



CITY OF FORT LAUDERDALE, FLORIDA

ANNUAL REPORT TO BONDHOLDERS

Fiscal Year Ended September 30, 2014





CITY OF FORT LAUDERDALE

**CITY OF FORT LAUDERDALE,
FLORIDA**

**ANNUAL REPORT
TO
BONDHOLDERS**

**FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2014**

April 2015

City of Fort Lauderdale

Elected Officials (as of April 7th, 2015)

John P. “Jack” Seiler
MAYOR

Robert L. McKinzie
VICE MAYOR/COMMISSIONER, DISTRICT III

Bruce G. Roberts
COMMISSIONER, DISTRICT I

Dean J. Trantalis
COMMISSIONER, DISTRICT II

Romney Rogers
COMMISSIONER, DISTRICT IV

Charter Officers

Lee R. Feldman, ICMA-CM
CITY MANAGER

Cynthia A. Everett, Esquire
CITY ATTORNEY

John C. Herbst, CPA, CGFO, CGMA
CITY AUDITOR

Jonda K. Joseph
CITY CLERK

Administration

Stanley D. Hawthorne
ASSISTANT CITY MANAGER

Susanne M. Torriente
ASSISTANT CITY MANAGER

Kirk W. Buffington, CPPO, C.P.M.
DIRECTOR OF FINANCE

Linda A. Logan-Short, CGFO, CPM
CFO/DEPUTY DIRECTOR OF FINANCE

Janette Smith, CPA
TREASURER

Independent Certified Public Accountant
Crowe Horwath LLP
Fort Lauderdale, Florida

Bond Counsel
Greenberg Traurig, P.A.
Fort Lauderdale, Florida

Disclosure Counsel
Law Offices of Steve E. Bullock, P.A.
Miramar, Florida

Financial Advisor
First Southwest Company
Miami, Florida

PURPOSE OF THE ANNUAL REPORT TO BONDHOLDERS

This Annual Report to Bondholders for the Fiscal Year ended September 30, 2014 has been prepared by the City of Fort Lauderdale, Florida (the “City”) to provide information concerning the City, its financial operations and its indebtedness. This information is made available to current security holders and potential purchasers of securities in the secondary market, securities dealers and analysts, Rating Agencies, Municipal Securities Information Repositories established pursuant to Rule 15c2-12 of the United States Securities and Exchange Commission (SEC) and other interested parties. The City has selected Digital Assurance Certification, L.L.C. (DAC) as the City’s disclosure/dissemination agent. This 2014 Annual Report to Bondholders can be found on the DAC website at www.dacbond.com or on the Electronic Municipal Market Access system, or EMMA website at www.emma.msrb.org. The DAC website also hosts related City documents, including official statements for outstanding debt obligations.

In addition to this Report, each Fiscal Year the City prepares a Comprehensive Annual Financial Report (CAFR), which includes audited financial statements in accordance with generally accepted accounting principles. The CAFR is also available from the City upon request. The CAFR is hosted on the City’s website at www.fortlauderdale.gov/departments/finance/financial-reports, as well as on the DAC website. The City’s current external auditors are Crowe Horwath LLP, Fort Lauderdale, Florida.

In compliance with SEC Rule 15c2-12, the City has entered into undertakings to provide secondary market information in connection with the following outstanding bond issues:

- \$20,000,000 General Obligation Bonds, Series 2011A (Fire-Rescue Facilities), dated September 28, 2011
- \$13,980,000 General Obligation Refunding Bonds, Series 2011B, dated September 28, 2011
- \$20,000,000 General Obligation Bonds, Series 2005 (Fire-Rescue Facilities), dated June 16, 2005
- \$337,755,000 Taxable Special Obligation Bonds, Series 2012 (Pension Funding Project), dated October 3, 2012
- \$64,585,000 Water and Sewer Revenue Refunding Bonds, Series 2012, dated May 16, 2012
- \$82,300,000 Water and Sewer Revenue Bonds, Series 2010, dated June 10, 2010
- \$155,000,000 Water and Sewer Revenue Bonds, Series 2008, dated March 6, 2008
- \$100,000,000 Water and Sewer Revenue Bonds, Series 2006, dated October 4, 2006

Disclosure of the following bond series issued after the Fiscal Year ended September 30, 2014 has also been included for information purposes:

- \$121,520,000 Water and Sewer Revenue Refunding Bonds, Series 2014, dated December 3, 2014

The release of this Report is designed to satisfy the requirements for annual disclosure as set forth in the City’s undertakings pursuant to SEC Rule 15c2-12. The City is committed to fulfilling its disclosure obligations, as now or as may hereafter be defined by the SEC. While the City is committed to the release of secondary market information in satisfaction of its continuing disclosure obligations, the City is making no on-going commitment to the publication and release of future Reports to Bondholders and in the future its disclosure obligations may be met through supplements or enhancements to its CAFR or through the release of other documents.

The City has not undertaken an independent review or investigation to determine the accuracy of information that has been obtained from other sources. Certain information presented in this Report has been obtained from sources that are believed by the City to be reliable, but neither the City nor any of its elected or appointed officials, officers or employees makes any representations or warranties with respect to the accuracy or completeness of such information.

Additionally, to the extent that certain portions of this Report constitute summaries of documents, reports, ordinances, resolutions, or agreements relating to the operations of the City or its outstanding debt, this Report is qualified by reference to each such document, report, ordinance, resolution, or agreement, copies of which may be obtained from the Finance Department of the City. This Report contains certain capitalized undefined terms. Such terms are defined in the resolutions of the City authorizing the issuance of the respective series of bonds of the City.

The City encourages readers of this Report to provide suggestions that will improve the readability or usefulness of any future Report. Questions or comments concerning this Report or the information contained herein should be directed to:

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Fort Lauderdale, Florida 33301
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CITY OF FORT LAUDERDALE

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EXECUTIVE SUMMARY

The City's Annual Report to Bondholders for the Fiscal Year ended September 30, 2014 is designed to provide a reader, with no prior background, general information regarding the City and its debt obligations. For readers who regularly follow the City, such readers may already be familiar with much of the information contained in this Report. This Executive Summary provides a general overview of matters relating to the City and its financial arrangements. Readers are encouraged to read this Report in its entirety, as well as the documents, other reports and materials summarized or described herein, to obtain a more complete understanding of the City and its financial arrangements.

Borrowing in Fiscal Year 2014

At the end of the Fiscal Year, the City had a total bonded debt outstanding of \$707.6 million. Of this amount, \$41.9 million is backed by the full faith and credit of the City and \$329.2 million is special obligation debt, of which \$306.2 million is pension related debt, and for which the City has pledged certain non-ad valorem revenues. The remainder of the City's long term obligations comprises bonds and loans secured by the water and sewer net operating revenues. The City's total debt decreased by \$35.4 million, (-4.2%) during the Fiscal Year. In the governmental activities and business-type activities, there was no new debt issued. Principal retirements for governmental activities and business-type activities totaled \$21.0 million and \$14.4 million, respectively.

