - #23FGTZ. An initial lease liability was recorded in the amount of \$20,449. As of 09/30/2022, the value of the lease liability is \$14,906. Lauderdale Lakes, FL is required to make monthly fixed payments of \$469. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$20,449 with accumulated amortization of \$5,577 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 44 month lease as Lessee for the use of Vehicle - #23FGV8. An initial lease liability was recorded in the amount of \$19,964. As of 09/30/2022, the value of the lease liability is \$14,553. Lauderdale Lakes, FL is required to make monthly fixed payments of \$458. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$19,964 with accumulated amortization of \$5,444 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 44 month lease as Lessee for the use of Vehicle - #23FGVF. An initial lease liability was recorded in the amount of \$20,449.21. As of 09/30/2022, the value of the lease liability is \$14,906. Lauderdale Lakes, FL is required to make monthly fixed payments of \$469. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$20,449 with accumulated amortization of \$5,577 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 45 month lease as Lessee for the use of Vehicle - #23FGX6. An initial lease liability was recorded in the amount of \$14,846. As of 09/30/2022, the value of the lease liability is \$10,912. Lauderdale Lakes, FL is required to make monthly fixed payments of \$333. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$14,846.08 with accumulated amortization of \$3,958 is included with Vehicles on the Lease Class activities table found below.

Note 6 – Long-Term Liabilities (Continued)

Leases Payable (Continued)

On 10/01/2021, Lauderdale Lakes, FL entered into a 45 month lease as Lessee for the use of Vehicle - #23FGX8. An initial lease liability was recorded in the amount of \$14,846. As of 09/30/2022, the value of the lease liability is \$10,912. Lauderdale Lakes, FL is required to make monthly fixed payments of \$333.28. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$14,846 with accumulated amortization of \$3,958 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 46 month lease as Lessee for the use of Vehicle - #23FGXF. An initial lease liability was recorded in the amount of \$15,026. As of 09/30/2022, the value of the lease liability is \$11,132. Lauderdale Lakes, FL is required to make monthly fixed payments of \$330. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$15,026 with accumulated amortization of \$3,920 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 45 month lease as Lessee for the use of Vehicle - #23FGXH. An initial lease liability was recorded in the amount of \$14,846. As of 09/30/2022, the value of the lease liability is \$10,912. Lauderdale Lakes, FL is required to make monthly fixed payments of \$333. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$14,846 with accumulated amortization of \$3,958 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 45 month lease as Lessee for the use of Vehicle - #23FGXN. An initial lease liability was recorded in the amount of \$14,846. As of 09/30/2022, the value of the lease liability is \$10,912. Lauderdale Lakes, FL is required to make monthly fixed payments of \$333. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$14,846.08 with accumulated amortization of \$3,958 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 45 month lease as Lessee for the use of Vehicle - #23FGXS. An initial lease liability was recorded in the amount of \$14,846. As of 09/30/2022, the value of the lease liability is \$10,912. Lauderdale Lakes, FL is required to make monthly fixed payments of \$333. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$14,846 with accumulated amortization of \$3,958 is included with Vehicles on the Lease Class activities table found below.

Note 6 – Long-Term Liabilities (Continued)

Leases Payable (Continued)

On 10/01/2021, Lauderdale Lakes, FL entered into a 45 month lease as Lessee for the use of Vehicle - #23FGZ5. An initial lease liability was recorded in the amount of \$14,846. As of 09/30/2022, the value of the lease liability is \$10,912. Lauderdale Lakes, FL is required to make monthly fixed payments of \$333. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$14,846.08 with accumulated amortization of \$3,958.95 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 44 month lease as Lessee for the use of Vehicle - #23G6D6. An initial lease liability was recorded in the amount of \$17,554. As of 09/30/2022, the value of the lease liability is \$12,796. Lauderdale Lakes, FL is required to make monthly fixed payments of \$402. The lease has an interest rate of 0.5550%. The value of the right to use asset as of 09/30/2022 of \$17,554 with accumulated amortization of \$4,787 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 61 month lease as Lessee for the use of Vehicle - #258XVH. An initial lease liability was recorded in the amount of \$29,297. As of 09/30/2022, the value of the lease liability is \$23,603. Lauderdale Lakes, FL is required to make monthly fixed payments of \$488. The lease has an interest rate of 0.7120%. The value of the right to use asset as of 09/30/2022 of \$29,297 with accumulated amortization of \$5,763 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 63 month lease as Lessee for the use of Vehicle - #25J9H6. An initial lease liability was recorded in the amount of \$34,446. As of 09/30/2022, the value of the lease liability is \$27,967. Lauderdale Lakes, FL is required to make monthly fixed payments of \$556. The lease has an interest rate of 0.7120%. The value of the right to use asset as of 09/30/2022 of \$34,446 with accumulated amortization of \$6,561 is included with Vehicles on the Lease Class activities table found below.

On 10/01/2021, Lauderdale Lakes, FL entered into a 59 month lease as Lessee for the use of Vehicle - #255KQH. An initial lease liability was recorded in the amount of \$3,571. As of 09/30/2022, the value of the lease liability is \$2,853. Lauderdale Lakes, FL is required to make monthly fixed payments of \$61. The lease has an interest rate of 0.7120%. The value of the right to use asset as of 09/30/2022 of \$3,571 with accumulated amortization of \$726 is included with Vehicles on the Lease Class activities table found below.

Note 6 – Long-Term Liabilities (Continued)

Leases Payable (Continued)

On 10/01/2021, Lauderdale Lakes, FL entered into a 59 month lease as Lessee for the use of Vehicle - #255KPW. An initial lease liability was recorded in the amount of \$3,559. As of 09/30/2022, the value of the lease liability is \$2,844. Lauderdale Lakes, FL is required to make monthly fixed payments of \$61. The lease has an interest rate of 0.7120%. The value of the right to use asset as of 09/30/2022 of \$3,559 with accumulated amortization of \$724 is included with Vehicles on the Lease Class activities table found below.

Amount of Lease Assets by Major Classes of Underlying Asset As of Fiscal Year-end 09/30/2022			
Asset Class	Lease Asset Value	Accumulated Amortization	
Vehicles	490,424	124,369	
Total Leases	490,424	124,369	

Principal and Interest Requirements to Maturity			
Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 3,949	\$ 51	\$ 3,999
2024	3,971	29	3,999
2025	2,992	7	3,000
Total	10,912	86	10,998

Governmental Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 118,164	\$ 1,952	\$ 120,116
2024	120,091	1,250	121,341
2025	97,262	517	97,779
2026	17,361	144	17,505
2027	3,150	20	3,170
	356,028	3,883	359,911

the rest of thsi page intentionally left blank

Note 7 – Risk Management

The City is exposed to various risks of loss related to tort, theft, and destruction of assets, error and omission, injury to employees, and natural disasters. The City carries commercial insurance to mitigate the loss related to these risks. There were no significant reductions in insurance coverage from the prior year. Settled claims resulting from such risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 8 – Commitments, contingencies, and uncertainties

Significant Agreements: The City previously entered into an agreement with the Broward Sheriff Office (“BSO”) to provide public safety services through September 30, 2022, with a renewal option for one additional five year term upon mutual agreement of the parties. The agreement may be terminated upon default or if written notice of ninety days is given by either party. The City budgeted approximately \$8,792,491 due in monthly installments for Police services and \$9,950,817 for Fire Rescue for the year ended September 30, 2022 to be provided for under this agreement. For the year ending September 30, 2022, the City has budgeted approximately \$18,792,491 for public safety services under this agreement.

Grants: Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

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

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closing of businesses resulting in high unemployment. the extent of the impact of COVID-19 on the City's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, the impact on residents and their ability to pay their mortgages, and the effect on the housing market and foreclosures, all of which are uncertain and cannot be reasonably estimated at this time.

The rest of this page intentionally left blank

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 9 - New Accounting Pronouncements

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This Statement will improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement is effective for the fiscal year ending September 30, 2022.

In May 2017, the GASB issued Statement No. 87, *Leases*. This Statement will increase 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 that is based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement is effective for the fiscal year ending September 30, 2023.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement will enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplify accounting for interest cost incurred before the end of a construction period. This Statement is effective for the fiscal year ending September 30, 2023.

In August 2018, the GASB issued Statement No. 90, *Major Equity Interests*. This Statement will improve consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This Statement is effective for the fiscal year ending September 30, 2021.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. This Statement will provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement is effective for the fiscal year ending September 30, 2024.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The requirements related to (1) intra-entity transfers of assets and those related to the applicability of Statements 73 and 74; (2) application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities; and (3) the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2022.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. This Statement is designed to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. This Statement is effective for the fiscal year ending September 30, 2021. Additionally, in March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This Statement is designed to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement is effective for the fiscal year ending September 30, 2023.

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 9 - New Accounting Pronouncements (continued)

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement is effective for the fiscal year ending September 30, 2023.

In May 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. This Statement provides guidance on to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This Statement is effective for the fiscal year ending September 30, 2022.

The rest of this page intentionally left blank

Note 10 – Florida Retirement System

General Information: As provided by Chapters 121 and 112, Florida Statutes, the Florida Retirement System (“FRS”) provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (“Pension Plan”) and the Retiree Health Insurance Subsidy (“HIS Plan”). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature. As of September 30, 2019, the FRS and HIS Plans are closed to new employees. The City’s net pension liability is related to all participating employees prior to January 1, 1996.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:

https://www.dms.myflorida.com/workforce_operations/retirement/employers/contribution_rates

Pension Plan

Plan Description: The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) for eligible employees.

Benefits Provided: City employees hired prior to January 1, 1996; participate in one of the State of Florida Retirement System (the “FRS”) plans. The FRS was established in 1970, by consolidating several employee retirement systems. All eligible employees, as defined by the State of Florida, who were hired after 1970 and those employed prior to 1970 that elect to be enrolled, are covered by the System.

Eligible members of the Investment Plan are vested after one year of service and are directed to choose their investment product with a third party administrator selected by the Florida State Board of Administration.

The FRS funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentage of annual coverage payroll, as adequate to accumulate sufficient assets to pay benefits when due based upon plan assumptions. Employer contribution rates are established by state law as a percentage of payrolls. Employer contribution rates are determined using the entry-age actuarial cost method. The consulting actuary recommends rates based on the annual valuation, but actual contribution rates are established by the Florida Legislature.

Employees participating in the Pension Plan have their benefits computed on the basis of age, average final compensation and service credit. Benefits under the Pension Plan vest after six years of service. Employees who retire at or after age 62, with ten years of credited service, are entitled to an annual retirement benefit, payable monthly for life. A post-retirement health insurance subsidy is also provided to eligible retired employees through the FRS defined benefits retirement plan.

Note 10 – Florida Retirement System (Continued)

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of living adjustment is three percent 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 three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions: Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2020 through June 30, 2021 and from July 1, 2021 through September 30, 2021, respectively, were as follows:

Regular - 8.47% and 8.28%; Special Risk Administrative Support – 35.84% and 22.73%; Senior Management Service - 27.29% and 25.57%; Elected Officers' – 49.18% and 40.91%; and DROP participants - 16.98% and 15.32%.

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 10 – Florida Retirement System (Continued)

These employer contribution rates do not include 1.66% HIS Plan subsidy and the fee of .06 for administration of FRS plan for the periods October 1, 2020 through September 30, 2023.

