CITY OF HALLANDALE BEACH, FL

Comprehensive Annual

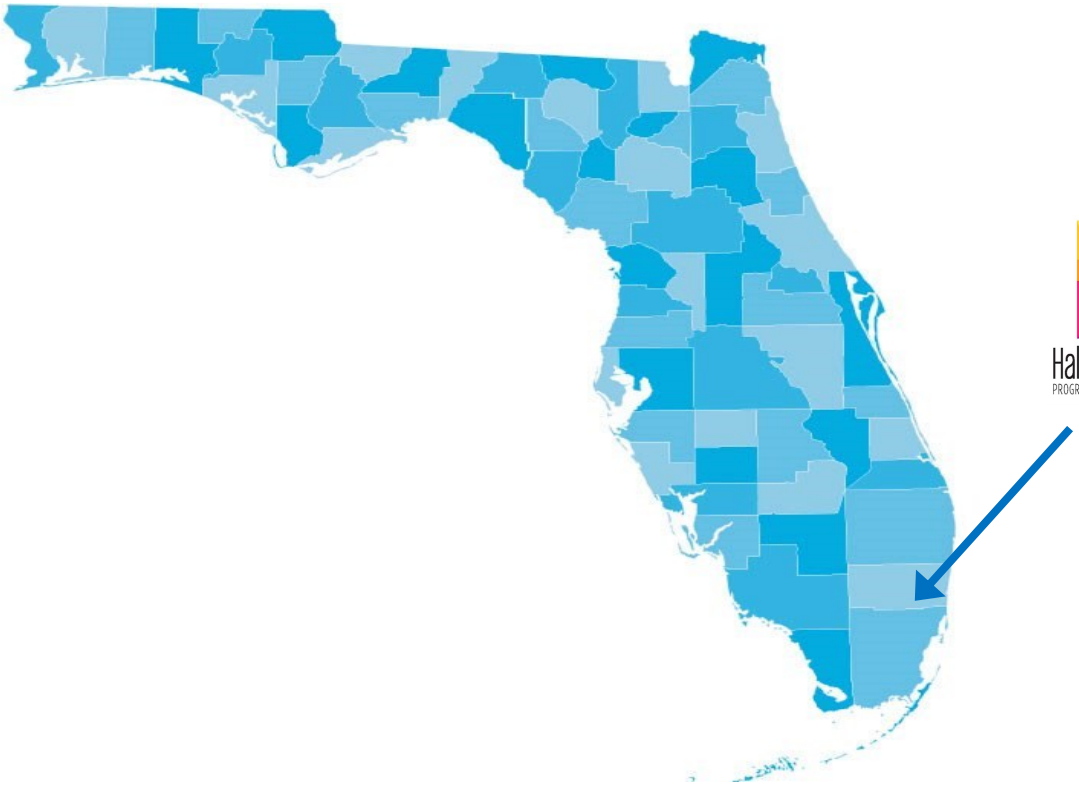
Financial Report

For Fiscal Year Ended September 30, 2015

CITY OF HALLANDALE BEACH, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2015



Hallandale Beach
PROGRESS. INNOVATION. OPPORTUNITY.

Prepared by the Finance Department

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City of Hallandale Beach, Florida
Comprehensive Annual Financial Report
September 30, 2015
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Hallandale Beach

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Introductory Section

Hallandale Beach
PROGRESS. INNOVATION. OPPORTUNITY.

Office of the City Manager

Daniel Rosemond
City Manager

Joy F. Cooper
Mayor

William Julian
Vice Mayor

Michele Lazarow
Commissioner

Keith S. London
Commissioner

Anthony Sanders
Commissioner

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May 15, 2016

To the Honorable Mayor, City Commissioners and Citizens of the City of Hallandale Beach, Florida.

We are pleased to submit the Comprehensive Annual Financial Report ("CAFR) of the City of Hallandale Beach, Florida (the "City), for fiscal year ended September 30, 2015. Florida law requires that every general purpose local government publish, within nine months of the close of each year a complete set of audited financial statements.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the City. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and activities of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City's financial statements have been audited by Marcum LLP, a firm of licensed, certified public accountants. The Police and Fire pension trust fund was audited by other auditors. The goal of the independent audits was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2015, are free of material misstatement. The audits involve examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors, have issued an unmodified opinion on the City of Hallandale Beach's financial statements for the year ended September 30, 2015. The independent auditors' report is located at the front of the financial section of this report.

The CAFR is used to assist in making economic, social and political decisions, and to assist citizens in assessing accountability and transparency by:

- Assessing financial conditions and results of operations;
- Comparing actual financial results with the legally adopted budget, where appropriate;
- Assisting in determining compliance with finance related laws, and rules and regulations; and
- Assisting in evaluating the efficiency and effectiveness of City operations.

This report includes all funds of the City as well as criteria for defining the financial reporting entity of the City as promulgated by the Governmental Accounting Standards Board (GASB). The GASB is the official standard setting body of the accounting principles generally accepted in the United States of America (GAAP) as it applies to local governmental units. Pursuant to GASB guidelines, 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 from the reporting entity's financial statements would be misleading or incomplete. The following entities, for which the City is fiscally accountable, are required to be blended with the data of the primary government Golden Isles Safe Neighborhood District, Three Islands Safe Neighborhood District and the Hallandale Beach Community Redevelopment Agency (CRA).

As a recipient of federal, state and local financial assistance, the City is subject to an annual single audit in conformity with applicable federal and state laws. As part of the City's single audit, tests are made to determine the adequacy of the internal controls, including that portion related to federal awards, as well as to determine that the City has complied with applicable laws and regulations. A separate report is issued each year on the City's compliance with applicable laws and regulations. The City is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management and the City's external auditors.

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

PROFILE OF THE CITY

The City of Hallandale Beach, incorporated in 1927, is located in the southeast corner of Broward County on the Atlantic Ocean. The City encompasses 4.4 square miles and has a population of 38,424 residents as of April 1, 2015, which is the last date population counts were officially published by the State of Florida. The City's demographics continue to change as younger families move to Hallandale Beach for its location and quality of life attributes. The 2013 American Community Survey showed that the median age has dropped from 50.9 in 2000 to 46.7 in 2015. Tourism continues to play an important role in the City's economy, as the population during the peak winter season increases to 50,000 within the City.

The City operates under the Commission-Manager form of government, including five elected officials (the Mayor and City Commission). The City Commission determines policy, adopts legislation, and approves the City's annual budget. The City Commission also appoints the two Charter Officers, the City Manager and the City Attorney. The City Manager, as the Chief Administrative Officer, is charged with the responsibility of enforcing all ordinances and resolutions passed by the City Commission, submitting the proposed annual budget, and overseeing the day-to-day operations of the City.

The City provides a full range of municipal services as authorized by State Statute and City Charter. Services include Public Safety (Police, Fire, Building Inspections and Code Compliance), Streets Maintenance, Water, Sewer, Stormwater Drainage, Municipal Cemetery, Sanitation, Human Services, Recreation, Planning and Zoning and General Administrative Services.

This report includes all the City funds. The City has three component units, the Community Redevelopment Agency, the Golden Isles Safe Neighborhood District, and the Three Islands Safe Neighborhood District, which are shown as separate blended special revenue funds.

Local Economy

Once the recession ended and the slow recovery began in 2010, the State of Florida's economy regained its positive footing. According to the Florida Legislature's Office of Economic and Demographic Research (EDR) in 2014 Florida's economic growth increased and was in positive territory for four years in a row. The State's Gross Domestic Product (GDP) ranked 11th in the nation in real growth with a gain of 2.7%, above the national average of 2.2% for the second year in a row. As far as Personal Income, Florida finished the 2014 calendar year with 5.0% growth over the prior year, above the national growth rate of 4.4% and ranking 9th among all states.

Florida's unemployment rate has been falling consistently from its peak of 12.3% in March of 2010 to 4.9% in January 2015. Broward County fared slightly better during this period, with unemployment reaching 10.6% in mid-2010, before reaching the current rate of 4.9%. The City of Hallandale Beach unemployment rate has dropped from 6.5% in December of 2013 to 5.4% in December 2015, according to the US Bureau of Labor Statistics. To a great extent, the recovery in the jobs sector is related to the outlook for Florida's housing market.

The City of Hallandale Beach is recovering alongside the nation, and continues to display positive signs of growth in the areas of new construction and existing real estate values. The City has seen an increase in building permit submissions locally, with permit applications increasing 59.0% from FY 2013. In 2015, the City recorded an increase in taxable values for the fourth consecutive year. This growth in taxable value is in line with the trend of increased development activity in the City of Hallandale Beach.

MAJOR INITIATIVES

Economic Incentive

In 1996, the City Commission established the Hallandale Beach Community Redevelopment Agency pursuant to Florida State Statute 163.356. The CRA is a separate dependent district with defined boundaries with the City of of Hallandale Beach. The City Commission serves as the CRA Board of Directors.

The CRA's efforts are to guide quality growth, by creating dynamic changes in the City's long-term livability and economic health. During the past few years, the CRA has advanced many projects, plans and programs to keep the commercial and residential sectors going strong. Tax Increment Financing (TIF) incentivized the Village at Gulfstream Park, a redevelopment project featuring a racetrack, casino and approximately 375,000 square feet of lifestyle and entertainment space featuring upscale shops and specialty stores, and 70,000 square feet of office space.

The CRA's Down Payment Assistance/Affordable Housing Program assists homebuyers with the cost of construction of a new single family home or the purchase of an existing home, condominium or townhome. This program was vital in providing homeownership opportunities to six new homeowners during FY15. Through its partnership with Habitat for Humanity, the City has constructed and sold seven townhomes located at 133 NW 1st Ave, thereby increasing availability of quality affordable housing in the area while reducing blight.

The CRA continues to provide funds for various park facility improvements, storm drainage, roadway, swale and sidewalk improvements and workforce housing opportunities, which otherwise would have been funded through the general or other funds.

In conjunction with the above noted improvements the CRA, in cooperation with the City of Hallandale Beach, has been able to offer financial and technical assistance to both residential and commercial property owners. The Neighborhood Improvement Program Business Incentive/Enticement Loan Program, and Façade/Exterior Grant Program are just some of the key programs offered through the CRA which have improved property values in relation to other unimproved units and made neighborhoods more attractive. Finally, in partnership with the City of Hallandale Beach and local businesses and developers, the CRA has been instrumental in offering incentives for workforce training and utilization of local workforce and businesses.

Initiatives and Highlights of the Current Fiscal Year 2015

This past year has seen a lot of activity at all levels of the organization with Commission Citizen Advisory Committees and staff working closely to enact the goals of the City.

Some of the more notable achievements that were accomplished during this year are listed below.

Opening of South City Beach Park: Open on March 1, 2015, the renovated park features beach access, parking, restrooms, outdoor showers, open air pavilion, two bocce courts, playground, sand volleyball court, and Cafe Cita on the Beach, a full service beachfront concession open daily from 7am to Sunset and serving omelets, pizza, hot dogs, coffee, beer, wine, and more! This $4.37 million capital project was completed on time and on budget.

Opening of North City Beach Park: Opened to the public in August 2015, North City Beach Park features a 28,000 square foot restaurant operated through a Public Private partnership with the Related Group. SBE, the restaurant operator, well known for their Hyde brand, offers a wide variety of food types including beachside food and drink options as well as a sit down brunch, lunch and dinner menu. Additional park amenities include sand volleyball court, dune restoration, new showers and landscaping. The project, designed and built by the Related Group was a $10 million investment at no cost to the City.

Completion of A1A Main Line Replacement: In May, the City completed the installation of a new large capacity waterline replacing 60 year old pipes and all of the associated service lines to the condo properties on the beach. This major project will substantially increase the reliability and capacity of potable water service to the resident along A1A.

Wayfinding: As part of the Citywide branding campaign, the City Commission approved a wayfinding plan for the City which includes an iconic main entrance sign to the City as well as eight gateway markers, and twenty-nine directional signs.

Playful City USA: The City of Hallandale Beach was named a Playful City USA community for the third consecutive year. Once again, the City was identified as having made a commitment to play and physical activity by developing a unique local action plan to increase the quantity and quality of play in the community.

MAJOR INITIATIVES – Future Years

Mission Statement

"The City of Hallandale Beach is dedicated to enhancing the quality of life in our Community in a fiscally responsible manner by providing superior services that meet the needs of our Community as well as plan for their future needs through continued communication."

In January of 2013, the City Commission met and established nine strategic priorities. These priorities are designed to address serious economic, social, and organizational challenges in order to meet Community expectations and build on the Community's strengths.

The Commission determined the following strategic priorities:

- Create Local Jobs and a Business Friendly Environment
- Promote Quality Economic Development
- Improve Functionally and Affordability of City Infrastructure
- Operational Excellence
- Improve Safety Security and Comfort of Residents
- Establish a Cohesive Visual Appeal Citywide
- Maintain a Civil and Respectful Government
- Improve Quality of Life and Services
- Become a Vibrant Destination

Capital Outlay and Improvements

For FY16 there is $33.5 million in new City funding providing for Capital Improvement Projects. The largest projects include:

OB Johnson Park: The improvements under this project are funded from CRA loan proceeds and consist of a complete redesign and new construction of the Park Facility to include a 42,000 square foot Intergenerational center which will house the Park programs and the Austin Hepburn Center. The exterior of the park will include a Police Athletic League Building (Office/Storage/Restroom/Concession), playground with shade cover, walking path, multi-purpose field, tennis courts, and on-site parking for 114 vehicles. This $14.85 million capital project is scheduled to be competed in 2 phases. Phase I: July 2016 for the inter-generation building and Phase II: November 2016 for the multi-purpose field.

Main Fire Station Building and Emergency Operations Center: The City's Main Fire Station is over 40 years old and has outlived its useful life as well as exceeded the capacity and changes to the operations of the Fire Rescue Department. The new facility will include the City's Emergency Operations Center, four drive-through bays, Fire Administrative Offices, Fire Inspection offices, training space, and living quarters. This 2 story, 24,640 square foot facility is schedule to be completed in July 2017. Construction costs are estimated at $7.7 million.

Energy Saving/Water Meter Replacement: The implementation of our energy-saving Advance Metering Infrastructure system for meter reading is estimated to cost $2.3 million.

FINANCIAL MANAGEMENT

Long-Term Financial Planning

Each year, the City Commission adopts a financial plan which projects revenue, expenditures and fund balances for major funds for the next five years. The plan is utilized as a tool to illustrate the various ad valorem and other revenue rates required as well as anticipated expenditure levels.

With the downturn of the global, national and regional economies, the City of Hallandale Beach has faced a number of challenges in recent years. Although current indicators are more promising, there will be more obstacles ahead. The City of Hallandale Beach, led by the City Commissioners, stands ready to meet those challenges.

Accounting and Internal Control

City management and staff of the City are responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. The internal controls are designed to provide reasonable, but not absolute assurance regarding (1) safeguarding of assets against loss from unauthorized use or disposition and (2) reliability of financial records for preparing financial statements and maintaining accountability for assets. 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 valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

Single Audit

As recipient of federal, state, county and local financial assistance, the City is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject to periodic evaluation by management.

The City is required to undergo an annual single audit performed under the provisions of the Single Audit Act and U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations* and Chapter 10.550, *Rules of the Auditor General of the State of Florida.* As a part of the City's Single Audit, tests were made to determine the adequacy of the City's internal controls and its compliance with applicable laws and regulations, including those related to federal and state assistance programs. In FY 2015 state financial assistance expenditures did not meet the threshold for audit, pursuant to the Florida Single Audit Act. A separate Compliance Report includes the schedule of expenditures of federal awards and state financial assistance, schedule of findings and questioned costs, and auditor's reports on the schedule, internal control and compliance with applicable laws and regulations.

Accounting and Budgetary Systems

The City maintains accounting and budgetary systems necessary to report financial information and to control the expenditure of public funds. The accounting systems are required by law to follow the account structure established by the State of Florida Department of Financial Services in order to assure consistency in the statewide consolidation of local financial information. A reporting by the City is made to the State each year in the State's required format.

Budgetary control for the City is exercised at the Commission level. Florida law prohibits the expenditure of public funds in excess of budgetary amounts and requires that budgets be balanced. The City adopts annual budgets for the General, Special Revenue, and Enterprise Funds. The City also maintains a five-year Capital Improvement Program that is updated annually. Proposed projects are prioritized and available funds are allocated accordingly. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is established at the category level within a fund. Encumbrances accounting (under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded as a reservation of budget) is used to further enhance budgetary control.

FINANCIAL POLICIES

Fund Balance Policies

Governmental Accounting Standards Board ("GASB") Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition* establishes various classifications of funds balance based on a hierarchy which details constraints placed on the use of resources by creditors, grantors, contributors or laws or regulations of other governments. Fund balances can be classified as non-spendable, restricted, committed, assigned and unassigned. Committed fund balances can only be used for specific purposes determined by formal action of the City Commission through an ordinance or a resolution and may be changed or lifted only by the City Commission through formal action. Assigned fund balances are amounts that the City intends to use for a specific purpose but are neither restricted no committed. The intent to utilize these funds shall be expressed by the City Commission or may be delegated to the City Manager. Unassigned fund balance can be viewed as the net resources available at the end of the fiscal year.

In November 2012, the City established a policy to maintain reservations of Fund Balance. The following reservations were established for the General Fund:

Minimum Level of Unassigned Fund Balance – there will be a reservation of fund balance of no less than 16.6% of regular General Fund operating expenditures.

Committed Fund Balance – there are currently no committed fund balance reserves.

Assigned Fund Balance – the following assigned fund balances were established:

Subsequent Year's Budget - the portion of the existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

Fire Equipment – a reserve for the replacement of fire equipment.
Computer Equipment – a reserve for the replacement of computer equipment.

Debt Management

The City's primary objective in debt management is to keep the level of indebtedness within available resources and debt limitations established by state law. The City has a general obligation legal debt limitation not to exceed 10% of total assessed valuation of the taxable property within the City's boundaries. The City currently has no general obligation debt.

In November 2014, the citizens voted for a $58.5 million general obligation bond to improve and construct additional parks around the City. The current calculated general obligation debt limit is $462,510,408.

In March 2016, the City Commission approved Resolution No. 2016-42 adopting a written post-issuance compliance policy as part of our process to ensure continued compliance, identify and resolve any noncompliance that may occur or exist and to preserve the tax exempt status of tax advantaged obligations related to bonds, loans, lines of credit and leases.

Investment Policies

The City administers a comprehensive cash management and investment program. The primary goals of the program are to maximize the amount of cash available to meet daily cash requirements and to obtain the highest possible yields consistent with restraints imposed by Florida Statutes and the City's investment policies.

The City has adopted a written comprehensive investment policy to safeguard against the loss of its assets. The City's investment program is established in accordance with the City's investment policy, which was adopted by ordinance by the City Commission, and Florida State Statute Chapter 218.415 (Local Government Investment Policies), which establishes investment plan guidelines for local governments in Florida. The City's permitted investment guidelines include the following investments: U.S. Government Obligations, U.S. Government Sponsored Agency obligations, commercial paper, repurchase agreements, Money Market Funds and intergovernmental pools.

The investments of the pension plans are controlled by the pension boards, who have hired professional money managers responsible for managing the assets of those funds.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Hallandale Beach for its comprehensive annual financial report for the fiscal year ended September 30, 2014. This was the 34th consecutive year that the City has achieved this prestigious award. To be awarded Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received the GFOA's Award for Distinguished Budget Presentation for its annual budget for the last 29 consecutive years. To qualify for this award, the government's budget documents must be judged proficient in several categories, including policy documentation, financial planning and organization. The Distinguished Budget Award is valid for a period of one year only. We expect to receive confirmation that our budget continues to conform and that we will receive the certificate for the current budget year.

Your elected City officials and their staff are dedicated to providing responsive, efficient service to the citizens of the City of Hallandale Beach. The preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of the Finance Department. Special recognition is given to the Finance Department for all their hard work and dedication to this CAFR. The financial results of one year of those efforts are shown in this report. We would like to thank our auditors, Marcum, LLP, for their guidance and assistance in the preparation of this report. We extend our appreciation to the City Commission and to the Department Directors and their respective staff for the assistance and cooperation throughout the year.

Respectfully submitted,

Celeste D. Lucia, CPA, CGFO
Interim Finance Director

Laura Thezine, CPA
Associate Controller

Daniel Rosemond
City Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Hallandale Beach
Florida

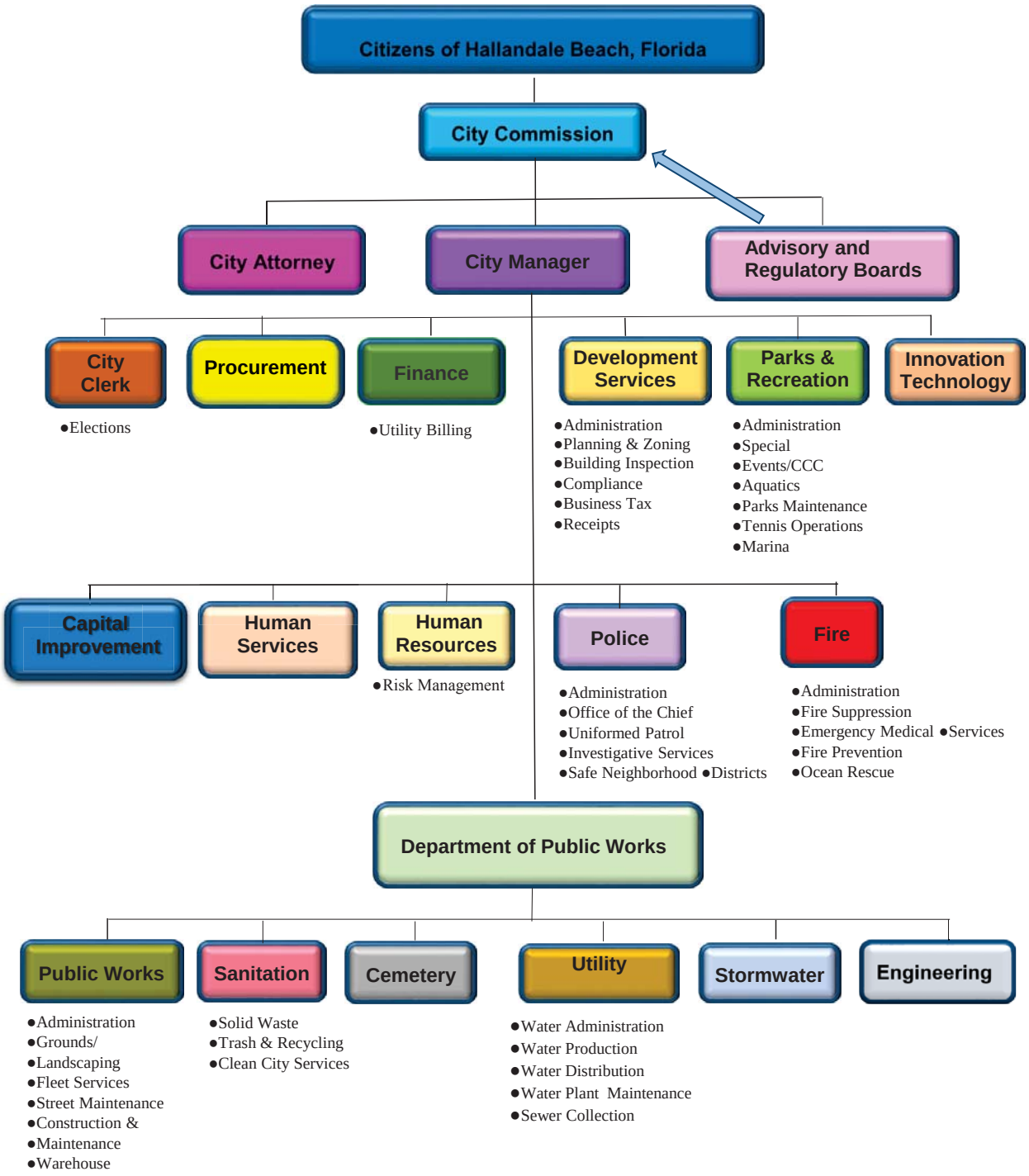
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Jeffrey R. Emer

Executive Director/CEO

CITY OF HALLANDALE BEACH ORGANIZATIONAL CHART



CITY OF HALLANDALE BEACH, FLORIDA

List of City Officials

September 30, 2015

Title	Name
Elected Officials	
Mayor	Joy Cooper
Vice-Mayor	William Julian
Commissioner	Michele Lazarow
Commissioner	Keith London
Commissioner	Anthony Sanders
Appointed Officials	
City Manager and CRA Executive Director	Renee C. Miller
Deputy City Manager	Nydia Rafols Sallaberry
Deputy City Manager/CRA Director	Daniel Rosemond
Assistant City Manager	Jennifer Frastai
City Attorney	Lynn V. Whitfield
City Clerk	Mario Bataille
Chief Financial Officer	Jeffrey Lowe
Chief Information Officer	Greg Chavarria
Director of Capital Improvement	Sarita Shamah
Director of Development Services	Keven Klopp
Director of Human Resources/Labor Relations	Taren Kinglee
Director of Human Services	Beverly Sanders
Director of Parks and Recreation	Cathleen Schanz
Director of Procurement	Andrea Lues
Director of Public Works, Utilities and Engineering	Steven Parkinson
Fire Chief	Daniel Sullivan
Police Chief	Dwayne Flournoy
Risk Manager	James Buschman

Hallandale Beach

PROGRESS. INNOVATION. OPPORTUNITY.

Financial Section

Hallandale Beach

PROGRESS. INNOVATION. OPPORTUNITY.

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Commission and City Manager
City of Hallandale Beach, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hallandale Beach, Florida (the City), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Officers' and Firefighters' Personnel Retirement Trust, which represent 60 percent, 63 percent, and 42 percent, respectively, of the assets, fund balance/net position, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Officers' and Firefighters' Personnel Retirement Trust, is based solely on the report of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

MARCUM GROUP
MEMBER

Marcum LLP ■ 450 East Las Olas Boulevard ■ Ninth Floor ■ Fort Lauderdale, Florida 33301 ■ **Phone** 954.320.8000 ■ **Fax** 954.320.8001
marcumllp.com

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

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

Opinions

In our opinion, based on our audit and the report of the other auditors, 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 as of September 30, 2015, 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.

Emphasis of a Matter

As discussed in Note 1 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68,* both effective October 1, 2014, which resulted in the City restating net position for recognition of the City's pension related activity incurred prior to October 1, 2014. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-18, the budgetary comparison information on pages 76-78, and the required supplementary information for OPEB and the pension trust funds on pages 79-86 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.

Other 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 introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditor. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditor, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2016 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Marcum LLP

Fort Lauderdale, FL
May 15, 2016

Hallandale Beach

PROGRESS. INNOVATION. OPPORTUNITY.

Management's Discussion and Analysis

This section of the report presents our discussion and analysis of the City's performance during the fiscal year that ended September 30, 2015. Please read it in conjunction with the City's financial statements, which follow this section.

Financial Highlights

In fiscal year 2015, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68 "*Accounting and Financial Reporting for Pensions*" an amendment of GASB Statement No. 27 and GASB No.71 "*Pension Transition for Contributions Made Subsequent to the Measurement Date*". These new accounting standards require governments providing defined benefit pension plans to recognize their long-term obligation for pension benefits as a liability and to more comprehensively compare and measure the annual cost of pension benefits. The City now reports on its financial statements net pension liability, pension expense as well as deferred outflows and deferred inflows of resources for pension related items in accordance with the new standard. The impact of implementing these new accounting standards resulted in the restatement of the fiscal year 2014 government activities and business-type activities net position to adjust for the net pension liability that would have been reported in prior years.

- The assets plus deferred outflows of resources of the City of Hallandale Beach exceeded its liabilities plus deferred inflows of resources at the close of the most recent fiscal year by $107.3 million (net position). The unrestricted net position reflects a deficit $1.9 million at the end of the current fiscal year which is the result of GASB Statement No. 68 reporting requirements of deferred outflows, deferred inflows and the full net pension liability.

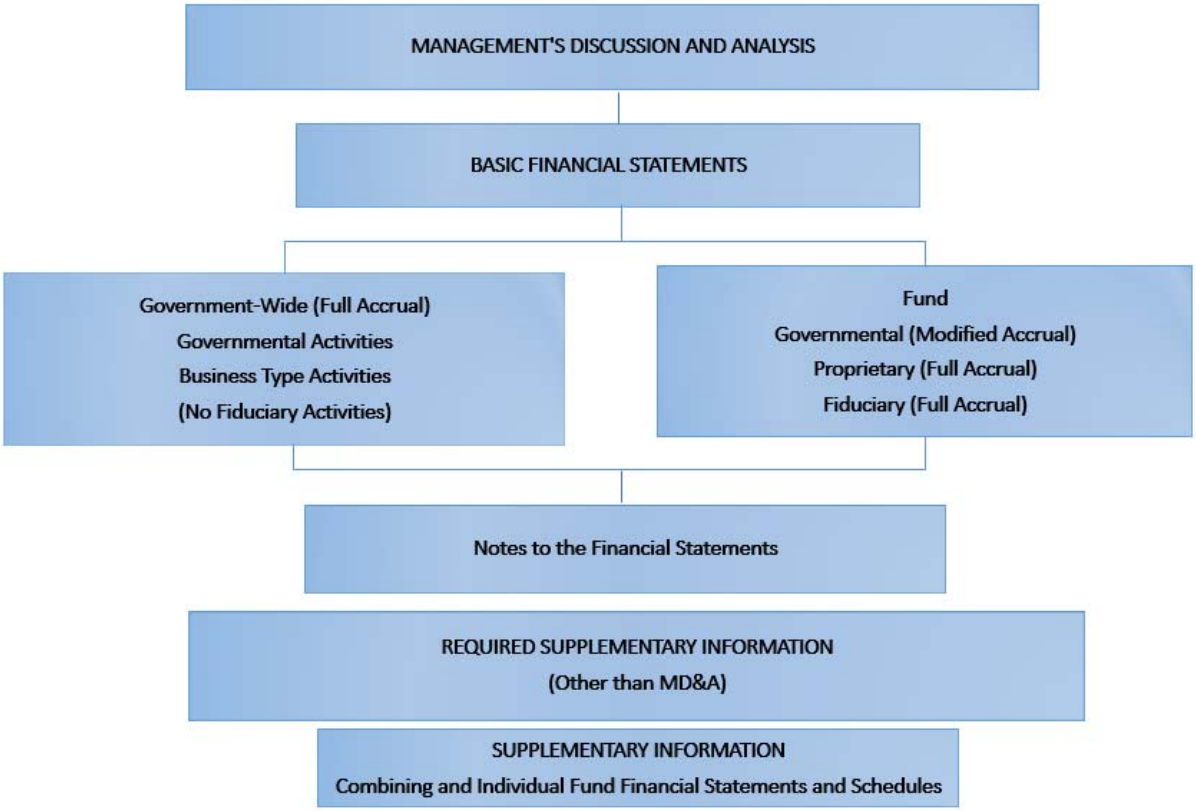
- The City's total net position increased by $5.3 million over the course of this year's operations. Net position of governmental activities increased by $6 million, while the net position of business-type activities decreased by $0.8 million.
- The City's governmental funds reported a combined fund balances of $35.5 million, an increase of $1.3 million, which includes a prior period adjustment of $4.4 million related mostly to the restatement of the Assets held for Resale in the Community Redevelopment Agency fund.
- The City's governmental activities total net position of $37.7 million, a reduction of $53.3 million, which includes a prior period adjustment of $59.3 million. The City's business-type activities reported total net position of $69.6 million, a reduction of $4.7 million, which includes a prior period adjustment of $4.0 million. The prior period adjustments in both governmental and business-type activities are the net result of the City adopting the provisions of GASB Statement Nos. 68 and 71 and other adjustments related to correction of errors. Additional information concerning the impact of these new accounting standards can be found below and in the financial statement Note 15 – Restatement of Prior Year Balances.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $20.2 million, or 35.8% of total general fund expenditures, an increase from the 32.3% in the previous year.