Ratings

Certain of the City's outstanding bonds were issued with insurance to enhance the credit rating of such bonds at the time of sale. In recent years, most of the monoline municipal bond insurers have experienced downgrades in their credit ratings. As a result, for many bond issues of the City, no economic benefit can be derived from the purchase of an insurance policy for a bond issue sold in today's market. The bond insurer rating, if any, and the underlying credit rating are provided in the details of this document for each of the City's outstanding bonds.

As of September 30, 2014, the City's underlying credit ratings for each series of its outstanding bonds, and the base CUSIP number for each series, are summarized as follows:

| | Moody's Investor Services, Inc. | Standard & Poor's Ratings Service | CUSIP # |
|---|------------------------------------|--------------------------------------|---------|
| General Obligation Bonds, Series 2011A (Fire-Rescue Facilities) | Aa1 | AA | 347550 |
| General Obligation Refunding Bonds, Series 2011B | Aa1 | AA | 347550 |
| General Obligation Bonds, Series 2005 (Fire-Rescue Facilities) | Aa1 | AA | 347550 |
| Taxable Special Obligation Bonds, Series 2012 (Pension Funding Project) | A1 | AA- | 347622 |
| Special Obligation Bonds, Series 2011A | Not Rated | Not Rated | None |
| Special Obligation Bonds, Series 2011B | Not Rated | Not Rated | None |
| Special Obligation Refunding Bonds, Series 2010A | Not Rated | Not Rated | None |
| Special Obligation Refunding Bonds, Series 2010B | Not Rated | Not Rated | None |
| Water and Sewer Revenue Refunding Bonds, Series 2012 | Aa1 | AA+ | 347658 |
| Water and Sewer Revenue Bonds, Series 2010 | Aa1 | AA+ | 347658 |
| Water and Sewer Revenue Bonds, Series 2008 | Aa1 | AA+ | 347658 |
| Water and Sewer Revenue Bonds, Series 2006 | Aa1 | AA+ | 347658 |

Property Taxes and other Significant Revenue Factors

The State of Florida, by its Constitution, does not have a state personal income tax and therefore, the State operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties and school boards) rely on property and a limited array of permitted other taxes (sales, gasoline, and utilities) and fees (franchise and business tax receipts) for their governmental activities. For the business-type and certain governmental activities (construction services and recreational programs), the user pays a related fee or charge associated with the service.

Long Term Debt

During Fiscal Year 2014, the City's long-term debt decreased by \$35.4 million, net of retirements, unamortized premiums and discounts, to \$802.4 million as a result of annual debt service payments and no new issuances.

Pensions

The City has two defined-benefit pension plans: 1) the General Employees Retirement System (GERS) and 2) the Police and Firefighters' Retirement System (PFRS), (the "Pension Plans"). A board of trustees administers each plan. The boards are composed of members elected by active employees and appointees of the Mayor. The boards have responsibility for investment of the pension assets and the determination of plan benefits. As of September 30, 2014, the Pension Plans had total assets of \$1.397 billion. On October 1, 2007, the General Employees Retirement System was closed to certain new participants and on March 4, 2008, the City Commission enacted an Ordinance to close the General Employees Retirement System to new members. The General Employees Retirement System was replaced with a new defined contribution plan. In June 2013, the Board of Trustees voted to change the PFRS' Fiscal Year end from December 31st to September 30th to align it with the City's.

Other Post-Employment Benefits (OPEB)

On September 16, 2014, the City of Fort Lauderdale Other Post-Employment Benefits (OPEB) Trust fund was created to capture long-term investment returns and make progress towards reducing the unfunded actuarial accrued liability required to be reported under Governmental Accounting Standards Board (GASB) Statement Number 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The City Commissioners serve as the Board of Trustees of the OPEB Trust and delegate its administration to the City's Director of Finance, as the Trust Administrator. At September 30, 2014, the OPEB Trust had total assets of \$8.6 million.

Water and Sewer Revenue Refunding Bonds, Series 2014

On December 3, 2014, Water and Sewer Revenue Refunding Bonds, Series 2014 were issued to refund a portion of the City's outstanding Water and Sewer Revenue Bonds, Series 2006 and Series 2008. The net present value savings of the refunding was \$11,520,607 or 8.83% of the refunded par amount. The proceeds of the refunding along with other legally available moneys of the City were placed into an irrevocable escrow deposit trust fund, held by a bank serving as escrow agent to legally defease the Refunded Bonds. The City will call the Refunded Series 2006 Bonds for redemption on September 1, 2016 and will call the Refunded Series 2008 Bonds for redemption on September 1, 2017.

Tax Increment Revenue Note, Series 2015

On April 9, 2015, the Fort Lauderdale Community Redevelopment Agency (CRA), a component unit of the City, entered into a loan agreement to issue a \$7,603,000 Tax Increment Revenue Note, Series 2015 (Northwest-Progresso-Flagler Heights Community Redevelopment Area Project) for the purpose of paying the costs related to the design and construction of a portion of the streetcar system known as the WAVE modern streetcar project.

Water and Sewer Rates

In 2011 the City completed a FY 2011 Rate Study (2011 Rate Study) to develop an updated financial management plan for its water and sewer system, including a plan of annual rate increase requirements necessary to meet its projected operating, capital, debt service (including coverage) and reserve requirements from FY 2012 through FY 2016. The City adopted a rate increase for services of the Water and Sewer System of 6.75% for FY 2012. For FY 2013, the City determined that it would adopt an additional 6.75% rate increase by establishing an annual increase of 5.0%, plus an additional 1.75%. By Ordinance, effective October 1, 2014, the City Commission established a 5.0% rate increase for FY 2014 and a 5.0% annual increase for each Fiscal Year thereafter.

As part of approving the rate indexing adjustments described above, the City Commission expressly committed to performing annual financial reviews by April 30 of each year to determine if, as of September 30 of the prior year, projected revenues based on adjusted rates will exceed the amount needed, using the following criteria to make such determination:

1. annual revenues exceed annual expenses,
2. net revenue is at or above two times (2.0 x) annual debt service expenses,
3. there is an operating reserve at least equal to 120 days of operating costs,
4. there is an unrestricted capital reserve of at least \$10 million, and
5. there is replacement and repair funding of at least \$10 million.