The City's contributions, including employee contributions, to the Pension Plan totaled \$79,386 for the fiscal year ended September 30, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2021, the City reported a liability of \$ 131,450 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The City's proportion of the net pension liability was based on a projection of the City's 2020-2021 fiscal year contributions relative to the 2019-20 fiscal year contributions of all participating members. At June 30, 2021, the City's proportion was .00174%, which was a decrease from .00004% from its proportion measured as of June 30, 2022.

For the year ended September 30, 2022, the City recognized pension expense of \$87. At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 25,642	\$ -
Change in assumptions	66,490	-
Net difference between projected and actual earnings on pension plan investments	35,649	
Change in proportion and differences between City pension plan contributions and proportionate share of contributions	15,830	82,683
City pension plan contributions Subsequent to the measurement date	16,327	-
Total	\$ 159,938	\$ 82,683

City contributions subsequent to the measurement date of the net pension/OPEB liability/collective net pension/OPEB liability but before the end of the employer's contributing entity's reporting period will be recognized as a reduction of the net pension/OPEB liability or collective net pension /OPEB liability in the subsequent fiscal period rather than in the current fiscal period.

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2022

Note 10 – Florida Retirement System (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Deferred Inflows (Outflows), net
2023	17,654
2024	15,563
2025	16,813
2026	6,998
2027	3,901
Thereafter	-
Total	\$ 60,929

Actuarial Assumptions - The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation

Mortality rates were based on the PUB 2010 with Projection Scale MP-2018.

The actuarial assumptions that determined the total pension liability as of June 30, 2021 were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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 real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.0%	2.6%	1.1%
Fixed Income	19.8%	4.4%	4.4%	3.2%
Global Equity	54.0%	8.8%	7.3%	17.8%
Real Estate	10.3%	7.4%	6.3%	15.7%
Private Equity	11.1%	12.0%	8.9%	26.3%
Strategic Investments	3.8%	6.2%	5.9%	7.8%
Total	100.00%			
Assumed Inflation - Mean			2.4%	1.3%

(1) As outlined in the Pension Plan's Investment policy

Note 10 – Florida Retirement System (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 6.80 percent. The Pension 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 calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the City's proportion share of the net pension liability to changes in the discount rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.80 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
City's proportionate share of the net pension liability for FRS	\$ 815,088	\$ 539,889	\$ 264,690

Pension Plan Fiduciary Net Position: Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

HIS Plan:

Plan Description: The 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 Florida Department of Management Services, Division of Retirement.

Benefits Provided: For the fiscal year ended September 30, 2022, eligible retirees and beneficiaries received 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. To be eligible to receive these benefits, 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, 2023, the HIS contribution for the period October 1, 2021 through September 30, 2020 was 1.66%. The City contributed 100% 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 legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS Plan totaled \$10,977 for the fiscal year ended September 30, 2022.

Note 10 – Florida Retirement System (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At September 30, 2021 the City reported a liability of \$ 253,027 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City's proportionate share of the net pension liability was based on the City's 2020-2021 fiscal year contributions relative to the 2018-2020 fiscal year contributions of all participating members. At June 30, 2021, the City's proportionate share was .00206%, which was an increase from .00021% from its proportionate share measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, the City recognized pension expense of \$16,321. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 5,158	\$ 748
Change in assumptions	9,740	26,287
Net difference between projected and actual earnings on pension plan investments	246	-
Change in proportion and differences between City pension plan contributions and proportionate share of contributions	7,654	69,516
City pension plan contributions Subsequent to the measurement date	2,417	-
Total	\$ 25,215	\$ 96,551

The rest of this page intentionally left blank

Note 10 – Florida Retirement System (Continued)

Contributions made to the HIS Plan after the measurement date of the net pension/OPEB liability/collective net pension/OPEB liability but before the end of the employer's contributing entity's reporting period will be recognized as a reduction the the net pension/OPEB liability or collective net pension/OPEB liability in the subsequent fiscal period rather than in the current fiscal period.

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

Fiscal Year Ending September 30,	Deferred Inflows (Outflows), net
2023	\$ 14,865
2024	19,359
2025	16,246
2026	9,447
2027	11,388
Thereafter	2,447
Total	\$ 73,752

Actuarial Assumptions: Actuarial valuations for the HIS program are conducted biennially. The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 %
Salary increases	3.25%, average, including

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan. The municipal rate used to determine total pension liability was decreased from 2.21% to 2.16%.

Discount Rate: The discount rate used to measure the total pension liability was 2.16%. 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 City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate: The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 2.16%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.16%) or one percentage point higher (3.16%) than the current rate:

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
for the Year Ended September 30, 2022

Note 10 – Florida Retirement System (Continued)

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
City's proportionate share of the net pension liability for HIS	\$ 197,184	\$ 169,923	\$ 142,662

The Summary of FRS Pension Expense/Expenditure, Deferred Outflows /Inflows of Resources related to the City Pension and Health Insurance Subsidy is as follows:

Description FRS/HIS Pension	Total
Deferred Outflows	166,409
Deferred Inflows	179,234
Net Pension Liability	709,812
Pension Expense	1,688

Note 11 – Defined Contribution Plans

John Hancock: The John Hancock plan is a defined contribution plan created pursuant to Section 401(a) of the Internal Revenue Code and City Ordinance 98-78. The plan is administered by Benefits Outsource, Inc., a third party administrator. All employees are eligible to participate in the plan, subject to the specified employment period. Participants hired prior to October 1, 2007 are vested after one year of continuous service and may elect, but are not required, to contribute up to an amount not to exceed amounts allowable by law. Employees hired on or after October 1, 2007, vest at the rate of 20% per year and are fully vested after five years. The City contributes an amount that is determined as part of the budgetary process.

ICMA: The City sponsors a defined contribution plan which was created in accordance with the Internal Revenue Code, Section 401(a). The plan was created pursuant to City Ordinance 98-97. The plan covers all professional and managerial employees hired after January 1, 2008. Members vest at 20% per year and are fully vested after five years. The City contributes an amount that is determined as part of the budgetary process each fiscal year. Participants may elect to contribute an amount not to exceed the amount allowable by law.

The City Commission may amend the provisions of the plans, which are held in trust for the exclusive benefit of the participants and their beneficiaries. Consequently, the City has no fiduciary responsibility and does not include the plan assets in its financial statements. For fiscal year ending September 30, 2022, the City's contributions to both plans totaled \$611,501.

The rest of this page intentionally left blank

Note 12 – Other Post-Employment Benefits

In June 2015, the GASB issued Statement No. 74 *Financial Reporting for Post- Employment Benefit Plans Other than Pension Plans* and GASB Statement No. 75 *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions* which replaces GASB statement No. 43 and 45 as amended and No. 57, *OPEB Measurements by Agent-Employer and Agent Multiple-Employer Plans*.

Plan Description and Funding Policy: Employees who retire from the City and their dependents are eligible to continue to participate (“single employer plan”) in the City’s health insurance plan currently offered through the City at the “blended” employee group rate which, is determined annually by the City. The retiree must continue to meet all participation requirements and pay all applicable premiums by the specified due date. As of October 1, 2019 (date of the latest actuarial valuation) there was no inactive employee or beneficiary currently receiving benefits and 88 active employees. Retirees must contribute 100% of the applicable health insurance premium charged by the carrier, there are no minimum required employer contributions.

The City provides no funding for any portion of the premiums after retirement. However, the City recognizes that there is an “implicit subsidy” arising as a result of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs. The plan is not accounted for as a trust fund and an irrevocable trust has not been established to fund this plan. The plan does not issue a separate financial report. It is the City’s current policy to fund the plan on a “pay-as-you-go” basis from the General Fund.

Actuarial Methods: Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Although the valuation results are based on values the actuarial consultant believes are reasonable assumptions, the valuation result is only an estimate of what future costs may actually be and reflect a long-term perspective. Deviations in any of several factors, such as future interest rate discounts, medical cost inflation, Medicare coverage risk, and changes in marital status, could result in actual costs being greater or less than estimated.

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

The rest of this page intentionally left blank

Note 12 – Other Post-Employment Benefits (Continued)

The following table provides information concerning actuarial methods and assumptions:

Valuation date:	October 1, 2021
Measurement date:	September 30, 2022
Discount rate:	4.77% per annum
Salary increases:	3.00% per annum
Healthcare cost trend rates:	Increases are assumed to be 8.00% fpr 2021/2022 graded down by 0.50% per year to 5.00% for 2027/2028 and later fiscal year
Cost-of-living increases:	Assumed to increase with the healthcare cost trend rates
Age-related morbidity:	Assumed to increase at the rate of 3.50% for each year of age
Mortality basis:	Sex-distinct rates set forth in the PUB-2010 Mortality Table, with full generational improvemebts in mortality using Scale MP-2020

Funded Status and Funding Progress: The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The schedule of funding progress, which is presented as required supplementary information following the notes to the financial statements, highlights multi-year trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

Total OPEB Liability: The City’s total OPEB liability of \$541,723 was measured as of September 30, 2022, and was determined by the actuarial valuation on October 1, 2021.

The rest of this page intentionally left blank

Note 12 – Other Post-Employment Benefits (Continued)

Changes in the Total OPEB Liability:

Net OPEB Liability as of September 30, 2020	\$ 577,635
Plus OPEB expenses for 2020/21	52,825
Minus employer contributions for the 2020/21 fiscal year	-
Plus changes in balance of deferred outflows of resources	(254)
Minus change in balance of deferred inflow of resources	(88,483)
Net OPEB Liability as of September 30, 2021	\$ 541,723
 Fiduciary net position as a total of	
OPEB liability	N/A
Covered payroll	\$ 5,711,454
OPEB liability as a % of covered payroll	9.48%

Sensitivity Analysis: The following presents the net OPEB liability of the City, calculated using the discount rate of 4.77%, as well as what the City of Lauderdale Lakes, Florida's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.43%) or 1 percentage point higher (6.00 %) than the current rate:

	1% Decrease	Current 4.77%	1% Increase
Net OPEB Liability	\$ 601,809	\$ 541,723	\$ 489,211

The following presents the net OPEB liability of the City, calculated using the current healthcare cost trend rates as well as what the City's net OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease	8.00% graded down to 5.00%	1% Increase
Net OPEB Liability	\$ 467,627	\$ 541,723	\$ 632,090

The rest of this page intentionally left blank

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
for the Year Ended September 30, 2022

Note 12 – Other Post-Employment Benefits (Continued)

OPEB Expenses and deferred outflow of resources and deferred inflows of resources related to OPEB:

For the year ended September 30, 2022, the City recognized OPEB expense of \$52,825. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2021	\$ 1,904	\$ 101,917
Change due to:	-	-
Amortization payments	(254)	(21,128)
Investing gain/loss	-	-
Demographic gain/loss	-	46,456
Assumption changes	-	63,155
Total change	(254)	88,483
Balance as of September 30, 2022	\$ 1,650	\$ 190,400

The rest of this page intentionally left blank

City of Lauderdale Lakes, Florida
Notes to the Financial Statements
for the Year Ended September 30, 2022

Note 12 – Other Post-Employment Benefits (Continued)