Overview of the Financial Statements

As illustrated in the following chart, the financial section of this Annual report consists of the following—management's discussion and analysis (this section), the basic financial statements, required supplementary information, and a supplementary information section that presents combining and individual fund financial statements and schedules.

Financial Section



Major Features of the Basic Financial Statements

	Government-wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary activities)	Activities of the City that are not proprietary or fiduciary	Activities of the City that are operated similar to private business	Instances in which the City is the trustee or agent for someone else's resources
Required financial Statements	Statement of net position Statement of activities	Balance sheet Statement of revenue, expenditures, and changes in fund balances	Statement of net position Statement of revenue expenses, and changes in net position Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/ liability information	All assets and liabilities, both financial and capital, and short-term and long-term and deferred inflows/outflows	Only assets expected to be used up and liabilities that come due during the year or soon thereafter no capital assets and long term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term and deferred inflows/outflows	All assets and liabilities, both short-term and long-term and deferred inflows/outflows
Type of inflow/ outflow information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year Expenditures when goods or services have been received and payment is due during the year or soon after	All revenue and expenses during the year, regardless of when cash is received or paid	All revenue and expenses during the year, regardless of when cash is received or paid

Basic Financial Statements

Government-wide financial statements. The focus of the *government-wide financial statements* is on the overall financial position and activities of the City of Hallandale Beach. Reporting is similar to that of a private-sector business. The government-wide financial statements report information about the City as a whole and about its activities in a way that helps answer questions about the financial health of the City and whether the activities of the year contributed positively or negatively to that health.

The City's government-wide financial statements include the statement of net position and statement of activities. As described below, these statements do not include the City's fiduciary activities because resources of these funds cannot be used to finance the City's activities. However, the financial statements of fiduciary activities are included in the City's fund financial statements, because the City is financially accountable for those resources, even though they belong to other parties.

- The *Statement of Net Position* presents information on the assets plus deferred outflows and liabilities plus deferred inflows by the City, both long and short-term. Assets plus deferred outflows are reported when acquired by the City and liabilities plus deferred inflows are reported when they are incurred, regardless of the timing of the related cash flows to acquire these assets or liquidate such liabilities. For example, the City reports buildings and infrastructure as assets, even though they are not available to pay the obligations incurred by the City. On the other hand, the City reports liabilities, such as litigation claims, even though these liabilities might not be paid until several years into the future.

The difference between the City's total assets plus deferred outflows and total liabilities plus deferred inflows is *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Although the purpose of the City is not to accumulate net position, in general, as this amount increases it indicates that the financial position of the City is improving over time.

- The *Statement of Activities* presents the revenues and expenses of the City. The items presented on the statement of activities are measured in a manner similar to the approach used in the private-sector in that revenues are recognized when earned and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (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 (law enforcement and fire-rescue), physical environment, transportation, culture and recreation, human services and economic environment. The business-type activities include cemetery, sanitation, sewer utility, stormwater drainage and water utility.

Fund financial statements. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. Except for the general fund, separate funds are established to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Financial statements consist of a balance sheet and a statement of revenue, expenditures, and change in fund balances. These statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables but do not include capital assets such as land and buildings. The difference between a fund's total assets plus deferred outflows and total liabilities plus deferred inflows is the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. The operating statement for governmental funds reports only those revenues that were collected during the current period or very shortly after the end of the year. Expenditures are generally recorded when incurred.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, because different accounting bases are used to prepare governmental fund financial statements and government-wide financial statements, there are often significant differences between the totals presented. For this reason, there is an analysis after the governmental funds balance sheet that reconciles the total fund balances for all governmental funds to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis after the statement of revenue, expenditures, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

Proprietary funds. Financial statements consist of a statement of net position, statement of revenue, expenses, and changes in net position and statement of cash flows. These statements are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into enterprise funds and internal service funds.

The City uses enterprise funds to account for business-type activities that charge fees to customers for the use of specific goods or services. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal Service funds are used to account for services provided and billed on an internal basis. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City presents a separate column for each of the major enterprise funds: water, sewer, sanitation, and stormwater funds. Internal service funds are aggregated and presented in a single column. A statement of cash flows is presented at the fund financial statement level for proprietary funds, but no equivalent statement is presented in the government-wide financial statements for either governmental activities or business-type activities.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. Fiduciary financial statements consist of a statement of fiduciary net position and a statement of changes in fiduciary net position.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning various issues such as a comparison between the City's adopted and final budget and actual financial results for its general fund and major special revenue fund. The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the general fund and its major special revenue fund to demonstrate compliance with this budget. Required supplementary information is also presented for the City's pension plans and other post-employment benefits.

Combining and individual fund statements and schedules. Combining statements referred to earlier in connection with non-major governmental, non-major enterprise, budgetary comparison schedules for non-major governmental funds, internal service and fiduciary funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

The table below presents a summary of net position as of September 30, 2015 and 2014, derived from the government-wide statement of net position:

	Net Position (in thousands)					
	Governmental Activities		Business - type Activities		Total	
	2015	2014	**2015**	2014	**2015**	2014
Current and other assets	**$ 46,106**	$ 51,590	**$ 42,876**	$ 44,551	**$ 88,982**	96,141
Capital assets	**81,504**	79,744	**43,193**	42,467	**124,698**	122,211
Total assets	**127,611**	131,334	**86,069**	87,018	**213,680**	218,352
Deferred outflows	**11,395**	187	**1,621**	-	**13,016**	187
Long-term liabilities	**93,043**	35,131	**13,631**	8,876	**106,673**	44,007
Other liabilities	**3,482**	5,161	**4,065**	3,823	**7,548**	8,984
Total liabilities	**96,525**	40,292	**17,696**	12,699	**114,221**	52,991
Deferred inflows	**4,754**	199	**405**	-	**5,159**	199
Net position:						
Net investment in capital assets	**59,840**	59,760	**35,544**	33,465	**95,384**	93,225
Restricted	**13,523**	11,599	**291**	292	**13,814**	11,891
Unrestricted	**(35,637)**	19,671	**33,754**	40,562	**(1,883)**	60,233
Total net position	**$ 37,726**	$ 91,030	**$ 69,589**	$ 74,319	**$ 107,315**	$ 165,349

Net position may serve, over time, as a useful indication of a government's financial position. At the close of the most recent fiscal year, the City's assets plus deferred outflows exceeded its liabilities plus deferred inflows by $107.3 million.

The City's total net position is divided among unrestricted, at a deficit of $1.9 million or (1.8)% which is the result of implementing GASB Nos. 68 and 71; and net investment in capital assets at $95.4 million or 88.9 % with the remaining $13.8 million or 12.9 % restricted for specific purposes. Net investment in capital assets reflects the City's investment in capital assets reduced by the amount of outstanding related debt and any deferred inflows/outflows used to acquire these assets. The City uses these capital assets to provide services to the citizens of the City; consequently the net position is not available for future spending. Although the net investment in capital assets are shown net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources.

At the end of the current fiscal year, the City of Hallandale Beach is able to report positive balances in all categories of net position for its business-type activities. The governmental activities net investment in capital assets and restricted net position categories have positive balances, except for the unrestricted net position reflects $35.6 million deficit at the end of the current fiscal. In the prior year the City reported positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

The City's net position increased from operations by $6 million during the current fiscal year. This contrasts with the $0.7 million decrease in net position in the prior year. This $6 million increase is a result of a $2.4 million increase in revenues mostly in property taxes and charges for services which is offset by a $3.6 million decrease in expenses mostly related to public safety. Governmental activities resulted in an excess of revenues over expenses of $6 million, with general and program revenues of $73.2 million compared to program expenses and transfers of $67.2 million. Net position of business-type activities decreased by $0.7 million, with general and program revenues and transfers of $32.9 million compared to program expenses and transfers of $33.6 million.

The City's cash and cash equivalents decreased by $5.5 million or 21.5% and investments decreased by $0.2 million or 0.5%. Due from other governments decreased by $1.6 million, as the City collected most of the reimbursement due for federal grant expenditures.

As previously noted, net position of business-type activities decreased $0.7 million, which is $6.5 million less than the increase to net position in the previous year of $5.8 million. The $0.7 million decrease in net position is a result of the $2.0 million excess of expenses over revenues in water and sewer fund operations, or $1.1 million and $0.9 million deficits respectively, offset by a surplus of $0.4 million in the stormwater fund and deficits of $0.9 million, $76,000 and $9,000 in the sanitation, cemetery and marina funds, respectively. In addition, there was $2.1 million in capital contributions of $2.0 million and $37,000 in the stormwater and water funds, respectively. The capital contribution to the Stormwater fund is for drainage improvements.

The table below presents a summary of changes in net position for the years ended September 30, 2015 and 2014, as derived from the government-wide Statement of activities:

	Changes in Net Position (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	$ 29,338	$ 27,221	$ 30,567	$ 30,933	$ 59,905	$ 58,154
Operating grants and contributions	816	892	-	-	816	892
Capital grants and contributions	1,711	1,575	37	59	1,748	1,634
General Revenues:						
Property taxes	26,091	21,819	-	-	26,091	21,819
Other taxes	12,142	15,753	-	165	12,142	15,918
Other revenues	3,177	3,246	373	168	3,550	3,414
Total revenues	73,275	70,506	30,977	31,325	104,252	101,831
Expenses:						
General government	13,876	15,289	-	-	13,876	15,289
Public safety	36,359	39,809	-	-	36,359	39,809
Physical environment	1,897	2,028	-	-	1,897	2,028
Transportation	1,850	2,142	-	-	1,850	2,142
Economic environment	4,474	4,879	-	-	4,474	4,879
Culture and recreation	4,145	3,806	-	-	4,145	3,806
Human services	1,822	2,139	-	-	1,822	2,139
Interest	956	1,860	-	-	956	1,860
Sanitation	-	-	6,211	6,422	6,211	6,422
Sewer	-	-	12,823	11,679	12,823	11,679
Stormwater	-	-	2,215	2,075	2,215	2,075
Water	-	-	12,079	10,139	12,079	10,139
Nonmajor	-	-	280	274	280	274
Total expenses	65,379	71,952	33,608	30,589	98,987	102,541
Changes in net position before transfers	7,896	(1,446)	(2,631)	736	5,265	(710)
Transfers	(1,873)	(5,042)	1,873	5,042	-	-
Change in net position	6,023	(6,488)	(758)	5,778	5,265	(710)
Net position, beginning, as restated	31,703	97,518	70,347	68,541	102,050	166,059
Net position, ending	$ 37,726	$ 91,030	$ 69,589	$ 74,319	$ 107,315	$ 165,349

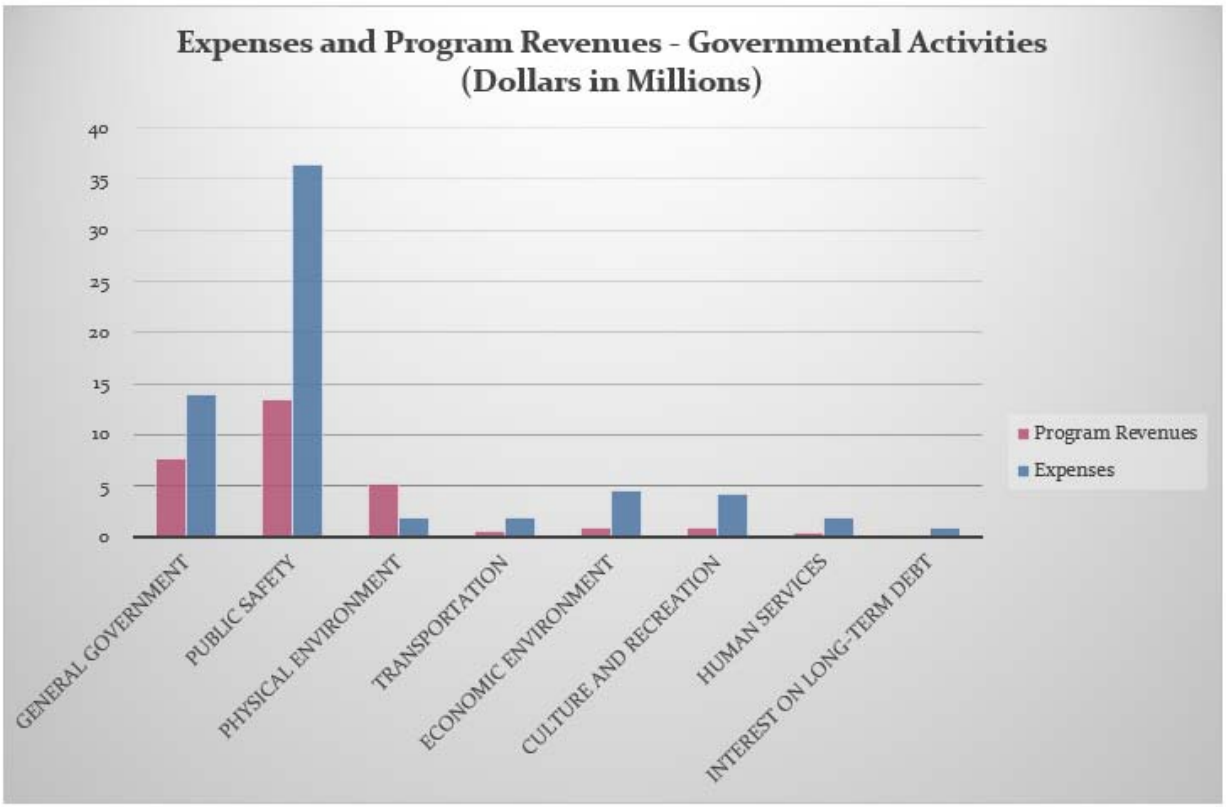
Governmental activities

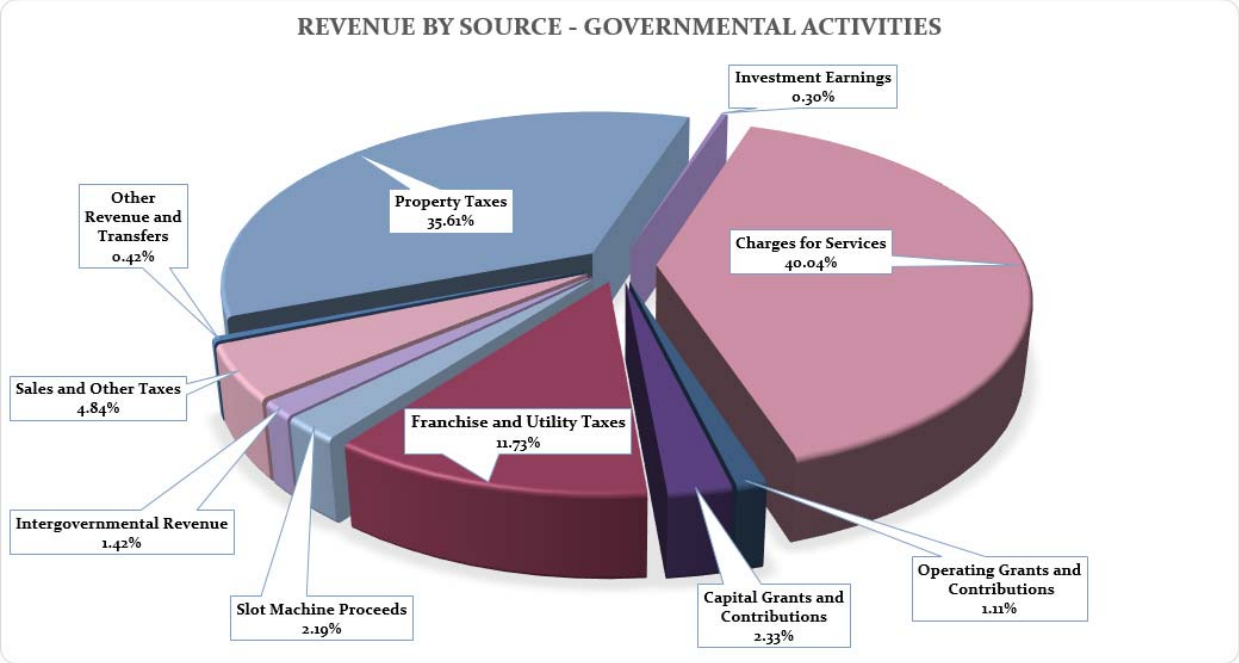
Governmental activities increased the City of Hallandale Beach's net position by $6.0 million. This is in contrast to the $6.4 million reduction in net position in the prior fiscal year. Key elements to this change in net position are as follows:

- At 35.6% of governmental activities revenues, the largest component was property taxes in the amount of $26.1 million, an increase of $4.3 million or 19.6% from the prior fiscal year due to an increase in property tax values.

- Charges for services increased by $2.1 or 7.8% from the prior year million due to an increase in administrative charges; 18.8% increase in revenue from licenses and permits due to increased construction activity; 15.5% decrease in revenue from fines and forfeitures as a result of the cessation of the red light violations program.

- Public safety expenses, at 55.6% of governmental expenses, decreased by $3.5 million to $36.4 million, or 9.5% less than the previous year due to decreased costs associated with salaries and benefits.





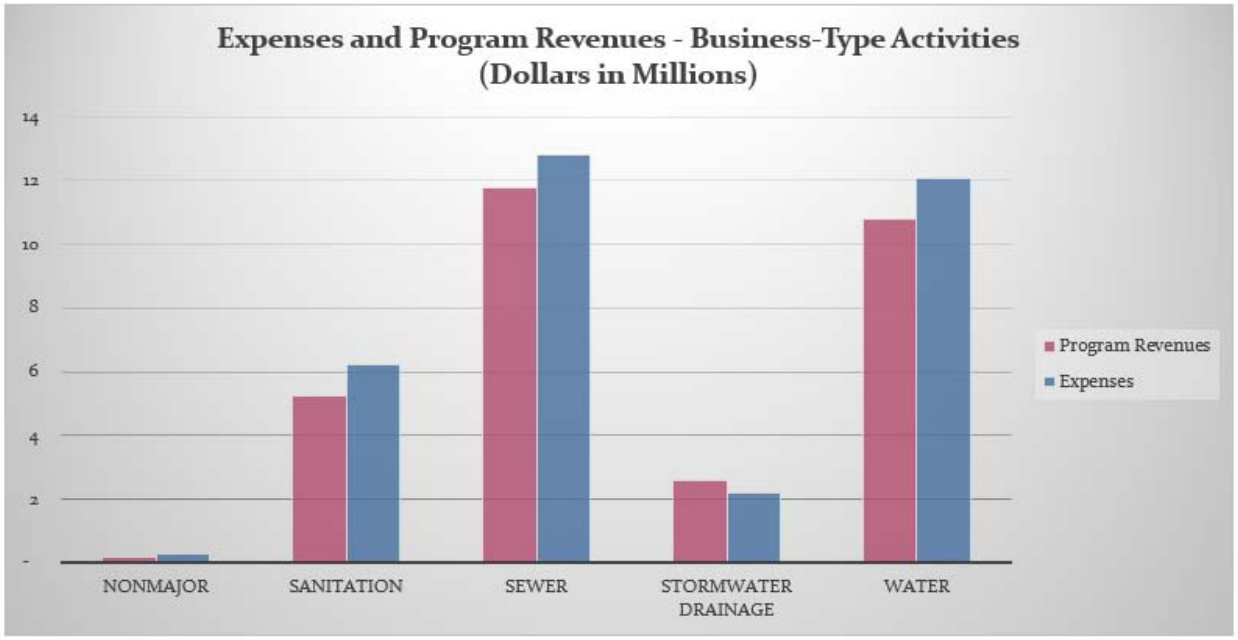
Business-type activities

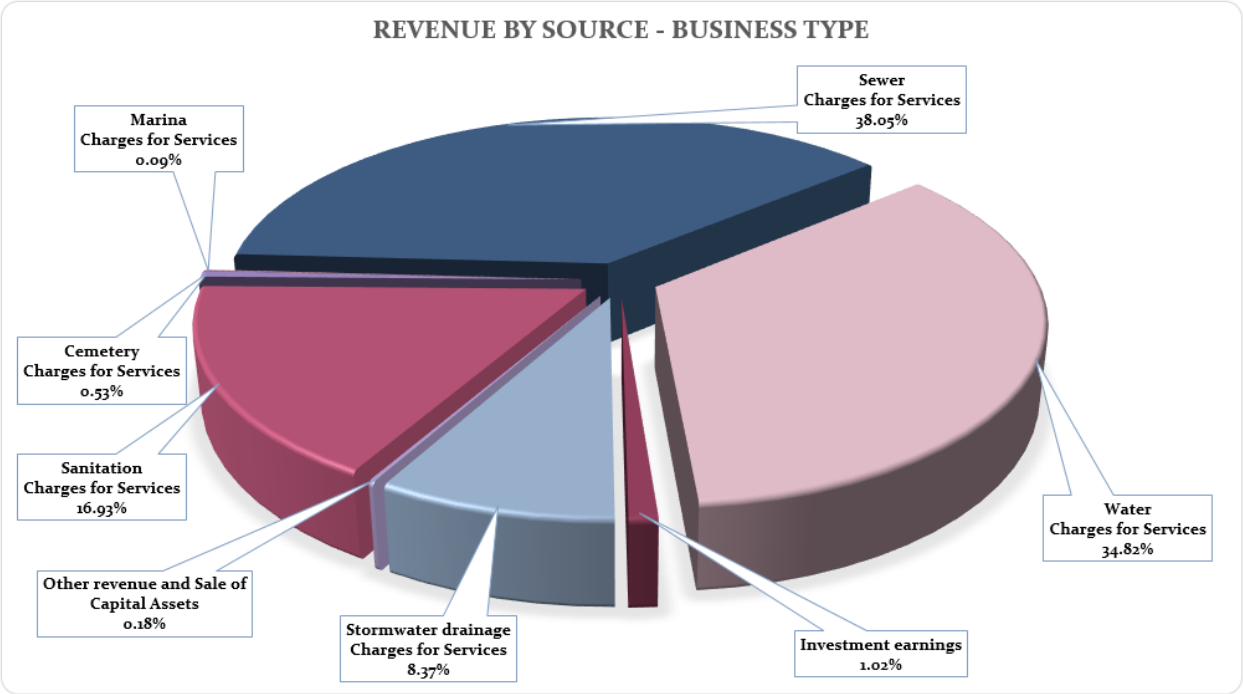
Business-type activities decreased the City's net position by $0.7 million, or $6.5 million less than the previous year. Key elements of this decrease are as follows:

- Water fund program expenses exceeded program revenues, including capital contributions, by $1.1 million or $2.6 million more than the previous year. Charges for services and capital contributions decreased by $0.8 million, while operating expenses increased by $2.0 million due to an increase in administrative charges;

- Sewer fund program expenses exceeded program revenues by $1.0 million, or $1.5 million more than the previous year, mainly due to a decrease in charges for services by $0.3 million and an increase in expenses by $1.2 million due to an increase in administrative charges;

- Sanitation fund program expenses exceeded program revenues by $1.0 million, or $0.5 million less than the previous year;


Expenses and Program Revenues - Business-Type Activities
(Dollars in Millions)
14
12
10
8
6
4
2
-
NONMAJOR
SANITATION
SEWER
STORMWATER DRAINAGE
WATER
Program Revenues
Expenses


REVENUE BY SOURCE - BUSINESS TYPE
Sewer Charges for Services 38.05%
Marina Charges for Services 0.09%
Cemetery Charges for Services 0.53%
Sanitation Charges for Services 16.93%
Other revenue and Sale of Capital Assets 0.18%
Stormwater drainage Charges for Services 8.37%
Investment earnings 1.02%
Water Charges for Services 34.82%

Financial Analysis of the City of Hallandale Beach's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

The City's governmental funds reported combined ending fund balances of $35.5 million, an increase of $1.3 million from the prior year's ending fund balance. The fund balance is categorized to indicate whether it is not available for new spending because it represents resources that are non-spendable ($284,000), that are restricted for debt service and other purposes ($13.5 million), that have already been assigned for the purchase of capital and equipment ($1.8 million), or that are unassigned ($19.9 million).

The general fund is the chief operating fund of the City. At end of the current fiscal year, the unassigned fund balance of the general fund was $20.2 million. This is a $2.8 million or 16.1% increase when compared with the prior year. As a measure of the General fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General fund expenditures. Unassigned fund balance represents 33.3% of total General fund expenditures and transfers out, while total fund balance represents 36.0% of that same amount.

The fund balance of the City's General fund increased by approximately $0.5 million during the current fiscal year. In contrast, the previous year's fund balance decreased by $4.8 million. Key factors of the current fiscal year increase compared to fiscal year 2014 are as follows:

- A $2.7 million increase in charges for services;
- A $0.4 million increase in licenses and permits;
- A $0.8 million decrease in expenditures for general government;
- A $0.9 million increase in expenditures for public safety;
- A $0.2 million increase in expenditures for culture and recreation;
- A $2.2 million increase in expenditures for capital outlay.

The Hallandale Beach Community Redevelopment Agency ("CRA") fund, accounts for the activities of the CRA. The fund balance of the CRA fund decreased from operations by $3.1 million during the fiscal year. The $7.5 million fund balance is allocated among the categories that are restricted ($7.8 million), and a deficit in unassigned fund balance of $0.3 million. Comparisons to prior year results include:

- A 3.5% or $ 125,000 increase in the CRA's portion of the City's ad valorem tax revenue;
- A 11.1% or $434,000 increase in Tax Increment Financing revenue from outside agencies;
- Other revenues increased by $214,000 due to loan repayments and sale of capital assets;
- Economic environment spending were $4.2 million; this represents a decrease of $667,000 due mainly to amounts spent in FY 15 for the in-Fill Housing Phase II project;
- Public safety expenditures increased by $91,000, due mainly to a reduction in amounts for the Memorandum of Understanding (MOU) agreements for Community Involvement Unit (CIU), Community Action Team (CAT), Prospect management services, transit services and planning and zoning;
- Capital outlay represents $2.9 million attributed to the purchase of land and drainage improvements.

The fund balance of the Grant Administration fund increased by $0.4 million. Major expenditures for this fund include:

- $1.9 million in operating and in capital grants projects funded by federal grants;
- $0.6 million in capital projects funded by local grants;
- $0.4 million in construction projects.

The fund balance of the Capital Projects fund decreased by $0.5 million. Major expenditures for this fund include $1.9 million in principal and interest payments on the 2007A bonds and $0.4 million in capital outlay.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail.

Enterprise fund unrestricted net position was $33.8 million, a $6.8 million decrease from the prior year's net position. Net investment in capital assets increased by $2.0 million in the current year due to increases in construction in progress.

The enterprise funds showed a $4.7 million decrease in total net position from the prior year. This consisted of a $2.8 million decrease of operating revenues over operating expenses, an $131,000 increase of non-operating revenues over non-operating expenses, and a $1.9 million excess of transfers in and capital contributions over transfers out and a $3.9 million in a prior period adjustment related to the implementation of GASB Nos. 68 and 71.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget consist only of encumbrances and unexpended project budget amounts rolled forward from the prior to the current fiscal year. During the year, transfers in were more than expected producing a positive budget variance of $9.5 million.

The original and the final budget anticipated $1.8 and $8.9 million respectively, to be expended from available fund balance. During the year, however, expenditure and transfers compared to the final budget produced a positive variance of $9.4 million resulting in $540,000 net increase in fund balance.

During the fiscal year 2015, the City closed its Other Post-Employment Benefits "OPEB" fund and returned contributions to all participating funds, including a $4.0 million transfer to the general fund.

Property taxes fell short of budgetary estimates by $215,000 in current tax collections and applicable discounts. Charges for services revenue were less than estimates by $2.2 million mainly due to the decrease in administrative charges from the other funds.

Personal services expenditures reflected a $1.9 million positive variance resulting from position vacancies and lower police and fire contributions. Operating expenditures resulted in $0.6 million in budget savings, mainly due to lower expenditures for legal fees, consultants and professional services, Parks outside services, and Development Services outside services.

Capital Assets and Debt Administration

Capital assets. As of September 30, 2015 and 2014, the City had $124.7 and $122.2 million, respectively, invested in a variety of capital assets, as reflected in the following schedule:

	Capital Assets (in thousands, net of depreciation)											
	Governmental Activities				Business - type Activities				Total			
	2015		2014	*	**2015**		2014		**2015**		2014	
Land	**$**	**39,555**	$	43,369	**$**	**1,264**	$	1,159	**$**	**40,819**	$	44,528
Construction in progress		**11,874**		15,976		**13,390**		10,931		**25,264**		26,907
Buildings		**3,290**		3,950		**9,128**		10,041		**12,418**		13,991
Improvements other than building		**12,393**		2,749		**2,452**		2,226		**14,845**		4,975
Vehicles and equipment		**6,523**		6,134		**1,056**		1,438		**7,579**		7,572
Infrastructure		**7,869**		7,565		**15,903**		16,672		**23,772**		24,237
Total	**$**	**81,504**	$	79,744	**$**	**43,193**	$	42,467	**$**	**124,697**	$	122,210

**Amounts listed for fiscal year 2014 governmental activities above do not include the restatement in capital assets as explained in Note 6 Capital Assets.*

Major capital asset events during the year included:

- $2.6 million was added to construction in progress for OB Johnson park;
- $2.2 million was added to construction in progress for South Beach park;
- $2.0 million was added to construction in progress for the NE/SW Drainage project;
- $1.9 million was spent on City vehicles.

Additional information can be found in Note 6 – Capital Assets.

Long-term debt. As of year-end, the City had $30.0 million in bonded debt and revenue notes outstanding compared to the $32.2 million last year. The decrease in debt was primarily the result of principal payments.

The debt position of the City is summarized below and is more fully explained in Note 9 Long-Term Debt:

Outstanding Revenue Bonds, Notes and Capital Leases (in thousands)					
Governmental Activities		Business - type Activities		Total	
2015	2014	2015	2014	2015	2014
$ 22,467	$ 24,031	$ 7,580	$ 8,185	$ 30,047	$ 32,216

Under Florida statutes, no debt limit margin is placed on local governments. The City maintains an "AA-" rating from Standard & Poor's on its revenue bonds.

Economic Factors and Next Year's Budgets and Rates

- At September 30, 2015 the unemployment rate for the City was 5.4%, which is an improvement over the 6.2% of a year ago,

- After several years of deflated real estate prices in south Florida in the past five years, business reports suggest that real estate prices have begun to rise as the inventory of available homes has been greatly reduced. South Florida is still experiencing one of the highest foreclosure rates in the nation, which had contributed to the real estate price decline. The reported rise in Broward County home sales and prices indicate that assessed values are likely to rise again for tax year 2016. This would be the fourth increase in five years, a promising sign for the City and the surrounding municipalities.

General economic conditions both globally and in our state have required the City to closely monitor revenue and expenditure trends during the current year. The fiscal year 2016 budget is based on maintaining last year's millage rate of 5.1918. It is also based on a modest increase in the fire assessment from $145 per year in the residential classification to $198 per year.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about this report or need additional information, contact the Chief Financial Officer, 400 South Federal Highway, Hallandale Beach, Florida 33009.

Hallandale Beach

PROGRESS. INNOVATION. OPPORTUNITY.