If there is projected revenue that exceeds these five criteria, the current customers of the City's Water and Sewer System shall receive a proportionate rebate of the excess funds on their water/wastewater bill in the same Fiscal Year. Conversely, the annual review described above may identify the need for an additional rate increase to meet the financial requirements of the Water and Sewer System.

The annual financial review performed for FY 2014 did not indicate the need for a customer rebate. Per the analysis, net revenue was not at or above two times the annual debt service expenses for Revenue Bonds and State Revolving Fund Loans, as required to generate a refund. The express commitment to the annual evaluation of the Water and Sewer System costs and revenues allows the City to continue to adjust rates, as needed, to meet the costs of the Water and Sewer System. This approach has proven beneficial for the City and its neighbors by avoiding significant rate increases, and allowing users of the system to better absorb moderate cost increases into their budgets.

Sunshine State Governmental Financing Commission (SSGFC)

The Sunshine State Government Financing Commission (SSGFC or the Commission) was created in 1985 through interlocal agreement between the City of Tallahassee and the City of Orlando, Florida. Subsequently, other Florida governments joined the Commission, including 13 additional cities and four counties. The Commission was created to provide active and more sophisticated debt issuers the opportunity to work together to create low cost, flexible financing instruments. The City of Fort Lauderdale is a member of the SSGFC.

Between 1996 and 2003, the City entered into several loan agreements with the SSGFC. In 2008, the City issued its \$15,462,881 Special Obligation Refunding Bond, Series 2008A (the Series 2008A Bond). The Series 2008A Bond was issued to provide funds, together with other available moneys, to prepay in full the City's SSGFC loans totaling \$6,110,000 and the City's Florida Intergovernmental Finance Commission (FIFC) loan for \$9,300,000. In 2010, the City issued its \$10,095,000 Special Obligation Refunding Bond, Series 2010A (the Series 2010A Bond) to provide funds to prepay in full the Series 2008A Bond. At September 30, 2014, \$7,683,000 of the Series 2010A Bond remained outstanding.

Electronic Dissemination of Information

As part of its continuing effort to efficiently disclose pertinent information to investors and other interested parties, the City has begun the process of utilizing electronic methods for dissemination of such information. Information is currently available electronically at several locations, including the City's website, www.fortlauderdale.gov; the DAC website, www.dacbond.com; and the EMMA website at www.emma.msrb.org.

DAC

The DAC website hosts a variety of information relating to the City's outstanding debt obligations. DAC serves as the disclosure dissemination agent for the City. Investors and others may access disclosure on any municipal bond in the DAC System free of charge by registering for a password. Annual Bondholder reports for FY 2014, and for several prior years, prepared in accordance with the City's continuing disclosure undertakings, and event filings conducted by the City thereunder, are available on the DAC website.

The CAFR for FY 2014, and previous years, which includes audited financial statements of the City in accordance with generally accepted accounting principles, is available on the DAC website and on the City's website. The City's Adopted Budgets for FY 2014 and FY 2015, which include the operating budget and the five year Community Investment Plan are also available on the City's website.

Contact

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THE CITY OF FORT LAUDERDALE, FLORIDA

General

The City, located in the heart of a robust, diversified growth region on the southeast coast of Florida, contains approximately 36 square miles and has an estimated population of approximately 171,544, as of September 30, 2014. The City was incorporated in 1911 and operates under the Commission-Manager form of government. The government consists of a five member City Commission elected by district, including a mayor elected at large. All elections are on a nonpartisan basis. The City Commission appoints a city manager. The current City Manager is Lee R. Feldman, who was appointed to serve as City Manager on June 7, 2011.

The City provides a full range of municipal services, including police and fire protection, streets, planning and zoning, parks and recreation, water, sewer, sanitation, economic development and public information services. Tourism and marine industries are two of the City's major economic forces, with manufacturing, industrial and commercial business and corporate and regional offices serving to diversify the City's economic base.

Population and Employment

From its incorporation in 1911 with a resident population of 300, Fort Lauderdale has grown to an estimated population of 171,544 and is currently ranked eighth among cities within the State of Florida.

DEMOGRAPHIC AND ECONOMIC STATISTICS - LAST TEN FISCAL YEARS

| FISCAL YEAR | FORT LAUDERDALE POPULATION | BROWARD COUNTY POPULATION | BROWARD COUNTY PERSONAL INCOME* | COUNTY PER CAPITA PERSONAL INCOME | UNEMPLOYMENT RATE |
|-------------|----------------------------|---------------------------|---------------------------------|-----------------------------------|-------------------|
| 2014 | 171,544 | 1,838,844 | \$ 80,525,783 | \$ 43,792 | 5.2% |
| 2013 | 170,065 | 1,815,137 | 78,687,882 | 43,351 | 5.2 |
| 2012 | 166,200 | 1,753,162 | 76,133,577 | 43,426 | 8.5 |
| 2011 | 165,500 | 1,748,100 | 72,752,112 | 41,618 | 10.7 |
| 2010 | 180,400 | 1,742,900 | 73,590,969 | 42,223 | 12.1 |
| 2009 | 180,100 | 1,756,500 | 71,994,871 | 40,988 | 10.9 |
| 2008 | 179,700 | 1,763,600 | 70,454,147 | 39,949 | 6.4 |
| 2007 | 175,500 | 1,751,100 | 65,213,329 | 37,241 | 4.2 |
| 2006 | 175,300 | 1,751,100 | 65,213,329 | 37,241 | 3.1 |
| 2005 | 170,300 | 1,753,000 | 65,213,329 | 37,201 | 3.5 |

* Personal income in thousands of dollars.
Source: FY 2014 CAFR

Economy and Business

An advantageous economic climate coupled with an exceptional quality of life is helping the City establish itself as a world-class center for international commerce and one of the most desirable locations for new, expanding or relocating businesses. Once known strictly as a tourism-based economy, Fort Lauderdale now supports a diverse range of industries, including marine, manufacturing, finance, healthcare, insurance, real estate, high technology, avionics/aerospace, film and television production.

Marine Industry. The marine industry is the largest industry in the Greater Fort Lauderdale area, accounting for more than 134,000 jobs, gross wages and earnings of approximately \$3.7 billion and \$13.6 billion of total economic impact in South Florida. The City hosts the Fort Lauderdale International Boat Show which, each year, has a regional economic impact of approximately \$500 million. With more than 300 miles of waterways, marinas and marine manufacturing and repair facilities, Fort Lauderdale is a world-renowned port of call for the yachting industry.