Amortization schedule for deferred outflows and inflows of resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2022	\$ 1,650	\$ 190,400
Amount recognized in the 2020/21 OPEB expense:		
Investment gain/loss	\$ -	\$ -
Demographic gain/loss	\$ -	\$ 12,771
Assumption changes	\$ 254	\$ 8,357
Total	\$ 254	\$ 21,128
Balance as of September 30, 2023	\$ 1,396	\$ 169,272
Amount Recognized in the 2021/22 OPEB expense:		
Investment gain/loss	-	-
Demographic gain/loss	-	12,771
Assumption changes	254	8,357
Total	\$ 254	\$ 21,128
Balance as of September 30, 2024	\$ 1,142	\$ 148,144
2022/23 OPEB expense:		
Investment gain/loss	-	-
Demographic gain/loss	-	12,771
Assumption changes	254	8,357
Total	\$ 254	\$ 21,128
Balance as of September 30, 2025	\$ 888	\$ 127,016
2023/24 OPEB expense:		
Investment gain/loss	-	-
Demographic gain/loss	-	12,771
Assumption changes	254	8,357
Total	\$ 254	\$ 21,128
Balance as of September 30, 2026	\$ 634	\$ 105,888
2024/25 OPEB expense:		
Investment gain/loss	-	-
Demographic gain/loss	-	12,771
Assumption changes	254	8,357
Total	\$ 254	\$ 21,128
Balance as of September 30, 2027	\$ 380	\$ 84,760

REQUIRED SUPPLEMENTARY INFORMATION



A Vibrant, Connected, Diverse and Safe Community





This page left blank intentionally

City of Lauderdale Lakes, Florida
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Ad valorem taxes	\$ 10,039,833	\$ 10,039,833	\$ 10,018,262	\$ (21,571)
Franchise fees	3,149,200	3,149,200	3,286,322	137,122
Utility taxes	2,935,000	2,935,000	2,891,484	(43,516)
Intergovernmental	4,198,091	4,198,091	5,310,031	1,111,940
Charges for services	1,418,602	1,418,602	1,593,317	174,715
Licenses and permits	1,125,381	1,125,381	149,066	(976,315)
Fines and forfeitures	983,610	983,610	184,278	(799,332)
Investment income	162,865	162,865	79,309	(83,556)
Miscellaneous	314,823	314,823	7,324,708	7,009,885
Total revenues	24,327,405	24,327,405	30,836,777	6,509,372
EXPENDITURES				
Current:				
General government:				
Mayor and commission	326,378	326,378	285,716	40,662
City attorney	410,810	410,810	609,805	(198,995)
City clerk	389,127	389,127	343,910	45,217
City manager	350,051	350,051	272,510	77,541
Finance and information technology	1,589,097	1,589,097	1,230,602	358,495
General administration	2,754,429	2,703,429	2,202,210	501,219
Human resources	325,263	325,263	321,701	3,562
Boards	31,300	31,300	12,154	19,146
Total general government	6,176,455	6,125,455	5,278,608	846,847
Public safety:				
Police	8,792,491	8,792,491	8,707,373	85,118
Fire/EMS	2,904,986	2,904,986	2,904,706	280
Code Enforcement	1,168,984	1,168,984	902,188	266,796
Total public safety	12,866,461	12,866,461	12,514,267	352,194
Public works:				
Maintenance	2,315,500	2,315,500	1,819,414	496,086
Total public works	2,315,500	2,315,500	1,819,414	496,086
Parks and Human Services:				
Culture and Recreation	2,352,685	2,352,685	1,954,546	398,139
Social Services	271,709	271,709	257,330	14,379
Total parks and human services	2,624,394	2,624,394	2,211,876	412,518

City of Lauderdale Lakes, Florida
 Budgetary Comparison Schedule
 General Fund (Continued)
 For the Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
Physical environment:				
Total physical enviroment	-	-	-	-
Capital outlay:	151,855	202,855	372,056	(169,201)
Total capital outlay	151,855	202,855	372,056	(169,201)
Debt service:				
Principal	213,000	213,000	209,150	3,850
Interest	199,740	199,740	203,760	(4,020)
Total debt service	412,740	412,740	412,910	(170)
Total expenditures	24,547,405	24,547,405	22,609,131	1,938,274
Excess (deficiency) of revenues over expenditures	(220,000)	(220,000)	8,227,646	8,447,646
OTHER FINANCING SOURCES (USES):				
Transfers out	(1,922,250)	(1,922,250)	(919,416)	1,002,834
Appropriated Fund Balance	2,142,250	2,142,250	-	(2,142,250)
Total other financing sources (uses)	220,000	220,000	(919,416)	(1,139,416)
Net change in fund balance	\$ -	\$ -	\$ 7,308,230	\$ 7,308,230

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

City of Lauderdale Lakes, Florida
 Budgetary Comparison Schedule
 Fire Rescue Fund
 For the Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special assessments	\$ 6,766,831	\$ 6,766,831	\$ 6,503,674	\$ (263,157)
Charges for services	267,000	267,000	92,647	(174,353)
Miscellaneous	12,000	12,000	5,406	(6,594)
Total revenues	<u>7,045,831</u>	<u>7,045,831</u>	<u>6,601,727</u>	<u>(444,104)</u>
EXPENDITURES				
Current:				
Public safety-fire	7,045,831	7,045,831	6,753,347	292,484
Debt service:				
Total expenditures	<u>7,045,831</u>	<u>7,045,831</u>	<u>6,753,347</u>	<u>292,484</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (151,620)</u>	<u>\$ (151,620)</u>

City of Lauderdale Lakes, Florida
 Budgetary Comparison Schedule
 Grants Fund
 For the Year Ended September 30, 2022

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for services	\$ -	\$ 25,000	\$ 10,833	\$ (14,167)
Grants	4,625,136	4,927,431	1,217,942	(3,709,489)
Total revenues	4,625,136	4,952,431	1,228,775	(3,723,656)
EXPENDITURES				
Current:				
General administration	4,000,000	4,000,000	274,446	3,725,554
Public safety:				
Police	17,937	17,937	-	17,937
Code Enforcement	-	-	4,369	(4,369)
Culture and Recreation	187,128	187,128	478,828	(291,700)
Social Services	300,960	628,255	353,130	275,125
Capital outlay	119,111	119,111	93,067	26,044
Total expenditures	4,625,136	4,952,431	1,203,840	3,748,591
Net change in fund balance	\$ -	\$ -	\$ 24,935	\$ 24,935

City of Lauderdale Lakes, Florida
 Budgetary Comparison Schedule
 Community Redevelopment Agency Fund
 For the Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Ad valorem taxes	\$ 4,086,576	\$ 4,086,576	\$ 3,970,895	\$ (115,681)
Investment income	10,500	10,500	21,131	10,631
Miscellaneous	210,000	210,000	502,151	292,151
Total revenues	<u>4,307,076</u>	<u>4,307,076</u>	<u>4,494,177</u>	<u>187,101</u>
EXPENDITURES				
Current:				
Economic and physical	10,349,414	10,349,414	677,090	9,672,324
Capital outlay	1,802,500	1,802,500	109,361	1,693,139
Debt service:				
Principal	737,129	737,129	736,135	994
Interest	140,199	140,199	138,136	2,063
Total expenditures	<u>13,029,242</u>	<u>13,029,242</u>	<u>1,660,722</u>	<u>11,368,520</u>
Excess (deficiency) of revenues over expenditures	<u>(8,722,166)</u>	<u>(8,722,166)</u>	<u>2,833,455</u>	<u>11,555,621</u>
OTHER FINANCING SOURCES:				
Transfers in (out)	(160,000)	(160,000)	-	160,000
Appropriated Fund Balance	8,882,166	8,882,166	-	(8,882,166)
Total other financing sources	<u>8,722,166</u>	<u>8,722,166</u>	<u>-</u>	<u>(8,722,166)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,833,455</u>	<u>\$ 2,833,455</u>

City of Lauderdale Lakes, Florida
Required Supplementary Information
Notes to the Budgetary Comparison Schedules
For the Year Ended September 30, 2022

Note 1 – Budgetary Information

The City follows Chapter 80-274 of the State of Florida Statutes and its charter in establishing the budgetary data reflected in the financial statements. The City maintains legally adopted budgets for the General Fund, Fire Rescue Fund, Grants Fund and Community Redevelopment Agency Fund on a basis consistent with accounting principles generally accepted in the United States of America, (GAAP).

During the month of July of each year, the City Manager submits to the City Commission a proposed operating budget for the Fiscal Year commencing October 1st. This budget includes proposed expenditures as well as the expected means to finance them.

1. The Commission holds workshops, required public hearings, and a final budget must be prepared and adopted no later than October 1st.
2. Prior to October 1, the budget is legally enacted through passage of an appropriation ordinance.
3. The appropriation budget is prepared and adopted by fund, function, and department. Budgets are monitored within each department at the account level by the respective department head and the Financial Services Director. The City's department heads may make transfers of appropriations within a department with approval of the City Manager and Financial Services Director. Transfers of appropriations between departments require the additional approval of the Commission. The legal level of budgetary control (i.e. the level at which expenditures may not exceed appropriations) is the fund level. The fund as a whole did not exceed its budget. The following exceeded their adopted budgets as follows:

General Fund - City Attorney

\$ 198,995

City of Lauderdale Lakes, Florida
Required Supplementary Information
Schedule of Changes in OPEB Liability and Related Ratios
Other Post-Employment Health Care Benefits

	2022	2021	2020	2019	2018	2017	2015	2014	2013
Total OPEB Liability									
Service Cost	\$ 63,537	\$ 71,999	\$ 75,256	\$ 59,047	\$ 58,503	N/A	N/A	N/A	N/A
Expected interest growth	30,114	14,380	13,669	20,219	18,522	N/A	N/A	N/A	N/A
Effect of plan changes				-	-	N/A	N/A	N/A	N/A
Effect of economic/demographic (gains) or losses	(12,771)	(8,532)	(8,532)	-	-	N/A	N/A	N/A	N/A
Effect of assumption changes or inputs		(2,341)	(853)	254	-	N/A	N/A	N/A	N/A
Benefit payments	(19,952)	(26,655)	(23,538)	(24,671)	(18,696)	N/A	N/A	N/A	N/A
Net change in total OPEB liability	60,928	48,851	56,002	54,849	58,329				
Total OPEB liability, beginning	577,635	533,027	575,207	517,946	459,617	N/A	N/A	N/A	N/A
Total OPEB liability, ending (a)	541,723	577,635	533,027	575,207	517,946	N/A	N/A	N/A	N/A
Fiduciary Net Position									
Employer contributions			-	-	-	N/A	N/A	N/A	N/A
Member contributions			-	-	-	N/A	N/A	N/A	N/A
Net Investment income			-	-	-	N/A	N/A	N/A	N/A
Benefit payments			-	-	-	N/A	N/A	N/A	N/A
Administrative expense			-	-	-	N/A	N/A	N/A	N/A
Net change in plan fiduciary net position			-	-	-	N/A	N/A	N/A	N/A
Fiduciary net position, beginning			-	-	-	N/A	N/A	N/A	N/A
Fiduciary Net Position ending (b)	-	-	-	-	-				
Net OPEB liability, ending =(a) - (b)	<u>\$ 541,723</u>	<u>\$ 577,635</u>	<u>\$ 533,027</u>	<u>\$ 575,207</u>	<u>\$ 517,946</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Fiduciary net position as a % of total OPEB liability			-	-%	-	N/A	N/A	N/A	N/A
Covered employee payroll	\$ 5,711,454	\$ 5,263,083	\$ 5,263,083	\$ 4,538,009	\$ 4,538,009	N/A	N/A	N/A	N/A
Net OPEB liability as a % of covered payroll	9.48%	10.98%	10.13%	12.68%	11.41%	N/A	N/A	N/A	N/A