Basic Financial Statements

City of Hallandale Beach, Florida
Statement of Net Position
September 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	$ 12,052,733	$ 8,163,948	$ 20,216,681
Investments	19,655,229	26,773,277	46,428,506
Receivables, net of allowances	3,899,505	4,714,058	8,613,563
Internal balances	(600,000)	600,000	-
Due from other governments	1,782,825	-	1,782,825
Inventory	156,248	436,577	592,825
Assets held for resale	6,607,600	-	6,607,600
Other assets	128,015	3,204	131,219
Restricted assets:			
Cash and cash equivalents	1,591,160	2,184,627	3,775,787
Net pension asset	833,054	-	833,054
Capital assets, nondepreciable	51,429,127	14,653,027	66,082,154
Capital assets, net of accumulated depreciation	30,075,317	28,540,193	58,615,510
Total assets	127,610,813	86,068,911	213,679,724
Deferred Outflows of Resources:			
Advance pension contributions	34,786	-	34,786
Pensions	11,360,470	1,620,839	12,981,309
	11,395,256	1,620,839	13,016,095
Liabilities			
Accounts payable and accrued liabilities	2,461,571	2,137,905	4,599,476
Deposits	199,566	1,893,129	2,092,695
Unearned revenue	278,907	-	278,907
Accrued interest	481,899	34,151	516,050
Due to Agency Funds	60,537	-	60,537
Noncurrent liabilities:			
Due within one year	3,079,545	1,153,848	4,233,393
Due in more than one year	89,963,083	12,476,862	102,439,945
Total liabilities	96,525,108	17,695,895	114,221,003
Deferred Inflows of Resources:			
Gain on refunding	-	97,148	97,148
Gain on sale-leaseback of fire station	423,438	-	423,438
Pensions	4,331,004	307,826	4,638,830
Total deferred inflows of resources	4,754,442	404,974	5,159,416
Net Position			
Net investment in capital assets	59,840,410	35,543,717	95,384,127
Restricted for community improvements	9,362,690	-	9,362,690
Restricted for debt service	1,516,807	-	1,516,807
Restricted for law enforcement	1,016,062	-	1,016,062
Restricted for transportation	346,422	-	346,422
Restricted for safe neighborhood districts	915,428	-	915,428
Restricted for grants	365,711	-	365,711
Restricted for cemetery care	-	291,498	291,498
Unrestricted	(35,637,011)	33,753,666	(1,883,345)
Total net position	$ 37,726,519	$ 69,588,881	$ 107,315,400

See Notes to Financial Statements.

City of Hallandale Beach, Florida
Statement of Activities
Year Ended September 30, 2015

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental activities:							
General government	$ 13,876,005	$ 7,719,112	$ -	$ -	$ (6,156,893)	$ -	$ (6,156,893)
Public safety	36,358,618	13,445,213	129,793	-	(22,783,612)	-	(22,783,612)
Physical environment	1,896,546	5,233,296	-	1,518,197	4,854,947	-	4,854,947
Transportation	1,850,430	622,264	71,076	-	(1,157,090)	-	(1,157,090)
Economic environment	4,473,976	942,793	363,240	192,562	(2,975,381)	-	(2,975,381)
Culture and recreation	4,144,773	898,315	76,672	-	(3,169,786)	-	(3,169,786)
Human services	1,822,270	476,720	175,502	-	(1,170,048)	-	(1,170,048)
Interest on long-term debt	956,506	-	-	-	(956,506)		(956,506)
Total governmental activities	65,379,124	29,337,713	816,283	1,710,759	(33,514,369)	-	(33,514,369)
Business-type activities:							
Nonmajor	280,432	192,740	-	-	-	(87,692)	(87,692)
Sanitation	6,210,914	5,237,709	-	-	-	(973,205)	(973,205)
Sewer	12,822,816	11,772,474	-	-	-	(1,050,342)	(1,050,342)
Stormwater drainage	2,214,795	2,590,823	-	-	-	376,028	376,028
Water	12,079,314	10,773,482	-	36,748	-	(1,269,084)	(1,269,084)
Total business-type activities	33,608,271	30,567,228	-	36,748	-	(3,004,295)	(3,004,295)
Total	$ 98,987,395	$ 59,904,941	$ 816,283	$ 1,747,507	(33,514,369)	(3,004,295)	(36,518,664)
		General revenue:					
		Property taxes			26,091,450	-	26,091,450
		Franchise and utility taxes			8,595,025	-	8,595,025
		Sales taxes			2,472,192	-	2,472,192
		Motor fuel taxes			1,056,763	-	1,056,763
		Alcoholic beverages taxes			17,898	-	17,898
		Intergovernmental revenue (not restricted to specific programs)			1,043,691	-	1,043,691
		Unrestricted investment earnings			221,123	316,873	537,996
		Slot machine proceeds			1,602,643	-	1,602,643
		Gain on disposal of capital assets			240,785	55,268	296,053
		Other revenue			68,426	1,579	70,005
		Transfers			(1,872,714)	1,872,714	-
		Total general revenue and transfers			39,537,282	2,246,434	41,783,716
		Change in net position			6,022,913	(757,861)	5,265,052
		Net position - beginning, as previously reported			91,029,594	74,318,808	165,348,402
		Prior period adjustment (see Note 15)			(59,325,988)	(3,972,066)	(63,298,054)
		Net position - beginning, restated			31,703,606	70,346,742	102,050,348
		Net position - ending			$ 37,726,519	$ 69,588,881	$ 107,315,400

See Notes to Financial Statements

City of Hallandale Beach, Florida

Balance Sheet
Governmental Funds

September 30, 2015

	General Fund	Community Redevelopment Agency Fund	Grant Administration Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:						
Cash and cash equivalents	$ 2,300,450	$ 4,393,664	$ 430,370	$ 415,718	$ 2,208,597	$ 9,748,799
Investments	19,655,229	-	-	-	-	19,655,229
Receivables, net of allowances	2,119,661	1,252,948	21,723	-	362,480	3,756,812
Due from other funds	4,706,896	741,064	1,500,000	-	150,000	7,097,960
Due from other governments	861,408	-	807,917	-	113,500	1,782,825
Restricted cash and cash equivalents	74,353	-	-	1,516,807	-	1,591,160
Inventory	156,248	-	-	-	-	156,248
Assets held for resale	-	6,607,600	-	-	-	6,607,600
Prepaid items	128,015	-	-	-	-	128,015
Total assets	30,002,260	12,995,276	2,760,010	1,932,525	2,834,577	50,524,648
Deferred Outflows of Resources:						
Advance pension contributions	34,786	-	-	-	-	34,786
Total Assets and Deferred Outflows of Resources	$ 30,037,046	$ 12,995,276	$ 2,760,010	$ 1,932,525	$ 2,834,577	$ 50,559,434
Liabilities:						
Accounts payable and accrued liabilities	$ 1,393,490	$ 680,117	$ 79,142	$ 50,808	$ 172,920	$ 2,376,477
Deposits	199,566	-	-	-	-	199,566
Due to other funds	5,600,000	4,706,896	741,064	-	150,000	11,197,960
Due to agency funds	-	60,537	-	-	-	60,537
Unearned revenue	149,896	-	71,951	-	57,060	278,907
Compensated absences	2,842	-	-	-	-	2,842
Total liabilities	7,345,794	5,447,550	892,157	50,808	379,980	14,116,289
Deferred Inflows of Resources:						
Unavailable revenue	903,456	-	-	-	-	903,456
Total deferred inflows of resources	903,456	-	-	-	-	903,456
Fund Balances:						
Non-spendable:						
Prepaid items	128,015	-	-	-	-	128,015
Inventory	156,248	-	-	-	-	156,248
Restricted:						
Assets held for resale	-	6,607,600	-	-	-	6,607,600
Long-term receivable	-	1,252,948	-	-	-	1,252,948
Debt service	-	-	-	1,516,807	-	1,516,807
Developer agreements	-	-	1,502,142	-	-	1,502,142
Grant programs	-	-	365,711	-	-	365,711
Law enforcement	-	-	-	-	1,016,062	1,016,062
Transportation	-	-	-	-	346,422	346,422
Safe neighborhood districts	-	-	-	-	915,428	915,428
Assigned:						
Fire equipment	1,105,899	-	-	-	-	1,105,899
Computer equipment	61,916	-	-	-	-	61,916
Police outside services	-	-	-	-	176,685	176,685
Enterprise system	150,000	-	-	-	-	150,000
Capital projects fund	-	-	-	364,910	-	364,910
Unassigned:						
General fund	20,185,718	-	-	-	-	20,185,718
Community Redevelopment Agency Fund	-	(312,822)	-	-	-	(312,822)
Total fund balances	21,787,796	7,547,726	1,867,853	1,881,717	2,454,597	35,539,689
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 30,037,046	$ 12,995,276	$ 2,760,010	$ 1,932,525	$ 2,834,577	$ 50,559,434

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
September 30, 2015

Total fund balance - governmental funds		$ 35,539,689
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		
Governmental capital assets	$ 129,305,314	
Less accumulated depreciation	(52,646,815)	
		76,658,499
Net pension assets or obligations resulting from excess contributions to or underfunding of pension plans are not reported in the fund financial statements as they are not financial resources.		
Net pension asset - Excess Benefit Plan		833,054
Deferred outflows and inflows of resources related to pensions are recorded in the statement of net position. (Net deferred outflows)		6,862,247
Deferred inflows of resources related to gain on sale-leaseback recorded in the statement of net position.		(423,438)
Revenues that do not meet the availability criteria are reported as unavailable revenue in the fund financial statements; these amounts are reported as revenue in the government-wide statements.		903,456
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Bond premium	(158,265)	
Bonds payable	(18,580,000)	
Capital lease	(4,394)	
Interest payable	(457,500)	
Net OPEB obligation	(4,914,355)	
Net Pension liability	(59,392,012)	
Compensated absences	(3,161,622)	
		(86,668,148)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net position of internal service funds are reported with governmental activities.		4,021,160
Net position of governmental activities		$ 37,726,519

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Statement of Revenue, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2015

	General Fund	Community Redevelopment Agency Fund	Grant Administration Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	$ 21,178,374	$ -	$ -	$ -	$ 573,894	$ 21,752,268
Charges for services	10,351,789	302,845	-	-	1,488,119	12,142,753
Utility taxes	4,419,612	-	-	-	-	4,419,612
Intergovernmental	3,592,475	4,339,182	3,007,015	-	1,025,264	11,963,936
Franchise taxes	4,175,413	-	-	-	-	4,175,413
Licenses and permits	2,976,956	-	-	-	-	2,976,956
Fines and forfeitures	509,231	-	-	-	221,787	731,018
Fire assessments	5,624,934	-	-	-	-	5,624,934
Investment earnings	180,053	200,056	-	-	3,287	383,396
Slot machine proceeds	1,602,643	-	-	-	-	1,602,643
Other revenues	1,052,090	536,577	340,502	-	131,766	2,060,935
Total revenues	55,663,570	5,378,660	3,347,517	-	3,444,117	67,833,864
Expenditures:						
Current:						
General government	8,994,251	-	396	7,973	-	9,002,620
Public safety	36,082,599	2,170,518	306,171	-	2,094,494	40,653,782
Physical environment	2,006,208	-	21,432	-	-	2,027,640
Transportation	-	-	221,663	-	1,520,241	1,741,904
Economic environment	-	4,176,007	244,721	-	-	4,420,728
Human services	1,516,171	-	320,873	-	-	1,837,044
Culture and recreation	3,623,454	-	-	149,950	-	3,773,404
Debt service:						
Principal	-	-	-	1,000,000	-	1,000,000
Interest	-	-	-	956,983	-	956,983
Capital outlay	4,212,854	2,935,161	1,869,631	442,807	141,744	9,602,197
Total expenditures	56,435,537	9,281,686	2,984,887	2,557,713	3,756,479	75,016,302
Excess (deficiency) of revenues over expenditures	(771,967)	(3,903,026)	362,630	(2,557,713)	(312,362)	(7,182,438)
Other financing sources (uses):						
Transfers in	5,391,638	3,667,725	-	2,024,037	77,134	11,160,534
Transfers out	(4,106,300)	(2,844,205)	-	-	(79,849)	(7,030,354)
Sale of capital assets	27,043	-	-	-	-	27,043
Total other financing sources (uses)	1,312,381	823,520	-	2,024,037	(2,715)	4,157,223
Net change in fund balances	540,414	(3,079,506)	362,630	(533,676)	(315,077)	(3,025,215)
Fund balances, beginning, as previously reported	21,021,302	6,498,493	1,481,717	2,415,393	2,769,674	34,186,579
Prior period adjustment (see Note 15)	226,080	4,128,739	23,506	-	-	4,378,325
Fund balances, beginning, restated	21,247,382	10,627,232	1,505,223	2,415,393	2,769,674	38,564,904
Fund balances, ending	$ 21,787,796	$ 7,547,726	$ 1,867,853	$ 1,881,717	$ 2,454,597	$ 35,539,689

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2015

Net change in fund balances - total governmental funds		$ (3,025,215)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlay	$ 9,588,800	
Capital outlay transferred to proprietary fund	(2,039,522)	
Depreciation expense	(2,509,370)	
		5,039,908
The net effect of various miscellaneous transactions involving capital assets		(252,906)
Under the modified accrual basis of accounting used in the governmental funds, revenues are not recognized until funds are measurable and available to finance current expenditures. In the statement of activities, however, which is presented on the accrual basis, revenues are reported when earned.		86,985
Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year these amounts consist of:		
Principal payments on notes	1,000,000	
Amortization of bond premium	24,275	
Payment of capital lease	6,687	
		1,030,962
The change in net pension asset and net pension obligation is not reported in the fund financial statements, but is reported in the government-wide financial statements.		
Net pension asset		671,387
Some expenses reported in the statement of activities do not require the use of current financial resources and , therefore, are not reported as expenditures in governmental funds		
Compensated absences payable	686,360	
Accrued interest payable	25,000	
Net pension liability	4,939,225	
Net OPEB obligation	(965,313)	
		4,685,272
The amortization of deferred gain on the sale-leaseback has no effect on the revenues in the governmental funds. The gain is reported in the statement of activities.		211,719
Net OPEB obligations are not reported in the governmental funds and therefore the transfer of Net OPEB obligation related to the closure of the OPEB fund is reported in the statement of activities.		(3,949,042)
Internal service funds are used by management to charge the costs of certain activities such as insurance, to individual funds. The net revenue (expense) of the internal services funds is reported with governmental activities		1,523,843
Change in net position of governmental activities		$ 6,022,913

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Statement of Net Position
Proprietary Funds
September 30, 2015

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Nonmajor Enterprise Funds	Total	
Assets							
Current Assets:							
Cash and cash equivalents	$ 4,539,344	$ 2,082,324	$ 511,190	$ 989,903	$ 41,187	$ 8,163,948	$ 2,303,934
Investments	16,490,541	6,429,517	3,853,219	-	-	26,773,277	-
Restricted assets:							
Cash and cash equivalents	1,829,539	63,590	-	-	291,498	2,184,627	-
Receivables, net of allowance	1,791,274	2,136,056	571,750	192,895	22,083	4,714,058	142,693
Due from other funds	1,500,000	-	-	3,120,000	-	4,620,000	3,500,000
Inventory	61,684	-	-	-	374,893	436,577	-
Other assets	3,204	-	-	-	-	3,204	-
Total current assets	26,215,586	10,711,487	4,936,159	4,302,798	729,661	46,895,691	- 5,946,627
Noncurrent Assets:							
Capital assets:							
Land	847,577	40,047	-	-	375,478	1,263,102	-
Construction in progress	1,708,774	83,803	9,300	11,588,048	-	13,389,925	-
Buildings and improvements	20,359,741	694,999	151,276	24,203	-	21,230,219	-
Improvements other than buildings	3,595,108	38,168	26,825	325,584	150,673	4,136,358	-
Vehicles and equipment	4,685,112	1,672,977	2,201,949	480,557	55,970	9,096,565	6,833,793
Infrastructure	12,299,534	25,267,239	-	14,344,797	-	51,911,570	-
Total capital assets	43,495,846	27,797,233	2,389,350	26,763,189	582,121	101,027,739	6,833,793
Less accumulated depreciation	(25,176,316)	(22,917,025)	(1,992,288)	(7,561,966)	(186,924)	(57,834,519)	(1,987,848)
Net capital assets	18,319,530	4,880,208	397,062	19,201,223	395,197	43,193,220	4,845,945
Total noncurrent assets	18,319,530	4,880,208	397,062	19,201,223	395,197	43,193,220	4,845,945
Total assets	44,535,116	15,591,695	5,333,221	23,504,021	1,124,858	90,088,911	10,792,572
Deferred Outflows of Resources							
Pensions	979,573	191,438	408,311	15,166	26,351	1,620,839	217,930

(Continued)

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Statement of Net Position (Continued)
Proprietary Funds
September 30, 2015

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Nonmajor Enterprise Funds	Total	
Liabilities							
Current liabilities:							
Accounts payable and accrued liabilities	404,686	1,437,385	214,006	56,873	24,955	2,137,905	85,094
Due to other funds	-	2,500,000	1,500,000	-	20,000	4,020,000	-
Accrued interest	19,087	5,228	-	9,836	-	34,151	24,399
Payable from restricted assets:							
Deposits	1,829,539	63,590	-	-	-	1,893,129	-
Compensated absences	200,081	51,357	101,283	11,084	5,043	368,848	55,723
Accrued claims for self-insured risks	-	-	-	-	-	-	547,266
Bonds and notes payable	438,784	117,987	-	228,229	-	785,000	725,000
Total current liabilities	2,892,177	4,175,547	1,815,289	306,022	49,998	9,239,033	1,437,482
Noncurrent liabilities:							
Compensated absences	46,370	10,305	24,363	1,118	1,211	83,367	13,661
Net pension liability	2,611,020	532,087	1,362,477	101,060	91,318	4,697,962	773,118
Accrued claims for self-insured risks	-	-	-	-	-	-	1,592,089
Accrued other post-employment benefits	493,517	113,978	234,822	45,699	12,517	900,533	122,281
Bonds and notes payable	3,773,248	953,423	-	2,068,329	-	6,795,000	3,000,000
Total noncurrent liabilities	6,924,155	1,609,793	1,621,662	2,216,206	105,046	12,476,862	5,501,149
Total liabilities	9,816,332	5,785,340	3,436,951	2,522,228	155,044	21,715,895	6,938,631
Deferred Inflows of Resources							
Gain on refunding	52,990	11,039	-	33,119	-	97,148	-
Pensions	170,059	35,125	89,942	6,672	6,028	307,826	50,711
Total deferred inflows of resources	223,049	46,164	89,942	39,791	6,028	404,974	50,711
Net Position							
Net investment in capital assets	14,037,997	3,808,797	397,062	16,904,664	395,197	35,543,717	1,050,587
Restricted for cemetery care	-	-	-	-	291,498	291,498	-
Unrestricted	21,437,311	6,142,832	1,817,577	4,052,504	303,442	33,753,666	2,970,573
Total net position	$ 35,475,308	$ 9,951,629	$ 2,214,639	$ 20,957,168	$ 990,137	$ 69,588,881	$ 4,021,160

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended September 30, 2015

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Nonmajor Enterprise Funds	Total	
Operating revenues:							
Charges for services	$ 10,773,482	$ 11,772,474	$ 5,237,709	$ 2,590,823	$ 192,740	$ 30,567,228	$ 5,032,747
Other revenues	-	-	-	-	1,579	1,579	41,231
Total operating revenues	10,773,482	11,772,474	5,237,709	2,590,823	194,319	30,568,807	5,073,978
Operating expenses:							
Cost of sales and services	3,895,845	8,556,782	2,693,715	337,027	110,467	15,593,836	954,280
Personal services	6,470,497	3,830,529	3,358,906	1,202,446	161,599	15,023,977	1,036,455
Claims expense	-	-	-	-	-	-	368,698
Depreciation	1,576,433	405,977	158,293	600,642	8,366	2,749,711	1,178,489
Total operating expenses	11,942,775	12,793,288	6,210,914	2,140,115	280,432	33,367,524	3,537,922
Operating income (loss)	(1,169,293)	(1,020,814)	(973,205)	450,708	(86,113)	(2,798,717)	1,536,056
Nonoperating revenues (expenses):							
Investment earnings	205,824	60,675	35,539	14,684	151	316,873	39,139
Amortization expense	(25,124)	(5,232)	-	(15,701)	-	(46,057)	-
Interest expense	(111,415)	(24,296)	-	(58,979)	-	(194,690)	(48,798)
Sale of capital assets	8,356	26,250	19,862	800	-	55,268	11,776
	77,641	57,397	55,401	(59,196)	151	131,394	2,117
Income (loss) before contributions and transfers	(1,091,652)	(963,417)	(917,804)	391,512	(85,962)	(2,667,323)	1,538,173
Capital contributions	36,748	-	-	2,039,522	-	2,076,270	-
Transfers in	414,768	95,790	197,351	38,407	10,519	756,835	5,166,031
Transfers out	(446,577)	(116,589)	(263,696)	(86,723)	(10,058)	(923,643)	(5,180,361)
Change in net position	(1,086,713)	(984,216)	(984,149)	2,382,718	(85,501)	(757,861)	1,523,843
Total net position, beginning, as previously reported	38,629,552	11,393,482	4,452,526	18,682,564	1,160,684	74,318,808	3,202,891
Prior period adjustment (see Note 15)	(2,067,531)	(457,637)	(1,253,738)	(108,114)	(85,046)	(3,972,066)	(705,574)
Total net position, beginning, restated	36,562,021	10,935,845	3,198,788	18,574,450	1,075,638	70,346,742	2,497,317
Total net position, ending	$ 35,475,308	$ 9,951,629	$ 2,214,639	$ 20,957,168	$ 990,137	$ 69,588,881	$ 4,021,160

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2015

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Nonmajor Funds	Total	
Cash Flows From Operating Activities:							
Cash received from fees and charges	$ 10,843,368	$ 11,918,865	$ 5,162,387	$ 2,592,858	$ 192,513	$ 30,709,991	$ 5,032,747
Cash paid to suppliers for goods, services, claims and administrative charges	(4,096,879)	(7,943,347)	(2,721,668)	(551,881)	(86,450)	(15,400,225)	(1,355,948)
Cash paid to employees for services	(6,311,608)	(3,791,843)	(3,369,020)	(1,164,844)	(185,862)	(14,823,177)	(973,927)
Cash received from other funds or (paid) to other funds	3,500,000	2,200,000	1,500,000	(800,000)	-	6,400,000	(3,500,000)
Net cash provided (used) by operating activities	3,934,881	2,383,675	571,699	76,133	(79,799)	6,886,589	(797,128)
Cash Flows From Noncapital Financing Activities:							
Transfers from other funds	414,768	95,790	197,351	38,407	10,519	756,835	5,166,031
Transfers to other funds	(446,577)	(116,589)	(263,696)	(86,723)	(10,058)	(923,643)	(5,180,361)
Net cash provided (used) by noncapital financing activities	(31,809)	(20,799)	(66,345)	(48,316)	461	(166,808)	(14,330)
Cash Flows From Capital and Related Financing Activities:							
Purchase of capital assets	(998,314)	(148,647)	(49,701)	(228,375)	(11,070)	(1,436,107)	(2,141,789)
Proceeds from sale of capital assets	8,356	26,250	19,862	800	-	55,268	59,695
Proceeds from capital contributions	36,748	-	-	-	-	36,748	-
Principal paid on long-term debt	(404,375)	(110,279)	-	(208,530)	-	(723,184)	(715,000)
Payment of debt issuance costs	(19,449)	(4,050)	-	(12,155)	-	(35,654)	-
Other receipts	62,355	12,990	-	47,825	-	123,170	-
Interest and fees paid on long-term debt	(145,356)	(31,531)	-	(79,916)	-	(256,803)	(53,481)
Net cash provided (used) by capital financing activities	(1,460,035)	(255,267)	(29,839)	(480,351)	(11,070)	(2,236,562)	(2,850,575)
Cash Flows Provided By Investing Activities							
Purchase of investments	(26,337,741)	(10,269,596)	(6,154,357)	-	-	(42,761,694)	(6,366,755)
Sale of investments	24,859,812	9,693,367	5,809,021	-	-	40,362,200	4,808,190
Interest and investment income (loss) received	126,431	29,718	16,987	14,684	151	187,971	39,139
Net cash provided (used) by investing activities	(1,351,498)	(546,511)	(328,349)	14,684	151	(2,211,523)	(1,519,426)
Net increase (decrease) in cash and cash equivalents	1,091,539	1,561,098	147,166	(437,850)	(90,257)	2,271,696	(5,181,459)
Cash and cash equivalents, beginning	5,277,344	584,816	364,024	1,427,753	422,942	8,076,879	7,485,393
Cash and cash equivalents, ending	$ 6,368,883	$ 2,145,914	$ 511,190	$ 989,903	$ 332,685	$ 10,348,575	$ 2,303,934
Reconciliation to the statement of net position:							
Cash and cash equivalents	$ 4,539,344	$ 2,082,324	$ 511,190	$ 989,903	$ 41,187	$ 8,163,948	$ 2,303,934
Restricted assets, cash and cash equivalents	1,829,539	63,590	-	-	291,498	2,184,627	-
	$ 6,368,883	$ 2,145,914	$ 511,190	$ 989,903	$ 332,685	$ 10,348,575	$ 2,303,934

(Continued)

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Statement of Cash Flows
Proprietary Funds (Continued)
Year Ended September 30, 2015

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Nonmajor Funds	Total	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	$ (1,169,293)	$ (1,020,814)	$ (973,205)	$ 450,708	$ (86,113)	$ (2,798,717)	$ 1,536,056
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	1,576,433	405,977	158,293	600,642	8,366	2,749,711	1,178,489
(Increase) decrease in receivables	31,224	102,717	(75,322)	2,035	(1,805)	58,849	89,119
(Increase) decrease in due from other funds	3,500,000	-	-	-	-	3,500,000	(3,500,000)
(Increase) decrease in inventory	-	-	-	-	16,439	16,439	-
(Increase) decrease in deferred outflows - pensions	(4,294)	12,299	31,493	2,336	2,111	43,945	8,688
Increase (decrease) in accounts payable and accrued liabilities	(201,034)	613,435	(27,953)	(214,854)	7,577	177,171	(33,927)
Increase (decrease) in due to other funds	-	2,200,000	1,500,000	(800,000)	-	2,900,000	
Increase (decrease) in deposits	38,662	43,674	-	-	-	82,336	-
Increase (decrease) in compensated absences	(68,603)	6,573	(35,306)	7,451	(22,729)	(112,614)	39,922
Increase (decrease) in deferred inflows - pensions	170,059	35,125	89,942	6,672	6,028	307,826	50,711
Increase (decrease) in net pension liability	(431,790)	(129,289)	(331,065)	(24,556)	(22,190)	(938,890)	(159,074)
Increase (decrease) in accrued claims for self-insured risks	-	-	-	-	-	-	(129,393)
Increase (decrease) in accrued other post-employment benefits	493,517	113,978	234,822	45,699	12,517	900,533	122,281
Net cash provided (used) by operating activities	$ 3,934,881	$ 2,383,675	$ 571,699	$ 76,133	$ (79,799)	$ 6,886,589	$ (797,128)
Noncash Investing, Capital and Financing Activities							
Unrealized gain (loss) on investments	$ 79,393	$ 30,957	$ 18,552	$ -	$ -	$ 128,902	$ -
Proceeds provided for debt refunding	2,940,245	612,304	-	1,837,451	-	5,390,000	-
Payment made on refunded debt	(2,940,245)	(612,304)	-	(1,837,451)	-	(5,390,000)	-
Gain on debt refunding	4,296	895	-	2,685	-	7,876	-
Capital contributions from assets constructed by governmental activities	-	-	-	2,039,522	-	2,039,522	-
	$ 83,689	$ 31,852	$ 18,552	$ 2,042,207	$ -	$ 2,176,300	$ -

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2015

	Pension Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	$ 5,613,492	$ 1,566,695
Due from other funds	-	60,537
State contributions receivable	673,170	-
Employee contributions receivable	36,201	-
Interest receivable	215,983	-
Accounts receivable	-	8,932
Due from broker	373,127	-
Investments:		
Corporate bonds	8,461,091	-
Equity securities	79,192,347	-
U.S. Obligations	14,302,662	-
Hedge funds	18,351,750	-
Insurance company separate account	65,783,896	-
Real estate investment trust	9,825,254	-
Total investments	195,917,000	-
Prepaid expense	11,116	-
Total assets	202,840,089	1,636,164
Liabilities		
Accounts payable	128,510	81,546
Due for securities purchased	288,791	-
Due to others	-	1,554,618
	417,301	1,636,164
Deferred Inflows of Resources		
Advance City contributions	34,786	-
Net Position		
Restricted for pensions	$ 202,388,002	$ -

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended September 30, 2015

Additions	
Contributions:	
Employer	$ 12,411,601
Plan members	1,524,494
State of Florida	673,170
Other income	41,342
Total contributions	14,650,607
Investment earnings (loss):	
Interest and dividends	2,456,923
Net depreciation in fair value of investments	(2,648,289)
Total investment earnings (loss)	(191,366)
Less investment expense	(1,079,963)
Net investment earnings (loss)	(1,271,329)
Total additions	13,379,278
Deductions	
Benefits	14,311,323
Professional services	150,403
Total deductions	14,461,726
Change in net position	(1,082,448)
Net position, beginning	203,470,450
Net position, ending	$ 202,388,002

See Notes to Financial Statements.

Hallandale Beach

PROGRESS. INNOVATION. OPPORTUNITY.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The City of Hallandale, Florida was incorporated in 1927 by Laws of Florida 12791 Acts of 1927. On August 17, 1999, the City Commission approved an ordinance amending the City Charter to change the name of the City to Hallandale Beach, Florida (the "City"). The City operates under the Commission-Manager form of government and provides the following services as authorized by its charter and state statute: general government, public safety (police and fire), public works, physical environment, water, sewer, stormwater drainage, municipal cemetery, sanitation, human services, culture and recreation, planning and zoning and general administrative.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") applicable to state and local governmental units, which are promulgated by the Governmental Accounting Standards Board ("GASB"). Significant accounting and reporting policies and practices used by the City are described below:

A. Reporting Entity

In accordance with GAAP, these basic financial statements present the City (the primary government) and its component units. A component unit is a legally separate organization for which the City is financially accountable.

The City is financially accountable if it appoints a voting majority of the organization's governing Board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. The City is also financially accountable if the entity is fiscally dependent on the City. Additionally, the City is required to consider other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading or incomplete. Accordingly, the following component units, because of the closeness of their relationship with the City, are blended as special revenue funds in the City's financial statements.

Blended Component Units:

Golden Isles Safe Neighborhood District

The Golden Isles Safe Neighborhood District is governed by a board comprised of the City's elected commissioners. The commissioners approve the District's budgets, levy taxes, and must approve any debt issuances. The City has operational responsibility for this District.

Three Islands Safe Neighborhood District

The Three Islands Safe Neighborhood District is governed by a board comprised of the City's elected commissioners. The commissioners approve the District's budgets, levy taxes and must approve any debt issuances. The City has operational responsibility for this District.

Hallandale Beach Community Redevelopment Agency

Pursuant to Section 163.387, Florida Statutes, the City of Hallandale Beach established a Redevelopment Trust Fund for the Community Redevelopment Agency ("CRA" or "Agency"), effective December 1996. The City Commission, acting as the agency board of directors, approved a Community Redevelopment Plan, which will primarily utilize Tax Increment Financing to fund community redevelopment within the designated area. The specific area incorporates approximately two thirds of the City with the exception of the most easterly portion of the City. The base year established of January 1, 1996, will be utilized in determining the base amount of property valuation. Each

Note 1. Summary of Significant Accounting Policies (Continued)

year the City, County and Children's Services Council must contribute 95% of the incremental increase, if any, in ad valorem taxes levied over and above the base year. The Hospital District has made a separate agreement for a flat amount. The CRA is governed by a board comprised of the City's elected officials and there is a financial benefit and burden relationship between the City and the CRA. Although the Agency is legally separate from the City, the CRA is reported as part of the primary government because its sole purpose is to finance and redevelop the City's designated redevelopment areas. The CRA issues a publicly available financial statement which can be obtained by contacting the CRA's office.