Tourism. Tourism is the second largest industry for the Greater Fort Lauderdale area, employing more than 114,000 individuals in the area. Hotels and related venues are consistently being constructed and renovated in South Florida to accommodate the area's extensive tourism industry. Broward County's first Ritz-Carlton Hotel opened in Fort Lauderdale in 2008 and the W Hotel opened in 2009. In addition, the former Yankee Trader Hotel recently reopened as a new Westin Hotel. The Greater Fort Lauderdale Convention and Visitors Bureau reports that the area hosted over 13.0 million visitors in 2013 and such visitors have been estimated to have spent approximately \$10.7 billion in the Greater Fort Lauderdale area.

Trade and Business Development. Fort Lauderdale has emerged as one of the fastest growing markets for global trade, with more than 40% of local businesses engaged in or supporting international commerce. The City also remains at the forefront of South Florida's emerging *InternetCoast*, a region that is home to more than 6,000 high technology firms. In addition, a growing list of nationally-recognized corporations have established business operations in Fort Lauderdale with corporate or Latin American headquarters, including: AT&T, AutoNation, BankAtlantic, Citicorp, Citrix Systems, Galaxy Latin America, Hewlett-Packard, Microsoft Latin American, Motorola Latin America, Republic Industries, South African Airways, Spherion Corporation, SportsLine.com, and Voicestream Wireless.

Education

The Broward County Public School system is an operating and taxing entity that is separate from the City and the County. The Broward County School District ranks as the sixth largest public school system in the United States, second largest in Florida and the largest fully accredited K-12 and adult school district in the nation. For the 2014-2015 School Year, Broward County Public Schools have over 260,000 students and approximately 175,000 adult students are served each year at Broward County Public School Technical, Adult and Community Schools. Currently, the Broward County School District is home to 140 elementary schools, 40 middle schools, and 32 high schools. In addition, the Broward County Public School system has 95 charter schools and 17 other facilities for adult community and vocational training and community learning centers.

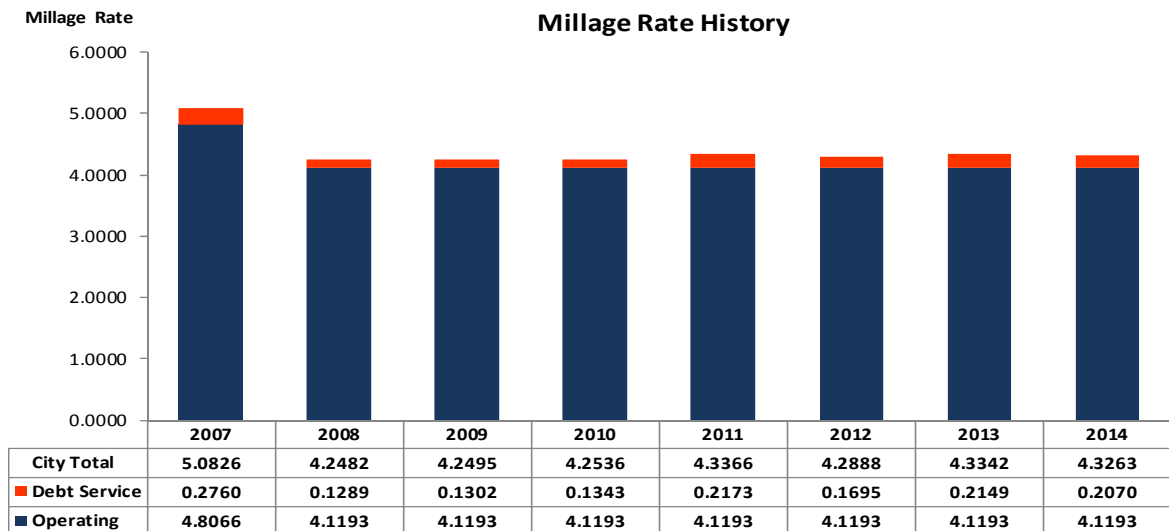
Three four-year colleges and universities and six two-year colleges are located in Broward County. There are also seven educational institutions in the County that offer a degree or certificate program in vocational and/or technical education. The campuses of Florida Atlantic University and Florida International University, both four-year, public universities, are located in downtown Fort Lauderdale, as is the campus of Broward College (formerly Broward Community College), which is primarily a two-year public college.

GENERAL GOVERNMENT

Ad Valorem Taxes and Millage Rate

Ad Valorem Taxes - The City's property tax is levied, becomes a lien on real and personal property located in the City and is recorded as a receivable on November 1 of each year, based upon the assessed value listed as of the prior January 1. The Broward County Property Appraiser establishes assessed values. The assessed value at January 1, 2013, upon which the Fiscal Year 2014 levy was based, was approximately \$24.6 billion. The City is permitted by state law to levy taxes up to 10 mills (\$10 per \$1,000 of assessed value) for General Fund operations exclusive of voted debt levies. Taxes levied for the General Fund for the Fiscal Year 2014 were 4.1193 mills for operations and 0.2070 for debt service. 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. Current tax collections for the year ended September 30, 2014 were approximately 99.8% of the total tax levy.

Millage Rate – In FY 2014, the operating millage rate of 4.1193 remains unchanged for the seventh consecutive year, which equates to a 3.1% increase in revenues as a result of an increase in property values. The chart below represents the adopted operating and debt service tax rates as compared to the rates for the previous seven years.



Over 62.7% of the General Fund budget for operating expenditures is dedicated to public safety through police, fire-rescue and code enforcement services. Another 11.2% is allocated to cultural and recreational quality of life programs.

Revenue Considerations

General Fund revenues for FY 2014 totaled \$289.8 million, a \$23.9 million, or 9.0%, increase from FY 2013. The increase is mainly attributed to an increase of \$12.6 million in fire assessment fees, which was necessary to support fire-suppression activities. Property taxes levied for operations increased \$3.0 million and franchise fees increased by \$6.6 million, due to the reallocation of private collectors' fees from the Sanitation fund to the General Fund.

The City's taxable assessed value for tax year 2013 increased by 4.0% from the 2012 tax year. New construction, which represents improvements to real property that were not on the tax roll in the prior year, added \$57.9 million to the tax roll. This is the second year in a row that the assessed valuations have shown steady growth. The following shows new construction and total taxable assessed value for the last five years.

| Taxable Values – 5 Year Comparison | | | |
|------------------------------------|-------------------------|------------------------------|--------------------------------------|
| Calendar Tax Year | Net New Construction | Final Gross Taxable Value | Increase/Decrease from Prior Year |
| 2013 Final | \$ 57,905,666 | \$ 24,551,642,014 | 4.0% |
| 2012 Final | 202,371,590 | 23,612,223,398 | 1.1 |
| 2011 Final | 97,950,210 | 23,354,708,424 | -4.3 |
| 2010 Final | 494,110,613 | 24,393,809,310 | -11.0 |
| 2009 Final | 271,277,218 | 27,422,141,727 | -9.7 |

Economic indicators point to an improving economy. According to the Bureau of Labor Statistics, Broward County’s civilian labor force was 1,077,203 as of November 2014, yielding a 4.3% increase from the prior year of 1,032,921. The unemployment rate declined to 5.0% as compared to 5.4% in the prior year. Tax revenue from area hotels increased almost 9% to \$47.7 million from \$43.8 million during 2013. And, according to the Florida Economic Estimating Conference, the number of past due mortgages continues to decline since the peak over the summer of 2012.