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

City of Lauderdale Lakes, Florida
Required Supplementary Information
Schedule of Proportionate Share of Net Pension Liability
Florida Retirement System Pension Plan
Last Ten Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City of Lauderdale Lakes, Florida proportion of the net pension liability	0.00145%	0.17402%	0.17047%	0.0016898%	0.0019216%	0.0017481%	0.0017721%	0.0017691%	0.0016991%
City of Lauderdale Lakes, Florida proportion of the net pension liability	\$ 539,889	\$ 131,450	\$ 738,823	\$ 581,952	\$ 578,794	\$ 517,077	\$ 447,710	\$ 228,502	\$ 103,667
City of Lauderdale Lakes, Florida's covered payroll	\$ 594,860	\$ 661,273	\$ 789,577	\$ 745,666	\$ 742,764	\$ 742,764	\$ 683,659	\$ 675,277	\$ 630,362
City of Lauderdale Lakes, Florida's proportionate share of net pension liability as a percentage of its covered payroll	90.76%	19.88%	93.57%	78.04%	77.92%	69.62%	65.49%	33.84%	16.45%
Plan fiduciary net position as a percentage of total pension liability	82.89%	96.40%	78.85%	78.98%	79.41%	83.89%	84.88%	92.00%	96.09%

* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**City of Lauderdale Lakes, Florida
Required Supplementary Information
Schedule of Proportionate Share of Net Pension Liability
Retiree Health Insurance Subsidy Program
Last Ten Fiscal Years***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
City of Lauderdale Lakes, Florida proportion of the net pension liability	0.0016043%	0.0020627%	0.0022100%	0.0023000%	0.0024285%	0.0022378%	0.0023055%	0.0021847%	0.0020920%
City of Lauderdale Lakes, Florida proportion of the net pension liability	\$ 169,923	\$ 253,027	\$ 277,770	\$ 251,970	\$ 257,038	\$ 239,271	\$ 268,691	\$ 222,805	\$ 195,604
City of Lauderdale Lakes, Florida's covered payroll	\$ 594,860	\$ 661,273	\$ 789,577	\$ 745,666	\$ 742,764	\$ 742,764	\$ 683,659	\$ 675,277	\$ 630,362
City of Lauderdale Lakes, Florida's proportionate share of net pension liability as a percentage of its employee payroll	28.57%	38.26%	35.18%	33.79%	34.61%	32.21%	39.30%	32.99%	31.03%
Plan fiduciary net position as a percentage of total pension liability	4.81%	3.56%	3.00%	2.10%	2.15%	1.64%	0.97%	0.50%	0.99%

* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

City of Lauderdale Lakes, Florida
Required Supplementary Information
Schedule of Contribution
Florida Retirement System Pension Plan
Last Ten Fiscal Years*

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
2022	\$ 61,917	\$ 61,917		\$ 594,860	10.41%
2021	66,293	66,293		661,273	10.03%
2020	56,638	56,638		798,526	7.09%
2019	52,397	52,397	-	745,666	7.03%
2018	54,764	69,568	14,804	668,723	10.40%
2017	49,999	49,999	-	742,764	6.73%
2016	42,183	42,183	-	683,659	6.17%
2015	43,297	43,297	-	675,277	6.41%
2014	40,085	40,085	-	630,362	6.36%

*This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled the pension plan will present information for those years for which the information is available.

City of Lauderdale Lakes, Florida
Required Supplementary Information
Schedule of Contribution
Retiree Health Insurance Subsidy Program
Last Ten Fiscal Years*

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
2022	\$ 9,707	\$ 9,707		\$ 594,860	1.63%
2021	12,125	12,125		661,273	1.83%
2020	13,110	13,110		798,526	1.64%
2019	12,505	12,505	-	745,666	1.68%
2018	13,170	13,170	-	668,723	1.97%
2017	12,330	12,330	-	742,764	1.66%
2016	11,349	11,349	-	683,659	1.66%
2015	9,238	9,238	-	675,277	1.37%
2014	7,666	7,666	-	630,362	1.22%

*This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled the pension plan will present information for those years for which the information is available.



This page left blank intentionally

OTHER FINANCIAL INFORMATION: COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



A Vibrant, Connected, Diverse and Safe Community





This page left blank intentionally

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Impact Fee Fund – This fund is used to account for impact fees collected in accordance with the City’s development code.

Arts in Public Places Fund – This fund is used to account for educational expenditures and activities related to the arts within the community. Revenues generated in this fund is exclusive for activities and events that will benefit arts in the community.

Law Enforcement Trust Fund – This fund is used to account for revenues received from law enforcement forfeitures and seizures which are restricted for use for law enforcement purposes.

Code Enforcement Trust Fund – This fund is used to assist qualifying residents with resources to remedy minor code violations.

Community Development Block Grant (CDBG) Programs Fund - Formerly, the Minor Home Repair Program Fund. The fund was created to account for CDBG grants, which includes the Minor Home Repair Program and Purchase Assistance Program.

Transportation (Gas Tax) Fund – This fund is used to account for Gas Tax money received from the State. This money is restricted to transportation, street, and road related expenses.

Alzheimer Care Center Fund – This fund was created to account for revenue and expenditure activity of the Alzheimer Care Center. Most revenues for the operation of the Center are derived from grant and foundation assistance.

Home Repair Assistance Program Fund – This fund was created to assist income-eligible residents with minor home repairs to air conditioning units and other minor repairs. Funds are generated through the liens amnesty programs.

Hurricane Loss Mitigation Program Fund - This fund was created to account for grant revenue received to fund activities to retrofit, construct and modify buildings to increase ability to withstand hurricane force winds and flooding.

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Transportation Surtax Fund - This fund was created to account for funds received to improve the City's transportation projects and initiatives.

Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Construction Fund – This fund is used for purpose of budgeting general capital improvement projects with costs of \$25,000 and over.

2005 GO Bond Capital Projects Fund – This fund is used to account for the resources and budgeting for the 2005 general obligation bond budgeted activities of the bond’s related capital projects.

Debt Service Fund

Debt Service Fund – to account for the accumulation of taxes collected through the property taxes used to pay principal and interest payments on the 2005 Bond.

City of Lauderdale Lakes, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended September 30, 2022

	Special Revenue Funds						Capital Projects Funds						Total Nonmajor Governmental Funds
	Impact Fee Fund	Arts in Public Places	Law Enforcement Trust Fund	Code Enforcement Trust Fund	Transportation /Gas Funds	Alzheimer Care Center Funds	Hurricane Loss Mitigation Program	CDBG/Housing /Home Repair Program	Capital Projects Fund	Construction Fund	Bond Construction Fund	Debt Service Fund	
Assets:													
Pooled cash and cash equivalents	\$ 855,710	\$ 1,000	\$ 250,865	\$ -	\$ 279,696	\$ -	\$ 34,592	\$ 916,035	\$ 31,435	\$ -	\$ 646,365	\$ 1,375,019	\$ 4,390,717
Receivables, net	-	-	-	-	-	12,301	-	-	-	-	-	-	12,301
Due from other governments	-	-	-	-	-	65,163	(15,365)	21,490	-	-	-	1,380	72,668
Prepaid items	-	-	-	-	-	240	-	-	-	-	-	-	240
Restricted for:													
Total assets	\$ 855,710	\$ 1,000	\$ 250,865	\$ -	\$ 279,696	\$ 77,704	\$ 19,227	\$ 937,525	\$ 31,435	\$ -	\$ 646,365	\$ 1,376,399	\$ 4,475,926
Liabilities and Fund Balances:													
Liabilities:													
Accounts payable and accrued liabilities	\$ 61,062	\$ -	\$ -	\$ -	\$ 109,992	\$ 16,972	\$ -	\$ 34,758	\$ 511,886	\$ -	\$ -	\$ -	\$ 734,670
Due to other funds	-	1,378	-	946	-	813,174	-	-	257,638	218,797	-	343,118	1,635,051
Total liabilities	61,062	1,378	-	946	109,992	830,146	-	34,758	769,524	218,797	-	343,118	2,369,721
Fund Balances (Deficit):													
Prepaid items	-	-	-	-	-	240	-	-	-	-	-	-	240
Restricted for:													
Community services	-	-	-	-	-	-	19,227	902,767	-	-	-	-	921,994
Park projects	794,648	-	-	-	-	-	-	-	-	-	-	-	794,648
Law enforcement	-	-	250,865	-	-	-	-	-	-	-	-	-	250,865
Debt service	-	-	-	-	-	-	-	-	-	-	-	1,033,281	1,033,281
Assigned for:													
Capital projects	-	-	-	-	-	-	-	-	-	-	646,365	-	646,365
Roads & streets	-	-	-	-	169,704	-	-	-	-	-	-	-	169,704
Special revenue (deficit)	-	(378)	-	(946)	-	(752,682)	-	-	(738,089)	(218,797)	-	-	(1,710,892)
Total fund balances	794,648	(378)	250,865	(946)	169,704	(752,442)	19,227	902,767	(738,089)	(218,797)	646,365	1,033,281	2,106,205
Total liabilities and fund balances	\$ 855,710	\$ 1,000	\$ 250,865	\$ -	\$ 279,696	\$ 77,704	\$ 19,227	\$ 937,525	\$ 31,435	\$ -	\$ 646,365	\$ 1,376,399	\$ 4,475,926

City of Lauderdale Lakes, Florida
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended September 30, 2022

	Special Revenue Funds							Capital Projects Funds				Total Nonmajor Governmental Funds	
	Impact Fee Fund	Arts in Public Places	Law Enforcement Trust Fund	Code Enforcement Trust Fund	Transportation /Gas Funds	Alzheimer Care Center Funds	Hurricane Loss Mitigation Program	CDBG/Housing /Home Repair Program	Capital Projects Fund	Construction Fund	Bond Construction Fund		Debt Service Fund
Revenues:													
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,550,283	\$ 1,550,283
Sales, use and motor fuel taxes	-	-	-	-	630,676	-	-	-	-	-	-	-	630,676
Intergovernmental	-	-	-	-	112,570	-	-	-	-	-	-	-	112,570
Charges for services	-	-	-	-	-	39,984	-	-	-	-	-	-	39,984
Fines and forfeitures	-	-	133,813	-	-	-	-	-	-	-	-	-	133,813
Miscellaneous	78,199	-	-	-	-	-	-	-	-	-	-	-	78,199
Governmental grants	-	-	-	-	-	246,961	-	35,306	-	-	-	-	282,267
Total revenues	78,199	-	133,813	-	743,246	286,945	-	35,306	-	-	-	1,550,283	2,827,792
Expenditures:													
Current:													
Economic and physical environment	-	-	-	-	-	-	-	31,435	-	-	-	-	31,435
Highways and streets	-	-	-	-	484,542	-	-	-	1,127	-	-	-	485,669
Social services programs	-	1,001	-	-	-	410,878	-	38,583	-	-	-	-	450,462
Capital outlay	75,943	-	-	-	6,948	-	-	-	885,855	-	-	-	968,746
Debt service:													
Principal	-	-	-	-	-	-	-	-	-	-	-	968,662	968,662
Interest and fiscal charges	-	-	-	-	6,277	-	-	-	-	-	-	179,832	186,109
Total expenditures	75,943	1,001	-	-	497,767	410,878	-	70,018	886,982	-	-	1,148,494	3,091,083
Excess (deficiency) of revenues over expenditures	2,256	(1,001)	133,813	-	245,479	(123,933)	-	(34,712)	(886,982)	-	-	401,789	(263,291)
Other Financing Sources (Uses):													
Transfers in	-	1,000	-	-	-	-	-	886,981	31,435	-	-	-	919,416
Net change in fund balance	2,256	(1)	133,813	-	245,479	(123,933)	-	852,269	(855,547)	-	-	401,789	656,125
Fund Balances (Deficit), beginning	792,392	(377)	117,052	(946)	(75,775)	(628,509)	19,227	50,498	117,458	(218,797)	646,365	631,492	1,450,080
Fund Balances (Deficit), ending	\$ 794,648	\$ (378)	\$ 250,865	\$ (946)	\$ 169,704	\$ (752,442)	\$ 19,227	\$ 902,767	\$ (738,089)	\$ (218,797)	\$ 646,365	\$ 1,033,281	\$ 2,106,205

