



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#26-0558

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Rickelle Williams, City Manager

DATE: June 16, 2026

TITLE: Motion Accepting the Draft Annual Comprehensive Financial Report for the
Fiscal Year which ended September 30, 2025, for Submittal of the Final
Report to the Florida Auditor General - **(Commission Districts 1, 2, 3 and
4)**

Recommendation

Staff recommends that the City Commission approve a motion accepting the draft Annual Comprehensive Financial Report (ACFR) for submittal of the final ACFR to the Florida Auditor General upon delivery of the final report.

Background

RSM US LLP, the City's external auditor, is currently completing the annual audit of the City's financial statements for the fiscal year ended September 30, 2025. Based on the audit procedures completed to date and ongoing coordination with the auditors, the Finance Department expects the City to receive an unmodified (clean) opinion on the Annual Comprehensive Financial Report (ACFR) for Fiscal Year (FY) 2025 before June 30, 2026.

Highlights of the Draft ACFR

- The City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$1.85 billion.
- The City's total net position increased by approximately \$249.5 million during FY 2025, including an increase of approximately \$96.7 million in governmental activities and approximately \$152.8 million in business-type activities, primarily driven by water and sewer operations.
- The General Fund ended FY 2025 with a total fund balance of approximately \$177.2 million, including approximately \$171.0 million in unassigned fund balance. The City continued to exceed its adopted financial policy requiring unrestricted General Fund reserves equivalent to at least two (2) months of operating expenditures and required transfers.

- The City adopted Governmental Accounting Standards Board Statement No. 101 (GASB 101), “Compensated Absences.” Management evaluated the City’s existing compensated absence accrual methodologies against the recognition and measurement requirements of the Statement and determined that implementation did not have a material impact on the financial statements.
- The City’s final taxable assessed value increased by approximately 7.36% during calendar year 2025, continuing thirteen (13) consecutive years of growth in taxable property values. New construction added approximately \$1.1 billion to the tax roll.
- The City maintained strong bond ratings during FY 2025, including a AAA/Stable outlook rating from S&P Global for the City’s General Obligation Bonds, Special Obligation Bonds, and Special Assessment Bonds. Moody’s Investors Service assigned ratings of Aa1/Positive for the General Obligation and Special Obligation Bonds and Aa2/Positive for the Special Assessment Bonds.

City staff presented the draft ACFR to the Audit Advisory Board (Board) on May 7, 2026, and the Board approved it for submittal to the City Commission. Upon completion of the audit and issuance of the auditor’s report, the final ACFR will be forwarded to the City Commission via a Letter to the Commission (LTC) and then submitted to the Florida Auditor General.

Resource Impact

There is no fiscal impact to the City.

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2029* Strategic Plan, specifically advancing:

- Guiding Principle: Fiscal Responsibility

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Ready and We Are United*.

Attachment

Exhibit 1 – FY 2025 Annual Comprehensive Financial Report (ACFR) - Draft

Prepared by: Alicia Sheffield, Controller, Finance

Department Director: Linda Short, Finance