Expense Considerations

Total General Fund expenditures decreased by \$6.9 million from \$255.8 million in FY 2013 to \$248.9 million in FY 2014. A combination of factors caused the reduction. The main factors are a decrease in expenditures of \$10.2 million as a result of a prior period adjustment required because the PFRS changed its fiscal year from calendar year to align with the City’s fiscal year ending September, 30 (see Appendix B) and an increase in Public Safety personnel expenditures of \$3.6 million during Fiscal Year 2014.

Transfer Considerations

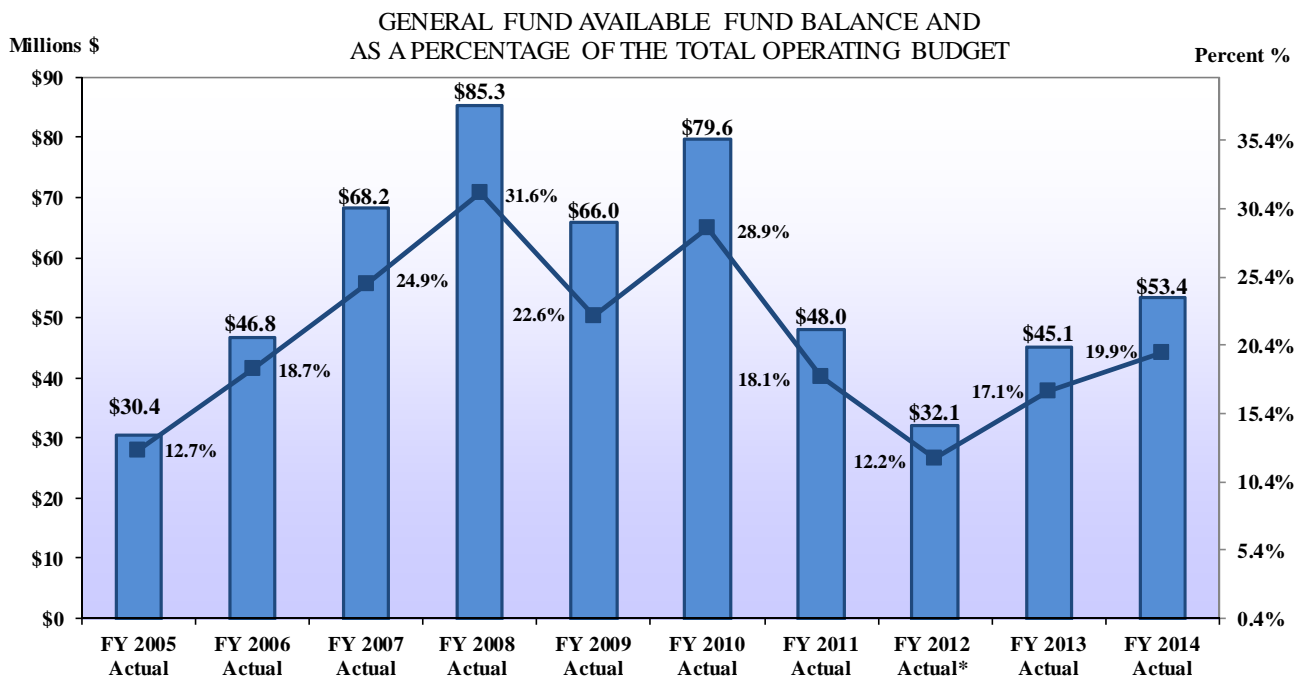
The composition of General Fund inter-fund transfers for the Fiscal Year ended September 30, 2014 was as follows:

| | <u>Transfers In</u> | <u>Transfers Out</u> |
|-------------------------------------|---------------------|----------------------|
| <u>Governmental Funds</u> | | |
| Special Obligation Bonds Fund | \$ - | \$ 21,564,863 |
| Non-Major Governmental Funds | | |
| Intergovernmental Revenue Fund | - | - |
| Building Fund | 982,884 | - |
| Community Redevelopment Agency Fund | 579,599 | 4,052,472 |
| Miscellaneous Grants Fund | - | 413,358 |
| Nuisance Abatement Fund | - | 500,000 |
| Special Obligation Loans Fund | - | 3,019,449 |
| General Capital Projects Fund | - | 5,462,089 |
| Internal Service Funds | | |
| Central Services Fund | - | 83,200 |
| | <u>1,562,483</u> | <u>35,095,431</u> |
| <u>Enterprise Funds</u> | | |
| Water and Sewer Fund | - | 97,152 |
| Sanitation Fund | - | 2,055,000 |
| | <u>-</u> | <u>2,152,152</u> |
| | <u>\$ 1,562,483</u> | <u>\$ 37,247,583</u> |

The City transfers funds from the General Fund to the Special Obligation Bonds Fund to meet debt service requirements. Funds are provided from the corresponding revenues pledged for those purposes. Transfers from the General Fund to the CRA special revenue fund represent tax increment revenues derived from appreciation of the tax bases in the redevelopment areas. Funding for non-debt financed governmental capital projects is provided through transfers from the General Fund. Other transfers to the capital projects funds provide funding for specific projects within the Community Investment Program. General Fund transfers out increased \$13.5 million in Fiscal Year 2014 from \$23,764,659 to \$37,247,583. The increase was mainly required to adequately fund debt service reserves for the Special Obligation Bonds Fund and an increase in transfers to the General Capital Projects Fund.

Financial Policies

The City continues to exceed its policy to maintain the unrestricted fund balance for the General Fund equivalent to two (2) months of operating expenditures (excluding on-behalf benefits payments) and required transfers. During FY 2014 the General Fund unrestricted balance increased from \$45.1 million to \$53.4 million. At 19.9%, this amount exceeds the minimum unrestricted requirement of the General Fund budget. The chart below presents a ten-year history of General Fund balances.



*Does not include \$28.1 MM of nonspendable funds that became available October 1, 2012, which brought the unrestricted fund balance to \$60.2 MM (23.4%).