B. Government-Wide and Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements.

The government-wide financial statements include a statement of net position and a statement of activities. These statements report on the government as a whole and provide a complete financial picture of the government. For the most part, interfund activities have been removed from these statements. The City's fiduciary funds are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

The government-wide statement of net position reports all financial and capital resources of the City's governmental and business-type activities. Governmental activities are those supported by taxes and intergovernmental revenue. Business-type activities rely to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges for goods or services that are recovered directly from customers for services rendered, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment, and 3) grants and contributions that are restricted to meeting capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund based financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, reconciliations are provided that briefly explain the adjustments necessary to reconcile the governmental fund financial statements to the government-wide governmental activities financial statements.

Internal service funds of a government are presented in summary form as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. To the extent possible, the costs of these services are reflected in the appropriate governmental activities.

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide, the proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses reported when a liability is incurred, regardless of the timing of related cash flows. The Agency funds report only assets and liabilities using the accrual basis of accounting but have no measurement focus.

All governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are generally recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the year. Revenues for expenditure driven grants are recognized when the qualifying expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. Expenditures related to pension and other post-employment benefits are recognized when the City has made a decision to fund those obligations with current available resources.

In the governmental funds, property taxes when levied for, public services taxes, franchise taxes, intergovernmental grants when eligibility requirements are met, charges for services and interest income associated with the current fiscal period are all considered to be measurable and have been recognized, if available. Licenses and permits and miscellaneous revenue are recorded as revenue when received in cash, because they are generally not measurable until actually received.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for using a separate set of self-balancing accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equities, revenue and expenditures or expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

GAAP sets forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenue or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor, internal service, and fiduciary funds are each presented in the aggregate in the applicable fund financial statements.

The City reports the following major governmental funds:

> The General Fund is the primary operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenue is derived primarily from property taxes, utility taxes, state and federal distributions and other intergovernmental revenue. The general operating expenditures, fixed charges and capital outlay costs that are not paid through other funds are paid from the General Fund.
>
> The Community Redevelopment Agency Fund accounts for the tax increment revenue assessed on properties in the specified CRA area and capital improvements, neighborhood improvement loans, and other economic incentives that help improve the appearance of property and equality of life for area residents and businesses.

Note 1. Summary of Significant Accounting Policies (Continued)

The Grant Administration Fund accounts for City projects financed by federal, state and local grants.

The Capital Projects Fund accounts for major capital projects funded by City appropriations and debt issuance.

The City reports the following major proprietary funds:

The Water Fund accounts for the provision of water services to residents and businesses of the City.

The Sewer Fund accounts for the provision of sanitary sewer services to residents and businesses of the City.

The Sanitation Fund accounts for the provision of waste and trash collection and disposal services to residents and businesses of the City.

The Stormwater Drainage Fund accounts for the provision of stormwater maintenance and capital improvements to residents and businesses of the City.

Additionally, the City reports the following fund types:

Internal Service Funds are used to account for the financing of workers' compensation, general liability insurance and fleet services provided to the various funds of the City.

Fiduciary Funds include pension trust funds and agency funds. Pension trust funds account for certain of the City's retirement plans. Agency funds are used for assets held by the City on behalf of others for payroll related costs and other miscellaneous assets.

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 water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenue for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. All revenues that are not program revenues are general revenues, and include all taxes, as well as grants, contributions and investment earnings that are not restricted to a particular program.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist primarily of charges for services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All items not meeting this definition are reported as nonoperating revenues and expenses.

Note 1. Summary of Significant Accounting Policies (Continued)

D. Deposits

The City considers cash on hand, cash with fiscal agents, and overnight investments with original maturities of less than three months to be cash and cash equivalents. In addition, each fund's equity in the City's investment pool has been treated as a cash equivalent since cash may be deposited or withdrawn from the pool at any time without prior notice or penalty. Interest earned on pooled cash and investments is allocated to funds based on average monthly balances.

E. Investments

Investments, including investments in the pension trust funds, are reported at fair value, with the exception of the investments held by the State Board of Administration. The Florida PRIME, is recorded at the value of the pool shares (2a-7 like pool), which is fair value. The difference between cost and fair value of investments held is recorded as net unrealized gains or losses and is included in net investment earnings or losses.

F. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "due to/from other funds" (current portion of loans) or "advances to/from other funds" (non-current portion of loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Receivables are recorded and where appropriate, an associated allowance for uncollectible accounts has been established in the related fund. All receivables are shown net of an allowance for uncollectibles. Based on past experience, the City deems all balances greater than 90 days to be uncollectible unless a lien can be placed against the property of the customer.

G. Inventory and Prepaid Items

Inventory, which generally consists of supplies held for consumption, is valued at lower of cost (first-in, first-out) or market. The cost is recorded as an expenditure/expense at the time individual inventory items are consumed.

Inventory in the Cemetery fund consists of crypts. Inventory is valued at cost and is reduced by crypts sold during the year, calculated based on a weighted-average basis. Water fund inventory consists of water meters on hand for future installation.

Certain payments to vendors for services that will benefit periods beyond September 30, 2015 are recorded as prepaid items in both the government-wide and fund financial statements.

In the governmental funds, prepaid items and inventory are reported in the classification of non-spendable fund balance.

H. Restricted Assets

Restricted assets, consisting of cash and cash equivalents, represent assets restricted to a particular usage. In the governmental funds, restricted cash consists primarily of unspent bond proceeds. In business-type funds, restricted assets consist mainly of the amount of utility deposits.

Note 1. Summary of Significant Accounting Policies (Continued)

I. Capital Assets

Capital assets, including land, buildings and improvements, infrastructure, vehicles and equipment, and intangibles, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are those that have a useful life of greater than one year and a value of greater than $1,000 for all capital assets other than intangibles, which have a value of greater than $25,000 are capitalized for financial reporting purposes. Capital assets are stated at cost in the government-wide and proprietary fund financial statements. Donated capital assets are stated at their fair value on the date contributed. Depreciation is recorded as an operating expense for all assets meeting the City's capitalization threshold. Interest is capitalized on projects of the business-type activities and proprietary funds during construction based upon the cost of borrowings less interest earned on related investments acquired with the proceeds of borrowings. There was no interest to be capitalized in the 2015 fiscal year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized, but are expensed as incurred.

Depreciation is provided over estimated useful lives using the straight-line method. Estimated useful lives are as follows:

Vehicles and equipment	5 years
Water plant components	10 years
Buildings and improvements other than buildings	20 years
Enterprise infrastructure	20 years
Government infrastructure	42 years

J. Compensated Absences

City employees are granted vacation pay and sick leave in varying amounts based on employee classification and length of service. Employees may elect to use sick leave as earned or receive cash payments in lieu of time off at reduced amounts. A portion of unused vacation pay and sick-leave pay are paid upon an employee's termination.

The City accrues for vacation and sick leave based on anticipated use or payout (i.e., amounts that are due and payable). Accumulated and unpaid vacation pay and sick leave are recorded as expenses in the government-wide and proprietary funds when earned. Expenditures for accumulated compensated absences have been recorded in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Unearned/Unavailable Revenue

Unearned revenue arises when resources are received by the City before it has a legal claim to them. In addition, inflows that do not yet meet the criteria for revenue recognition are recorded as unearned revenue or a deferred inflow in the government-wide and the fund financial statements. In subsequent periods, when the City has a legal claim to the resources, the liability for unearned revenue or a deferred inflow is removed and revenue is recognized. In the governmental funds, unavailable revenue may also arise if the funds are not received in the availability period; the funds are then not considered a current available resource.

Note 1. Summary of Significant Accounting Policies (Continued)

L. Long-Term Obligations

In the government-wide financial statements, and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, and debt principal payments are reported as debt service expenditures.

M. Fund Equity/Net Position

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints imposed on the use of resources reported in governmental funds. Amounts that are restricted to specific purposes either by (a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Commission through an ordinance or resolution (equally binding), are classified as committed fund balances. These constraints remain binding unless removed or changed in the same manner employed to commit those resources. Amounts that are constrained by the City's intent to be used for specific purposes, however, are neither restricted, nor committed are classified as assigned fund balances. With the exception of the General fund, this is the residual fund balance classification for all governmental funds with positive balances. Assignments are approved by the City Commission through adoption of the budget. Non-spendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund balance 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.

Net position of the government-wide financial statements and proprietary fund financial statements are categorized as net investment in capital assets, restricted or unrestricted. The first category represents capital assets net of accumulated depreciation, less outstanding related debt and any deferred inflows/outflows related to the acquisition or construction of the capital assets.

The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the related liabilities payable from restricted assets. Unrestricted net position represent resources that are available for spending.

N. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the City's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

Note 1. Summary of Significant Accounting Policies (Continued)

O. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last, unless the City Commission has provided otherwise in its commitment or assignment actions by either ordinance or resolution.

P. Pension Plans

The City provides separate defined benefit pension plans for general employees, professional/management, and uniformed police and fire department personnel. The City provides a defined-contribution plan for those management employees who did not elect to transfer to the Professional/Management Plan. Additionally, all new professional and management employees are required to enter the defined contribution pension plan, as the defined benefit plan will be phased out as employees retire or resign. It is the City's policy to fund the normal cost and the amortization of the unfunded prior service cost.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Police Officer's and Firefighter's Personnel Retirement Trust, the General Employees Retriement Plan, and the Professional/Management Employees Retirement Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit term. Investments are reported at fair value.

Q. Other Post-Employment Benefits

The City is self-funded for other post-employment benefits in accordance with Florida Statute. The City permits eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. As a result, the City incurs an implicit subsidy for these retirees. The accrued liability for other post employment benefits represents the excess of the annual required contribution for other post employment benefits over the actuarially determined implicit subsidy for the current year. The expense for the implicit subsidy portion is recorded within the operating funds as part of the health care costs incurred.

R. Self-Insurance

The City is currently self-insured for all workers' compensation and general liability claims. Operating funds are charged premiums by the internal service funds. The accrued liability for estimated insurance claims represents an estimate of the eventual loss on claims arising prior to year-end, including those incurred but not yet reported.

Note 1. Summary of Significant Accounting Policies (Continued)

S. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources and liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

T. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Within the government-wide statement of net position, the City reports as deferred inflows amounts representing the net difference between expected and actual results, changes in assumptions and projected and actual earnings of its pension plan. The amounts will be amortized over a five year closed period beginning in the yer in which the difference occurred or over the remaining service lives of all employees, as applicable. In addition, the City reports a deferred gain on the refunding of 2005A Revenue Bonds, a deferred gain on a sale-leaseback transaction related to the main fire station and other pension related deferred inflows in this category.

U. Implementation of Governmental Accounting Standards Board Statements

The City implemented the following GASB Statements during the year ended September 30, 2015:

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*.

This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosrues*, as they relate to pensions that are provided through pension plans administreed as trusts or equivalent arrangements. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures..

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.

This Statement amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability.

Note 2. Property Taxes

The City's property tax is levied and becomes a lien on real and personal property located in the City, including the Golden Isles Safe Neighborhood District and the Three Islands Safe Neighborhood District, on October 1 of each year based upon the assessed value listed as of the prior January 1. Assessed values are established by the Broward County Property Appraiser.

The City is permitted by state law to levy taxes up to 10 mills of assessed valuation for the General fund. Taxes were levied at 5.1918 mills, 1.0934 mills, and 0.6600 mills for the General fund, the Golden Isles Safe Neighborhood District and the Three Islands Safe Neighborhood District, respectively, for the 2014-15 fiscal year.

All taxes are due from property holders on March 31, become delinquent on April 1 and become subject to the issuance of tax sale certificates on June 1.

Note 3. Deposits and Investments

Cash and investments consist of the following at September 30, 2015:

City:	
Cash and cash equivalents:	
Deposits with financial institutions	$ 16,357,642
Commercial paper	4,591,492
Florida PRIME	3,043,334
	23,992,468
Investments:	
Corporate notes	14,917,301
U.S. Government agencies	11,436,785
U.S. Government treasuries	14,342,623
Collateralized Mortgage Obligations	4,427,766
Municipal obligations	1,304,031
	46,428,506
Pension funds:	
Money market funds	5,613,492
U.S. Government agencies	9,855,739
U.S. Government treasuries	4,348,617
Municipal obligations	98,306
Corporate bonds	8,461,091
Equities - Foreign and Domestic	79,192,347
Insurance company separate account	65,783,896
Hedge funds	18,351,750
Real estate investment trust	9,825,254
	201,530,492
Total Investments	247,958,998
Total Cash, Cash Equivalents and Investments	$ 271,951,466

*These investments are uninsured and unregistered, with securities held by the counter party but not in the City's name.

Note 3. Deposits and Investments (Continued)

Cash and investments are classified in the accompanying financial statements as follows:

Statement of net position	
Cash and cash equivalents	$ 20,216,681
Restricted cash and cash equivalents	3,775,787
Investments	46,428,506
Pension trust funds	
Cash and cash equivalents	5,613,492
Investments	195,917,000
Total Cash, Cash Equivalents and Investments	$ 271,951,466

Deposits: The City's policy is to follow Florida Statutes which authorize the deposit of City funds in demand deposits or time deposits of financial institutions approved by the State Treasurer. These are defined as public deposits. All City public deposits are held in qualified public depositories pursuant to Chapter 280, Florida Statutes, "Florida Security for Public Deposits Act." Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The collateral pledging level may range from 50% to 125% depending upon the depository's financial condition and the length of time that the depository has been established. All collateral must be deposited with the State Treasurer. Any losses to public depositors resulting from insolvency are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessment against other qualified public depositories of the same type as the depository in default. The City's bank balances were insured either by the federal depository insurance or collateralized in the bank's participation in the Florida Security for Public Deposits Act.

The State Board of Administration (SBA) administers the Florida PRIME which is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME. The Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant net asset value (NAV) of $1 per share. The fair value of the position in the Florida PRIME is equal to the value of the pool shares. The dollar weighted average days to maturity (WAM) of the Florida PRIME at September 30, 2015, is 29 days.

The investments in the Florida PRIME are not insured by FDIC or any other governmental agency.

Concentration of credit risk: Under the City's investment policy, authorized investments may consist of investments in the following:

- Florida Local Government Surplus Funds Trust Fund ("SBA")—up to 25% of available funds
- United States Government Securities—up to 100% of available funds; a maximum of 10% of treasury strips
- United States Government Agencies—up to 100% of available funds
- Federal Instrumentalities—up to 100% of available funds
- Interest Bearing Time Deposits or Savings Accounts—up to 10% of available funds
- Repurchase Agreements—up to 20% of available funds (excluding one-business day agreements and overnight sweep agreements)
- Commercial Paper—up to 35% of available funds

Note 3. Deposits and Investments (Continued)

- Corporate Notes—up to 15% of available funds
- Bankers Acceptances—up to 25% of available funds
- State and/or Local Government Debt—up to 25% of available funds, a maximum of 10% of the various municipalities of the State of Florida
- Money Market Mutual Funds—up to 20% of available funds
- Intergovernmental Investment Pool—up to 25% of available funds
- Foreign Government Debt Issues—up to 5% of available funds

In addition, the City's policy limits overall investment in any one issuer to 5% or less, except for United States Government Agencies (40%), Federal Instrumentalities (40%) and Interest Bearing Time Deposits or Savings Accounts (10%).

The City's professional/managerial plan and the general employees plan invest in pooled separate accounts under a group annuity contract with an insurance company.

The City of Hallandale Beach's three defined benefit plans authorized investments may consist of the following:

- Time, savings and money market deposit accounts of a national bank, or a savings and loan association insured by the Federal Deposit Insurance Corporations
- Obligations issued by the U.S. Government, or an agency or instrumentality of the U.S. Government, including mortgage-related securities
- Equities (not to exceed 5% of the total portfolio being invested in the common stock of any one issuing company with the exception of a co-mingled investment portfolio such as a mutual fund or insurance company separate account)
- Fixed Income investments defined as preferred issues and fixed income securities
- Money Market Funds (defined as fixed income securities having a maturity of less than one year that meet or exceed Standard & Poor's A1, or Moody's P1 credit rating)
- Master Limited Partnerships (not to exceed 5% of the portfolio)
- Real Assets-co-mingled investment portfolios, such as a mutual fund or insurance company separate account consisting of real assets (including owned real estate, real estate investment trusts and /or other co-mingled real estate equity investment options)
- Funds of Hedge Funds (private investment funds investing primarily in the global equity and fixed income markets (excluded from the general employees and professional/management plans)

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the City's and pension plans' investment policies, they minimize the interest rate risk of investments in the portfolios by structuring them so that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner.

Note 3. Deposits and Investments (Continued)

Information about the sensitivity of the fair values of the City's and the defined benefit pension plan's investments to market interest rate fluctuations of its debt type investments using the segmented time distribution model is as follows:

Summary of Investments and Interest Rate Risk	Fair Value	Investment Maturities (in Years) Less than 1 Year	1 - 5 Years	5 - 10 Years	Greater than 10 Years
U.S. Government treasuries	$ 18,691,240	$ 2,264,348	$ 15,413,416	$ 257,325	$ 756,151
U.S. Government agencies	21,292,524	1,490,479	9,946,306	-	9,855,739
Municipal obligations	1,402,336	1,100,396	203,634	98,306	-
Insurance company separate account	23,451,931	-	-	23,451,931	-
Corporate Bonds and Notes	23,378,392	387,426	17,510,169	1,465,674	4,015,123
Collateralized Mortgage Obligations	4,427,766	-	4,427,766		
Commercial paper	4,591,492	4,591,492	-	-	-
Florida PRIME	3,043,335	3,043,335	-	-	-
Total	$ 100,279,016	$ 12,877,476	$ 47,501,291	$ 25,273,236	$ 14,627,013

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy limits investments to those instruments rated at or better than A-1. The Police Officers' & Firefighters' Personnel Retirement Trust limits investments to those instruments in one of the four highest classifications by a major rating service. The General Employees and Professional Management Pension Plans' limit investments to securities ranked in Standard & Poor's , AAA, AA, A, BBB or Moody's Aaa, Aa, A and Baa except for below investment grade bonds held in a co-mingled investment portfolio, such as a mutual fund or insurance company separate account.

Presented below is the minimum rating as required for each debt type instrument:

Average Rating	Corporate Bonds and Notes	U.S. Govt. Obligations	Municipal Obligations	Asset Backed Mortgages	Separate Account	Commercial Paper	SBA	Total
AAA	$ 1,303,068	$ 4,348,617	$ -	$ 3,618,668	$ -	$ -	$ 3,043,335	$ 12,313,688
AA+	1,224,552	25,779,407	-	-	-	-	-	27,003,959
AA	331,170	-	1,304,030	-	-	-	-	1,635,200
AA-	3,600,432	-	-	-	-	-	-	3,600,432
A+	5,142,687	-	-	-	-	-	-	5,142,687
A	3,981,707	-	98,306	-	-	-	-	4,080,013
A-	1,870,808	-	-	-	-	-	-	1,870,808
A-1	-	-	-	-	-	4,591,492	-	4,591,492
A-1+	-	-	-	-	-	-	-	-
BBB+	1,690,524	-	-	-	-	-	-	1,690,524
BBB	2,143,505	-	-	-	-	-	-	2,143,505
BBB-	1,544,119	-	-	-	-	-	-	1,544,119
BB	252,860	-	-	-	-	-	-	252,860
BB+	292,960	-	-	-	-	-	-	292,960
BB-	-	-	-	-	-	-	-	-
Unrated	-	9,855,740	-	809,098	23,451,931	-	-	34,116,769
TOTAL	$ 23,378,392	$ 39,983,764	$ 1,402,336	$ 4,427,766	$ 23,451,931	$ 4,591,492	$ 3,043,335	$ 100,279,016

Note 3. Deposits and Investments (Continued)

Custodial credit risk: "Custodial credit risk" is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a formal policy, but its practice is to ensure that all investments are held by the City or its counterparty in the City's name, with the exception of its pension investments. In the Police Officers' and Firefighters' Personnel Retirement Trust, consistent with its investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name. Investments in the General Employees and Professional/ Management Retirement Plans, consist of investments pooled as separate investment accounts, under a group annuity contract and operate similar to a mutual fund. These investments are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Foreign currency risk: "Foreign currency risk" is the risk that fluctuations in currency exchange rate may affect transactions conducted in currencies other than U.S. dollars as well as the carrying value of foreign investments. The City and the pension plans are not subject to foreign currency risk as all investments are denominated in U.S. dollars.

Note 4. Receivables

Receivables for the City's governmental activities and each major governmental fund and nonmajor governmental and internal service funds in the aggregate, with the related allowance for uncollectible accounts, as of September 30, 2015 were as follows:

Governmental Activities	General	Hallandale Beach Community Redevelopment Agency	Grant Administration	Nonmajor Funds	Internal Service Funds	Total Governmental Activities
EMS transport	$ 9,519,575	$ -	$ -	$ -	$ -	$ 9,519,575
Property tax	1,886	-	-	-	-	1,886
Utility and sales tax	528,726	-	-	-	-	528,726
Franchise fees	499,448	-	-	-	-	499,448
Sales and user fees	357,614	-	-	309,566		667,180
Miscellaneous	12,785	-	21,723	65,669		100,177
Interest	48,344	-	-	-		48,344
Insurance Claims	-	-	-	-	142,693	142,693
CRA Loans	-	1,368,729	-	-	-	1,368,729
Gross receivables	10,968,378	1,368,729	21,723	375,235	142,693	12,876,758
Less: allowance for uncollectibles	(8,848,717)	(115,781)	-	(12,755)	-	(8,977,253)
Net total receivables	$ 2,119,661	$ 1,252,948	$ 21,723	$ 362,480	$ 142,693	$ 3,899,505

Affordable Housing Loan Program

The CRA issues single and multi-family housing loans to assist with the cost of a new construction home, townhouse or condo, or the purchase of an existing home, townhouse or condo to qualified residents. Repayment is not required if the resident remains in the home until the completion of ten years. The CRA does not report these amounts in their financial statements due to the uncertainty as to the date or amount of future collections.

Note 4. Receivables (Continued)

Receivables for the City's business-type activities and each proprietary fund, with the related allowance for uncollectible accounts, as of September 30, 2015 were as follows:

Business-type Activities	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Nonmajor Cemetery Fund	Total Business-Type Activities
Water sales	$ 2,333,240	$ -	$ -	$ -	$ -	$ 2,333,240
Sewer service charges	-	2,468,721	-	-	-	2,468,721
Garbage and trash	-	-	847,981	-	-	847,981
Special trash	-	-	123,321	-	-	123,321
Recycling	-	-	32,732	-	-	32,732
Franchise fees	-	-	97,400	-	-	97,400
Stormwater drainage services	-	-	-	322,178	-	322,178
Interest receivable	40,560	15,815	9,478	-	-	65,853
Burial rights contracts	-	-	-	-	22,083	22,083
Other	12,185	32,734	-	560	-	45,479
Gross receivables	2,385,985	2,517,270	1,110,912	322,738	22,083	6,358,988
Less: allowance for uncollectibles	(594,711)	(381,214)	(539,162)	(129,843)	-	(1,644,930)
Net total receivables	$ 1,791,274	$ 2,136,056	$ 571,750	$ 192,895	$ 22,083	$ 4,714,058

Note 5. Due from Other Governments

Due from other governments for the City's governmental activities and each major governmental fund and nonmajor governmental funds in the aggregate as of September 30, 2015 include the following:

Governmental Activities	General Fund	Grant Administration	Nonmajor Funds	Total Governmental Activities
Federal Government	$ -	$ 323,476	$ -	$ 323,476
Florida Department of Revenue	233,689	312,138	-	545,827
Local Governments	627,719	172,303	113,500	913,522
	$ 861,408	$ 807,917	$ 113,500	$ 1,782,825

Note 6. Capital Assets

The following is a summary of capital asset activity for the year ended September 30, 2015:

Governmental activities:		(2) Beginning Balance	Additions and Transfers	Retirements and Transfers	Ending Balance
Capital assets not being depreciated:					
Land	(1)	$ 39,263,394	$ 291,098	$ -	$ 39,554,492
Construction in progress	(3)	15,976,093	3,837,240	7,938,698	11,874,635
Total capital assets not being depreciated		55,239,487	4,128,338	7,938,698	51,429,127
Capital assets being depreciated:					
Buildings		19,138,109	49,990	-	19,188,099
Improvements other than buildings		9,150,857	10,000,855	-	19,151,712
Vehicles and equipment		19,624,711	2,500,274	2,296,888	19,828,097
Infrastructure	(3)	25,591,837	950,234	-	26,542,071
Total capital assets being depreciated		73,505,514	13,501,353	2,296,888	84,709,979
Less accumulated depreciation for:					
Buildings		15,246,201	652,102	-	15,898,303
Improvements other than buildings		6,422,520	336,104	-	6,758,624
Vehicles and equipment		13,490,473	2,053,968	2,239,290	13,305,151
Infrastructure		18,026,899	645,685	-	18,672,584
Total accumulated depreciation		53,186,093	3,687,859	2,239,290	54,634,662
Total capital assets being depreciated, net		20,319,421	9,813,494	57,598	30,075,317
Governmental activities capital assets, net		$ 75,558,908	$ 13,941,832	$ 7,996,296	$ 81,504,444

(1) This amount was reduced by $4,106,088 to account for the properties reclassified to property held for sale in the Hallandale Beach Community Redevelopment Agency.

(2) Certain amounts have been restated due to correction of an error for the sale of a fire station that occurred in fiscal year ended September 30, 2014.

(3) Increases and decreases include assets constructed by governmental activities of $2,039,522 contributed to enterprise funds.

Note 6. Capital Assets (Continued)

Business-type activities:

		Beginning Balance	Additions and Transfers	Retirements and Transfers	Ending Balance
Capital assets not being depreciated:					
Land		$ 1,159,302	$ 103,800	$ -	$ 1,263,102
Construction in progress	(1)	10,931,830	2,691,205	233,110	13,389,925
Total capital assets not being depreciated		12,091,132	2,795,005	233,110	14,653,027
Capital assets being depreciated:					
Buildings		21,230,219	-	-	21,230,219
Improvements other than buildings		3,747,983	388,375	-	4,136,358
Vehicles and equipment		10,489,201	120,594	1,513,230	9,096,565
Infrastructure	(1)	51,506,805	404,765	-	51,911,570
Total capital assets being depreciated		86,974,208	913,734	1,513,230	86,374,712
Less accumulated depreciation for:					
Buildings		11,189,637	912,449	-	12,102,086
Improvements other than buildings		1,521,589	162,527	-	1,684,116
Vehicles and equipment		9,051,153	502,593	1,513,230	8,040,516
Infrastructure		34,835,659	1,172,142	-	36,007,801
Total accumulated depreciation		56,598,038	2,749,711	1,513,230	57,834,519
Total capital assets being depreciated, net		30,376,170	(1,835,977)	-	28,540,193
Business-type activities capital assets, net		$ 42,467,302	$ 959,028	$ 233,110	$ 43,193,220

(1) Increase in assets contributed from governmental activities of $2,039,522.

Note 6. Capital Assets (Continued)

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities:	
General government	$ 2,794,495
Public safety	
Law enforcement	198,318
Fire protection	223,553
Physical environment	15,149
Economic environment	25,249
Culture and recreation	256,511
Transportation	144,363
Human services	30,221
Total depreciation expense, governmental activities	$ 3,687,859
Business-type activities:	
Water utility	$ 1,576,433
Sewer utility	405,977
Sanitation	158,293
Stormwater drainage	600,642
Cemetery	8,366
Total depreciation expense, business-type activities	$ 2,749,711

Note 7. Interfund Activities

Transfers: The composition of interfund transactions for the year ended September 30, 2015 is as follows:

	Transfers In											
Transfers Out	General Fund	Community Redevelopment Agency	Capital Projects Fund	Nonmajor Government Fund	Water Fund	Sewer Fund	Stormwater Drainage Fund	Sanitation Fund	Cemetery Fund	Internal Service Fund	Total Transfers Out	
General Fund	$ -	3,605,781	500,519	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,799,130	$ 7,905,430	(1)
Community Redevelopment Agency Fund	1,338,398	-	1,505,807	-	-	-	-	-	-	59,228	2,903,433	(1)
Capital Projects Fund	-	-	-	-	-	-	-	-	-	16,934	16,934	(1)
Nonmajor Governmental Funds	79,849	-	-	-	-	-	-	-	-	73,751	153,600	(1)
Water Fund	-	-	-	-	-	-	-	-	-	446,577	446,577	
Sewer Fund	-	-	-	-	-	-	-	-	-	116,589	116,589	
Sanitation Fund	-	-	-	-	-	-	-	-	-	263,696	263,696	
Stormwater Drainage Fund	-	-	-	-	-	-	-	-	-	86,723	86,723	
Cemetery Fund	-	-	-							10,058	10,058	
Internal Service Funds	3,973,391	61,944	17,711	77,134	414,768	95,790	38,407	197,351	10,519	293,345	5,180,360	
	$ 5,391,638	$ 3,667,725	$ 2,024,037	$ 77,134	$ 414,768	$ 95,790	$ 38,407	$ 197,351	$ 10,519	$ 5,166,031	$ 17,083,400	

(1) These funds received resources via a transfer in from the OPEB fund as a result of the fund's closure, however, the related liability could not be recorded due to the measurement focus of the fund. The Governmental activities will reflect an adjustment to record the liability for the corresponding transfer totaling $3,949,042.

Note 7. Interfund Activities (Continued)

The transfer from the CRA fund to the Capital Projects fund is to provide funds to pay the debt service on the 2007A bonds. The transfer from the General fund to the CRA fund is to transfer property tax revenue. The transfers into the Internal Service fund are to provide funding for payment of claims and other expenses. The transfers out of the Internal Service fund are to reclassify the amounts maintained in the OPEB internal service fund as a result of the fund's closure during the year.

Note 8. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities for the City's governmental activities, each major governmental fund and nonmajor governmental and internal service funds in the aggregate as of September 30, 2015 were as follows:

Governmental Activities	General Fund	Hallandale Beach Community Redevelopment Agency	Grant Administration Fund	Capital Projects Fund	Nonmajor Funds	Internal Service Funds	Total Governmental Activities
Vendor payables	$ 1,041,728	$ 652,953	$ 44,963	$ 50,808	$ 114,014	$ 85,094	$ 1,989,560
Retainage payable	123,644	27,164	34,179	-	-	-	184,987
A/R overpayments	10,305	-	-	-	1,310	-	11,615
Other liabilities	217,813	-	-	-	57,596	-	275,409
Total payables	$ 1,393,490	$ 680,117	$ 79,142	$ 50,808	$ 172,920	$ 85,094	$ 2,461,571

Accounts payable and accrued liabilities for the City's business-type activities, each major and nonmajor proprietary fund as of September 30, 2015 were as follows:

Business-type Activities	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Fund	Nonmajor Funds	Total Business-type Activities
Vendor payables	$ 279,784	$ 1,316,350	$ 214,006	$ 56,873	$ 24,955	$ 1,891,968
Retainage payable	69,500	-	-	-	-	69,500
Accrued wastewater treatment expense	-	121,035	-	-	-	121,035
Other liabilities	55,402	-	-	-	-	55,402
Total payables	$ 404,686	$ 1,437,385	$ 214,006	$ 56,873	$ 24,955	$ 2,137,905

Note 9. Long-Term Debt and Other Obligations

The following is a summary of long-term debt and other obligation transactions for the year ended September 30, 2015:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
Revenue Bonds - Series 2007A	$ 19,580,000	$ -	$ (1,000,000)	$ 18,580,000	$ 1,050,000
Revenue Note - Series 2012	4,440,000	-	(715,000)	3,725,000	725,000
Unamortized bond premium	182,540	-	(24,275)	158,265	-
	24,202,540	-	(1,739,275)	22,463,265	1,775,000
Other long-term liabilities:					
Accrued claims for self-insured risks	2,268,748	310,065	(439,458)	2,139,355	547,266
Capital lease	11,081	-	(6,687)	4,394	4,394
Net pension liability (restated)	69,531,259	21,908,396	(31,274,526)	60,165,129	-
Net OPEB obligation	4,770,948	1,087,595	(821,906)	5,036,637	-
Compensated absences	3,877,444	3,176,190	(3,819,786)	3,233,848	752,885
	80,459,480	26,482,246	(36,362,363)	70,579,363	1,304,545
Total governmental activities, long-term liabilities	$ 104,662,020	$ 26,482,246	$ (38,101,638)	$ 93,042,628	$ 3,079,545
Business-type activities:					
Revenue Bonds - Series 2005A	$ 5,705,000	$ -	$ (5,705,000)	$ -	$ -
Revenue Note - Series 2014	-	5,390,000		5,390,000	485,000
Revenue Note - Series 2012	2,480,000	-	(290,000)	2,190,000	300,000
Unamortized bond premium	126,062	-	(126,062)	-	-
	8,311,062	5,390,000	(6,121,062)	7,580,000	785,000
Other long-term liabilities:					
Net pension liability (restated)	5,636,851	2,405,284	(3,344,173)	4,697,962	-
Net OPEB obligation	-	900,533	-	900,533	-
Compensated absences	564,829	468,835	(581,449)	452,215	368,848
	6,201,680	3,774,652	(3,925,622)	6,050,710	368,848
Total business-type activities, long-term liabilities	$ 14,512,742	$ 9,164,652	$ (10,046,684)	$ 13,630,710	$ 1,153,848

Note 9. Long-Term Debt and Other Obligations (Continued)

Governmental activities Revenue Bonds: The Revenue Bonds, Series 2007A were issued for the purpose of financing the acquisition of park land. The bonds are not general obligation bonds of the City, bear interest at rates ranging from 4.25-5.00% and are to be repaid solely from non-ad valorem revenue. Principal is payable annually and the bonds mature on October 1, 2027.