City of Lauderdale Lakes, Florida
Budgetary Comparison Schedule
Nonmajor Governmental Funds
For the Year End September 30, 2022

	Impact Fee Fund			Arts in Public Places Fund		
	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
Revenues:						
Motor fuel taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	78,199	78,199	-	-	-
Total revenues	-	78,199	78,199	-	-	-
Expenditures:						
Current:						
Public safety	-	-	-	-	-	-
Highways and streets	400,000	-	400,000	-	-	-
Social services	-	-	-	18,000	1,001	16,999
Capital outlay	280,000	75,943	204,057	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	680,000	75,943	604,057	18,000	1,001	16,999
Excess (deficiency) of revenues over expenditures	(680,000)	2,256	682,256	(18,000)	(1,001)	16,999
Other Financing Sources (Uses):						
Transfers in	-	-	-	18,000	1,000	(17,000)
Appropriated Fund Balance	680,000	-	(680,000)	-	-	-
Total other financing sources (uses)	680,000	-	(680,000)	18,000	1,000	(17,000)
Net change in fund balances	\$ -	\$ 2,256	\$ 2,256	\$ -	\$ (1)	\$ (1)

Law Enforcement Trust Fund			Code Enforcement Trust Fund			Transportation/Gas Funds		
Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 614,596	\$ 630,676	\$ 16,080
-	-	-	-	-	-	34,000	112,570	78,570
-	133,813	133,813	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	133,813	133,813	-	-	-	648,596	743,246	94,650
30,000	-	30,000	10,000	-	10,000	-	-	-
-	-	-	-	-	-	641,196	484,542	156,654
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	6,948	(6,948)
-	-	-	-	-	-	7,400	6,277	1,123
30,000	-	30,000	10,000	-	10,000	648,596	497,767	150,829
(30,000)	133,813	163,813	(10,000)	-	10,000	-	245,479	245,479
-	-	-	10,000	-	(10,000)	-	-	-
30,000	-	(30,000)	-	-	-	-	-	-
30,000	-	(30,000)	10,000	-	(10,000)	-	-	-
\$ -	\$ 133,813	\$ 133,813	\$ -	\$ -	\$ -	\$ -	\$ 245,479	\$ 245,479

City of Lauderdale Lakes, Florida
Budgetary Comparison Schedule
Nonmajor Governmental Funds
For the Year End September 30, 2022

	Alzheimer Care Center Fund			CDBG/Housing/Home Repair Program		
	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
Revenues:						
Charges for services	\$ 70,000	\$ 39,984	\$ (30,016)	\$ -	\$ -	\$ -
Governmental grants	606,943	246,961	(359,982)	220,485	35,306	(185,179)
Total revenues	676,943	286,945	(389,998)	220,485	35,306	(185,179)
Expenditures:						
Current:						
Economic and physical environment	-	-	-	35,000	31,435	3,565
Social services	676,943	410,878	266,065	220,485	38,583	181,902
Total expenditures	676,943	410,878	266,065	255,485	70,018	185,467
Excess (deficiency) of revenues over expenditures	-	(123,933)	(123,933)	(35,000)	(34,712)	288
Other Financing Sources (Uses):						
Transfers in	-	-	-	35,000	886,981	851,981
Total other financing sources (uses)	-	-	-	35,000	886,981	851,981
Net change in fund balances	\$ -	\$ (123,933)	\$ (123,933)	\$ -	\$ 852,269	\$ 852,269

City of Lauderdale Lakes, Florida
Budgetary Comparison Schedule
Capital Projects Fund
For the Year End September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
Expenditures:				
Current:				
Highways and streets	\$ 536,000	\$ 536,000	\$ 1,127	\$ 534,873
Capital outlay	1,548,250	1,548,250	885,855	662,395
Total expenditures	2,084,250	2,084,250	886,982	1,197,268
Excess (deficiency) of revenues over expenditures	(2,084,250)	(2,084,250)	(886,982)	1,197,268
Other Financing Sources (Uses)				
Transfers in	1,984,250	1,984,250	31,435	(1,952,815)
Appropriated Fund Balance	100,000	100,000	-	(100,000)
Total other financing sources (uses)	2,084,250	2,084,250	31,435	(2,052,815)
Net change in fund balances	\$ -	\$ -	\$ (855,547)	\$ (855,547)

City of Lauderdale Lakes, Florida
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Year End September 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues:				
Ad valorem taxes	\$ 1,560,497	\$ 1,560,497	\$ 1,550,283	\$ (10,214)
Total revenues	1,560,497	1,560,497	1,550,283	(10,214)
Expenditures:				
Debt service:				
Principal	1,210,497	1,210,497	968,662	241,835
Interest and fiscal charges	350,000	350,000	179,832	170,168
Total expenditures	1,560,497	1,560,497	1,148,494	412,003
Net change in fund balances	\$ -	\$ -	\$ 401,789	\$ 401,789

STATISTICAL SECTION



A Vibrant, Connected, Diverse and Safe Community





This page left blank intentionally

STATISTICAL SECTION

This part of the City of Lauderdale Lakes, Florida's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	100-106
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	107-110
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in	111-115
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	116-117
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	118-120

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

Table 1

City of Lauderdale Lakes, Florida
Net Position by Component
Last Ten Fiscal Years Accrual Basis of Accounting
(Amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Net investment in capital assets	\$ 26,839	\$ 22,052	\$ 23,178	\$ 24,218	\$ 25,525	\$ 23,695	\$ 17,652	\$ 19,636	\$ 20,979	\$ 22,840
Restricted	2,875	3,049	2,828	4,547	4,187	2,536	5,881	8,920	10,353	3,001
Unrestricted	(4,870)	378	4,972	6,580	8,671	12,681	11,648	11,180	13,704	12,962
Total governmental activities net position	24,844	25,479	30,978	35,345	38,383	38,912	35,181	39,736	45,035	38,803
Business-type activities:										
Net investment in capital assets	1,644	2,157	2,277	3,036	5,011	5,677	7,585	7,758	7,759	7,832
Unrestricted (deficit)	4,371	5,411	6,143	6,955	6,289	5,472	4,656	4,808	5,591	6,230
Total business-type activities net position	6,015	7,568	8,420	9,991	11,300	11,149	12,241	12,566	13,349	14,062
Total government:										
Net investment in capital assets	28,483	24,209	25,455	27,254	30,536	29,372	25,238	27,394	28,738	30,672
Restricted	2,875	3,049	2,828	4,547	4,187	2,536	5,881	8,920	10,353	3,001
Unrestricted (deficit)	(499)	5,789	11,115	13,535	14,960	18,153	16,304	15,988	19,296	19,192
Total government net position	\$ 30,859	\$ 33,047	\$ 39,398	\$ 45,336	\$ 49,683	\$ 50,061	\$ 47,423	\$ 52,302	\$ 58,386	\$ 52,865

City of Lauderdale Lakes, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental activities:										
General government	\$ 3,295,985	\$ 3,218,179	\$ 3,657,082	\$ 5,016,067	\$ 4,826,016	\$ 5,938,015	\$ 5,156,650	\$ 5,706,580	\$ 6,925,483	\$ 8,012,278
Public safety	12,795,147	13,526,842	14,504,589	14,546,417	15,156,837	17,393,101	17,905,891	18,439,396	18,532,266	23,170,080
Economic and physical environment	1,919,292	7,775,443	27,353,214	3,025,515	3,297,310	3,721,220	3,358,588	807,173	798,974	937,992
Social Services	772,134	797,850	796,360	849,138	879,170	844,719	1,117,536	1,029,122	1,201,351	1,927,679
Culture and recreation	1,071,846	1,015,093	1,249,726	1,835,079	1,904,385	2,117,167	1,881,536	1,945,676	1,833,287	2,473,375
Highways, streets and transportation	336,955	385,935	435,537	511,611	674,085	691,785	644,858	2,742,910	2,558,984	2,909,588
Interest on long-term debt	1,111,314	1,041,674	927,542	765,632	714,382	682,993	659,379	572,895	588,413	528,005
Total governmental activities	21,302,673	27,761,016	48,924,050	26,549,459	27,452,185	31,389,000	30,724,438	31,243,752	32,438,758	39,958,997
Business-type activities:										
Stormwater	661,621	776,597	860,630	978,118	1,172,606	1,421,378	1,301,330	1,340,626	1,374,402	1,499,502
Solid waste/recycling	1,175,436	1,236,371	1,275,464	1,113,685	1,076,912	1,122,802	1,088,982	1,302,301	1,401,586	1,318,120
Building services	335,666	408,737	568,541	759,185	640,555	717,718	726,328	818,232	842,533	932,311
Interest expense	-	-	-	-	-	-	-	-	-	-
Total business-type activities	2,172,723	2,421,705	2,704,635	2,850,988	2,890,073	3,261,898	3,116,640	3,461,159	3,618,521	3,749,933
Total expenses	\$ 23,475,396	\$ 30,182,721	\$ 51,628,685	\$ 29,400,447	\$ 30,342,258	\$ 34,650,898	\$ 33,841,078	\$ 34,704,911	\$ 36,057,279	\$ 43,708,930
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 610,537	\$ 590,990	\$ 729,367	\$ 1,380,638	\$ 791,176	\$ 682,912	\$ 1,735,623	\$ 324,023	\$ 1,032,658	\$ 7,171,960
Public safety	5,505,831	6,330,982	6,827,699	7,120,925	7,044,626	7,474,995	8,022,836	7,966,452	8,436,150	8,373,015
Community development	-	-	-	-	-	204,086	50,286	106,444	-	-
Social services	230,845	63,394	150,178	94,143	113,497	79,956	74,993	40,415	34,804	39,984
Culture and recreation	166,418	153,212	126,128	165,208	173,542	186,153	217,339	57,808	64,222	148,141
Operating grants and contributions	585,625	975,676	1,363,125	1,618,318	929,008	930,533	2,437,826	1,232,832	2,142,973	1,290,683
Capital grants and contributions	502,906	75,533	796,044	434,459	288,770	118,950	229,413	22,140	530,966	209,526
Total governmental activities program revenues	7,602,162	8,189,787	9,992,541	10,813,691	9,340,619	9,677,585	12,768,316	9,750,114	12,241,773	17,233,309