FY 2015 Budget and Rates

The adopted operating budget for expenditures for FY 2015 is \$575.8 million, which is 4.5% higher than the FY 2014 adopted budget not including transfers. The General Fund expenditure budget for FY 2015 is \$255.8 million, which is 3.1% higher than FY 2014. The FY 2015 General Fund Adopted Budget is structurally balanced and does not include the appropriation of fund balance. It is anticipated that by the end of FY 2015, the General Fund will have an available fund balance of \$57.5 million, which includes \$890,000 committed to other uses, and a \$4.5 million budget stabilization reserve established in FY 2013. During FY 2014, \$5.0 million of fund balance was transferred out to an OPEB Trust Fund. In FY 2015, the operating millage rate of 4.1193 remains unchanged for the eighth consecutive year and equates to a 6.85% increase in ad valorem revenues as a result of an increase in property values.

The adopted FY 2015 General Fund budget addresses key priorities established by the City Commission to meet the challenges of current economic conditions, including a stable millage rate, maintenance of adequate reserve funds, and preservation of current levels of vital City services.

Fiscal Health Plan

Over the next year, the City anticipates favorable economic conditions characterized by measured growth and emergent optimism. Real estate values are expected to continue to grow modestly and reductions in revenues received from the State appear to be leveling off. While the future trajectory of the economy still remains unclear, current trends suggest that Fort Lauderdale will largely be prepared to manage its fiscal challenges, meet its commitments, and take advantage of opportunities that arise. Moving forward, reliance upon the 2035 Vision Plan, Strategic Goals, and Commission priorities will guide decisions about where to invest limited resources.

The City has preserved service levels for our neighbors and proudly maintained its very low 4.1193 operating millage rate for the 8th consecutive year. The revenue for property taxes still remains significantly below historical levels; however, for FY 2015, the City's total certified taxable valuation experienced a slight increase to \$26.2 billion, a gain of approximately \$1.7 billion, or 6.85% from the prior year final valuation.

The FY 2015 Adopted Budget was developed with an analysis of financial conditions of the past, present, and anticipated future. The framework was established under guiding principles to maintain resources in the organization at sustainable levels to ensure that fundamental services are amply delivered and infrastructure is strong and sufficient. The City's Five Year Community Investment Plan (CIP) is the fiscal blueprint for both major and minor infrastructure improvements, new construction, and capital maintenance projects designed to protect and preserve the City's outstanding quality of life. The FY 2015 Adopted Budget is a financial plan designed to advance the organizational mission of providing optimum government services to our neighbors while investing in social capital to enhance the overall health, welfare and social benefits of the City. *We Build Community.*

The Adopted Budget for FY 2015 is structurally balanced and supports sound fiscal and operational policies. The goal of its administration is to deliver the highest quality of services to our neighbors in the most cost effective manner. The City has made significant progress over the past three years in aligning priorities within the organization, adopting a cross-departmental approach to addressing issues, and managing within its means while strategically planning for the future. The City's administration endeavors to ensure that our neighbors' hard-earned tax dollars are being strategically parceled to advance the City's most positive goals and objectives. The City will continue to be a leader in effective municipal governance, while maintaining its outstanding, high quality of life.

Debt Analysis

Current Debt Position of the City - An analysis of debt ratios helps to assess the impact of bond issuances on the city's fiscal position. Credit rating agencies use ratios to evaluate the City's debt position and to help determine its credit rating. Local government bonded debt is usually divided into three different types: general obligation bonds, non-self-supporting revenue bonds and self-supporting revenue bonds.

Leverage - A highly leveraged organization has less flexibility. Examples of leverage include long-term debt, pension obligations, and obligations for post-employment health care. Reserves are a critical source of financial flexibility, so high leverage may call for higher reserves. Debt per capita measures the burden placed on citizens by municipal indebtedness. Another measure is debt service (principal and interest payments) as a percentage of city expenditures. This figure measures the pressure placed on the budget by debt payments.

Table 2.1 - Illustrates the historical debt per capita for non-self-supporting and voter approved debt

| Outstanding Non-Self-Supporting and Voter Approved Debt | | | | | | | |
|---|-----------------------------|----------------------------------|--------------------------------|---------------------------|---|------------|------------|
| Last 5 Fiscal Years | | | | | | | |
| Fiscal Year | Non-Self-Supporting (\$000) | | Total Non-Self-Supporting Debt | Total Voter Approved Debt | Total Voter & Non-Self-Supporting Debt(\$000) | Per Capita | Population |
| | Special Obligation Loans | Special Obligation Pension Bonds | | | | | |
| 2010 | \$ 24,022 | \$ - | \$ 24,022 | \$ 34,465 | \$ 58,487 | \$ 324 | 180,400 |
| 2011 | 31,408 | - | 31,408 | 65,900 | 97,308 | 588 | 165,500 |
| 2012 | 28,979 | - | 28,979 | 48,255 | 77,234 | 465 | 166,200 |
| 2013 | 25,764 | 321,275 | 347,039 | 45,130 | 392,169 | 2,306 | 170,065 |
| 2014 | 23,024 | 306,205 | 329,229 | 41,930 | 371,159 | 2,164 | 171,544 |

Table 2.2 Comparison of the City of Fort Lauderdale to the Moody's Medians:

| | Moody's US Cities Medians 100,000 to 500,000 Population | | City of Fort Lauderdale | | |
|---|--|---------------|-------------------------|---------------|---------------|
| | Aaa | Aa | FY2012 | FY2013 | FY2014 |
| Total GF Revenues (000) | \$ 192,976 | \$ 136,780 | \$ 264,551 | \$ 267,734 | \$ 291,356 |
| Available General Fund Balance as % of Revenues | 31.46% | 24.47% | 12.12% | 16.83% | 18.31% |
| Population | 203,264 | 156,185 | 168,615 | 170,065 | 171,544 |
| Total Full Value (000) | \$ 23,537,362 | \$ 12,656,574 | \$ 31,739,625 | \$ 31,747,478 | \$ 33,363,018 |
| Full Value Per Capita | 108,898 | 73,920 | \$ 188,237 | 186,678 | 194,487 |
| Overall Net Debt (000)* | 607,264 | 442,980 | \$ 536,565 | 794,166 | 747,939 |
| Overall Net Debt as a % of Full Value | 2.58% | 3.50% | 1.69% | 2.50% | 2.24% |

*Includes overlapping debt

Note: This schedule was revised based on Moody's current format.

