



Fort Lauderdale, Florida

March 15, 2016

Commission Presentation
Fiscal Year Ended September 30, 2015 Audit

Agenda

- Deliverables
- Financial Highlights
- Financial Statement Audit Reports and Observations
- Single Audit Report and Observations

The accompanying information should be read in conjunction with the audited financial statements and is intended solely for the information and use of the Mayor, City Council, management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Deliverables

- Independent Auditor's Report
- 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
- Independent Auditor's Report on Compliance with Requirements that could have a Direct and Material Effect on Each Major Federal Program and Major State Project and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and the Department of Financial Services State Projects Compliance Supplement
- Letter to Those Charged with Governance

Financial Highlights

- The City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at September 30, 2015 by \$811.7 million (net position). Of this amount, \$131.4 million was from governmental activities and \$680.3 million was from business-type activities.
- The City's revenues for governmental activities, excluding transfers, totaled \$381.7 million, a 10.2% or \$35.3 million increase from FY2014. Charges for services increased by \$19.4 million and property taxes increased by \$6.2 million. Expenses for governmental activities increased by \$28.9 million or 9.7% to \$326.5 million. Public safety, economic environment, and transportation expenses increased by \$11.7 million, \$8.7 million, and \$5.9 million, respectively.
- Revenues related to business-type activities increased by \$20.2 million to \$189.3 million and expenses, excluding transfers, increased by \$16.0 million to \$179.0 million.

Financial Highlights

- The General Fund's fund balance increased by \$15.8 million to \$69.4 million primarily due to the City prevailing on an appeal with the Federal Emergency Management Agency (FEMA) over debris removal charges associated with Hurricane Wilma in the amount of \$8.9 million and an increase of \$5.7 million for property tax revenues. The unassigned fund balance increased from \$50.8 million in FY2014 to \$66.2 million in FY2015. The increase is due primarily to the release of the \$8.9 million FEMA liability and increases to tax revenues.
- The City's long-term debt decreased by \$35.6 million net of retirements, unamortized premiums and discounts to \$766.8 million; this resulted from the issuance of \$7.6 million in Tax Increment Revenue Note, \$2.3 million in capital lease additions, and the reduction of \$45.6 million in annual debt payments.
- The City's Net Pension Liability is \$117.6 million. \$57.8 million relates to the General Employees' Retirement System and \$59.8 million relates to the Police and Firefighters' Retirement System.

Financial Statement Audit Reports and Observations

- Financial Statements - Unmodified Auditor's Report Issued
- Internal Control Over Financial Reporting
 - Observations
 - No Material Weaknesses
 - IT Controls (Sum Total and Cash Cloud)
- Prior Year Observations Not Repeated
 - FAMIS User Administrative Procedures
 - Compensated Absences

Single Audit Report and Observations

- Unmodified Auditor's Report Issued On Compliance
- Material Weaknesses
 - None
- Significant Deficiencies
 - None



Crowe Horwath LLP is an independent member of Crowe Horwath International, a Swiss verein. Each member firm of Crowe Horwath International is a separate and independent legal entity. Crowe Horwath LLP and its affiliates are not responsible or liable for any acts or omissions of Crowe Horwath International or any other member of Crowe Horwath International and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe Horwath International or any other member of Crowe Horwath International. Crowe Horwath International does not render any professional services and does not have an ownership or partnership interest in Crowe Horwath LLP. Crowe Horwath International and its other member firms are not responsible or liable for any acts or omissions of Crowe Horwath LLP and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe Horwath LLP. © 2016 Crowe Horwath LLP