The Revenue Note, Series 2012 for $5,050,000 was issued for the purpose of financing the purchase of 63 vehicles. The note is not a general obligation of the City, bears interest at 1.31% and is to be repaid solely from non-ad valorem revenue. Principal is payable annually, and the note matures on October 1, 2019. On October 1, 2015, the City paid off the remaining principal of $3,725,000.

Business-type activities Revenue Bonds: The Revenue Note, Series 2012 was issued through the issuance of a revenue note from JPMorgan Chase in the amount of $2,770,000 at 1.5% interest. The difference in cash flows produced nominal savings of $434,668 and an economic gain on the transaction of $402,331 which represents a 13.661% savings of the refunded bonds. The note matures on November 1, 2021.

The Revenue Bonds, Series 2005A were refunded on December 30, 2014. The City issued the Refunding Revenue Note, Series 2014, in the amount of $5,390,000 for the purpose of refinancing the City's outstanding obligations pursuant to the loan agreement dated February 7, 2005 between the City and the Florida Municipal Loan Council. The Refunding Revenue Note, Series 2014 is subject to a fixed rate of interest equal to 2.25% and secured solely by pledged revenues. Pledged revenues include net revenues of the City's water and sewer system, the gross revenues of the City's stormwater system and legally available City's utility impact fees. Interest on the Series 2014 Note is to be paid semiannually on each February 1 and August 1, commencing February 1 2015 and continuing until the note is paid in full. The principal amount of the Series 2014 Note will be due and payable on February 1, 2016 and each February 1 thereafter until the maturity date. The note matures on February 1, 2025. This refunding resulted in a cash flow savings of $797,441 and an economic gain of $712,591.

Other long-term liabilities: Within governmental activities, the General fund has primarily been used to liquidate other long-term liabilities such as compensated absences, other post employment benefits, and the net pension liabilities. Internal service funds predominantly serve the governmental funds. Therefore, long-term liabilities for them are included as part of the totals for governmental activities.

A summary of annual debt service requirements as of September 30, 2015 is as follows:

	Governmental Activities				Business-type Activities			
	Revenue Bonds Series 2007A		Revenue Note Series 2012		Revenue Note Series 2012		Revenue Note Series 2014	
Year Ending September 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2016	1,050,000	888,750	725,000	44,049	300,000	30,600	485,000	115,819
2017	1,105,000	834,875	735,000	34,486	305,000	26,063	495,000	104,794
2018	1,160,000	778,250	745,000	24,791	310,000	21,450	505,000	93,544
2019	1,220,000	722,563	755,000	14,967	310,000	16,800	520,000	82,013
2020	1,275,000	667,188	765,000	5,011	315,000	12,113	530,000	70,200
2021-2025	7,380,000	2,306,250	-	-	650,000	9,825	2,855,000	163,631
2026-2027	5,390,000	413,000	-	-	-	-	-	-
	$ 18,580,000	$ 6,610,875	$ 3,725,000	$ 123,304	$ 2,190,000	$ 116,851	$ 5,390,000	$ 630,000

Note 9. Long-Term Debt and Other Obligations (Continued)

Pledged Revenue: General long-term debt bonds and the note are collateralized by multiple sources. The City has pledged certain revenue to repay revenue bonds and the notes outstanding as of September 30, 2015. The following table reports the revenue, net of related operating expenses for business-type activities, pledged for each debt issue, the amounts of such revenue received in the current year, the current year principal and interest paid and/or accrued on the debt, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenue for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2015:

Description of Bonds	Pledged Revenue	Revenue Received	Principal and Interest Paid	Percentage of Current Year Debt Service To Pledged Revenue	Outstanding Principal and Interest	Pledged Through
Governmental Activities:						
Revenue Bonds, Series 2007A	Non Ad Valorem	$51,649,069	$1,965,000	3.80%	$25,190,875	2027
TD Bank Loan 2012	Net revenue - fleet services	2,775,133	768,481	27.69%	3,848,304	2019
Business-type Activities:						
Revenue Note, Series 2014	Net revenues of water, sewer, and gross revenues stormwater utility	2,383,126	673,046	28.24%	6,020,000	2025
JPMorgan Chase Loan 2012	Net revenues of water, sewer, and gross revenues stormwater utility	2,383,126	325,025	13.64%	2,306,851	2021

Note 10. Pension Plans

The City provides three separate defined benefit single-employer pension plans (General Employees Retirement Plan, Police Officers' and Firefighters' Personnel Retirement Trust, and the Professional/Management Employees Retirement Plan). The City accounts for these plans as pension trust funds.

Summary of Significant Accounting Policies

Basis of Accounting

The pension plans are accounted for on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Investments

Plan investments are reported at fair value. Quoted market prices, when available, have been used to value investments. The fair value of quoted investments is based on the closing sales price or bid price as reported by recognized security exchanges. The fair values for securities that have no quoted market price represent estimated fair value. Many factors are considered in arriving at that value. In general, corporate debt securities have been valued at quoted market prices or, if not available, values are based on yields currently available on comparable securities of issuers with similar credit ratings. Unrealized gains and losses are presented as net appreciation (depreciation) in fair value of investments on the statement of changes in fiduciary net position along with the gains and losses realized on the sales of investments. Purchases and sales of investments are recorded on a trade-date basis.

Note 10. Pension Plans (Continued)

Summary of Significant Accounting Policies (Continued)

Real estate investments are stated at fair value as determined by the Plans' independent valuation consultants. Appraisals are performed for each investment annually by independent third party MAI certified appraisers, with all appraisals being performed in accordance with the Uniform Standard of Professional Appraisal Practice. Thereafter, values are updated daily by the valuation consultant based on changes in factors such as occupancy levels, lease rates, overall market conditions and capital improvements. Determination of estimated fair value involves subjective judgment because the actual fair value of real estate can be determined only by negotiation between the parties in a sales transaction.

Administrative Expenses

Administrative expenses paid by the General Employees Retirement Plan, Police Officers' and Firefighters' Personnel Retirement Trust and the Professional/Management Employees Retirement Plan include services of administrative personnel, bank charges, investment counsel charges, actuarial costs, insurance expense and miscellaneous office expenses.

Risks and Uncertainties

The Plans invest in various investment securities. As noted in Note 3, investment securities are exposed to various risks such as interest rate, market, credit, and foreign currency risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect the amounts reported in the statement of fiduciary net position for each plan. The plans, through their investment advisors, monitor plan investments and the risks associated therewith on a regular basis to minimize these risks.

General Employees Retirement Plan

Plan description: The General Employees Retirement Plan is a single-employer defined-benefit plan, which covers all City employees except police officers, firefighters and management/professional employees. As of the date of the most recent actuarial valuation, October 1, 2014, employee membership data related to the plan was as follows:

Inactive plan members and beneficiaries currently receiving benefits	136
Inactive plan members entitled but not yet receiving benefits	70
Active plan members	137
Total	343

The Plan provides enhanced retirement as well as death benefits. Benefits vest 20% after three years of active participation, plus 20% for each additional year to 100% after seven years. Employees who retire at or after age 60 with 15 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 73-75% of average compensation times the accrued benefit adjustment. Average compensation is equal to the monthly average of total pay within the three-year period ending on the day prior to the normal retirement date.

Note 10. Pension Plans (Continued)

General Employees Retirement Plan (Continued)

Employees with 20 years of credited service may retire at or after age 55 and receive reduced retirement benefits. The City Commission has the authority to create or amend benefit and contribution provisions. Covered employees are required by City ordinance to contribute 3% of monthly earnings. The City is required to contribute the remaining amounts necessary to fund the plan, based on an actuarially determined amount each year.

If an employee leaves covered employment or dies before five years of credited service, accumulated employee contributions plus related investment earnings are refunded to the employee or designated beneficiary.

The City does not issue a stand-alone financial report for the Plan.

The Deferred Retirement Option Plan (DROP) is available to all plan members who have become eligible for early or normal retirement. Upon electing to participate in the DROP, members are considered to have retired for pension purposes but continue to remain in active employment with the City. The member's pension benefit is calculated as if they actually retired on the date of DROP participation, using continuous service, average monthly earnings, and the current multiplier as of that date. However, instead of paying the benefit to the member, a DROP account is established, and the benefit is deposited into the account every month for up to five years. These deposits continue to accumulate interest. Upon actual termination of employment, members shall receive their normal retirement benefits and may elect to receive their funds from the DROP account in a lump sum distribution or roll their account balance into a qualified instrument. At September 30, 2015, there were 12 DROP participants, with a total balance of $1,146,594. These funds are included in the Plan's Fiduciary Net Position.

Actuarially determined contribution requirements and contributions made: The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentages of payroll contribution rates are determined using the entry age normal-aggregate actuarial cost method.

The employees, in accordance with City ordinance, made contributions for the year ending September 30, 2015 totaling $230,059 Employer contributions for same period, as determined by the October 1, 2013 actuarial valuation, totaled $3,659,156 or 100% of the actual amount required.

Portfolio Allocations: The Plan's investment policy establishes authorized investment classes and stipulated the following maximum portfolio percentages for the years ended September 30, 2015 and 2014.

Asset Class	Target Allocation
U.S. equity	30%
International equity	10%
Fixed income - core bonds	45%
Fixed income - high yield	5%
Real estate	5%
Conservative asset allocation	5%
Total	100%

Note 10. Pension Plans (Continued)

Police Officers' and Firefighters' Personnel Retirement Trust

Plan description: The Police Officers' and Firefighters' Personnel Retirement Trust is a single-employer defined benefit plan, which covers all police officers and firefighters. As of the date of the most recent actuarial valuation, October 1, 2014, employee membership data related to the plan was as follows:

Inactive plan members and beneficiaries currently receiving benefits	180
Inactive plan members entitled but not yet receiving benefits	4
Active plan members	146
Total	330

The plan provides retirement benefits as well as death and disability benefits. Employees vest after 10 years of service. Employees who retire at or after age 52 with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 3.2% of average rate of pensionable earnings (salary) for the two most recent completed calendar years prior to retirement or termination with the City, times years and completed months of service, not to exceed 80% of final salary. Employees with 10 years of credited service may retire at or after age 45 and receive reduced retirement benefits. Employees who attain the 80% maximum multiplier may retire at any age and receive normal retirement pension accrued. The Plan includes a Deferred Retirement Option, Medical Stipend, Cost of Living Adjustment and Additional Accrual Service purchase benefits.

Covered employees are required by ordinance to contribute 9.5% of their salary to the plan. If an employee leaves covered employment or dies before 10 years of credited service, accumulated employee contributions plus related investment earnings are refunded to the employee or designated beneficiary. The service-incurred benefit is 30% of monthly compensation at time of death or the accrued monthly retirement benefit, whichever is greater. The non-service-incurred benefit requires 10 years of service and is the accrued monthly retirement benefit. The City is required by State of Florida statute to contribute the remaining amounts necessary to finance the coverage of its employees.

The Deferred Retirement Option Plan (DROP) is available to all plan members who have become eligible for normal retirement. Upon electing to participate in the DROP, members are considered to have retired for pension purposes but continue to remain in active employment with the City. Monthly payments are deposited into a DROP account and credited with interest based on actual earnings of the plan assets, less ½% per year for administrative expenses. Maximum period of participation in the DROP is five years. Upon actual termination of employment, members shall receive their normal retirement benefits and may elect to receive their funds from the DROP account in a lump sum distribution or may leave their accrued DROP balance (or a portion thereof) in the fund, earning interest, until age 70½. As of the date of the most recent actuarial valuation, there were 17 active employees in the DROP plan. The balance in the DROP account for these employees as well as for those already retired is $23,182,008. These funds are included in the Plan's Fiduciary Net Position.

The Police Officers' and Firefighters' Personnel Retirement Trust issues a stand-alone financial report. Copies of this report are available in the Finance Department in the Municipal Complex.

Note 10. Pension Plans (Continued)

Police Officers' and Firefighters' Personnel Retirement Trust (Continued)

Actuarially determined contribution requirements and contributions made: The plan's funding policy provides for periodic employer contributions at actuarially determined rates which, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentages of payroll contribution rates are determined using the entry age normal actuarial cost method.

Pursuant to Florida Statutes, Chapter 175 and Chapter 185, contributions from the State of Florida Department of Insurance consist of a 1.85% excise tax imposed by the City upon certain property insurance companies on the gross amount of premiums from policy holders on all premiums collected on property insurance policies covering property within the City. This amount totaled $673,170 for the year ended September 30, 2015. This amount was recognized as an expenditure and revenue in the General Fund. Contributions for year ended September 30, 2015 consisting of $8,003,467 for the employer, or 100% of the required employer contribution, $1,239,119 for the employees and $673,170 for the State of Florida, were made in accordance with the State statute and in accordance with actuarially determined contribution requirements determined through an actuarial valuation performed at October 1, 2013.

Portfolio Allocations: The Plan's investment policy establishes authorized investment classes and stipulates the following maximum portfolio percentages for the years ended September 30, 2015 and 2014.

Asset Class	Target Allocation
Domestic Equity	62.50%
Fixed income	17.50%
Real estate	5%
Hedge funds	15%
Total	100%

Professional/Management Employees Retirement Plan

Plan description: The Professional/Management Employees Retirement Plan is a single-employer defined-benefit plan, which covers most professional/management employees hired before January 1, 2007 as indicated in the Personnel Resource System. Such employees hired after that date are covered by the ICMA defined contribution plan, a description of which follows.

As of the date of the most recent actuarial valuation, October 1, 2014, employee membership data related to the plan was as follows:

Inactive plan members and beneficiaries currently receiving benefits	9
Inactive plan members entitled but not yet receiving benefits	23
Active plan members	8
Total	40

Note 10. Pension Plans (Continued)

Professional/Management Employees Retirement Plan (Continued)

The Plan provides enhanced retirement benefits as well as death and disability benefits. Benefits vest 100% after 4 years. Employees can retire at or after age 60 with 4 years of credited service or age 52 with 10 years of credited service or upon attaining the maximum benefit regardless of age. The benefit amount is calculated as 3.2% for each year of eligible service multiplied by a three-year average compensation. Employees who retire early with 10 years of service and age 45 incur a reduction of 6% for each year the early retirement date precedes the normal retirement date. The Plan includes a Deferred Retirement Option Plan, Medical Stipend, Excess Benefit Plan, Cost of Living Adjustment and Additional Accrual Service purchase benefits.

Covered employees are required by plan documents to contribute 7% of monthly compensation. The City is required to contribute the remaining amounts necessary to fund the plan, based on an actuarially determined amount each year.

If an employee leaves covered employment or dies before four years of credited service, accumulated employee contributions plus related investment earnings are refunded to the employee or designated beneficiary.

The Deferred Retirement Option Plan (DROP) is available to all plan members who have become eligible for early or normal retirement. Upon electing to participate in the DROP, members are considered to have retired for pension purposes but continue to remain in active employment with the City. The member's pension benefit is calculated as if they actually retired on the date of DROP participation, using continuous service, average monthly earnings, and the current multiplier as of that date. However, instead of paying the benefit to the member, a DROP account is established, and the benefit is deposited into the account every month for up to five years. These deposits continue to accumulate interest. Upon actual termination of employment, members shall receive their normal retirement benefits and may elect to receive their funds from the DROP account in a lump sum distribution or roll their account balance into a qualified instrument. At September 30, 2015, there were 4 DROP participants, with a total asset balance of $782,334. These funds are included in the Plan's Fiduciary Net Position.

The City does not issue a stand-alone financial report for the plan.

Actuarially determined contribution requirements and contributions made: The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentages of payroll contribution rates are determined using the entry age normal-frozen initial liability actuarial cost method.

The employees, in accordance with plan documents, made contributions for the year ended September 30, 2015, totaling $55,316. Employer contributions for the same period, as determined by the October 1, 2013 actuarial valuation totaled $748,978 or 100% of the actual amount required. Payments of contributions, benefits and refunds are recognized in the financial statements as they are paid.

Note 10. Pension Plans (Continued)

Professional/Management Employees Retirement Plan (Continued)

Portfolio Allocations: The Plan's investment policy establishes authorized investment classes and stipulated the following maximum portfolio percentages for the years ended September 30, 2015 and 2014.

Asset Class	Target Allocation
U.S. equity	37.5%
International equity	12.5%
Fixed income - core bonds	36%
Fixed income - high yield	4%
Real estate	5%
Conservative asset allocation	5%
Total	100%

The following is financial information for the pension plans that do not issue stand-alone financial statements:

Statements of Fiduciary Net Position and Changes in
Fiduciary Net Position as of and for the Year ended September 30, 2015

	General Employees	Professional/ Management
Assets		
Cash and cash equivalents	$ -	$ 664,025
Investments:		
Insurance company separate account	45,694,056	20,089,840
Real estate investment trust	2,933,073	925,515
Total investments	48,627,129	21,015,355
Total assets	48,627,129	21,679,380
Net position		
Held in trust for pension benefits	$ 48,627,129	$ 21,679,380

Note 10. Pension Plans (Continued)

Professional/Management Employees Retirement Plan (Continued)

	General Employees	Professional/ Management
Additions		
Contributions:		
Employer	$ 3,659,156	$ 748,978
Plan members	230,059	55,316
Total contributions	3,889,215	804,294
Investment earnings:		
Net decrease in fair value of investments	(263,936)	(309,976)
Total investment earnings	(263,936)	(309,976)
Less: investment expense	(61,394)	(32,630)
Net investment loss	(325,330)	(342,606)
Total additions	3,563,885	461,688
Deductions		
Benefits	2,972,541	1,958,152
Change in net position	591,344	(1,496,464)
Net position, beginning	48,035,785	23,175,844
Net position, ending	$ 48,627,129	$ 21,679,380

Note 10. Pension Plans (Continued)

Net Pension Liability of the City – All Defined Benefit Pension Plans

As of September 30, 2015, the City reported the following net pension liability (NPL) which was measured as of September 30, 2014 (measurement date in accordance with GASB Statement No. 68) associated with each Plan. In addition, in accordance with GASB Statement No. 67, information related to each Plan as of September 30, 2015 has been disclosed:

	2015	2015	2015
	Professional/ Management Retirement Plan	Police Officers' and Firefighters' Personnel Retirement Trust	General Employees
Total pension liability	$ 18,403,056	$ 192,661,026	$ 61,350,559
Plan fiduciary net position	(15,213,429)	(132,111,564)	(48,627,129)
Net Pension Liability	$ 3,189,627	$ 60,549,462	$ 12,723,430
Plan fiduciary net position as a percentage of the total pension liability	82.67%	68.57%	79.26%
Total Net Pension Liability at September 30, 2015			$ 76,462,519

	2014	2014	2014
	Professional/ Management Retirement Plan	Police Officers' and Firefighters' Personnel Retirement Trust	General Employees
Total pension liability	$ 18,567,868	$ 182,531,377	$ 60,211,636
Plan fiduciary net position	(15,974,460)	(132,437,545)	(48,035,785)
Net Pension Liability	$ 2,593,408	$ 50,093,832	$ 12,175,851
Plan fiduciary net position as a percentage of the total pension liability	86.03%	72.56%	79.78%
Total Net Pension Liability at September 30, 2014			$ 64,863,091

Note 10. Pension Plans (Continued)

Net Pension Liability of the City – All Defined Benefit Pension Plans (Continued)

Significant Actuarial Assumptions: The total pension liability of the City was determined for each Plan utilizing the following assumptions:

	General Employees Pension Plan	Police and Firefighters Pension Plan	Professional Management Pension Plan
Measurement Date:	September 30, 2015	September 30, 2015	September 30, 2015
Actuarial valuation	October 1, 2014	October 1, 2014	October 1, 2014
Interest rates:			
Single discount rate:	7.25%	7.75%	7.50%
Inflation rate:	2.50%	4.00%	2.50%
Salary Increases:	4.68% to 6.98%, depending on age	4.5% to 10%, depending on service	6.38% to 8.68%%, depending on age
Mortality tables:	2015 IRS Prescribed Mortality-Generational Annuitant, male and female.	RP-2000 Combined Healthy Annuitant Participant Table for Males or Females, with mortality improvement projected to all future years after 2000 using Scale AA.	2015 IRS Prescribed Mortality-Generational Annuitant, male and female.

	General Employees Pension Plan	Police and Firefighters Pension Plan	Professional Management Pension Plan
Measurement Date:	September 30, 2014	September 30, 2014	September 30, 2014
Actuarial valuation	October 1, 2013	October 1, 2013	October 1, 2013
Interest rates:			
Single discount rate:	7.25%	7.75%	7.50%
Inflation rate:	2.50%	4.00%	2.50%
Salary Increases:	4.68% to 7.90%, depending on age	6.90%	6.38% to 9.60%, depending on age
Mortality tables:	2014 IRS Prescribed Mortality- Generational Annuitant, male and female.	RP2000, Combined Healthy Mortality Table without projection. Disabled Members set forward 5 years. Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements.	2014 IRS Prescribed Mortality- Generational Annuitant, male and female.

Note 10. Pension Plans (Continued)

Net Pension Liability of the City – All Defined Benefit Pension Plans (Continued)

Long-Term Expected Rate of Return: The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2015 and 2014 are summarized in the following table:

	2015	2015		2015
	General Employees	Professional/ Management Retirement Plan		Police Officers' and Firefighters' Personnel Retirement Trust
Asset Class	Long-Term Expected Real Rate of Return	Long-Term Expected Real Rate of Return	Asset Class	Long-Term Expected Real Rate of Return
U.S. equities	7.80%	7.80%	Domestic Equities	6.70%
International equities	8.25%	8.25%	International equities	6.80%
Fixed income - core bonds	3.60%	3.60%	Hedge fund of funds	3.80%
Fixed income - high yield	6.80%	6.80%	Fixed income	2.50%
Real estate	6.70%	6.70%		
Conservative Asset Allocation	6.75%	6.75%		

	2014	2014		2014
	General Employees	Professional/ Management Retirement Plan		Police Officers' and Firefighters' Personnel Retirement Trust
Asset Class	Long-Term Expected Real Rate of Return	Long-Term Expected Real Rate of Return	Asset Class	Long-Term Expected Real Rate of Return
U.S. equities	6.25%	6.25%	Domestic equities-large cap	6.5%
International equities	6.25%	6.25%	Domestic equities-small/medium cap	7.4%
Fixed income - core bonds	3.35%	3.35%	International equities	6.5%
Fixed income - high yield	5.15%	5.15%	Fixed income	2.2%
Real estate	5.70%	5.70%	Real estate	5.8%
Conservative Asset Allocation	6.15%	6.15%	Hedge fund of funds	5.0%

Rate of Return: The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the years ended September 30, 2015 and 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, were as follows for each pension plan:

Rate of Return at September 30,	General Employees	Professional/ Management Retirement Plan	Police Officers' and Firefighters' Personnel Retirement Trust
2015	-0.60%	-0.92%	-0.39%
2014	8.13%	8.83%	12.02%

Note 10. Pension Plans (Continued)

Net Pension Liability of the City – All Defined Benefit Pension Plans (Continued)

Discount Rate: The discount rate used to measure the total pension liability at September 30, 2015 and 2014 was 7.50% for Professional/ Management, 7.75% for Police and Fire, and 7.25% for General Employees. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability for each of the three plans, calculated using the discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

September 30,	Professional/Management Retirement Plan	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
2015	Net pension liability	$ 5,366,067	$ 3,189,627	$ 1,384,677
2014	Net pension liability	$ 4,755,437	$ 2,593,408	$ 803,453

	Police Officers' and Firefighters' Personnel Retirement Trust	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
2015	Net pension liability	$ 79,910,725	$ 60,549,462	$ 44,416,984
2014	Net pension liability	$ 68,297,141	$ 50,093,832	$ 34,903,023

	General Employees	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
2015	Net pension liability	$ 19,544,614	$ 12,723,430	$ 6,954,241

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

For the year ended September 30, 2015, based on a September 30, 2014 measurement date, the City recognized pension expense of $1,328,360 for Professional/ Management, $3,671,226 for Police and Fire, and $1,785,794 for General Employees. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each plan:

Note 10. Pension Plans (Continued)

Net Pension Liability of the City – All Defined Benefit Pension Plans (Continued)

Professional/Management Retirement Plan

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
City contribution subsequent to year end	$ 748,978	$ -
Differences between expected and actual experience	569,908	-
Differences between expected and actual investment earnings	-	154,586

Police Officers' and Firefighters' Personnel Retirement Trust

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
City contribution subsequent to year end	$ 8,003,268	$ -
Differences between expected and actual investment earnings	-	3,680,468

General Employees

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
City contribution subsequent to year end	$ 3,659,155	$ -
Differences between expected and actual experience	-	500,540
Differences between expected and actual investment earnings	-	303,236

Total Deferred Outflows of Resources	$ 12,981,309
Total Deferred Inflows of Resources	$ 4,638,830

The deferred outflows of resources associated with the City's contributions to each Plan subsequent to the measurement date of September 30, 2014 in the amount of $748,978 for Professional/ Management, $8,003,268 for Police Officers' and Firefighters' Personnel Retirement Trust, and $3,659,155 for General Employees will be recognized as a reduction to the City's net pension liability in the year ended September 30, 2016. Beginning in the current year, the remaining amounts related to differences between expected and actual investment earnings of $154,586 for the Professional/Management Retirement Plan, $3,680,468 for the Police Officers' and Firefighters' Personnel Retirement Trust, and $303,236 for the General Employees Plan will be recognized over 5 years. The remaining amounts related to differences between expected and actual experience will be amortized over 1.55 years for the Professional/Management Plan and 2.75 years for the General Employees Plan (the remaining service lives of the employees in the plan) as follows:

Note 10. Pension Plans (Continued)

Net Pension Liability of the City – All Defined Benefit Pension Plans (Continued)

Professional/Management Retirement Plan

Year ending September 30,	Amount
2016	$ 531,263
2017	(38,647)
2018	(38,647)
2019	(38,647)
	$ 415,322

Police Officers' and Firefighters' Personnel Retirement Trust

Year ending September 30,	Amount
2016	$ (920,117)
2017	(920,117)
2018	(920,117)
2019	(920,117)
	$ (3,680,468)

General Employees

Year ending September 30,	Amount
2016	$ (361,832)
2017	(290,326)
2018	(75,809)
2019	(75,809)
	$ (803,776)

Excess Benefit Plan

Plan Description

The City established, under Ordinance No. 2004-23, effective date September 21, 2004, the Excess Benefit Plan as a separate plan to be a separate, unfunded, nonqualified excess benefit plan, and intended to be a qualified governmental excess benefit arrangement as defined in Section 415 (m) (3) of the Internal Revenue Code.

Excess Benefit Participants

Any member whose retirement benefit, as determined on the basis of all qualified plans maintained by the City without regard to the limitations set forth in the Code and comparable provisions of other qualified plans of the City, exceeds the maximum benefit under Section 415 of the Code.

Benefit Provided

An employee benefit participant shall be eligible to receive benefits from the excess benefit plan after termination of employment, as an unrestricted benefit on a monthly basis as would be received under the terms of qualified plans of the City, that otherwise would have been paid in the absence of IRS Code Section 415 limits.

Note 10. Pension Plans (Continued)

Net Pension Liability of the City – All Defined Benefit Pension Plans (Continued)

Excess Benefit Plan (Continued)

Funding Policy

The City cannot advance fund assets, or any benefit currently payable under the Plan, and any assets held by the plan during any period can only pay benefits coming due or the expenses of the plan during the period. Contributions by the City are not allowed to accumulate from year to year for purposes of advance funding of any of the Excess Plan liablilities. The City has recorded a net pension asset in the amount of $833,054 in the government-wide financial statements that represents the Net Pension Asset of the Plan as of September 30, 2015. The City has elected to present this Net Pension Asset because of the nature of the Excess Benefit Plan. The City cannot restrict any assets, including cash for the purpose of providing funding for these benefits. However, the City has in the past and will continue to stand by its obligation to pay these benefits from its annual budgeted funds, as the liability becomes payable under this plan. A schedule of funding progress has not been provided since no funding has been provided to the Plan.

The Excess Benefit Plan is utilized when a retiree's calculated benefit under the plan is limited by Internal Revenue Service Section 415 calculations. In this instance, the portion of the limited benefit is paid to the retiree from the Excess Benefit Plan. This unfunded plan is administered by Principal Financial Group and annual benefit payment contribution requirements are paid directly from the City's treasury. As of September 30, 2015, the total balance of DROP assets covering four persons in the excess benefit plan was $746,811. At September 30, 2015, the City set aside $6,465,952 which is included in the investments of the Professional/Management Pension Trust Fund.

Annual Pension Cost and Net Pension Asset

As of October 1, 2014 (date of the latest actuarial valuation), the City's annual pension cost and net pension asset are as follows:

Annual required contribution	$ (52,379)
Interest on net pension asset	(12,125)
Adjustments to annual required contribution	27,601
Annual pension cost	(36,903)
Contributions made	634,484
Decrease in net pension asset	(671,387)
Net pension asset, beginning	(161,667)
Net pension asset, ending	$ (833,054)

Note 10. Pension Plans (Continued)

Net Pension Liability of the City – All Defined Benefit Pension Plans (Continued)

Excess Benefit Plan (Continued)

Funded Status:

The following is the funded status information for the plan as of the most recent actuarial valuation dates:

Retirement Plan	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as Percentage of Covered Payroll	Actuarial Valuation Date
Excess Benefit Plan	$ -	$ 8,630,188	$ 8,630,188	0%	$ 715,194	1207%	10/1/2014

	Three Year Trend Information		
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
2015	$ (36,903)	-5.8%	$ (833,054)
2014	(302,216)	-56.9%	(161,667)
2013	(120,764)	-232.0%	671,303

Additional information as of the latest actuarial valuation is as follows:

Valuation date	10/1/2014
Actuarial cost method	Unprojected unit credit
Amortization method	Immediate recognition
Remaining amortization period	1 year
Asset valuation method	Unfunded
Actuarial assumptions:	
Investment rate of return*	7.50%
Projected salary increases*	Table S-5 from the Actuary's Pension Handbook plus 4.50%
Payroll growth assumptions	None

*Includes inflation at 2.5%

Note 10. Pension Plans (Continued)

Net Pension Liability of the City – All Defined Benefit Pension Plans (Continued)

Excess Benefit Plan (Continued)

Money-Purchase Plan and Trust

The City maintains a single-employer money-purchase plan created in accordance with Internal Revenue Code Section 401(a). This defined contribution plan is comprised of seven plans with varying levels of employer and employee contributions. Professional/Management employees and non-represented employees hired after January 1, 2007 as well as general employees hired after June 19, 2013, are required to enter this plan instead of the defined benefit plan. The plan requires the City to contribute 7.5% to 17% of the members' base pay depending on plan membership. Employee required contributions are 3% to 5.5%. The plans are administered by an independent third party administrator.