Table 2.3 Historical comparison of the City of Fort Lauderdale to the S&P Local GO Criteria Medians:

| | Criteria Medians As of December | | City of Fort Lauderdale | | | |
|---|------------------------------------|----------|-------------------------|-----------|------------|-----------|
| | Aaa | Aa | FY2012 | FY2013 | FY2013* | FY2014 |
| Total Market Value Per Capita | \$154,100 | \$83,282 | \$188,237 | \$186,678 | \$ 186,678 | \$194,487 |
| % of US Per Capita Effective Buying Income | 153% | 97% | 133% | 133% | 133% | 133% |
| Available Fund Balance as % of Expenditures | 33% | 34% | 12% | 18% | 18% | 21% |
| General Fund Net Results as a % of GF Expenditures | 2% | 2% | -1% | -5% | -5% | 2% |
| Total Govt Fund Net Results as a % of Total Govt Fund Expenditures | 2% | 1% | -7% | -52% | -9% | 6% |
| Total Govt Fund Available Cash as a % of Total Govt Fund Expenditures | 62% | 60% | 41% | 21% | 40% | 52% |
| Total Govt Fund Available Cash as a % of Total Govt Fund Debt Service | 717% | 692% | 1405% | 295% | 295% | 496% |
| Net Direct Debt as a % of total Govt Fund Revenue | 69% | 78% | 15% | 118% | 118% | 106% |
| Total Govt Fund Debt Service as % of Total Govt Fund Expenditures | 7% | 8% | 3% | 7% | 14% | 10% |

*Total Governmental Expenditures, in this column, exclude one-time contribution to the General Employees Retirement System and the Police and Firefighters' Retirement System Funds.

Table 2.4 - Illustrates the annual debt service as a percent of Governmental Expenditures

| | <u>9/30/2014</u> | <u>Budgeted 9/30/2015</u> |
|--|------------------|-------------------------------|
| Annual Debt Service | \$ 34,626,429 | \$ 34,629,505 |
| Total Governmental Expenditures | 330,263,086 | 324,375,314 |
| Total Governmental Debt Service as a % of Total Governmental Expenditures | 10.48% | 10.68% |

Analysis of General Obligation Debt - General obligation bonds are secured by the full faith and credit of the City. The City adopts ad valorem or property tax millage to pay debt service costs on voter approved debt. The revenue collected from the debt levy is deposited into the debt service fund. The annual requirements to pay principal and interest on the general obligation bonds outstanding at September 30, 2014 follow (in thousands):

| Fiscal Year Ending | Series 2005 Debt Service | Series 2011A Debt Service | Series 2011B Debt Service | Total Debt Service |
|-----------------------|--------------------------------|------------------------------------|---------------------------------|-----------------------|
| 2015 | \$ 1,181 | \$ 1,148 | \$ 2,517 | \$ 4,846 |
| 2016 | 1,181 | 1,149 | 2,527 | 4,856 |
| 2017 | 1,180 | 1,150 | 2,535 | 4,865 |
| 2018 | 1,178 | 1,151 | - | 2,329 |
| 2019 | 1,175 | 1,150 | - | 2,326 |
| 2020-2024 | 5,876 | 5,743 | - | 11,618 |
| 2025-2029 | 5,876 | 5,743 | - | 11,619 |
| 2030-2034 | 5,882 | 5,740 | - | 11,622 |
| 2035-2039 | 1,179 | 5,747 | - | 6,927 |
| 2040-2041 | - | 2,293 | - | 2,293 |
| Totals | \$ 24,708 | \$ 31,015 | \$ 7,578 | \$ 63,302 |

Analysis of Pledged Non-Ad Valorem Revenues - Various non-ad valorem revenue sources have been pledged on a limited basis, to secure bond repayments. These special obligation debt service funding sources include Communication Service Taxes, Business Tax Revenues, Public Service Taxes, and State Municipal Revenue Sharing. These resources are generally committed to ongoing City program operations. State Municipal Revenue Sharing to cities is composed of three portions: first guaranteed, second guaranteed, and growth monies. For FY 2014, \$4,801,377 was collected. However, only the guaranteed entitlement portion totaling \$3,196,503 is pledged non-ad valorem revenue, and is unchanged in the Analysis of Historical Designated Revenues, Debt Service and Coverage table below.

| Fiscal Year | Communication Services Tax Revenues | Business Tax Revenues | Guaranteed Entitlement Revenues | Public Services Tax Revenues | Total Designated Revenues | Obligations Secured by Designated Revenues Series 2012 | Debt Service Coverage on Series 2012 SO Bonds ⁽¹⁾ |
|-------------|---|--------------------------|---------------------------------------|------------------------------------|---------------------------------|--|---|
| 2012 | \$ 13,763,291 | \$ 2,777,733 | \$ 3,196,503 | \$ 21,623,182 | \$ 41,360,709 | \$ 28,197,153 | 1.47 |
| 2013 | 13,033,664 | 2,965,445 | 3,196,503 | 22,847,944 | 42,043,556 | 28,197,153 | 1.49 |
| 2014 | 12,234,091 | 2,613,628 | 3,196,503 | 24,771,080 | 42,815,302 | 28,197,153 | 1.52 |

⁽¹⁾ Represents the maximum debt service payment required on the Series 2012 SO Bonds, with an aggregate principal amount of \$337,775,000 and a final maturity of January 1, 2032. The maximum debt service payment occurs in FY 2023.

The City's overall debt profile is characterized by adequate debt service coverage from its pledged revenues and conformance with all compliance covenants. Management continues to monitor non-ad valorem revenues and their potential impact on bond covenants and debt service requirements. Strong financial management, manageable debt levels, and financial flexibility, are all indicators of good fiscal health.

Selected General Government Statistics

Pledged Revenue Coverage Last Ten Fiscal Years (Dollars in Thousands)

| SPECIAL OBLIGATION LOANS ¹ | | | | | | | | |
|---------------------------------------|---------------|---------------------|-----------------------|---------|--------------|----------|--------|----------|
| FISCAL YEAR | GROSS REVENUE | OPERATING EXPENSES* | NET AVAILABLE REVENUE | | DEBT SERVICE | | TOTAL | COVERAGE |
| | | | REVENUE | REVENUE | PRINCIPAL | INTEREST | | |
| 2009 | \$ 144,779 | \$ - | \$ 144,779 | \$ 81 | \$ 906 | \$ 987 | 146.69 | |
| 2010 | 144,696 | - | 144,696 | 1,410 | 1,262 | 2,672 | 54.15 | |
| 2011 | 141,866 | - | 141,866 | 2,466 | 862 | 3,328 | 42.63 | |
| 2012 | 153,629 | - | 153,629 | 2,429 | 547 | 2,976 | 51.62 | |
| 2013 | 164,902 | - | 164,902 | 3,215 | 754 | 3,969 | 41.55 | |
| 2014 | 186,847 | - | 186,847 | 2,740 | 672 | 3,412 | 54.76 | |