City of Lauderdale Lakes, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2

(continued)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Charges for services:										
Stormwater	2,176,655	2,167,030	2,154,584	1,940,170	1,920,758	1,897,139	1,923,740	1,855,368	1,922,956	1,796,915
Solid waste/recycling	1,480,371	1,239,403	1,369,188	1,288,012	12,288,964	1,285,520	1,305,798	1,512,138	1,375,487	1,401,167
Building services	572,808	634,664	587,755	1,320,252	1,070,716	662,012	871,833	902,127	950,141	1,263,946
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	481,580	270,035	54,930	427,928	651,953	7,820	-	123,669	-	-
Total business-type activities program revenues	4,711,414	4,311,132	4,166,457	4,976,362	15,932,391	3,852,491	4,101,371	4,393,302	4,248,584	4,462,028
Total program revenues	\$ 12,313,576	\$ 12,500,919	\$ 14,158,998	\$ 15,790,053	\$ 25,273,010	\$ 13,530,076	\$ 16,869,687	\$ 14,143,416	\$ 16,490,357	\$ 21,695,337
Net (Expense) Revenue:										
Governmental activities	\$ (13,700,511)	\$ (19,571,229)	\$ (14,313,616)	\$ (15,735,768)	\$ (18,111,566)	\$ (21,711,415)	\$ (17,956,122)	\$ (21,493,638)	\$ (20,196,985)	\$ (22,725,688)
Business-type activities	2,538,691	1,889,427	1,461,822	2,125,374	2,042,318	590,593	984,731	932,143	630,063	712,095
Total net expense	\$ (11,161,820)	\$ (17,681,802)	\$ (12,851,794)	\$ (13,610,394)	\$ (16,069,248)	\$ (21,120,822)	\$ (16,971,391)	\$ (20,561,495)	\$ (19,566,922)	\$ (22,013,593)
General Revenues:										
Governmental activities:										
Property taxes	\$ 8,572,538	\$ 8,963,387	\$ 8,828,785	\$ 9,143,054	\$ 9,900,666	\$ 10,667,706	\$ 11,618,690	\$ 13,149,765	\$ 14,052,163	\$ 15,539,440
Sales, use and motor fuel taxes	557,776	579,219	591,506	612,062	631,005	636,299	640,071	584,677	586,269	630,676
Franchise fees and other taxes	3,217,811	3,171,056	3,231,895	2,291,360	3,080,739	3,042,613	3,238,666	2,994,804	3,249,263	3,286,322
Utility taxes	2,184,695	2,347,673	2,424,037	3,208,485	2,496,090	2,626,888	2,701,854	2,680,467	2,785,428	2,891,484
Unrestricted intergovernmental revenue	3,213,516	3,320,394	4,223,213	3,727,189	3,882,506	4,055,425	4,065,919	3,840,187	4,480,446	5,422,601
Investment income	5,556	2,328	3,749	41,936	132,611	202,043	263,725	187,172	68,810	100,440
Gain (loss) on sale of city asset	-	-	-	-	-	-	-	-	-	-
Gain on forgiveness of debt	-	876,799	-	-	-	-	-	-	-	-
Miscellaneous	466,285	595,322	352,655	434,893	262,921	262,072	916,782	2,003,695	274,345	884,988
Transfers	320,000	35,000	525,000	566,530	761,023	747,562	657,743	606,723	-	-
Total governmental activities	18,538,177	19,891,178	20,180,840	20,025,509	21,147,561	22,240,608	24,103,450	26,047,490	25,496,724	28,755,951

City of Lauderdale Lakes, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Table 2

(continued)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Franchise and other taxes	-	-	-	-	16,491	-	-	-	-	-
Investment income	54,057	13,195	15,488	12,120	10,840	5,803	27,401	-	134,206	-
Transfers	(320,000)	(350,000)	(525,000)	(566,530)	(761,023)	(747,563)	(657,743)	(606,723)	-	-
Total business-type activities	(265,943)	(336,805)	(509,512)	(554,410)	(733,692)	(741,760)	(630,342)	(606,723)	134,206	-
Total general revenues	\$ 18,272,234	\$ 19,554,373	\$ 19,671,328	\$ 19,471,099	\$ 20,413,869	\$ 21,498,848	\$ 23,473,108	\$ 25,440,767	\$ 25,630,930	\$ 28,755,951
Change in Net Position:										
Governmental activities	\$ 4,837,666	\$ 634,949	\$ 5,867,224	\$ 4,367,212	\$ 3,037,995	\$ 529,193	\$ 6,147,328	\$ 4,553,852	\$ 5,299,739	\$ 6,030,263
Business-type activities	2,272,748	1,552,622	952,310	1,570,964	1,308,626	(151,167)	354,389	325,420	764,269	712,095
Total change in net position	\$ 7,110,414	\$ 2,187,571	\$ 6,819,534	\$ 5,938,176	\$ 4,346,621	\$ 378,026	\$ 6,501,717	\$ 4,879,272	\$ 6,064,008	\$ 6,742,358

Table 3

City of Lauderdale Lakes, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund:										
Nonspendable	1,281	926	148	12	152	123	288	119	359	242
Restricted	1,966	1	-	-	-	-	-	-	-	-
Committed	436	500	500	500	500	500	500	500	500	-
Assigned	-	-	509	509	509	509	509	509	-	-
Unassigned	735	4,660	7,352	9,059	9,286	9,870	12,335	13,253	-	24,204
Total general fund	4,418	6,087	8,509	10,080	10,447	11,002	13,632	14,381	859	24,446
All other governmental funds:										
Nonspendable	2,322	2,618	1,963	5	3	1,331	5	13	5	-
Restricted	2,509	2,659	2,828	4,547	4,415	2,706	5,881	8,912	10,353	14,618
Assigned	-	-	1,076	1,453	1,244	1,195	-	-	-	646
Unassigned, reported in:										
Special revenue funds	(1,959)	(2,022)	(1,571)	(846)	(840)	(259)	(684)	(1,857)	(1,952)	(2,732)
Capital projects fund	(449)	(449)	(219)	(219)	(219)	(219)	716	934	764	-
Debt service fund	(36)	(43)	(8)	-	-	-	-	-	-	-
Total special revenue funds	2,387	2,763	4,069	4,940	4,603	4,754	5,918	8,002	9,170	12,532
Total governmental funds	<u>\$ 6,805</u>	<u>\$ 8,850</u>	<u>\$ 12,578</u>	<u>\$ 15,020</u>	<u>\$ 15,050</u>	<u>\$ 15,756</u>	<u>\$ 19,550</u>	<u>\$ 22,383</u>	<u>\$ 10,029</u>	<u>\$ 36,978</u>

Note: Information for fiscal years 2009 through 2010 have not been restated for Governmental Accounting Standards Board (GASB) Statement No. 54 classifications

Table 4

City of Lauderdale Lakes, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Property taxes and tax increments	\$ 8,573	\$ 8,963	\$ 8,829	\$ 9,143	\$ 9,901	\$ 10,668	\$ 11,619	\$ 13,150	\$ 14,052	\$ 15,539
Sales, use and motor fuel taxes	558	579	551	612	631	636	640	585	586	631
Franchise and other taxes	3,218	3,171	3,232	2,291	3,081	3,043	3,239	2,995	3,249	3,286
Utility taxes	2,185	2,348	2,424	3,208	2,496	2,627	2,702	2,680	2,785	2,891
Intergovernmental	3,237	3,346	4,250	3,755	3,971	4,182	4,170	3,840	4,480	5,423
Special assessments	4,424	5,208	5,631	5,432	5,432	5,965	6,294	6,410	6,450	6,504
Charges for services, permits, fines and forfeitures	2,136	2,335	2,222	3,342	2,687	2,520	3,784	2,085	3,118	2,204
Government grants and other support	999	623	2,112	2,013	118	650	2,563	1,250	2,674	1,500
Investment income	5	2	4	42	133	202	264	187	69	100
Proceeds from refueling contracts payable	-	-	-	-	-	-	-	-	-	-
Other revenue	485	594	353	435	279	274	939	2,003	274	7,910
Total revenues	25,820	27,169	29,648	30,273	28,729	30,767	36,214	35,185	37,738	45,988
Expenditures:										
Current:										
General government	2,672	2,931	3,199	4,015	3,724	5,622	4,815	5,707	6,590	6,230
Public safety	12,746	13,252	14,399	14,382	15,003	15,921	16,718	17,482	17,861	18,365
Public works	1,169	1,210	1,475	1,498	1,524	1,743	1,804	-	-	-
Culture and recreation	794	923	944	1,281	1,513	1,664	1,882	1,746	1,758	1,944
Economic and physical environment	416	551	1,186	1,335	1,640	1,579	1,332	807	799	938
Highways and streets	544	682	387	506	594	611	645	2,434	2,454	2,305
Social services	711	755	598	837	876	839	1,118	1,029	1,201	1,550
Capital outlay	1,485	668	891	1,014	715	478	1,532	1,434	706	1,543
Debt service:										
Principal	2,558	3,733	5,668	2,661	4,204	1,642	2,500	1,751	1,801	1,914
Interest and other fiscal charges	1,147	1,051	1,006	868	744	710	659	573	588	528
Total expenditures	24,242	25,756	29,753	28,397	30,537	30,809	33,005	32,963	33,759	35,317
Excess (deficiency) of revenues over expenditures	1,578	1,413	(105)	1,876	(1,808)	(42)	3,209	2,222	3,980	10,671

City of Lauderdale Lakes, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amounts expressed in thousands)

Table 4

(continued)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing Sources (Uses):										
Transfers in	395	425	1,397	1,457	1,046	1,019	1,310	1,123	-	919
Transfers out	(75)	(75)	(872)	(891)	(285)	(271)	(653)	(517)	-	(919)
Sale of city assets	-	185	-	-	-	-	-	-	-	-
Debt proceeds	992	97	3,308	-	-	-	-	-	-	-
Total other financing sources (uses)	1,312	632	3,833	566	761	748	657	606	-	-
Net change in fund balances	\$ 2,890	\$ 2,045	\$ 3,728	\$ 2,442	\$ (1,047)	\$ 706	\$ 3,866	\$ 2,828	\$ 3,980	\$ 10,671
Debt service as a percentage of non-capital expenditures	19.45%	23.56%	30.08%	14.79%	19.89%	8.40%	10.59%	7.96%	7.79%	7.40%

City of Lauderdale Lakes, Florida
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 5

Fiscal Year Ended September 30,	Tax Roll Year	Save Our Homes (SOH) Value	Exemptions	Total Net Assessed Value	Total Direct Tax Rate	Actual (Just/Market) Value (1)	Estimated Actual Value as a Percentage of Net Assessed Value (1)
2013	2012	1,234,438,673	469,694,725	764,743,948	10.8683	1,277,058,833	59.9%
2014	2013	1,259,967,980	461,806,502	798,161,478	10.8959	1,324,152,380	60.3%
2015	2014	1,285,555,292	458,359,388	827,195,904	10.3454	1,418,147,048	58.3%
2016	2015	1,346,998,932	468,722,664	878,276,268	9.8400	1,557,627,818	56.4%
2017	2016	1,431,069,768	468,567,562	962,502,206	9.5950	1,678,638,608	57.3%
2018	2017	1,512,724,841	464,758,206	1,047,966,635	9.6950	1,797,243,991	58.3%
2019	2018	1,615,865,162	494,296,003	1,121,569,159	9.6950	1,985,225,132	56.5%
2020	2019	1,779,092,324	507,835,325	1,271,256,999	9.6950	2,303,506,164	55.2%
2021	2020	1,871,310,071	519,113,404	1,352,196,667	9.6950	2,399,293,181	56.4%
2022	2021	1,918,551,360	513,178,750	1,405,372,610	9.6950	2,457,596,980	57.2%

Note (1): Property in the City is reassessed each year in January. The Property Appraiser estimates a just (market) value for all types of real property. For non-homesteaded properties the just value is equal to the assessed value. For homesteaded properties, the just value is adjusted for both the Florida 'Save Our Homes' valuation cap to arrive at the assessed value. In addition, the net taxable assessed value is derived from the adjustments of homestead exemptions and exemptions applied to the assessed value.

Note: Property tax rates are based on each \$1,000 of net assessed value.

Source: Broward County Property Appraiser's Office.