The City's contributions were calculated using the covered payroll amount of approximately $6,780,595. In fiscal year 2015, the City's contribution amounted to $706,679, or approximately 10.4% of current covered payroll.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Note 11. Other Post-Employment Benefits

Pursuant to Section 112.081, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees.

The plan does not issue a separate financial statement.

Plan Description: The City of Hallandale Beach administers a single-employer defined benefit healthcare plan (the "Plan") that provides medical insurance benefits to its employees and retirees, and their eligible dependents. These retirees pay 100% of the blended rate for active and retired employees with no explicit subsidy from the City. Because the blended rate is greater than that of a plan including active employees only and less than that of a plan including retirees only, the amount the City expends for active employees includes an implicit subsidy for participating retirees and dependents.

Funding Policy: An actuarial valuation was performed as of October 1, 2014, the date of the most recent valuation, for the purpose of enhancing the City's understanding of the OPEB obligation and to establish policy implications regarding the funding of this obligation. While the City does not directly contribute toward the costs of retiree premiums via an explicit subsidy, the implicit subsidy is considered to be an Other Post Employment Benefit (OPEB) obligation of the City. The actuary's estimate, using the Projected Unit Credit Method as of October 1, 2014, included other actuarial assumptions as classified above. The calculation produced an unfunded actuarially accrued liability (UAAL) of $11,812,058, and an estimated net OPEB obligation of $5,937,170 as of September 30, 2015.

Note 11. Other Post-Employment Benefits

Actuarial methods: Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability 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. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each evaluation and on the pattern of sharing costs between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective.

Actuarial methods and significant actuarial assumptions used to determine the annual required contribution for the current year were as follows:

Actuarial valuation date	10/1/2014
Actuarial cost method	Projected unit credit
Amortization method	Level dollar, open
Remaining amortization period	30 years
Asset valuation method	Unfunded
Actuarial assumptions:	
Investment rate of return*	4.50%
Projected salary increases*	N/A
Inflation rate	3.00%
Post retirement benefit increases	Benefits tied to premium rate (see health care cost trend)
Health care cost trend:	Initial Health Care Cost Trend Rate - 8.00% in 2025
	Ultimate Health Care Cost Trend Rate - 5.00% in 2025

Annual OPEB Cost and Net OPEB Obligation: The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's OPEB obligation to the City's Plan:

Annual required contribution (ARC)	$ 1,610,706
Interest on net OPEB obligation	214,693
Adjustments to annual required contribution	(280,283)
Annual OPEB cost	1,545,116
Contributions made (pay as you go)	(378,894)
Increase in net OPEB obligation	1,166,222
Net OPEB obligation, beginning of year	4,770,948
Net OPEB obligation, end of year	$ 5,937,170

Note 11. Other Post-Employment Benefits (Continued)

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation were as follows:

Fiscal Year Ended	2015	2014	2013
Annual OPEB cost	$ 1,545,116	$ 1,035,499	$ 1,045,860
Percentage of OPEB cost contributed	24.52%	35.09%	28.00%
Net OPEB obligation	5,937,170	4,770,948	4,098,782

Schedule of Funding Progress: Funding progress of the OPEB liability as of October 1, 2014, the date of the latest valuation date, is presented below:

Actuarial Valuation Date	Actuarial Valuation of Assets (a)	Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percentage of Covered Payroll ((b-a)/c)
10/1/2014	$ -	$ 11,812,058	$ 11,812,058	0%	Not Available	0%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Note 12. Risk Management

The City is exposed to various risk of loss related to torts: theft of, damage to and destruction of assets; error and omissions; injuries to employees and natural disasters. The City's self-insurance internal service funds are used to account for and finance both uninsured and insured risks of loss. Coverage is provided for workers' compensation and general liability, as specified by applicable federal and state statutes. The City purchases commercial excess insurance for workers' compensation claims in excess of $350,000. The City relies on the liability limits of $200,000/300,000 imposed by Florida statute and therefore does not carry any other coverage. Other insured risks for loss are budgeted in various operating funds. The City purchases all risk property insurance for City structures (estimated $66,000,000 replacement value) with a $25,000 deductible. Other minor liabilities for small City programs or operations are budgeted in the operating funds. The settlements in the past three years were less than insurance coverage.

All operating funds of the City participate in the program and make payments to the fund based on estimates of the amounts needed to pay prior and current claims and to provide fund equity for catastrophic losses. The estimated liability for self-insured risks at September 30, 2015 of $2,139,355 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicate that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Note 12. Risk Management (Continued)

As of September 30, 2015 and 2014, the total estimated liabilities on pending claims were as follows:

	2015	2014
Claims payable - beginning	$ 2,268,748	$ 2,336,790
Incurred claims	310,065	368,814
Payments on claims	(439,458)	(436,856)
Claims payable - ending	$ 2,139,355	$ 2,268,748

Note 13. Commitments and Contingent Liabilities

Construction and purchase commitments: The City has active construction and economic development projects as of September 30, 2015. The projects include park development, street and beautification projects, water distribution and stormwater drainage improvements, and sanitary sewer and capacity improvements. As of September 30, 2015, the City's significant commitments with contractors are as follows:

	Spent-to-Date	Remaining Commitment
Sanitary sewer improvements	$ 935,813	$ 416,461
Street and beautification projects	3,196,113	50,385
Water plant and distribution	2,516,934	225,453
Parks and Recreation / Open Spaces projects	12,415,002	8,468,925
Drainage improvements	10,942,363	238,533
Other projects	1,090,749	284,907
Total	$ 31,096,973	$ 9,684,664

The water membrane plant is partially financed by revenue bonds secured by water revenue. Parks and recreation projects are partially financed with State and County grants, by revenue bonds secured by non-ad valorem revenues, as well as City funding. All other commitments are financed from existing City resources.

Claims and lawsuits: There are several pending claims and lawsuits in which the City is involved. The estimated liability related to these claims has been accrued in the City's general liability self-insurance fund. In the opinion of City management, the ultimate resolution of these claims will not materially exceed the amounts recorded in the financial statements.

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

Note 14. Hallandale Beach Community Redevelopment Agency

Pursuant to Florida Statute 163.387, listed below is a summary of the sources and amounts of deposits to, and the purpose and amounts of withdrawals from the Community Redevelopment Agency Funds (CRA) for the year ended September 30, 2015:

	Deposits	Withdrawals
Source of deposits:		
Tax increment revenues-Hallandale Beach	$ 3,605,781	$ -
Tax increment revenues-other agencies	4,339,182	-
Loan repayments	344,016	-
Loan application fees	35,702	-
Investment income	200,056	-
Other revenue	521,648	-
Purpose of withdrawals:		
Materials and supplies	-	6,580
Repairs and maintenance	-	6,084
Community redevelopment programs	-	941,069
Grants to community organizations	-	214,488
Professional and outside services	-	2,974,906
Other service charges	-	56,360
Subsidized loan programs	-	1,383,227
Administrative charges	-	236,280
Capital outlay	-	2,935,159
Reimbursement for debt service	-	1,505,807
Transfer to City	-	1,338,398
	$ 9,046,385	$ 12,125,891

Note 15. Restatement of Prior Year Balances

Due to the implementation of GASB Statement No. 68 and 71, the City recorded a prior period adjustment to eliminate the net pension asset, to record the net pension liability and related deferred inflows and ouflows of resources as of September 30, 2014, for a measurement period as of the beginning of the year.

Other adjustments are related to correction of errors related to a sale-lease back transaction (see Note 16) in the general fund, correction of assets held for resale and capital assets in the community redevolpment agency fund, and correction of unearned revenues related to service agreements in the grant administration fund

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Note 15. Restatement of Prior Year Balances (Continued)

	Governmental Activities		Total	Business-type Activities					Total	
	Governmental Funds	Internal Service Funds	Governmental Activities	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Nonmajor Enterprise Funds	Business-type Activities	Total
Net position, beginning, as previously reported	$ 87,826,703	$ 3,202,891	$ 91,029,594	$ 38,629,552	$ 11,393,482	$ 4,452,526	$ 18,682,564	$ 1,160,684	$ 74,318,808	$ 165,348,402
Prior period adjustment:										
Eliminate net pension asset, per GASB 27	(709,579)	--	(709,579)	--	--	--	--	--	--	(709,579)
Net pension liability (measurement date as of September 30, 2013)	(68,599,068)	(932,192)	(69,531,260)	(3,042,810)	(661,374)	(1,693,542)	(125,616)	(113,508)	(5,636,850)	(75,168,110)
Deferred outflow of resources for City contributions made during fiscal year 2014	11,130,078	226,618	11,356,696	975,279	203,737	439,804	17,502	28,462	1,664,784	13,021,480
Correction of sale-leaseback of main fire station	(623,938)	--	(623,938)	--	--	--	--	--	--	(623,938)
Correction of assets held for resale recorded as capital assets	(4,196,232)	--	(4,196,232)	--	--	--	--	--	--	(4,196,232)
Corrections made to governmental fund balances	4,378,325	--	4,378,325	--	--	--	--	--	--	4,378,325
Total prior period adjustment	(58,620,414)	(705,574)	(59,325,988)	(2,067,531)	(457,637)	(1,253,738)	(108,114)	(85,046)	(3,972,066)	(63,298,054)
Net position, beginning, restated	$ 29,206,289	$ 2,497,317	$ 31,703,606	$ 36,562,021	$ 10,935,845	$ 3,198,788	$ 18,574,450	$ 1,075,638	$ 70,346,742	$ 102,050,348

Note 15. Restatement of Prior Year Balances (Continued)

	General Fund	Community Redevelopment Agency Fund	Grant Administration Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances, beginning, as previously reported	$ 21,021,302	$ 6,498,493	$ 1,481,717	$ 2,415,393	$ 2,769,674	$ 34,186,579
Prior period adjustment:						
Correction of sale-leaseback of main fire station	226,080	--	--	--	--	226,080
Correction of assets held for resale recorded as capital assets	--	4,128,739	--	--	--	4,128,739
Correction of unearned revenue for service agreements	--	--	23,506	--	--	23,506
Total prior period adjustment	226,080	4,128,739	23,506	--	--	4,378,325
Fund balances, beginning, restated	$ 21,247,382	$ 10,627,232	$ 1,505,223	$ 2,415,393	$ 2,769,674	$ 38,564,904

Note 16. Sale and Leaseback Transaction

In connection with the sale of the Fire Station parcel (the Parcel) on September 8, 2014, the City entered into an operating lease with a two year initial term, with the City reserving the right to remain a tenant on a month to month basis for an additional 12 month period. Monthlly lease payments for the initial term were prepaid at the date of the transaction at a rate of $9,420. At September 30, 2015 there is a remaining prepaid amount of $113,040 that is included in the prepaid balance presented in the general fund. The additional 12 month renewal require monthly payments of $9,702.60 which represents an increase of 3%. The lease is classified as an operating lease and the gains on the sale of the parcel has been recorded as a deferred inflow and is being recognized to income over the three year term of the lease. The remaining deferred inflow balance at September 30, 2015 amounts to $423,438.

Note 17. Deficit Fund Equity

The Marina Fund presents a deficit fund equity of $31,465 at September 30, 2015. The deficit will be resolved by an operating transfer in from the General Fund.

Note 18. Subsequent Event

On November 18, 2015, the CRA issued the Redevelopment Revenue Note, Series 2015, in the amount of $15,400,000 for the purpose of financing certain redevelopment projects in accordance with the CRA's community redevelopment plan including the improvement of O.B. Johnson Park. The Revenue Note 2015 is subject to a fixed interest rate equal to 2.72% per annum and is secured by pledged revenues. Pledged revenues consist primarily of Increment Revenues and Water Public Service Tax Revenues. The principal of and interest on the Note shall be paid annually each February 1, commencing February 1, 2016, until the Note is paid in full. The Note matures on February 1, 2026.

Hallandale Beach

PROGRESS. INNOVATION. OPPORTUNITY.

Required Supplementary Information

City of Hallandale Beach, Florida

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Property taxes	$ 21,393,577	$ 21,393,577	$ 21,178,374	$ (215,203)
Charges for services	12,515,720	12,515,720	10,351,789	(2,163,931)
Utility taxes	4,021,080	4,021,080	4,419,612	398,532
Intergovernmental	4,118,520	4,118,520	3,592,475	(526,045)
Franchise taxes	4,284,352	4,284,352	4,175,413	(108,939)
Licenses and permits	3,045,087	3,045,087	2,976,956	(68,131)
Fines and forfeitures	510,000	510,000	509,231	(769)
Fire assessments	5,616,279	5,616,279	5,624,934	8,655
Investment earnings	163,100	163,100	180,053	16,953
Slot machine proceeds	1,725,000	1,725,000	1,602,643	(122,357)
Other revenues	465,004	965,004	1,052,090	87,086
Total revenues	57,857,719	58,357,719	55,663,570	(2,694,149)
Expenditures:				
Personal services	46,124,537	45,994,579	44,079,687	1,914,892
Operating expenditures	8,078,149	9,208,161	7,644,519	1,563,642
Grants and aids	738,663	551,809	498,477	53,332
Capital outlay	174,410	6,938,324	4,212,854	2,725,470
Total expenditures	55,115,759	62,692,873	56,435,537	6,257,336
Excess (deficiency) of revenues over (under) expenditures	2,741,960	(4,335,154)	(771,967)	3,563,187
Other Financing Sources (Uses)				
Transfers in	63,500	63,500	5,391,638	5,328,138
Transfers out	(4,640,346)	(4,640,346)	(4,106,300)	534,046
Sale of capital assets	1,000	1,000	27,043	26,043
Total other financing uses	(4,575,846)	(4,575,846)	1,312,381	5,888,227
Net change in fund balance	$ (1,833,886)	$ (8,911,000)	$ 540,414	$ 9,451,414
Appropriated Fund Balance	$ 1,833,886	$ 8,911,000		

See Notes to Required Supplementary Information.

City of Hallandale Beach, Florida

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Funds - Community Redevelopment Agency Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Charges for services	$ 21,500	$ 21,500	$ 302,845	$ 281,345
Intergovernmental	4,348,827	4,339,182	4,339,182	-
Investment earnings	1,804,000	1,804,000	200,056	(1,603,944)
Other revenues	853,753	853,753	536,577	(317,176)
Total revenues	7,028,080	7,018,435	5,378,660	(1,639,775)
Expenditures:				
Personal services	541,536	549,281	527,533	21,748
Operating expenditures	5,092,067	10,719,365	4,221,277	6,498,088
Grants and aids	2,835,000	3,411,213	1,597,715	1,813,498
Capital outlay	3,706,286	7,086,428	2,935,161	4,151,267
Total expenditures	12,174,889	21,766,287	9,281,686	12,484,601
Deficiency of revenues under expenditures	(5,146,809)	(14,747,852)	(3,903,026)	10,844,826
Other financing sources (uses):				
Transfers in	3,614,827	3,614,827	3,667,725	52,898
Transfers out	(1,505,923)	(1,505,923)	(2,844,205)	(1,338,282)
Total other financing sources (uses)	2,108,904	2,108,904	823,520	(1,285,384)
Net change in fund balance	$ (3,037,905)	$ (12,638,948)	$ (3,079,506)	$ 9,559,442
Appropriated Fund Balance	$ 3,037,905	$ 12,638,948		

See Notes to Required Supplementary Information.

Note 1. Budgetary Data

The City Commission follows these procedures in establishing the budgetary data reflected in the financial Statements:

1. Prior to August 1, the City Manager submits to the City Commission a proposed operating and capital budget for the fiscal year commencing October 1. The operating and capital budget includes proposed expenditures and means of financing them.
2. The City Commission holds public workshops on the prepared budget.
3. In September, formal public hearings are conducted to obtain taxpayers' comments.
4. Prior to October 1, the budget is legally enacted.

The legal level of control, the level at which expenditures may not exceed the budget, is at the category level within a fund. Categories, as used here, include personal services, operating expenditures and capital outlay. The City Manager is authorized to make transfers of budgeted funds within categories except contingencies and debt service. City Commission authorization is required for all transfers between categories in excess of $10,000. Unencumbered balances of appropriation lapse at year-end.

Budgets have been adopted for the General fund and special revenue funds on a basis consistent with GAAP.

The "final" reported budgetary data represents the approved budget after amendments approved by the City Commission. There was a supplemental appropriation in the general fund of $8,911,000.

The City and the CRA provide funds allocated to specific projects for two main categories – community redevelopment programs (operating expenditures) and construction projects (capital outlay). Funds are provided through the original adoption of a budget line item. Often the projects overlap several years, and the unspent funds from the prior year are normally rolled forward into the final budget of the current year, which can result in significant differences between the original and final budgets.

During the year, the CRA's Board passed a resolution to increase the budget for anticipated projects, most of which were not completed during the current fiscal year.

City of Hallandale Beach, Florida

Required Supplementary Information
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Valuation of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percentage of Covered Payroll [(b-a)/c]
Excess Benefit Plan:						
October 1, 2014	$ -	$ 8,574,662	$ 8,574,662	0%	$ 715,194	1199%
October 1, 2013	-	8,630,188	8,630,188	0%	695,382	1241%
October 1, 2012	-	8,369,187	8,369,187	0%	985,364	849%
October 1, 2011	-	8,377,327	8,377,327	0%	1,239,657	676%
October 1, 2010	-	7,640,811	7,640,811	0%	1,592,899	480%
October 1, 2009	-	8,047,530	8,047,530	0%	1,633,301	493%
Other Post-Employment Benefits (2):						
October 1, 2014	$ -	$ 11,812,058	$ 11,812,058	0%	Not Available	
October 1, 2012	-	8,126,096	8,126,096	0%	27,215,000	30%
October 1, 2010	-	7,998,803	7,998,803	0%	24,995,000	32%

(2) The GASB 45 actuarial valuation is performed every two years. The fiscal year ended September 30, 2009 was the first year of implementation of GASB Statement No. 45.

City of Hallandale Beach, Florida

Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Professional/ Management Retirement Plan

	2015	2014
Total Pension Liability		
Service cost	$ 278,376	$ 271,262
Interest	1,346,589	1,211,250
Benefit payments	(1,402,625)	(849,115)
Differences between expected and actual experience	(387,152)	1,606,105
Net Change in Total Pension Liability	(164,812)	2,239,502
Total Pension Liability - Beginning	18,567,868	16,328,366
Total Pension Liability - Ending	$ 18,403,056	$ 18,567,868
Plan Fiduciary Net Position		
Contributions - employer	$ 748,978	$ 912,745
Contributions - member	55,316	85,052
Net investment (loss) income	(140,977)	1,282,016
Benefit payments	(1,402,625)	(849,115)
Administrative expense	(21,723)	(22,133)
Net Change in Plan Fiduciary Net Position	(761,031)	1,408,565
Plan Fiduciary Net Position - Beginning	15,974,460	14,565,895
Plan Fiduciary Net Position - Ending	$ 15,213,429 *	$ 15,974,460
City's Net Pension Liability - Ending	$ 3,189,627	$ 2,593,408
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.67%	86.03%
Covered Employee Payroll	$ 763,897	$ 738,758
City's Net Pension Liability as a Percentage of Covered-Employee Payroll	417.55%	351.05%

*Excludes excess benefit plan

This schedule is presented as required by accounting principles generally accepted in the United States of America; however, until a full 10 year trend is compiled, information is presented for those years available.

City of Hallandale Beach, Florida

Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Police Officers' and Firefighters' Personnel Retirement Trust

	2015	2014
Total Pension Liability		
Service cost	$ 2,114,287	$ 2,068,244
Interest	13,946,642	13,484,951
Benefit payments	(9,377,998)	(9,905,885)
Differences between expected and actual experience	3,413,322	--
Contributions - Buy Back	33,396	--
Net Change in Total Pension Liability	10,129,649	5,647,310
Total Pension Liability - Beginning	182,531,377	176,884,067
Total Pension Liability - Ending	$ 192,661,026	$ 182,531,377
Plan Fiduciary Net Position		
Contributions - employer and state	$ 8,524,870	$ 8,651,807
Contributions - member	1,205,723	1,190,421
Contributions - Buy Back	33,396	--
Net investment (loss) income	(574,125)	13,794,259
Benefit payments	(9,377,998)	(9,905,885)
Administrative expense	(137,847)	(109,957)
Prior year adjustment	204,046	--
Net Change in Plan Fiduciary Net Position	(121,935)	13,620,645
Plan Fiduciary Net Position - Beginning	132,233,499	118,612,854
Plan Fiduciary Net Position - Ending	$ 132,111,564	$ 132,233,499
City's Net Pension Liability - Ending	$ 60,549,462	$ 50,297,878
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.57%	72.44%
Covered Employee Payroll	$ 14,267,482	$ 12,179,211
City's Net Pension Liability as a Percentage of Covered-Employee Payroll	424.39%	412.98%

This schedule is presented as required by accounting principles generally accepted in the United States of America; however, until a full 10 year trend is compiled, information is presented for those years available.

City of Hallandale Beach, Florida

Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios
General Employees Plan

	2015	2014
Total Pension Liability		
Service cost	$ 1,121,826	$ 1,302,508
Interest	4,339,134	4,198,485
Benefit payments	(2,972,541)	(2,395,369)
Differences between expected and actual experience	(1,349,496)	(786,563)
Net Change in Total Pension Liability	1,138,923	2,319,061
Total Pension Liability - Beginning	60,211,636	57,892,575
Total Pension Liability - Ending	$ 61,350,559	$ 60,211,636
Plan Fiduciary Net Position		
Contributions - employer	$ 3,659,156	$ 3,940,595
Contributions - member	230,059	262,685
Net investment (loss) income	(286,916)	3,508,511
Benefit payments	(2,972,541)	(2,395,369)
Administrative expense	(38,415)	(38,785)
Net Change in Plan Fiduciary Net Position	591,343	5,277,637
Plan Fiduciary Net Position - Beginning	48,035,786	42,758,149
Plan Fiduciary Net Position - Ending	$ 48,627,129	$ 48,035,786
City's Net Pension Liability - Ending	$ 12,723,430	$ 12,175,850
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.26%	79.78%
Covered Employee Payroll	$ 6,818,960	$ 7,447,800
City's Net Pension Liability as a Percentage of Covered-Employee Payroll	186.59%	163.48%

This schedule is presented as required by accounting principles generally accepted in the United States of America; however, until a full 10 year trend is compiled, information is presented for those years available.

City of Hallandale Beach, Florida

Required Supplementary Information
Schedule of City Contributions - Professional/ Management Retirement Plan

	2015	2014
Actuarially determined contribution	$ 748,978	$ 912,745
Contributions in relation to the actuarially determined contribution	748,978	912,745
Contribution deficiency (excess)	$ --	$ --
Covered-employee payroll	$ 763,897	$ 738,758
Contributions as a percentage or covered-employee payroll	98.05%	123.55%

Methods and Assumptions Used to Determine Contribution Rates for Year Ending September 30, 2015:

Valuation Date:	October 1, 2013
Note:	Actuarially determined contributions are calculated as of October 1, which is two years prior to the beginning of the year in which contributions are reported.
Actuarial Cost Method	Entry age normal-frozen initial liability
Amortization Method	Level Percent of Pay, Closed
Remaining Amortization Period	19 Years (as of 10/1/2013)
Asset Valuation Method	4 Year Smooth (Market)
Inflation and Other General Increases	2.5 %
Cost of Living	2.00% per year.
Salary Increases	6.38% - 9.6%
Discount Rate of Return	7.5%
Retirement Age	Normal retirement age as defined in Summary of Plan Provisions.
Mortality	IRS Prescribed Mortality – Generational Non-annuitant, male and female.

This schedule is presented as required by accounting principles generally accepted in the United States of America; however, until a full 10 year trend is compiled, information is presented for those years available.

City of Hallandale Beach, Florida

Required Supplementary Information
Schedule of City Contributions - Police Officers' and Firefighters' Personnel Retirement Trust

	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	$ 8,676,637	$ 8,651,807	$ 8,140,920	$ 9,137,817	$ 8,110,548	$ 7,320,389	$ 7,527,340
Contributions in relation to the actuarially determined contribution	8,728,916	8,651,807	8,140,920	9,144,014	8,110,548	7,549,543	7,527,340
Contribution deficiency (excess)	$ (52,279)	$ --	$ --	$ (6,197)	$ --	$ (229,154)	$ --
Covered-employee payroll	$ 14,267,482	$ 12,179,211	$ 12,528,346	$ 13,244,476	$ 12,199,319	$ 11,995,957	$ 11,034,615
Contributions as a percentage or covered-employee payroll	61.18%	71.04%	64.98%	69.04%	66.48%	62.93%	68.22%

Methods and Assumptions Used to Determine Contribution Rates for Year Ending September 30, 2015:

Valuation Date:	October 1, 2013
Note:	Actuarially determined contributions are calculated as of October 1, which is two years prior to the beginning of the year in which contributions are reported.
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay, Closed
Remaining Amortization Period	29 Years (as of 10/1/2013)
Asset Valuation Method	5 Year Smooth (Market)
Inflation and Other General Increases	4%
Salary Increases	4.5% to 10% based on service
Investment rate of return	7.75%
Retirement Age	Earlier of: 1) Age 52 with 10 years of credited service, or 2) the completion of 25 years of
Mortality	RP2000, Combined Healthy Mortality Table

This schedule is presented as required by accounting principles generally accepted in the United States of America; however, until a full 10 year trend is compiled, information is presented for those years available.

City of Hallandale Beach, Florida

Required Supplementary Information
Schedule of City Contributions - General Employees Plan

	2015	2014
Actuarially determined contribution	$ 3,659,156	$ 3,940,595
Contributions in relation to the actuarially determined contribution	3,659,156	3,940,595
Contribution deficiency (excess)	$ --	$ --
Covered-employee payroll	$ 6,818,960	$ 7,447,800
Contributions as a percentage or covered-employee payroll	53.66%	52.91%

Methods and Assumptions Used to Determine Contribution Rates for Year Ending September 30, 2015:

Valuation Date:	October 1, 2013
Note:	Actuarially determined contributions are calculated as of October 1, which is two years prior to the beginning of the year in which
Actuarial Cost Method	Aggregate
Amortization Method	Level Payment
Remaining Amortization Period	N/A
Asset Valuation Method	4 Year Smooth (Market)
Inflation and Other General Increases	2.5 %
Cost of Living	None
Salary Increases	4.68% - 7.90%
Discount Rate of Return	7.25%
Retirement Age	Normal retirement age as defined in Summary of Plan Provisions.
Mortality	IRS Prescribed Mortality – Generational Non-annuitant, male and female.

This schedule is presented as required by accounting principles generally accepted in the United States of America; however, until a full 10 year trend is compiled, information is presented for those years available.

City of Hallandale Beach, Florida

Required Supplementary Information
Schedule of Investment Returns

Annual money-weighted rate of return, net of investment expense:

Year Ending September 30,	Professional/ Management Retirement Plan	Police Officers' and Firefighters' Personnel Retirement Trust	General Employees
2015	-0.92%	-0.39%	-0.60%
2014	8.83%	12.02%	8.13%

This schedule is presented as required by accounting principles generally accepted in the United States of America; however, until a full 10 year trend is compiled, information is presented for those years available.

Hallandale Beach

PROGRESS. INNOVATION. OPPORTUNITY.

Combining and Individual Fund Financial Statements and Schedules

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Police Training Fund - to account for additional assessment in criminal matters for the purpose of criminal justice education and training for police officers.

Police Outside Services Fund – to account for revenue received as a result of police officers performing duties for entities other than the City.

Police Equitable Sharing Fund – to account for funds received for assisting various federal law enforcement agencies.

Transportation Fund – to account for the City's share of road and bridge and local option gas taxes. Funds are restricted to transportation equipment and maintenance and improvement of roads and streets within the City.

Golden Isles Safe Neighborhood Fund – to account for proceeds from property taxes restricted to use for the Golden Isles Safe Neighborhood District.

Three Islands District Fund – to account for proceeds from property taxes restricted to use for the Three Islands Safe Neighborhood District.

Law Enforcement Trust Fund – to account for confiscated property. Proceeds may be used only for law enforcement purposes.