Table 6

City of Lauderdale Lakes, Florida
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Fiscal Year	Tax Roll Year	Overlapping Rates (1)										Total		
		City		Total Direct Rate	Broward County	School Board	Children's Services	S. Florida Water Mgt		Florida Inland Navigation			N. Broward Hospital	
		Operating	Debt					District	District	District	District			
2013	2012	9.5000	1.3683	10.8683	5.5530	7.4560	0.4902	0.4289	0.0345	1.8564	26.6873			
2014	2013	9.5000	1.3959	10.8959	5.7230	7.4800	0.4882	0.4110	0.0345	1.7554	26.7880			
2015	2014	8.9500	1.3954	10.3454	5.7230	7.4380	0.4882	0.3842	0.0345	1.5939	26.0072			
2016	2015	8.5000	1.3400	9.8400	5.7230	7.2740	0.4882	0.3551	0.0320	1.4425	25.1548			
2017	2016	8.5000	1.2100	9.7100	5.6690	6.9063	0.4882	0.3307	0.0320	1.3462	24.4824			
2018	2017	8.5000	1.0950	9.5950	5.6690	6.5394	0.4882	0.3100	0.0320	1.2483	23.8819			
2019	2018	8.6000	1.0850	9.6850	5.4792	6.2750	0.4882	0.2936	0.0320	1.0855	23.3385			
2020	2019	8.6000	1.0950	9.6950	5.6690	6.7393	0.4882	0.2795	0.0320	1.0324	23.9354			
2021	2020	8.6000	1.0950	9.6950	5.6690	6.5052	0.4882	0.2674	0.0320	1.1469	23.8037			
2022	2021	8.6000	1.0950	9.6950	5.6690	6.4621	0.4699	0.2572	0.0320	1.2770	23.8622			

Note: All millage rates are based on \$ 1 for every \$ 1,000 of assessed value.

Note: The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Note (1) Overlapping rates are those of local and county governments that apply to property owners within the City of Lauderdale Lakes, Florida.

Sources: Broward County Property Appraiser's Office.

Table 7

**City of Lauderdale Lakes, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago**

	2022		
	Net Assessed Value	Rank	Percent of Total City Net Assessed Value
CYPRESS CREEK APARTMENT LP	\$ 85,987,440	1	4.48%
BV APARTMENT LLP	41,612,160	2	2.17%
SOMERSET PHASE IV & PAHSE V LLC	40,101,060	3	2.09%
LAKES MALL INVESTMENT LLC	29,711,600	4	1.55%
ENCLAVE HILLS LLC	25,087,360	5	1.31%
GLICK LAUDERDALE LAKE LLC	25,085,450	6	1.31%
INFINITY LAKESIDE LLC	24,911,390	7	1.30%
MARKETPLACE PLAZA LLC	23,923,640	8	1.25%
WAL-MART STORES EAST LP	22,518,530	9	1.17%
FLORIDA MEDICAL CENTER LAND TRUST (HOSPITAL)	19,018,780	10	0.99%
	<u>\$ 337,957,410</u>		<u>17.62%</u>
	2013		
	Net Assessed Value	Rank	Percent of Total City Net Assessed Value
LAKES MALL INVESTMENT LLC	\$ 19,000,760	1	3.41%
WAL-MART STORES EAST LP	17,588,130	2	3.15%
YMP WHISPERING PALMS LLC	13,682,610	3	2.45%
FMC LAND TR	13,174,950	4	2.36%
SRA/SUNRISE DEVELOPMENT LTD	10,171,910	5	1.82%
SOOMERSET PHASE IV & PHASE V LLC	9,785,120	6	1.76%
REEF PLAZA LLC	9,684,170	7	1.74%
ST CROIX ASSOC. LTD	9,517,890	8	1.71%
POMPANO/LINCOLN INDUSTRIAL LTD	9,494,600	9	1.70%
LAUDERDALE MARKETPLACE INVEST	8,100,480	10	1.45%
	<u>\$ 120,200,620</u>		<u>21.55%</u>

Source: Broward County Property Appraiser's Office

Table 8

City of Lauderdale Lakes, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Total Taxes Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Year's	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2013	6,251,176	5,768,071	92.27%	446,223	6,214,294	99.41%
2014	6,470,930	6,386,542	98.70%	9,529	6,396,071	98.84%
2015	6,234,098	6,229,753	99.93%	3,459	6,233,212	99.99%
2016	6,307,700	6,307,700	100.00%	-	6,406,355	100.00%
2017	6,756,119	6,694,580	99.09%	879	6,694,581	99.09%
2018	7,213,072	7,213,072	100.00%	3,204	7,254,704	100.00%
2019	7,714,423	7,714,423	100.00%	-	7,774,659	100.00%
2020	8,787,417	8,787,417	100.00%	-	8,859,336	100.00%
2021	9,343,626	9,480,122	100.00%	-	9,480,122	100.00%
2022	10,039,833	10,018,262	99.79%	-	10,018,262	99.79%

Source: City of Lauderdale Lakes, Financial Services Department

Table 9

City of Lauderdale Lakes, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Governmental Activities				Business-Type Activities				Percent of Net Assessed Value	Per Capita
	General Obligation Bonds	Line of Credit	Notes Payable	Revenue Bonds	Repayment Agreement	Capital Leases	Note Payable	Capital Leases		
2013	11,376,048	950,000	9,065,235	3,540,000	6,897,928	87,716	1,350,190	265,312	33,532,429	4.38%
2014	10,749,112	-	8,441,015	3,400,000	4,721,120	71,814	1,215,625	224,385	28,823,071	3.61%
2015	10,090,371	-	7,797,954	3,308,200	3,776,888	49,680	1,075,314	187,396	26,285,803	3.18%
2016	9,398,975	-	6,974,946	3,128,900	2,709,475	26,467	1,073,298	143,903	23,455,964	2.67%
2017	8,669,030	-	5,596,309	2,947,000	821,023	2,125	-	99,066	18,134,553	1.88%
2018	7,899,597	-	4,910,394	2,762,700	821,023	-	-	52,846	16,446,560	1.57%
2019	7,089,722	-	4,272,381	2,569,600	-	-	-	10,076	13,941,779	1.24%
2020	6,238,304	-	3,602,884	2,367,700	-	-	-	-	12,208,888	0.96%
2021	4,375,625	-	2,165,097	8,953,350	-	-	-	-	15,494,072	0.77%
2022	4,375,625	-	2,165,097	8,953,350	-	356,028	-	10,912	15,861,012	1.13%

City of Lauderdale Lakes, Florida
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 10

Fiscal Year Ended September 30,	General Obligation Bonds	Estimated Actual Taxable Value of Property	Percentage of Estimated Actual Taxable Value of Property	Population	GO Bond Debt Per Capita
2013	11,376,048	764,743,948	1.49%	33,772	336.85
2014	10,749,112	798,161,478	1.35%	33,243	323.35
2015	10,090,371	827,195,904	1.22%	34,201	295.03
2016	9,398,975	878,276,268	1.07%	34,796	270.12
2017	8,669,030	962,502,206	0.90%	35,094	247.02
2018	7,899,630	1,047,966,635	.75%]	36,475	216.58
2019	6,154,194	1,121,569,159	0.55%	34,744	177.13
2020	5,344,286	1,271,256,999	0.42%	36,527	146.31
2021	4,375,625	1,261,298,255	0.35%	35,954	121.70
2022	4,375,625	1,405,372,610	0.31%	35,898	121.89

City of Lauderdale Lakes, Florida
Direct and Overlapping
Governmental Activities Debt
For the Fiscal Year Ended September 30, 2022

Table 11

	Debt Outstanding	Applicable to City of Lauderdale Lakes	
		Percentage	Amount
Government Unit:			
Debt repaid with property taxes:			
Broward County School Board	\$ 1,937,627,000	0.45%	\$ 8,719,322
Broward County	97,455,000	0.55%	536,003
Subtotal- overlapping debt			9,255,324
City direct debt	15,494,072	100.00%	15,494,072
Total direct and overlapping debt			\$ 24,749,396

Source: Broward County, Financial Reporting and Accounting Division.

Source: Broward County Property Appraiser.

Note: The City charter does not establish a legal debt margin nor does the Florida Statutes impose a limit.

City of Lauderdale Lakes, Florida
Legal Debt Margin Information
For the Year Ended September 30, 2022

Table 12

The City Charter does not set a debt margin.

The rest of this page intentionally left blank

City of Lauderdale Lakes, Florida
Pledged Revenue Coverage
For the Year Ended September 30, 2022

Table 13

Fiscal Year Ended September 30,	Improvement Revenue Bonds				Coverage
	Stormwater Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service	
2012	2,230,374	748,761	1,481,613	45,653	32.45
2013	1,349,526	371,117	978,409	192,098	5.09
2014	2,167,030	718,747	1,448,283	175,492	8.25
2015	2,154,584	805,260	1,349,324	177,300	7.61
2016	1,940,170	926,316	1,013,854	189,413	5.35
2017	1,302,135	1,105,579	196,556	974,231	0.20
2018	1,897,139	1,416,514	480,625	54,571	8.81
2019	1,923,740	1,296,466	627,274	10,076	1.61
2020	1,922,143	1,374,402	547,741	-	-
2022	1,796,915	1,499,502	297,413	-	-

Source: City of Lauderdale Lakes, Florida, Financial Services Department

City of Lauderdale Lakes, Flroida
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 14

Year	Population	Broward County Population	Personal Income (Amounts Expressed in Thousands)	Per Capita Personal Income	Unemployment Rate
2013	33,772	1,815,137	1,487,487,740	44,045	7.3%
2014	33,243	1,838,844	1,487,591,007	44,749	6.3%
2015	34,201	1,827,367	1,547,287,441	45,241	5.1%
2016	34,796	1,896,425	1,591,499,448	45,738	4.6%
2017	35,094	1,873,970	1,630,818,180	46,470	3.3%
2018	36,475	1,897,976	1,722,130,650	47,214	3.7%
2019	34,744	1,951,260	1,666,634,936	47,969	2.8%
2020	36,527	1,932,212	1,930,963,328	52,864	4.4%
2021	35,954	1,944,275	2,010,116,232	55,908	3.6%
2022	35,898	1,993,637	2,313,733,794	64,453	2.6%

Source: US Census Bureau
<http://www.broward.org/Planning/Demographics/Pages/default.aspx>
 * information was not available as of the date of report

City of Lauderdale Lakes, Florida
Principal Employers
Current Year and Ten Years Ago

Table 15

Employer	2022		
	Employees	Rank	Percent of Total City Employment
STEWART FLORIDA MEDICAL CENTER - A CAMPUS OF NORTH SHORE	859	1	55.92%
WAL-MART STORES EAST, LP DBA WAL-MART STORE #3625	414	2	26.95%
ST. JOHNS REHABILITATION HOSPITAL & NURSING CENTER, INC.	204	3	13.28%
PHOENIX MANAGEMENT SERVICES, INC.	191	4	12.43%
HENDERSON BEHAVIORAL HEALTH, INC.	180	5	11.72%
RAINBOW USA INC. DBA RAINBOW #1363	153	6	9.96%
PALM FACILITIES INC DBA PALMS CARE CENTER	140	7	9.11%
ASSISTANCE UNLIMITED INC., DBA CENTRAL CHARTER SCHOOLS	140	8	9.11%
INFINITY BEHAVIORAL HEALTH SERVICES INC.	119	9	7.75%
CALL CENTER OPERATIONS MANAGEMENT INC.	100	10	6.51%
Employer	2013		
	Employees	Rank	Percent of Total City Employment
TENET HEALTH SYSTEM NORTH SHORE	808	1	27.14%
INTERACTIVE RESPONSE	700	2	23.51%
WAL-MART SUPER CENTER #3625	526	3	17.67%
ST. JOHN'S NURSING CENTER	324	4	10.88%
EDUCATION TRAINING CORPORATION DBA FLORIDA CAREER COLLEGE	120	5	4.03%
PROGRESSIVE CASUALTY INSURANCE COMPANY	120	6	4.03%
EMILY K. EVANS CLEANING	101	7	3.39%
FEDERATED NATIONAL INSURANCE COMPANY	100	8	3.36%
PEDIATRIC ASSOCIATES	98	9	3.29%
SOUTH FLORIDA AUTO AUCTION OF FT LAUDERDALE, LLC	80	10	2.69%