City of Hallandale Beach, Florida

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015

	Special Revenue							
	Police Training Fund	Police Outside Services Fund	Police Equitable Sharing Fund	Transportation Fund	Golden Isles Safe Neighborhood Fund	Three Islands District Fund	Law Enforcement Trust Fund	Total Nonmajor Governmental Funds
Assets								
Cash and cash equivalents	$ 55,975	$ 20,924	$ 574,739	225,095	$ 456,099	$ 486,873	$ 388,892	$ 2,208,597
Receivables, net of allowance	-	307,071	55,409	-	-	-	-	362,480
Due from other funds	-	-	-	150,000	-	-	-	150,000
Due from other governments	-	-	-	113,500	-	-	-	113,500
Total assets	$ 55,975	$ 327,995	$ 630,148	$ 488,595	$ 456,099	$ 486,873	$ 388,892	$ 2,834,577
Liabilities and Fund Balances								
Liabilities:								
Accounts payable and accrued liabilities	$ -	$ 1,310	$ 1,290	$ 85,113	$ 27,243	$ 301	$ 57,663	$ 172,920
Due to other funds	-	150,000	-	-	-	-	-	150,000
Unearned revenue	-	-	-	57,060	-	-	-	57,060
Total liabilities	-	151,310	1,290	142,173	27,243	301	57,663	379,980
Fund Balances:								
Restricted:								
Law enforcement	55,975	-	628,858	-	-	-	331,229	1,016,062
Transportation	-	-	-	346,422	-	-	-	346,422
Safe neighborhood districts	-	-	-	-	428,856	486,572	-	915,428
Assigned:								
Police outside services	-	176,685	-	-	-	-	-	176,685
Total fund balances	55,975	176,685	628,858	346,422	428,856	486,572	331,229	2,454,597
Total liabilities and fund balances	$ 55,975	$ 327,995	$ 630,148	$ 488,595	$ 456,099	$ 486,873	$ 388,892	$ 2,834,577

City of Hallandale Beach, Florida

Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended September 30, 2015

	Special Revenue							
	Police Training Fund	Police Outside Services Fund	Police Equitable Sharing Fund	Transportation Fund	Golden Isles Safe Neighborhood Fund	Three Islands District Fund	Law Enforcement Trust Fund	Total Nonmajor Governmental Funds
Revenues:								
Property taxes	$ -	$ -	$ -	$ -	$ 250,166	$ 323,728	$ -	$ 573,894
Charges for services	-	1,263,585	-	224,534	-	-	-	1,488,119
Intergovernmental	-	-	-	1,025,264	-	-	-	1,025,264
Fines and forfeitures	5,606	-	83,884	-	-	-	132,297	221,787
Investment earnings	74	-	850	593	510	754	506	3,287
Other revenues	-	79,803	-	51,963	-	-	-	131,766
Total revenues	5,680	1,343,388	84,734	1,302,354	250,676	324,482	132,803	3,444,117
Expenditures:								
Current:								
Public safety	3,421	1,238,346	133,314	-	194,780	402,362	122,271	2,094,494
Transportation	-	-	-	1,520,241	-	-	-	1,520,241
Capital outlay	-	-	2,676	139,068	-	-	-	141,744
Total expenditures	3,421	1,238,346	135,990	1,659,309	194,780	402,362	122,271	3,756,479
Excess (deficiency) of revenues over (under) expenditures	2,259	105,042	(51,256)	(356,955)	55,896	(77,880)	10,532	(312,362)
Other financing uses:								
Transfers in	-	-	-	77,134	-	-	-	77,134
Transfers out	-	(79,849)	-	-	-	-	-	(79,849)
Total other financing uses	-	(79,849)	-	77,134	-	-	-	(2,715)
Net change in fund balances	2,259	25,193	(51,256)	(279,821)	55,896	(77,880)	10,532	(315,077)
Fund balances, beginning	53,716	151,492	680,114	626,243	372,960	564,452	320,697	2,769,674
Fund balances, ending	$ 55,975	$ 176,685	$ 628,858	$ 346,422	$ 428,856	$ 486,572	$ 331,229	$ 2,454,597

City of Hallandale Beach, Florida

Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Funds - Police Training Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Fines and forfeitures	$ 10,000	$ 10,000	$ 5,606	$ (4,394)
Investment earnings	300	300	74	(226)
Total revenues	10,300	10,300	5,680	(4,620)
Expenditures:				
Cost of sales and services	38,000	38,000	3,421	(34,579)
Excess (deficiency) of revenues over (under) expenditures	$ (27,700)	$ (27,700)	$ 2,259	$ 29,959
Appropriated fund balance	$ 27,700	$ 27,700		

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Funds - Police Outside Services Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Charges for services	$ 1,100,000	$ 1,100,000	1,263,585	$ 163,585
Investment earnings	350	350	-	(350)
Other revenues	63,500	63,500	79,803	16,303
Total revenues	1,163,850	1,163,850	1,343,388	179,538
Expenditures:				
Personal services	1,100,140	1,100,140	1,238,346	(138,206)
Excess of revenues over expenditures	63,710	63,710	105,042	41,332
Other financing uses:				
Transfers out	63,500	63,500	79,849	(16,349)
Net change in fund balance	$ 210	$ 210	$ 25,193	$ 24,983
Appropriated fund balance	$ (210)	$ (210)		

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Funds - Police Equitable Sharing Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Fines and forfeitures	$ -	$ -	$ 83,884	$ 83,884
Investment earnings	3,800	3,800	850	(2,950)
Total revenues	3,800	3,800	84,734	80,934
Expenditures:				
Personal services	102,816	102,816	-	102,816
Operating expenditures	157,345	157,345	133,314	24,031
Capital outlay	155,800	155,800	2,676	153,124
Total expenditures	415,961	415,961	135,990	279,971
Deficiency of revenues under expenditures	$ (412,161)	$ (412,161)	$ (51,256)	$ 360,905
Appropriated fund balance	$ 412,161	$ 412,161		

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Funds - Golden Isles Safe Neighborhood Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Ad valorem taxes	$ 255,449	$ 255,449	$ 250,166	$ (5,283)
Investment earnings	2,000	2,000	510	(1,490)
Total revenues	257,449	257,449	250,676	(6,773)
Expenditures:				
Operating expenditures	217,290	217,290	194,780	22,510
Capital outlay	20,000	20,000	-	20,000
Total expenditures	237,290	237,290	194,780	42,510
Excess of revenues over expenditures	$ 20,159	$ 20,159	$ 55,896	$ 35,737
Appropriated fund balance	$ (20,159)	$ (20,159)		

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Funds - Transportation Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Charges for services	$ 291,698	$ 291,698	$ 224,534	$ (67,164)
Intergovernmental	943,600	943,600	1,025,264	81,664
Investment earnings	12,000	12,000	593	(11,407)
Other revenues	-	-	51,963	51,963
Total revenues	1,247,298	1,247,298	1,302,354	55,056
Expenditures:				
Personal services	770,678	770,678	747,449	23,229
Operating expenditures	793,141	793,141	772,792	20,349
Capital outlay	115,000	115,000	139,068	(24,068)
Excess of revenues over expenditures	1,678,819	1,678,819	1,659,309	19,510
Other financing sources:				
Transfers in	400,000	400,000	77,134	(322,866)
Deficiency of revenues under expenditures	$ (31,521)	$ (31,521)	$ (279,821)	$ (248,300)
Appropriated fund balance	$ 31,521	31,521		

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Funds - Three Islands District Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Ad valorem taxes	$ 325,457	$ 325,457	$ 323,728	$ (1,729)
Investment earnings	3,100	3,100	754	(2,346)
Total revenues	328,557	328,557	324,482	(4,075)
Expenditures:				
Operating expenditures	376,722	376,722	402,362	(25,640)
Contingency	15,000	15,000	-	15,000
Total expenditures	391,722	391,722	402,362	(10,640)
Deficiency of revenues under expenditures	$ (63,165)	$ (63,165)	$ (77,880)	$ (14,715)
Appropriated fund balance	$ 63,165	$ 63,165		

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Revenue Funds - Law Enforcement Trust Fund
Year Ended September 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Fines and forfeitures	$ -	$ -	$ 132,297	$ 132,297
Investment earnings	2,200	2,200	506	(1,694)
Total revenues	2,200	2,200	132,803	130,603
Expenditures:				
Operating expenditures	195,865	195,865	122,271	73,594
Total expenditures	195,865	195,865	122,271	73,594
Excess (deficiency) of revenues over (under) expenditures	$ (193,665)	$ (193,665)	$ 10,532	$ 204,197
Appropriated fund balance	$ 193,665	$ 193,665		

ENTERPRISE FUNDS

Cemetery Fund - The Cemetery Fund was established to account for the Municipal Cemetery's operations, including the sale of cemetery lots, vaults, niches, and markers as well as the ongoing maintenance of the cemetery property.

Marina Fund - The Marina Fund was established to account for the Marina Dock operations, including the rental of docks as well as the supplies and maintenance of the docks, such as equipment, utilities, and licenses.

City of Hallandale Beach, Florida

Combining Statement of Net Position
Nonmajor Proprietary Funds
September 30, 2015

	Cemetery Fund	Marina Fund	Total Nonmajor Enterprise Funds
Assets			
Current Assets:			
Cash and cash equivalents	$ 27,917	$ 13,270	$ 41,187
Restricted assets:			
Cash and cash equivalents	291,498	-	291,498
Receivables, net of allowance	22,083	-	22,083
Inventory	374,893	-	374,893
Total current assets	716,391	13,270	729,661
Capital assets:			
Land	375,478	-	375,478
Improvements other than buildings	150,673	-	150,673
Vehicles and equipment	55,970	-	55,970
Total capital assets	582,121	-	582,121
Less accumulated depreciation	(186,924)	-	(186,924)
Net capital assets	395,197	-	395,197
Total assets	1,111,588	13,270	1,124,858
Deferred Outflows of Resources			
Pensions	26,351	-	26,351
Liabilities and Net Position			
Current liabilities:			
Accounts payable and accrued liabilities	220	24,735	24,955
Due to other funds	-	20,000	20,000
Compensated absences	5,043	-	5,043
Total current liabilities	5,263	44,735	49,998
Noncurrent liabilities:			
Accrued other post employment benefits	12,517	-	12,517
Compensated absences	1,211	-	1,211
Net pension liability	91,318	-	91,318
Total noncurrent liabilities	105,046	-	105,046
Total liabilities	110,309	44,735	155,044
Deferred Inflows of Resources			
Pensions	6,028	-	6,028
Net Position			
Investment in capital assets	395,197	-	395,197
Restricted for cemetery care	291,498	-	291,498
Unrestricted	334,907	(31,465)	303,442
Total net position	$ 1,021,602	$ (31,465)	$ 990,137

City of Hallandale Beach, Florida

Combining Statement of Revenue, Expenditures and Changes in Net Position
Nonmajor Proprietary Funds
Year Ended September 30, 2015

	Cemetery Fund	Marina Fund	Total Nonmajor Enterprise Funds
Operating revenues:			
Charges for services	$ 165,264	27,476	$ 192,740
Other revenues	1,579	-	1,579
Total operating revenues	166,843	27,476	194,319
Operating expenses:			
Cost of sales and services	83,674	26,793	110,467
Personal services	151,630	9,969	161,599
Depreciation	8,366	-	8,366
Total operating expenses	243,670	36,762	280,432
Operating loss	(76,827)	(9,286)	(86,113)
Nonoperating revenues:			
Investment earnings	151	-	151
Total nonoperating revenues	151	-	151
Loss before transfers	(76,676)	(9,286)	(85,962)
Transfers in	10,519	-	10,519
Transfers out	(10,058)	-	(10,058)
Change in net position	(76,215)	(9,286)	(85,501)
Net position, beginning, as previously reported	1,182,863	(22,179)	1,160,684
Prior period adjustment (see Note 15)	(85,046)	-	(85,046)
Net position, beginning	1,097,817	(22,179)	1,075,638
Net position, ending	$ 1,021,602	$ (31,465)	$ 990,137

City of Hallandale Beach, Florida

Combining Statement of Cash Flows
Nonmajor Proprietary Funds
Year Ended September 30, 2015

	Cemetery Fund	Marina Fund	Total Nonmajor Enterprise Funds
Cash Flows From Operating Activities:			
Cash received from fees and charges	$ 165,038	$ 27,475	$ 192,513
Cash paid to suppliers for goods, services, claims and administrative charges	(71,285)	(15,165)	(86,450)
Cash paid to employees for services	(175,893)	(9,969)	(185,862)
Net cash provided (used) by operating activities	(82,140)	2,341	(79,799)
Cash Flows From Noncapital Financing Activities:			
Transfers from other funds	461	-	461
Net cash provided (used) by noncapital financing activities	461	-	461
Cash Flows From Capital and Related Financing Activities:			
Purchase of capital assets	(11,070)	-	(11,070)
Net cash used by capital financing activities	(11,070)	-	(11,070)
Cash Flows Provided By Investing Activities:			
Interest and investment income (loss) received	151	-	151
Net cash provided (used) by investing activities	151	-	151
Net increase (decrease) in cash and cash equivalents	(92,598)	2,341	(90,257)
Cash and cash equivalents, beginning	412,013	10,929	422,942
Cash and cash equivalents, ending	$ 319,415	$ 13,270	$ 332,685
Reconciliation to the statement of net positon:			
Cash and cash equivalents	27,917	13,270	41,187
Restricted assets, cash and cash equivalents	291,498	-	291,498
	$ 319,415	$ 13,270	$ 332,685
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating loss	(76,827)	(9,286)	(86,113)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:			
Depreciation expense	8,366	-	8,366
Increase in receivables	(1,805)	-	(1,805)
Decrease in inventory	16,439	-	16,439
Decrease in deferred outflows	2,111	-	2,111
Increase (decrease) in accounts payable and accrued liabilities	(4,050)	11,627	7,577
Decrease in net pension liabilities	(22,190)	-	(22,190)
Increase in deferred inflows	6,028	-	6,028
Increase in accrued liability for other post-employment benefits	12,517	-	12,517
Decrease in compensated absences	(22,729)	-	(22,729)
Net cash provided (used) by operating activities	$ (82,140)	$ 2,341	$ (79,799)

INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

General Liability Trust Fund – to account for the costs of insuring the City in the areas of general and auto liability. The City is primarily self-insured in these areas. Other funds are billed to cover actual costs of premiums and claims and to maintain an adequate balance in fund equity.

Workers' Compensation Fund – to account for the costs of providing workers' compensation insurance coverage to employees of the City. The City is partially self-insured in this area. Other funds are billed to cover costs of estimated expenses.

OPEB Fund – to account for the costs of providing other post-employment benefits to retirees of the City. The City is self-funded in this area.

Fleet Fund - to account for the maintenance and replacement of all the City's vehicles with the exception of Fire and Emergency Medical Services apparatus.

City of Hallandale Beach, Florida

Combining Statement of Net Position
Internal Service Funds
September 30, 2015

	General Liability Trust Fund	Workers' Compensation Fund	OPEB Fund	Fleet Fund	Total Internal Service Funds
Assets					
Current assets:					
Cash and cash equivalents	$ 1,811,270	$ 160,357	$ -	$ 332,307	$ 2,303,934
Due from other funds	-	2,000,000	-	1,500,000	3,500,000
Receivables, net of allowance	142,693	-	-	-	142,693
Total current assets	1,953,963	2,160,357	- -	1,832,307	5,946,627
Noncurrent Assets:					
Capital assets:					
Vehicles and equipment	-	-	-	6,833,793	6,833,793
Total capital assets	-	-	-	6,833,793	6,833,793
Less accumulated depreciation	-	-	-	(1,987,848)	(1,987,848)
Net capital assets	-	-	-	4,845,945	4,845,945
Total noncurrent assets	-	-	-	4,845,945	4,845,945
Total assets	1,953,963	2,160,357	-	6,678,252	10,792,572
Deferred Outflows of Resources					
Pensions	27,401	-	-	190,529	217,930
Liabilities					
Current liabilities:					
Accounts payable and accrued liabilities	12,361	2,375	-	70,358	85,094
Accrued interest	-	-	-	24,399	24,399
Compensated absences	5,075	-	-	50,648	55,723
Accrued claims for self-insured risks	238,520	308,746	-	-	547,266
Bonds and notes payable	-	-	-	725,000	725,000
Total current liabilities	255,956	311,121	- - -	870,405	1,437,482
Noncurrent liabilities:					
Compensated absences	584	-	-	13,077	13,661
Net pension liability	120,492	-	-	652,626	773,118
Accrued claims for self-insured risks	705,763	886,326	-	-	1,592,089
Accrued other post employment benefits	19,250	-	-	103,031	122,281
Bonds and notes payable	-	-	-	3,000,000	3,000,000
Total noncurrent liabilities	846,089	886,326	- - -	3,768,734	5,501,149
Total liabilities	1,102,045	1,197,447	- - -	4,639,139	6,938,631
Deferred Inflows of Resources					
Pensions	7,628	-	-	43,083	50,711
Net position					
Net investment in capital assets	-	-	-	1,050,587	1,050,587
Unrestricted	871,691	962,910	- -	1,135,972	2,970,573
Total net position	$ 871,691	$ 962,910	$ -	$ 2,186,559	$ 4,021,160

City of Hallandale Beach, Florida

Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
Year Ended September 30, 2015

	General Liability Trust Fund	Workers' Compensation Fund	OPEB Fund	Fleet Fund	Total Internal Service Funds
Operating revenues:					
Charges for services	$ 61,668	$ 987,656	$ -	$ 3,983,423	$ 5,032,747
Other revenues	41,231	-	-	-	41,231
Total operating revenues	102,899	987,656	-	3,983,423	5,073,978
Operating expenses:					
Cost of services	447,601	191,123	-	315,556	954,280
Personal services	142,498	-		893,957	1,036,455
Claims expense	-	368,698	-	-	368,698
Depreciation	-	-	-	1,178,489	1,178,489
Total operating expenses	590,099	559,821	-	2,388,002	3,537,922
Operating income (loss)	(487,200)	427,835	-	1,595,421	1,536,056
Nonoperating revenues (expenses):					
Investment earnings	1,707	1,646	34,628	1,158	39,139
Interest expense	-	-	-	(48,798)	(48,798)
Sale of capital assets	-	-	-	11,776	11,776
Total nonoperating revenues (expenses)	1,707	1,646	34,628	(35,864)	2,117
Income (loss) before transfers	(485,493)	429,481	34,628	1,559,557	1,538,173
Transfers in	216,179	-	4,770,948	178,904	5,166,031
Transfers out	(107,782)	-	(4,989,786)	(82,793)	(5,180,361)
Change in net position	(377,096)	429,481	(184,210)	1,655,668	1,523,843
Net position, beginning, as previously reported	1,348,770	533,429	184,210	1,136,482	3,202,891
Prior period adjustment (see Note 15)	(99,983)	-	-	(605,591)	(705,574)
Net position, beginning	1,248,787	533,429	184,210	530,891	2,497,317
Net position, ending	$ 871,691	$ 962,910	$ -	$ 2,186,559	$ 4,021,160

City of Hallandale Beach, Florida

Combining Statement of Cash Flows
Internal Service Funds
Year Ended September 30, 2015

	General Liability Trust Fund	Workers' Compensation Fund	OPEB Fund	Fleet Fund	Total
Cash Flows From Operating Activities:					
Cash received from fees and charges	$ 61,668	$ 987,656	$ -	$ 3,983,423	$ 5,032,747
Cash paid to suppliers for goods, services, claims and administrative charges	(616,369)	(461,334)	-	(278,245)	(1,355,948)
Cash paid to employees for services	(146,315)	-	-	(827,612)	(973,927)
Cash paid to other funds	-	(2,000,000)	-	(1,500,000)	(3,500,000)
Net cash provided (used) by operating activities	(701,016)	(1,473,678)	-	1,377,566	(797,128)
Cash Flows From Noncapital Financing Activities:					
Transfers from other funds	200,710	-	4,770,948	178,904	5,150,562
Transfers to other funds	(92,313)	-	(4,989,786)	(82,793)	(5,164,892)
Net cash provided (used) by non-capital financing activities	108,397	-	(218,838)	96,111	(14,330)
Cash Flows From Capital and Related Financing Activities:					
Purchase of capital assets	-	-	-	(2,141,789)	(2,141,789)
Proceeds from sale of capital assets	-	-	-	59,695	59,695
Principal paid on long-term debt	-	-	-	(715,000)	(715,000)
Interest paid on long-term debt	-	-	-	(53,481)	(53,481)
Net cash used by capital and related financing activities	-	-	-	(2,850,575)	(2,850,575)
Cash Flows From Investing Activities					
Purchase of investments	-	-	(6,366,755)	-	(6,366,755)
Sale of investments	-	-	4,808,190	-	4,808,190
Interest received	1,707	1,646	34,628	1,158	39,139
Net cash provided by investing activities	1,707	1,646	(1,523,937)	1,158	39,139
Net increase (decrease) in cash and cash equivalents	(590,912)	(1,472,032)	(1,742,775)	(1,375,740)	(3,622,894)
Cash and cash equivalents:					
Beginning	2,402,182	1,632,389	1,742,775	1,708,047	7,485,393
Ending	$ 1,811,270	$ 160,357	$ -	$ 332,307	$ 2,303,934
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	$ (487,200)	$ 427,835	$ -	$ 1,595,421	$ 1,536,056
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	-	-	-	1,178,489	1,178,489
Decrease in receivables	89,119	-	-	-	89,119
(Increase) decrease in deferred outflow of resources - pensions	(6,397)	-	-	15,085	8,688
Increase in due from other funds	-	(2,000,000)	-	(1,500,000)	(3,500,000)
Increase (decrease) in accounts payable and accrued liabilities	(72,531)	1,293	-	37,311	(33,927)
Increase (decrease) in compensated absences	(23,803)	-	-	63,725	39,922
Decrease in net pension liability	(495)	-	-	(158,579)	(159,074)
Increase in deferred inflow of resources - pensions	7,628	-	-	43,083	50,711
Increase (decrease) in accrued claims for self-insured risks	(226,587)	97,194	-	-	(129,393)
Increase (decrease) in accrued liability for other post-employment benefits	19,250	-	-	103,031	122,281
Net cash provided (used) by operating activities	$ (701,016)	$ (1,473,678)	$ -	$ 1,377,566	$ (797,128)

FIDUCIARY FUNDS

Fiduciary funds include pension trust funds and agency funds. Pension trust funds account for certain of the City's retirement plans. Agency funds are used to account for assets held by the City for payroll related costs and other miscellaneous assets.

Pension Trust Funds:

General Employees' Pension Fund – This fund is used to account for assets held in a trustee capacity for the retirement pensions of all City employees except police officers, firefighters and management/professional employees.

Police and Firefighters Pension Fund - This fund is used to account for assets held in a trustee capacity for the retirement pensions for all firefighters, fire department officers and all non-civilian police department employees.

Professional/Management Pension Fund – This fund is used to account for assets held in a trustee capacity for the retirement pensions of most professional/management employees as indicated in the Personnel Resource System.

Agency Funds:

Payroll Trust Fund – to account for payroll-related costs held by the City in a trustee capacity.

General Trust Fund – to account for miscellaneous assets held by the City in a trustee capacity.

City of Hallandale Beach, Florida

Combining Statement of Fiduciary Net Position
Pension Trust Funds
September 30, 2015

	General Employees Pension Plan	Police and Firefighters Pension Plan	Professional/ Management Pension Plan	Total Pension Trust Funds
Assets				
Cash and cash equivalents	$ -	$ 4,949,467	$ 664,025	$ 5,613,492
State contributions receivable	-	673,170	-	673,170
Employer contributions receivable	-	-	-	-
Employee contributions receivable	-	36,201	-	36,201
Interest receivable	-	215,983	-	215,983
Due for securities sold	-	373,127	-	373,127
Investments:				
Corporate bonds	-	8,461,091	-	8,461,091
Equity securities	-	79,192,347	-	79,192,347
U.S. Obligations	-	14,302,662	-	14,302,662
Hedge funds	-	18,351,750	-	18,351,750
Insurance company separate account	45,694,056	-	20,089,840	65,783,896
Real estate investment trust	2,933,073	5,966,666	925,515	9,825,254
Total investments	48,627,129	126,274,516	21,015,355	195,917,000
Prepaid expense	-	11,116	-	11,116
Total assets	48,627,129	132,533,580	21,679,380	202,840,089
Liabilities				
Accounts payable	-	128,510	-	128,510
Due for securities purchased	-	288,791	-	288,791
Total Liabilities	-	417,301	-	417,301
Deferred Inflows of Resources				
Advance City contributions	-	34,786	-	34,786
Net position				
Held in trust for pension benefits	$ 48,627,129	$ 132,081,493	$ 21,679,380	$ 202,388,002

City of Hallandale Beach, Florida

Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended September 30, 2015

	General Employees Pension Plan	Police and Firefighters Pension Plan	Professional/ Management Pension Plan	Total Pension Trust Funds
Contributions:				
Employer	$ 3,659,156	$ 8,003,467	$ 748,978	$ 12,411,601
Plan members	230,059	1,239,119	55,316	1,524,494
State of Florida	-	673,170	-	673,170
Other income	-	41,342	-	41,342
Total contributions	3,889,215	9,957,098	804,294	14,650,607
Investment earnings (losses):				
Interest and dividends	-	2,456,923	-	2,456,923
Net increase (decrease) in fair value of investments	(263,936)	(2,074,377)	(309,976)	(2,648,289)
Total investment earnings (losses)	(263,936)	382,546	(309,976)	(191,366)
Less investment expense	(61,394)	(985,939)	(32,630)	(1,079,963)
Net investment income (loss)	(325,330)	(603,393)	(342,606)	(1,271,329)
Total additions	3,563,885	9,353,705	461,688	13,379,278
Deductions				
Benefits	2,972,541	9,380,630	1,958,152	14,311,323
Professional services	-	150,403	-	150,403
Total deductions	2,972,541	9,531,033	1,958,152	14,461,726
Change in net position	591,344	(177,328)	(1,496,464)	(1,082,448)
Net position, beginning	48,035,785	132,258,821	23,175,844	203,470,450
Net position, ending	$ 48,627,129	$ 132,081,493	$ 21,679,380	$ 202,388,002

City of Hallandale Beach, Florida

Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
September 30, 2015

	Payroll Trust Fund	General Trust Fund	Total Agency Funds
Assets			
Cash and cash equivalents	$ 1,231,716	$ 334,979	$ 1,566,695
Due from other funds	60,417	120	60,537
Accounts receivable	8,932	-	8,932
	$ 1,301,065	$ 335,099	$ 1,636,164
Liabilities			
Accounts payable and other liabilities	$ 79,896	$ 1,650	$ 81,546
Due to others	1,221,169	333,449	1,554,618
	$ 1,301,065	$ 335,099	$ 1,636,164

City of Hallandale Beach, Florida

Schedule of Changes in Assets and Liabilities
Payroll Trust Fund
Year Ended September 30, 2015

	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash and cash equivalents	$ 264,357	$ 24,204,086	$ (23,236,727)	$ 1,231,716
Due from other funds	900,000	-	(900,000)	-
Accounts receivable	6,382	634,069	(631,519)	8,932
Due from other governments	-	118,056	(57,639)	60,417
	$ 1,170,739	$ 24,956,211	$ (24,825,885)	$ 1,301,065
Liabilities				
Accounts payable	$ 138,219	$ 20,312,560	$ (20,370,883)	$ 79,896
Due to others	1,032,520	37,722,327	(37,533,678)	1,221,169
	$ 1,170,739	$ 58,034,887	$ (57,904,561)	$ 1,301,065

City of Hallandale Beach, Florida

Schedule of Changes in Assets and Liabilities
General Trust Fund
Year Ended September 30, 2015

	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash and cash equivalents	$ 383,863	$ 138,517	$ (187,401)	$ 334,979
Due from other governments	-	240	(120)	120
	$ 383,863	$ 138,757	$ (187,521)	$ 335,099
Liabilities				
Accounts payable	$ 3,443	$ 90,937	$ (92,730)	$ 1,650
Due to others	380,420	156,680	(203,651)	333,449
	$ 383,863	$ 247,617	$ (296,381)	$ 335,099

Statistical Section

This part of the City of Hallandale Beach'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.

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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.	107
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	112
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 the future.	117
Demographic and Economic Information This schedule offers demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	120
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	123

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

City of Hallandale Beach, Florida

Schedule 1
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities:										
Net investment in capital assets	$ 39,855	$ 41,876	$ 37,148	$ 39,425	$ 45,621	$ 45,545	$ 48,484	$ 42,885	$ 59,760	$ 59,840
Restricted	3,461	13,123	18,832	22,576	24,788	28,498	25,446	20,408	11,599	13,523
Unrestricted	36,252	31,793	37,555	36,920	33,243	31,454	25,314	34,225	19,671	(35,637)
Total governmental activities net position	$ 79,568	$ 86,792	$ 93,535	$ 98,921	$ 103,652	$ 105,497	$ 99,244	$ 97,518	$ 91,030	$ 37,726
Business-type activities:										
Net investment in capital assets	$ 18,783	$ 25,470	$ 27,519	$ 26,859	$ 28,347	$ 27,910	$ 24,702	$ 28,361	$ 33,465	$ 35,544
Restricted	-	-	-	-	-	-	-	-	292	291
Unrestricted	20,841	16,983	16,381	23,438	26,158	30,937	34,028	38,672	40,562	33,754
Total business-type activities net position	$ 39,624	$ 42,453	$ 43,900	$ 50,297	$ 54,505	$ 58,847	$ 58,730	$ 67,033	$ 74,319	$ 69,589
Primary government:										
Net investment in capital assets	$ 58,638	$ 67,346	$ 64,667	$ 66,284	$ 73,968	$ 73,455	$ 73,186	$ 71,246	$ 93,225	$ 95,384
Restricted	3,461	13,123	18,832	22,576	24,788	28,498	25,446	20,408	11,891	13,814
Unrestricted	57,093	48,776	53,936	60,358	59,401	62,391	59,342	72,897	60,233	(1,883)
Total primary government net position	$ 119,192	$ 129,245	$ 137,435	$ 149,218	$ 158,157	$ 164,344	$ 157,974	$ 164,551	$ 165,349	$ 107,315

Note: Terminology was revised for all years presented with the implementation of GASB statement no. 63.

City of Hallandale Beach, Florida

Schedule 2
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:										
Governmental activities:										
General government	$ 13,030	$ 13,069	$ 11,986	$ 11,990	$ 9,633	$ 11,684	$ 11,530	$ 9,302	15,289	13,876
Public safety	25,531	29,825	30,601	31,654	32,167	33,038	34,941	36,091	39,809	36,359
Physical environment	3,465	3,693	3,841	2,839	2,037	2,411	2,507	2,312	2,028	1,897
Transportation	1,324	1,641	1,574	1,571	1,295	1,127	1,221	1,943	2,142	1,850
Economic environment	1,542	2,363	4,946	3,227	6,479	3,659	6,820	4,798	4,879	4,474
Culture/Recreation	2,583	2,685	2,467	2,445	2,438	2,417	2,622	2,005	3,806	4,145
Human services	1,379	1,154	1,141	1,139	931	1,014	1,215	2,684	2,139	1,822
Interest on long-term debt	57	125	1,272	1,220	1,056	1,110	1,068	1,078	1,861	956
Total governmental activities expenses	48,911	54,555	57,828	56,085	56,036	56,460	61,924	60,213	71,953	65,379
Business-type activities:										
Nonmajor	95	89	104	134	333	231	253	277	272	280
Sanitation	4,661	5,117	5,274	5,213	4,943	4,724	4,775	5,267	6,422	6,211
Sewer	7,528	7,416	9,602	8,683	11,214	10,368	12,641	11,937	11,679	12,823
Stormwater drainage	1,346	1,359	1,382	1,425	1,932	1,873	1,678	1,768	2,075	2,215
Water	5,289	6,352	7,896	8,640	8,049	8,484	8,640	9,351	10,140	12,079
Total business-type activities expenses	18,919	20,333	24,258	24,095	26,471	25,680	27,987	28,600	30,588	33,608
Total primary government expenses	$ 67,830	$ 74,888	$ 82,086	$ 80,180	$ 82,507	$ 82,140	$ 89,911	$ 88,813	102,541	98,987
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	$ 4,018	$ 5,029	$ 4,659	$ 5,564	$ 4,456	$ 4,409	$ 1,627	$ 1,757	6,840	7,719
Public safety	3,392	4,276	7,178	3,966	5,512	4,735	4,022	6,591	13,831	13,445
Physical environment	-	-	-	39	40	-	1,881	3,560	4,786	5,233
Transportation	160	134	131	156	197	240	292	465	518	622
Economic environment	-	-	-	-	20	-	941	236	433	943
Culture/Recreation	132	125	99	101	79	50	25	218	332	899
Human services	-	-	-	-	-	-	60	398	482	477
Operating grants and contributions	4,247	1,823	1,893	1,267	5,384	1,811	1,589	901	892	816
Capital grants and contributions	392	620	839	1,615	1,061	566	1,697	2,999	1,575	1,711
Total governmental activities program revenues	12,341	12,007	14,799	12,708	16,749	11,811	12,134	17,125	29,689	31,865
Business-type activities										
Charges for services:										
Nonmajor	105	124	105	342	353	210	226	229	219	193
Sanitation	4,951	5,228	5,474	5,636	5,435	4,920	4,971	4,955	4,925	5,238
Sewer	7,233	7,340	8,310	10,304	10,158	10,222	10,297	11,659	12,112	11,772
Stormwater drainage	1,299	1,302	1,347	1,420	1,429	1,542	1,979	1,958	2,065	2,591
Water	7,473	7,310	9,055	11,392	11,347	11,852	11,656	11,985	11,612	10,773
Capital grants and contributions	-	371	28	644	9	32	11	933	59	37
Total business-type activities program revenues	21,061	21,675	24,319	29,738	28,731	28,778	29,140	31,719	30,992	30,604
Total primary government program revenues	$ 33,402	$ 33,682	$ 39,118	$ 42,446	$ 45,480	$ 40,589	$ 41,274	$ 48,844	60,681	62,469

Note: Terminology was revised for all years presented with the implementation of GASB statement no. 63.