Source: City of Lauderdale Lakes, Florida, Development Services Department - Economic Development Division

City of Lauderdale Lakes, Florida
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Employees	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government:										
Commission	8	8	8	8	7	7	5	5	5	5
City manager	3	3	3	3	6	6	10	10	10	11
City clerk	2	2	3	3	3	3	3	3	3	3
Finance and IT	7	7	8	9	10	13	13	13	13	14
Purchasing	-	-	-	-	-	-	-	-	-	-
Human resources	2	2	2	2	2	2	2	2	2	2
Community development	-	-	8	13	13	16	16	16	16	16
Community Redevelopment Agency	4	4	4	4	4	4	4	4	4	4
Public works and engineering services	41	41	33	33	33	32	35	35	35	36
Parks and recreation	42	42	43	43	43	48	48	48	48	53
Other	-	-	-	-	-	-	-	-	-	-
Public safety:										
Police contract positions	47	49	49	50	51	51	51	50	48	48
Fire contract positions	49	50	50	52	52	49	48	48	51	51
	<u>205</u>	<u>208</u>	<u>211</u>	<u>220</u>	<u>224</u>	<u>231</u>	<u>235</u>	<u>234</u>	<u>235</u>	<u>243</u>

Source: City of Lauderdale Lakes, Florida, Human Resources and Risk Management Department

City of Lauderdale Lakes, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 17

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public safety:										
Police:										
Physical arrests	1,557	1,662	1,727	1,221	1,129	1,139	911	850	605	654
Parking violations	643	883	747	0	0	8	3	1	-	1
Traffic violations	2,744	3,212	3,431	3,796	2,956	4,166	4,370	2,475	2,802	2,027
Code Enforcement:										
						*				
Parking violations	-	-	-	280	280	-	-	88	797	555
Fire/EMS:										
Emergency responses	5,425	5,889	6,061	5,890	6,359	6,521	6,543	6,150	6,373	7,089
Fires extinguished	74	86	89	57	80	82	79	70	62	98
Inspections	1,403	1,331	1,422	1,542	1,555	1,559	1,518	1,517	2,444	2,809
Culture and recreation:										
Pavilion rentals	112	118	100	107	102	265	112	247	11	11
Pool attendance	8,791	5,488	6,235	6,460	9,271	8,773	10,243	180	1,700	6,700
Park attendance	193,900	194,269	190,841	196,567	193,680	205,350	204,340	3,315	111,171	195,650
Fitness memberships	38	22	12	15	15	12	58	15	5	81
Sanitation										
Household refuse collected (tons)	21,518	9,504	10,903	10,390	20,314	9,630	11,033	12,627	13,703	10,119
Recycling tonnage	571	979	1,411	1,669	1,008	1,606	1,369	1,360	1,393	1,462

Sources: Various City of Lauderdale Lakes Departments

**Parking enforcement no longer under BSO as of October 2015. Code Enforcement moved back to the City and is responsible for parking violations

City of Lauderdale Lakes, Florida
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Table 18

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Source Notes
General government:											
Number of general government buildings	7	7	7	7	7	7	7	7	7	7	1
Public Safety:											
Police stations	-	-	-	-	-	-	-	-	-	-	1
Fire stations	1	1	1	1	1	1	1	1	1	1	1
Transportation:											
Miles of streets	45	45	45	45	45	45	45	45	45	45	2
Number of street lights	1,134	1,134	927	927	927	927	927	927	927	927	3
Number of traffic signals	284	284	284	284	286	286	286	286	286	286	4
Culture and recreation:											
Parks	6	5	5	5	5	5	5	5	5	5	4
Parks acreage	38	38	38	38	38	38	38	38	38	38	4
Community center	3	3	3	3	3	3	3	3	3	3	4
Picnic pavilions	10	10	10	10	10	10	10	10	10	10	4
Soccer fields	2	2	2	2	2	2	2	2	2	2	4
Skate park	-	-	-	-	-	-	-	-	-	-	-
Basketball courts	4	4	4	4	4	4	4	4	4	4	4
Tennis courts	1	1	1	1	1	1	1	1	1	1	4
Baseball/softball fields	3	3	3	3	3	3	3	3	3	3	4
Utility system:											
Fire hydrants	570	570	570	570	570	570	570	570	570	570	5

Notes:

- 1 City Records
- 2 City owned streets, doesn't include FDOT or Broward County roads
- 3 FPL Records and City Records
- 4 City County
- 5 Broward County Fire Rescue Data

COMPLIANCE SECTION



A Vibrant, Connected, Diverse and Safe Community





This page left blank intentionally

**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***

To the Honorable Mayor and Members of the City Commission
City of Lauderdale Lakes, 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 City of Lauderdale Lakes, Florida (the ‘City’), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated March 31, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing 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 City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 did not disclose any 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.

HCT Certified Public Accountants & Consultants, LLC

Hollywood, Florida
March 31, 2023

City of Lauderdale Lakes, Florida
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended September 30, 2022

I. Summary of Independent Auditor's Results

Financial Statements

Type of report the auditor issued: **Unmodified**

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
- Significant Deficiency(s) yes X none reported

Noncompliance material to financial
statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant Deficiency(s) identified yes X none reported

Type of auditor's report issued on compliance for major programs: **Unmodified.**

Any audit findings disclosed that are
required to be reported in accordance
with the Uniform Guidance? yes X no

Identification of major programs:

CFDA No(s).	Names of State Project
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish
between Type A and Type B Programs \$ 750,000

Auditee qualified as low-risk auditee? yes X no

City of Lauderdale Lakes, Florida
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended September 30, 2022

II. Prior Year Financial Statement Findings

2019-02 - Bank Reconciliations

CONDITION: The City did not reconcile its cash accounts correctly and timely during the year. As a result, cash balances and related transactions had to be adjusted to reflect accurate balances.

RECOMMENDATION: We recommend that all bank accounts be reconciled on a monthly basis to ensure a proper and timely review of cash transactions. Those reconciliations should be performed by staff who does not have posting capabilities to the general ledger and reviewed by a supervisor. Any monthly reconciling issues should be investigated until resolved.

CURRENT YEAR STATUS: Fully implemented.

III. Current Year Findings

None

**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**

To the Honorable Mayor and Members of the City Commission
City of Lauderdale Lakes, Florida

We have examined the City of Lauderdale Lakes, Florida's (the City's) 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, 2022. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2022. This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the City Commission and is not intended to be and should not be used by anyone other than these specified parties.

HCT Certified Public Accountants & Consultants, LLC

Hollywood, Florida

March 31, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Commission
City of Lauderdale Lakes, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Lauderdale Lakes, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the Florida Single Audit Act that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2022. The City's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal and State Project

We conducted our audit of compliance 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General of the State of Florida (the "Rules"). Our responsibility under those standards, the Uniform Guidance, and Rules are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs and state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the Rules will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program or state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the Rules, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstance.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Rules, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the Rules. Accordingly, this report is not suitable for any other purpose.

HCT Certified Public Accountants & Consultants, LLC

Hollywood, Florida
March 31, 2023

City of Lauderdale Lakes, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2022

Federal Agency, Pass through Entity, Federal Program	CFDA/CS		Contract/Grant Number	Expenditures
	FA Number			
FEDERAL AGENCY NAME:				
Indirect Programs:				
United State Department of Housing and Urban Development				
Passed through Broward County				
Community Development Block Grants:				
47th Year Senior Transportation Program	14.218	B-21-UC-12-0001	\$	45,698
46th Year Quality of Life Enhancement Program	14.218	B-21-UC-12-0001	\$	14,475
46th Minor Home Repair Program	14.218	B-21-UC-12-0001	\$	38,583
Total United States Department of Housing and Urban Development				\$ 98,756
United States Department of the Treasury				
Passed through State				
American Rescue Plan Act (ARPA)	None	Y5179		763,488
Total United States Department of the Treasury				763,488

INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Honorable Mayor and Members of the City Council
City of Lauderdale Lakes, Florida

Report on the Audit of the Schedule of Expenditures of Federal Awards

Opinion

We have audited the schedule of expenditures of federal awards of City of Lauderdale Lakes, Florida's (the "City") for the year ended September 30, 2022, and the related notes (the schedule).

In our opinion, the accompanying schedule of expenditures of federal awards of the City for the year ended September 30, 2022 is fairly stated, in all material respects in relation to the financial statements as a whole.

Basis for Opinion

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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Schedule

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

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a

substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedule.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

HCT Certified Public Accountants & Consultants, LLC

Hollywood, Florida
March 31, 2023

City of Lauderdale Lakes, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2022

FEDERAL AGENCY NAME (Cont'd):	CFDA/CS		Contract/Grant	Expenditures
	FA	Number	Number	
United States Department of Health and Human Services				
Passed through State of Florida Department of Elder Affairs and Areawide Council on Aging of Broward County, Inc				
Grants for Supportive Services and Senior Centers	93.044	JA 120-25-2020 & JA 121-25-2021	\$	52,493
Total United States Department of Health and Human Services			\$	52,493
United States Department of Agriculture				
Passed through State of Florida Department of Agriculture Summer Food Program for Children	10.559	1113	\$	18,174
Total United States Department of Agriculture			\$	18,174
United States Department of Agriculture				
Passed through State of Florida Department of Elder Affairs Child and Adult Care Food Program (cluster)	10.555 & 10.558	Y6093	\$	8,485
Total United States Department of Elder Affairs			\$	8,485
Total Expenditures of Federal Awards			\$	941,396

City of Lauderdale Lakes, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2022

STATE OF FLORIDA AGENCY NAME: (Cont'd)		CFDA/CS FA Number	Contract/Grant Number	Expenditures
Direct Projects:				
State of Florida Department of Transportation				
NW 31st Ave Corridor Improvements from NW 39th St to NW 44th St		55.032	G-OK35	93,067
Community Bus Program				292,957
Total State of Florida Department of Transportation				\$ 386,024
Indirect Project:				
Florida Department of Elder Affairs				
Pass through State of Florida Department of Elder Affairs and Areawide				
Passed through State of Florida Department of Elder Affairs and Areawide				
Council on Aging of Broward County, Inc.				
Alzheimer's Disease Initiative Grant		CSFA 65.004	JZ120-25-2022	
Alzheimer's Disease Initiative Grant		CSFA 65.004	JZ120-25-2023	\$ 238,209
Total United States Department of Health and Human Services				\$ 238,209
State of Florida Department of Health and Human Services				
Passed through Children's Services Council of Broward County				
CSC Maximizing Out-of -School Time (MOST GP)				
Total State of Florida Department of Health and Human Services			13-4206	\$ 99,246
Total State of Florida Department of Health and Human Services				\$ 99,246
Total Expenditures of State Awards				\$ 723,479



This page left blank intentionally