(Continued)

City of Hallandale Beach, Florida

Schedule 2 (Continued)
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	2006	2007	2008	2009	2010	2011	2012	2013	2,014	2,015
Net (expense)/revenue										
Governmental activities	$ (36,570)	$ (42,548)	$ (43,029)	$ (43,377)	$ (39,287)	$ (44,649)	$ (49,790)	$ (43,088)	(42,264)	(33,514)
Business-type activities	2,142	1,342	61	5,643	2,260	3,098	1,153	3,119	404	(3,004)
Total primary government net expenses	$ (34,428)	$ (41,206)	$ (42,968)	$ (37,734)	$ (37,027)	$ (41,551)	$ (48,637)	$ (39,969)	(41,860)	(36,518)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 19,605	$ 25,151	$ 24,287	$ 23,369	$ 24,340	$ 20,972	$ 20,600	$ 20,579	21,819	26,091
Franchise and utility taxes	7,404	7,656	8,148	8,486	8,338	8,231	8,326	8,220	12,483	8,595
Sales taxes	2,279	2,228	2,107	1,976	2,112	2,029	2,084	2,223	2,339	2,472
Motor fuel taxes	668	658	649	673	718	653	639	642	911	1,057
Alcoholic beverage taxes	24	22	21	18	28	30	22	23	19	18
Fire assessments	2,476	2,510	3,266	3,686	4,502	4,591	4,702	5,621	-	-
Intergovernmental revenue	4,316	6,075	7,221	5,842	4,092	3,818	3,774	4,204	965	1,044
Investment earnings	1,989	2,729	2,188	1,788	911	535	439	291	161	221
Slot machine proceeds	-	1,746	1,985	1,749	1,707	1,922	1,818	1,719	1,649	1,603
Other revenue	358	1,146	-	1,130	1,893	1,672	1,942	2,665	74	68
Gain on the sale of capital assets	19	-	-	8	11	29	105	-	397	241
Transfers	95	(150)	(100)	37	(929)	(638)	(914)	(4,722)	(5,042)	(1,873)
Total governmental activities	39,233	49,771	49,772	48,762	47,723	43,844	43,537	41,465	35,775	39,537
Business-type activities:										
Franchise and utility taxes	67	178	214	237	335	240	213	220	165	-
Investment earnings	1,341	1,133	783	445	227	285	373	193	139	317
Other revenue	21	10	288	53	456	60	46	932	28	1
Gain on the sale of capital assets	4	16	-	57	1	22	12	-	-	55
Transfers	(95)	150	100	(37)	929	638	914	4,722	5,042	1,873
Total business-type activities	1,338	1,487	1,385	755	1,948	1,245	1,558	6,067	5,374	2,246
Total primary government	$ 40,571	$ 51,258	$ 51,157	$ 49,517	$ 49,671	$ 45,089	$ 45,095	$ 47,532	41,149	41,783
Change in Net Position										
Governmental activities	$ 2,663	$ 7,223	$ 6,743	$ 5,385	$ 8,436	$ (805)	$ (6,253)	$ (1,623)	(6,489)	6,023
Business-type activities	3,480	2,829	1,446	6,398	4,208	4,343	2,711	9,186	5,778	(758)
Total primary government	$ 6,143	$ 10,052	$ 8,189	$ 11,783	$ 12,644	$ 3,538	$ (3,542)	$ 7,563	(711)	5,265

Note: Terminology was revised for all years presented with the implementation of GASB statement no. 63.

Schedule 3
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	2006	2007	2008	2009	2010	2011 (1)	2012	2013	2014	2015
General Fund										
Reserved	$ 95	$ 133	$ 624	$ 356	$ 179	$ -	$ -	$ -	$ -	$ -
Unreserved	24,302	23,065	20,133	22,187	26,840	-	-	-	-	-
Non-spendable:										
Inventories	-	-	-	-	-	224	203	189	191	156
Prepaid items	-	-	-	-	-	14	16	31	14	128
Assigned to:										
Vehicles and equipment	-	-	-	-	-	2,221	2,449	2,553	1,803	1,318
Subsequent year's expenditures	-	-	-	-	-	5,673	6,455	4,356	1,622	-
Unassigned	-	-	-	-	-	18,399	15,104	18,721	17,391	20,186
Total general fund	$ 24,397	$ 23,198	$ 20,757	$ 22,543	$ 27,019	$ 26,531	$ 24,227	25,850	21,021	21,788
All Other Governmental Funds										
Reserved	$ 5,460	$ 11,508	$ 14,623	$ 2,419	$ 3,820	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	3,445	5,768	7,009	22,832	23,516	-	-	-	-	-
Capital projects funds	2,373	8,333	8,704	8,448	7,433	-	-	-	-	-
Non-spendable:										
Prepaid Items		-	-	-	-	-	-	141	-	-
Restricted for:										
Assets held for resale	-	-	-	-	-	5,552	3,145	1,177	816	6,608
Long-term receivable	-	-	-	-	-	2,327	1,805	1,214	1,337	1,253
Community Redevelopment	-	-	-	-	-	-	-	-	1,308	-
Debt service	-	-	-	-	-	910	955	1,000	1,000	1,517
Developer agreements	-	-	-	-	-	2,623	1,628	502	560	1,502
Grant programs	-	-	-	-	-	-	-	-	922	366
Law enforcement	-	-	-	-	-	2,638	1,727	1,141	1,055	1,016
Transportation	-	-	-	-	-	2,764	2,919	2,639	626	346
Safe neighborhood districts	-	-	-	-	-	1,209	1,080	952	937	915
Assigned to:										
Computer equipment	-	-	-	-	-	22	22	22	-	-
Police outside services	-	-	-	-	-	79	118	140	151	177
Special revenue funds	-	-	-	-	-	14,243	13,230	7,672	-	-
Capital projects funds	-	-	-	-	-	5,207	4,991	4,054	1,415	365
Subsequent year's expenditure		-	-	-	-	-		4,054	3,038	-
Unassigned		-	-	-	-	-		(901)	-	(313)
Total all other governmental funds	$ 11,278	$ 25,609	$ 30,336	$ 33,699	$ 34,769	$ 37,574	$ 31,620	$ 23,807	$ 13,165	$ 13,752

(1) GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", redefined the components of the fund balance of governmental funds. 2011 is the first year of implementation.

City of Hallandale Beach, Florida

Schedule 4
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	$ 27,241	$ 32,784	$ 32,665	$ 31,854	$ 33,114	$ 29,194	$ 28,923	28,799	30,397	30,347
Licenses, fees and permits	1,378	1,632	1,756	1,543	1,857	1,630	1,299	2,329	2,505	2,977
Fines and forfeitures	419	580	3,769	823	1,925	1,099	938	1,076	865	731
Charges for services	4,706	5,940	5,045	5,759	6,831	6,389	7,206	10,018	8,994	12,143
Intergovernmental	11,907	10,908	11,890	11,079	11,901	9,443	10,376	9,711	11,072	11,964
Investment earnings	1,706	2,314	1,895	1,528	896	513	385	246	216	383
Slot machine proceeds	-	1,746	1,985	1,749	1,707	1,922	1,818	1,719	1,649	1,603
Other revenues	3,179	4,197	4,616	4,851	6,385	6,262	6,648	7,800	11,409	7,686
Total revenues	50,536	60,101	63,621	59,186	64,616	56,452	57,593	61,698	67,107	67,834
Expenditures										
General government	10,235	10,271	10,596	9,501	9,632	9,236	9,463	9,244	9,904	9,002
Public safety	24,332	28,860	29,760	30,749	31,428	32,702	34,379	35,620	39,398	40,654
Physical environment	2,920	3,383	3,366	2,355	1,984	2,358	2,443	2,252	2,034	2,028
Transportation	1,161	1,437	1,390	1,416	1,137	937	1,031	1,637	1,909	1,742
Economic development	1,542	2,406	4,923	2,728	6,376	3,578	6,736	4,680	4,843	4,421
Human services	1,318	1,101	1,087	1,098	859	944	1,140	2,698	2,098	1,837
Culture and recreation	2,138	2,308	2,118	2,120	2,067	2,081	2,290	1,563	3,569	3,773
Capital outlay	7,549	22,943	2,476	4,415	2,557	2,319	7,007	7,022	18,763	9,602
Debt service:										
Principal	689	500	1,180	891	830	865	910	955	955	1,000
Interest	61	52	1,318	1,189	1,153	1,117	1,075	1,031	1,006	957
Bond issuance costs	-	34	-	-	-	-	-	-		
Total expenditures	51,945	73,295	58,214	56,462	58,023	56,137	66,474	66,702	84,479	75,016
Excess of revenues over (under) expenditures	(1,409)	(13,194)	5,407	2,724	6,593	315	(8,881)	(5,004)	(17,372)	(7,182)
Other Financing Sources (Uses)										
Proceeds from sale of capital assets	40	-	-	14	13	32	35	272	430	27
Transfers in	3,265	4,855	7,444	9,636	8,540	5,734	2,512	2,452	5,615	11,160
Transfers out	(3,750)	(5,585)	(8,124)	(7,225)	(9,601)	(6,414)	(2,833)	(3,518)	(5,615)	(7,030)
Issuance of long-term debt	-	24,615	-	-	-	-	-			
Total other financing sources (uses)	(445)	23,885	(680)	2,425	(1,048)	(648)	(286)	(794)	430	4,157
Net change in fund balances	$ (1,854)	$ 10,691	$ 4,727	$ 5,149	$ 5,545	$ (333)	$ (9,167)	$ (5,798)	$ (16,942)	$ (3,025)
Debt service as a percentage of noncapital expenditures	1.7%	1.1%	4.5%	4.0%	3.6%	3.7%	3.3%	3.3%	3.0%	3.0%

City of Hallandale Beach, Florida

Schedule 5
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal year	Ad Valorem	Franchise Fees	Utility	Communications Service	Sales	Motor Fuel	Alcoholic Beverage	Total
2006	19,791	2,699	2,988	1,763	2,251	696	24	30,212
2007	25,075	2,844	3,124	1,741	2,164	685	21	35,654
2008	24,531	2,904	3,367	1,861	2,107	680	21	35,471
2009	23,395	2,891	3,560	2,007	1,936	714	18	34,521
2010	24,740	2,601	3,783	1,989	2,078	718	28	35,937
2011	20,972	2,639	3,853	1,730	2,030	653	30	31,907
2012	20,600	2,581	3,948	1,794	2,048	639	22	31,632
2013	20,579	2,519	4,123	1,578	2,188	641	23	31,651
2014	25,361	2,696	4,363	1,520	2,339	602	19	36,900
2015	25,358	2,708	4,420	1,467	2,472	740	18	37,183
Change 2005-2014	28.1%	0.3%	47.9%	-16.8%	9.8%	6.3%	-25.4%	23.1%

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

City of Hallandale Beach, Florida

Schedule 6
Property Tax Rates – Direct and Overlapping Property Taxes Rates
Last Ten Fiscal Years

		Direct													
		City Rate (1)	Overlapping Rates												
			Broward County BOCC			School Board of Broward County									
Tax roll year	Fiscal Year	City of Hallandale Beach	Operating Millage	Debt Service Millage	Total Broward County	Operating Millage	Debt Service Millage	Total School District	So Florida Water Management District	Florida Inland Navigation District	Children's Services Council	South Broward Hospital District	Total Direct & Overlapping Rates	Golden Isles Safe Neighborhood District (2)	Three Islands Safe Neighborhood District (2)
2003	2004	6.7480	-	-	7.1880	-	-	8.4176	0.6970	0.0385	0.3920	1.7336	25.2147	1.2900	1.1170
2004	2005	6.5456	6.4831	0.5399	7.0230	8.0140	0.2555	8.2695	0.6970	0.0385	0.4231	1.5761	24.5728	1.2900	1.1170
2005	2006	6.2838	6.2942	0.4888	6.7830	7.8410	0.2213	8.0623	0.6970	0.0385	0.4231	1.4500	23.7377	1.2900	1.0000
2006	2007	5.9696	5.6433	0.4228	6.0661	7.6790	0.1897	7.8687	0.6970	0.0385	0.4073	1.3300	22.3772	1.2900	0.8000
2007	2008	4.9818	4.8889	0.3979	5.2868	7.4770	0.1714	7.6484	0.6240	0.0345	0.3572	1.1643	20.0970	1.0934	0.6897
2008	2009	4.9818	4.8889	0.4256	5.3145	7.4170	-	7.4170	0.6240	0.0345	0.3754	1.1913	19.9385	1.0934	0.6600
2009	2010	5.9000	4.8889	0.5000	5.3889	7.4310	-	7.4310	0.6240	0.0345	0.4243	1.2732	21.0759	1.0934	0.6600
2010	2011	5.9000	5.1021	0.4509	5.5530	7.6310	-	7.6310	0.6240	0.0345	0.4696	1.2732	21.4853	1.0934	0.6600
2011	2012	5.9000	5.1860	0.3670	5.5530	7.4180	-	7.4180	0.4363	0.0345	0.4789	0.7500	20.5707	1.0934	0.6600
2012	2013	5.6833	5.2576	0.2954	5.5530	7.4560	-	7.4560	0.4289	0.0345	0.4902	0.6000	20.2459	1.0934	0.6600
2013	2014	5.6833	5.4400	0.2830	5.7230	7.4800	-	7.4800	0.4110	0.0345	0.4882	0.4000	20.2200	1.0934	0.6600
2014	2015	5.1918	5.4584	0.2646	5.7230	7.4380	-	7.4380	0.3842	0.0345	0.4882	0.1863	19.4460	1.0934	0.6600

Note: Tax millage rates (per $1,000 of taxable value).

Source: Broward County Department of Revenue; Broward County Property Appraiser

(1) The City's millage rate consists of only an operating millage
(2) Not included in total tax rate, as these do not apply to entire City

City of Hallandale Beach, Florida

Schedule 7
Principal Property Taxpayers
Current and Nine Years Ago
(Amounts Expressed in Thousands)

	2015			2006		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Gulfstream Park Racing Assn/Casino	$ 216,812,814	1	5.143%	$ 39,978,670	1	1.267%
17070 Collins Ave. Shopping Ctr	36,719,151	2	0.871%	22,572,914	5	0.715%
Florida Power & Light Co.	33,911,659	3	0.804%	17,937,960	8	0.568%
Three Islands Associates Residential/Retail	27,481,631	4	0.652%	26,992,113	3	0.855%
Hollywood Greyhound Track	23,581,559	5	0.559%	22,274,280	6	0.706%
Village at Gulfstream LLC	16,590,911	6	0.394%	-		
Wal-Mart Stores	16,416,466	7	0.389%	12,044,709	11	0.382%
Hallandale Group Limited Partnership	14,500,971	8	0.344%	-		
2500 Hallandale Beach LLC - Receiver Inc.	13,557,689	9	0.322%	-		
Diplomat Properties Ltd. Partnership	11,968,300	10	0.284%	24,488,640	4	0.776%
Romagnole Investment Properties LLC	10,784,241	11	0.256%	-		
Murray Family Assoc	10,180,500	12	0.242%	-		
Omnipoint Communications				31,255,599	2	0.990%
TRG-Hallandale Beach Ltd.				18,518,270	7	0.587%
Southern Bell Telephone Co.				14,439,117	9	0.457%
Ocean Marine Yacht Club LLC				14,013,360	10	0.444%
Chaves Lake Apts. Inc.				10,296,810	12	0.326%
Total	$ 432,505,892		10.260%	$ 254,812,442		8.073%

Source: Broward County, Florida, Department of Revenue

City of Hallandale Beach, Florida

Schedule 8

Property Tax Levies and Collections

Last Ten Fiscal Years

(Amounts Expressed In Thousands)

Fiscal Year	Taxes Levied for the Fiscal Year (2)	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	$ 20,426	$ 20,329	99.52%	72	$ 20,401	99.88%
2007	25,750	25,656	99.64%	123	25,779	100.11%
2008	25,226	25,097	99.49%	126	25,223	99.99%
2009	24,950	23,891	95.76%	869	24,760	99.24%
2010	24,832	24,187	97.40%	377	24,564	98.92%
2011	21,343	21,061	98.68%	1	21,062	98.69%
2012	21,237	21,161	99.64%	-	21,161	99.64%
2013	21,117	21,093	99.89%	-	21,093	99.89%
2014	22,534	22,487	99.79%	-	22,487	99.79%
2015	22,485	22,463	99.90%	-	22,463	99.90%

Source: Broward County Revenue Collection Division

(1) This amount represents gross levy (does not include discounts).

(2) Amounts include Golden Isles,Three Islands Safe Neighborhood Districts, and the Hallandale Beach Community Redevelopment Agency which are component units of the City of Hallandale Beach, Florida.

(3) Greater than 100% due to retroactive re-assessments

City of Hallandale Beach, Florida

Schedule 9
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Amounts Expressed In Thousands)

Fiscal Year	Real Property: Residential Property	Real Property: Commercial Property	Real Property: Other Property	Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate (mills)	Estimated Actual Taxable Value (2)	Assessed Value as a Percentage of Actual Value
2006	$ 3,612,869	$ 401,980	$ 74,921	$ 137,046	$ 1,069,269	$ 3,157,547	$ 7	$ 4,226,816	74.7%
2007	4,977,427	499,783	94,731	103,527	1,506,712	4,168,756	5.9696	5,675,468	73.5%
2008	5,556,934	631,372	140,400	98,120	1,580,177	4,846,649	4.9818	6,426,826	75.4%
2009	5,314,439	682,485	150,501	134,656	1,383,597	4,898,484	4.9818	6,282,081	78.0%
2010	4,171,536	720,600	152,985	126,396	1,037,262	4,134,255	5.9000	5,171,517	79.9%
2011	3,360,656	702,187	178,327	116,524	807,371	3,550,323	5.9000	4,357,694	81.5%
2012	3,314,833	729,340	188,369	114,532	797,854	3,549,220	5.9000	4,347,074	81.6%
2013	3,421,664	712,733	191,941	108,570	803,365	3,631,543	5.8833	4,434,908	81.9%
2014	3,778,517	714,609	185,921	120,434	921,193	3,878,288	5.6833	4,799,481	80.8%
2015	4,564,963	748,318	188,137	121,879	1,375,207	4,248,090	5.1918	5,623,297	75.5%

Source: Broward County Revenue Collection Division

(1) Information for years before 2005 is not available.

(2) Includes tax exempt property.

City of Hallandale Beach, Florida

Schedule 10
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

		Governmental Activities			Business-Type Activities						
Fiscal year	Capital Lease	Revenue Note Series 2002	Bonds Series 2007A	Revenue Note Series 2013	Revenue Bonds Series 2001A	Revenue Bonds Series 2005A	Revenue Note Series 2012	Revenue Bonds Series 2014A	Total Primary Government	Percentage Of Personal Income	Per Capita
2006		$ 1,096,385	$ -	$ -	$ 4,125,000	$ 8,510,000	$ -	$ -	$ 13,731,385	0.94%	383.09
2007		596,385	24,615,000	-	3,950,000	8,200,000	-	-	37,361,385	2.31%	978.23
2008		96,385	23,935,000	-	3,765,000	7,880,000	-	-	35,676,385	2.28%	953.91
2009		-	23,140,000	-	3,575,000	7,550,000	-	-	34,265,000	N/A	916.18
2010		-	22,310,000	-	3,375,000	7,205,000	-	-	32,890,000	N/A	886.12
2011		-	21,445,000	-	3,165,000	6,850,000	-	-	31,460,000	N/A	847.68
2012		-	20,535,000	-	-	6,480,000	2,770,000	-	29,785,000	N/A	789.38
2013	11,768	-	20,535,000	5,050,000	-	6,100,000	2,770,000	-	34,455,000	N/A	897.48
2014	11,081	-	19,762,540	4,440,000	-	5,831,062	2,480,000	-	32,513,602	N/A	849.52
2015	4,394	-	18,738,265	3,725,000	-	-	2,190,000	5,390,000	30,047,659	N/A	782.00

City of Hallandale Beach, Florida

Schedule 11
Direct and Overlapping Governmental Activities Debt
As of September 30, 2015

Jurisdiction	Net debt Outstanding		Percentage applicable to City of Hallandale Beach	Amount applicable to City of Hallandale Beach
City of Hallandale Beach	$ 22,467,659		100.000%	$ 22,467,659
Broward County	256,420,000	(1)	3.024%	7,753,500
Broward School District	1,895,528,000	(2)	3.024%	57,316,026
Total direct and overlapping debt	$ 2,174,415,659			$ 87,537,185

(1) *Source: Broward County, Florida*
(2) *Source: School Board of Broward County, Florida*

Note: The percentage of overlapping debt is estimated using taxable assessed property values. Value that is within the City boundaries are divided by the County's and School Board's total taxable assessed value.

City of Hallandale Beach, Florida

Schedule 12
Pledged Revenue Coverage
Last Ten Fiscal Years

	Utility Revenue Bonds, Series 2001A, 2005A , 2014A and Series 2012 Revenue Note						Revenue Note Series 2002 and Bonds 2007A						Pledged Revenue Note			
				Debt Service				Debt Service		Debt Service				Debt Service		
Fiscal year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage	Pledged Revenue	Principal	Interest	Principal	Interest	Coverage	Franchise Fees	Principal	Interest	Coverage
2006	$ 15,753,547	$ 12,819,915	$ 2,933,632	$ 460,000	$ 266,186	4.04	$ 5,827,132	$ 500,000	$ 56,437	$ -	$ -	10.47	$ 4,462,284	$ 188,831	$ 4,331	$ 23
2007	15,951,761	14,862,524	1,089,237	485,000	265,067	1.45	9,390,974	500,000	41,645	-	-	17.34	-	-	-	-
2008	18,712,613	18,424,786	287,827	505,000	334,112	0.34	40,356,815	500,000	16,346	680,000	1,301,576	16.16	-	-	-	-
2009	23,115,163	18,184,821	4,930,342	520,000	562,540	4.55	37,137,163	96,385	1,035	680,000	1,301,576	17.86	-	-	-	-
2010	22,934,776	20,701,617	2,233,159	545,000	507,178	2.12	41,379,803	-	-	795,000	1,187,552	20.87	-	-	-	-
2011	23,615,907	20,246,971	3,368,936	565,000	484,653	3.21	36,203,914	-	-	830,000	1,153,092	18.26	-	-	-	-
2012	23,932,305	22,512,735	1,419,570	370,000	306,465	2.10	37,801,983	-	-	865,000	1,117,215	18.93	-	-	-	-
2013	25,602,349	22,725,740	2,876,609	380,000	292,378	4.28	44,239,028	-	-	910,000	1,055,925	22.50	-	-	-	-
2014	25,789,203	22,840,398	2,948,805	395,000	277,390	4.39	30,686,625	-	-	955,000	1,012,750	15.59	-	-	-	-
2015	25,136,779	22,753,653	2,383,126	410,000	263,046	3.54	51,649,069	-	-	1,000,000	965,000	26.28	-	-	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) In 2012, the Series 2001A Bonds were refunded with the issuance of the Series 2012 Revenue Note.

(2) In 2014, the Series 2005A Bonds were refunded with the issuance of the Series 2014A Bonds..

City of Hallandale Beach, Florida

Schedule 13
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal year	Population (1)	Personal Income (2)	Broward County Per capita Personal Income (2)	Median Age(6)	Unemployment Rate Broward County	Unemployment Rate Hallandale Beach		Public School Enrollment (5)
2006	35,844	$ 1,465,517,784	$ 40,886	50.9	3.10%	3.90%	(3)	3,010
2007	38,193	1,616,442,339	42,323	50.9	3.80%	4.50%	(3)	3,073
2008	37,400	1,565,264,800	41,852	50.9	6.10%	7.40%	(3)	2,978
2009	37,400	1,459,909,000	39,035	50.9	9.80%	10.70%	(3)	3,070
2010	37,117	1,486,535,850	40,050	50.9	10.60%	12.10%	(3)	2,933
2011	37,113	1,532,952,465	41,305	46.7	9.00%	10.40%	(3)	2,850
2012	37,732	1,580,442,552	41,886	46.7	7.90%	8.90%	(3)	2,777
2013	38,391	1,599,253,887	41,657	46.7	6.70%	7.10%	(3)	3,299
2014	38,273	1,656,570,259	43,283	46.7	5.80%	6.00%	(3)	2,928
2015	38,424	*	*	46.7	4.90%	5.40%	(4)	3,506

(1) Source: University of Florida, Bureau of Economic Research for Hallandale Beach (2015 Estimate).
(2) Source: U.S. Department of Commerce, Bureau of Economic Analysis for year ended December 31.
(3) Source: U.S. Department of Labor, Bureau of Labor Statistics
(4) Source: FL Unemployment Rate & Employment
(5) Source: Broward County Public Schools
(6) 2010 U. S. Census.

* Information not available

City of Hallandale Beach, Florida

Schedule 14
Principal Employers
Current and Eight Years Ago

	2015			2007 (3)		
Employer	Employees	Rank	% of total City Employment	Employees	Rank	% of total City Employment
Gulfstream Park Racing & Casino	868	1	4.782%	1,077	1	6.446%
Mardi Gras Racetrack & Gaming Center	548	2	3.019%	717	2	4.291%
City of Hallandale Beach	515	3	2.837%	451	3	2.699%
Wal-Mart Stores, Inc.	398	4	2.193%	260	6	1.556%
School Board of Broward County	285	5	1.570%	440	4	2.633%
Diplomat Country Club	255	6	1.405%	239	7	1.430%
Winn Dixie Supermarkets	166	8	0.915%	185	8	1.107%
Publix Supermarket	206	7	1.135%	285	5	1.706%
Burlington Coat Factory	108	9	0.595%	104	9	0.622%
US Post Office	68	10	0.375%	82	10	0.491%
	3,417		18.826%	3,840		22.983%

(1) Source: Individual employers
(2) Does not include seasonal employees
(3) Data from nine years ago unavailable

City of Hallandale Beach, Florida

Schedule 15

Full-time-Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
City Commission	5	5	5	5	5	5	5	5	5	5
General government										
Management	8.00	8.00	8.00	8.00	7.00	7.00	7.00	7.00	8.00	8.00
General Services/ Procurement Department	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	4.00	4.00
City Attorney	3.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00	4.00	4.00
Finance	9.50	9.75	9.75	9.75	9.75	9.77	11.77	11.75	11.77	11.00
Innovation Technology	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00
Personnel	5.75	5.75	5.50	5.00	5.00	5.92	5.20	5.94	5.77	5.50
City Clerk	3.00	3.00	3.00	3.00	2.00	3.00	3.00	3.00	3.00	3.00
Development Services	29.00	30.75	30.75	28.75	22.62	24.00	21.00	22.20	26.00	26.00
Other	2.00	2.00	2.00	2.00	1.50	-	-	-	2.00	4.00
Police										
Officers	101.00	103.00	101.00	101.00	98.00	95.00	99.00	113.47	98.47	98.00
Civilians	37.00	40.00	40.00	41.00	40.52	38.54	37.00	22.27	39.27	39.22
Fire										
Paramedics, firefighters, officers	77.00	80.00	77.00	78.00	75.00	75.00	75.00	87.62	77.00	77.00
Civilians	3.00	3.00	3.00	3.00	2.00	3.00	3.00	4.00	14.85	14.15
Public Works										
Administration	7.75	7.75	7.75	5.76	3.00	5.00	5.00	4.00	1.00	1.00
Equipment Maintenance	9.00	9.00	9.50	10.75	9.75	8.77	8.77	8.77	-	-
Grounds Maintenance	17.25	17.00	16.00	16.54	14.76	13.77	15.81	15.81	9.31	9.52
Building Maintenance	14.25	13.50	12.50	11.28	9.52	11.31	10.29	8.00	8.00	8.00
Human Services	12.20	13.20	13.20	10.10	10.15	10.31	9.80	11.67	11.95	13.94
Parks and Recreation	32.80	36.30	32.30	31.12	29.04	27.40	29.67	43.46	56.37	60.95
Transportation										
Streets	6.75	6.75	5.75	4.25	3.27	3.27	4.77	10.77	10.77	10.63
Minibus	-	-	-	-	-	-	-			
Sanitation	21.00	17.00	23.00	22.29	24.00	23.93	22.54	24.41	27.85	26.78
Cemetery	-	-	-	-	1.76	1.77	1.77	1.77	1.77	2.26
Water	43.00	43.00	42.50	40.50	45.03	44.31	43.56	47.02	47.77	46.88
Stormwater	2.00	2.00	4.00	5.53	7.52	6.54	2.00	2.00	4.00	5.00
Sewer	12.00	12.00	12.00	16.00	15.00	14.00	12.00	12.00	12.00	12.00
Marina								2.25	1.54	1.26
Fleet Services								8.77	9.00	10.00
Risk Management					2.00	1.00	2.00	2.00	2.00	2.00
Total	470.25	480.75	476.50	471.62	455.19	449.61	446.95	497.95	507.46	515.09

Source: City Budget Office

Notes: A full-time employee is scheduled to work 2,088 hours per year, including holidays, vacation and sick leave.
Full-time equivalent employment is calculated by dividing total labor hours by 2,088.

City of Hallandale Beach, Florida

Schedule 16

Operating Indicators by Function/Program

Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function/Program										
Development Services										
Building permits issued	3,702	2,917	2,558	2,704	3,390	3,261	3,403	3,377	3,435	5,368
Building inspections conducted	32,134	32,134	13,994	9,138	10,387	9,556	8,934	9,624	10,179	13,028
Police										
Physical arrests	977	1,211	1,168	1,655	1,524	1,610	1,222	1,383	1,305	1,281
Parking violations	2,983	1,995	2,674	5,763	3,093	2,382	2,090	2,263	1,850	1,335
Traffic violations	12,680	12,259	13,498	9,254	10,434	10,085	9,127	12,001	12,623	11,709
Fire										
EMS responses	5,781	5,617	5,505	5,277	5,192	4,719	5,690	5,938	6,304	6,275
Other emergency responses	2,362	2,343	1,734	2,285	2,466	2,025	2,413	2,622	2,466	2,344
Fires	218	156	149	129	122	108	117	113	98	93
Inspections	2,097	2,665	2,170	2,451	1,467	1,713	2,294	2,438	2,641	2,276
Refuse Collection										
Refuse collected (tons per year)	26,775	27,934	27,650	25,882	26,611	22,766	24,315	26,652	25,885	26,321
Other Public Works										
Street resurfacing (miles)	2.75	6.67	5.18	-	5.69	3.98	-	-	-	-
Number of streets repaired	468	439	641	455	685	673	796	667	827	1,590
Asphalt used (tons)	334	312	405	87	125	334	258	217	99	101
Parks and recreation										
Summer camp participants	100	637	609	593	194	63	70	66	89	125
Athletic teams	37	50	66	77	76	84	78	76	0	-
Water										
New/Replacement connections	74	62	32	80	86	47	7	48	32	34
Average daily consumption (1000's of gallons)	5,830	5,520	5,462	5,167	5,516	5,313	5,493	5,801	5,461	6,220
Peak daily consumption (1000's of gallons)	6,880	6,780	7,280	7,500	6,890	6,570	6,400	7,738	6,890	7,517
Wastewater										
Average daily sewage transmitted (1000's of gallons)	6,690	6,952	6,841	6,650	6,906	6,483	7,286	6,936	7,049	6,965
Transit										
Total route miles per year	64,584	81,102	107,215	103,109	99,505	99,505	99,505	152,047	152,047	152,047
Passengers per year	91,700	118,266	156,160	145,200	163,370	178,461	211,298	264,577	246,592	265,545

* Data not available

City of Hallandale Beach, Florida

Schedule 17
Capital Assets Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	3	3	3	3	3	3	3	3	3	3
Refuse Collection										
Collection Trucks	18	18	18	18	20	20	20	20	20	20
Other Public Works										
Streets (miles)	67	67	67	67	74	74	74	74	74	74
Sidewalks (miles)	39	39	39	41	42	42	43	43	43	43
Streetlights	1,391	1,391	1,391	1,391	1,391	1391	1391	1391	1391	1391
Traffic signals	42	42	42	42	42	42	42	42	42	42
Parks and recreation										
Playgrounds	8	7	7	10	10	10	10	11	11	10
Baseball/softball diamonds	4	4	4	4	4	4	4	4	3	2
Outdoor pavilions	5	5	5	7	7	7	7	7	10	13
Community centers	5	5	5	5	5	5	5	5	5	5
Pool	1	1	1	1	1	1	1	1	2	2
Tennis courts	14	14	14	14	14	14	14	14	14	14
Water										
Water mains (miles)	77	77	78	79	79	80	80	80	80	81
Fire hydrants	545	554	554	554	554	554	572	572	572	578
Storage capacity (millions of gallons)	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	5
Wastewater										
Sanitary sewers (miles)	72	72	72	73	73	73	73	73	73	72
Storm sewers (miles)	35	35	38	38	39	40	40	40	40	41
Transmission capacity (millions of gallons per day)	6.65	6.65	6.65	6.65	6.65	6.65	6.65	6.65	6.65	7

* Data not available