| TAXABLE SPECIAL OBLIGATION BONDS (PENSION FUNDING PROJECT) ² | | | | | | | | |
|---|---------------|---------------------|-----------------------|-----------|--------------|-----------|-------|----------|
| FISCAL YEAR | GROSS REVENUE | OPERATING EXPENSES* | NET AVAILABLE REVENUE | | DEBT SERVICE | | TOTAL | COVERAGE |
| | | | REVENUE | REVENUE | PRINCIPAL | INTEREST | | |
| 2013 | \$ 42,044 | \$ - | \$ 42,044 | \$ 16,480 | \$ 8,469 | \$ 24,949 | 1.69 | |
| 2014 | 42,815 | - | 42,815 | 15,070 | 11,291 | 26,361 | 1.62 | |

| WATER AND SEWER REVENUE BONDS | | | | | | | | |
|-------------------------------|---------------|---------------------|-----------------------|----------|--------------|----------|-------|----------|
| FISCAL YEAR | GROSS REVENUE | OPERATING EXPENSES* | NET AVAILABLE REVENUE | | DEBT SERVICE | | TOTAL | COVERAGE |
| | | | REVENUE | REVENUE | PRINCIPAL | INTEREST | | |
| 2005 | \$ 78,777 | \$ 42,007 | \$ 36,770 | \$ 1,955 | \$ 3,594 | \$ 5,549 | 6.63 | |
| 2006 | 78,109 | 46,423 | 31,686 | 1,985 | 3,551 | 5,536 | 5.72 | |
| 2007 | 82,804 | 48,749 | 34,055 | 2,830 | 7,935 | 10,765 | 3.16 | |
| 2008 | 85,741 | 50,296 | 35,445 | 3,495 | 11,925 | 15,420 | 2.30 | |
| 2009 | 92,071 | 52,576 | 39,495 | 6,645 | 14,821 | 21,466 | 1.84 | |
| 2010 | 103,156 | 55,207 | 47,949 | 6,885 | 15,663 | 22,548 | 2.13 | |
| 2011 | 105,231 | 50,958 | 54,273 | 8,805 | 17,849 | 26,654 | 2.04 | |
| 2012 | 106,017 | 57,299 | 48,718 | 9,100 | 16,783 | 25,883 | 1.88 | |
| 2013 | 121,076 | 56,652 | 64,424 | 9,345 | 16,874 | 26,219 | 2.46 | |
| 2014 | 117,552 | 58,085 | 59,467 | 9,590 | 16,590 | 26,180 | 2.27 | |

| STATE REVOLVING FUND LOANS | | | | | | | | |
|----------------------------|---------------|---------------------|---------------------------|----------|-----------------------|--------------------------|----------|----------|
| FISCAL YEAR | GROSS REVENUE | OPERATING EXPENSES* | REVENUE BOND DEBT SERVICE | | NET AVAILABLE REVENUE | STATE LOANS DEBT SERVICE | | COVERAGE |
| | | | PRINCIPAL | INTEREST | REVENUE | PRINCIPAL | INTEREST | |
| 2005 | \$ 82,800 | \$ 47,674 | \$ 1,955 | \$ 3,594 | \$ 29,577 | \$ - | \$ 491 | 60.24 |
| 2006 | 82,052 | 54,728 | 1,985 | 3,551 | 21,788 | 77 | 442 | 41.98 |
| 2007 | 89,077 | 56,208 | 2,830 | 7,935 | 22,104 | 2,074 | 925 | 7.37 |
| 2008 | 90,701 | 57,364 | 3,495 | 11,925 | 17,917 | 3,006 | 1,792 | 3.73 |
| 2009 | 97,376 | 60,169 | 6,645 | 14,821 | 15,741 | 4,663 | 1,956 | 2.38 |
| 2010 | 107,784 | 62,466 | 6,885 | 15,663 | 22,770 | 4,286 | 2,138 | 3.54 |
| 2011 | 107,049 | 58,869 | 8,805 | 17,849 | 21,526 | 4,500 | 2,081 | 3.27 |
| 2012 | 107,398 | 75,037 | 9,100 | 16,782 | 6,479 | 3,445 | 1,993 | 1.19 |
| 2013 | 123,905 | 60,927 | 9,345 | 16,874 | 36,759 | 4,641 | 1,882 | 5.64 |
| 2014 | 119,196 | 62,816 | 9,590 | 16,590 | 30,200 | 4,753 | 1,812 | 4.60 |

* Operating expenses exclude depreciation, return on investment and indirect administrative charges.

¹ Bonds issued in FY 2009.

² Bonds issued in FY 2013.

REQUIRED DISCLOSURES

Series 2012 SO

Designated Revenues Collections

| Fiscal Year | Communications Services Tax | Guaranteed Entitlement | Business Taxes | Public Service Tax Revenues | | | Total |
|-------------|-----------------------------|------------------------|----------------|-----------------------------|--------------|------------|---------------|
| | | | | Electric | Water | Gas | |
| 2005 | \$ 15,145,693 | \$ 3,196,503 | \$ 2,858,171 | \$ 14,495,903 | \$ 3,232,154 | \$ 593,884 | \$ 39,522,308 |
| 2006 | 15,082,333 | 3,196,503 | 2,993,618 | 14,660,098 | 3,137,897 | 666,053 | 39,736,502 |
| 2007 | 14,451,205 | 3,196,503 | 2,908,571 | 15,014,546 | 3,276,941 | 601,017 | 39,448,783 |
| 2008 | 14,869,550 | 3,196,503 | 2,998,605 | 15,181,470 | 3,295,955 | 588,675 | 40,130,758 |
| 2009 | 16,125,551 | 3,196,503 | 2,386,594 | 15,016,126 | 3,768,773 | 530,586 | 41,024,133 |
| 2010 | 13,754,978 | 3,196,503 | 2,572,022 | 16,089,695 | 4,372,128 | 537,514 | 40,522,840 |
| 2011 | 13,511,021 | 3,196,503 | 2,853,959 | 16,252,773 | 4,462,340 | 499,504 | 40,776,100 |
| 2012 | 13,763,291 | 3,196,503 | 2,777,733 | 16,557,010 | 4,454,044 | 612,128 | 41,360,709 |
| 2013 | 13,033,664 | 3,196,503 | 2,965,445 | 17,705,388 | 4,694,296 | 448,260 | 42,043,556 |
| 2014 | 12,234,091 | 3,196,503 | 2,613,628 | 19,297,439 | 4,919,444 | 554,197 | 42,815,302 |

Series 2012 SO

Non-Ad Valorem Revenues Collections

Fiscal Year Ended September 30,

| Non Ad-Valorem Revenues | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|-----------------------|----------------------|-----------------------|----------------------|-----------------------|
| Public service taxes | \$ 34,754,319 | \$ 34,725,638 | \$ 35,386,473 | \$ 35,881,608 | \$ 37,005,171 |
| Franchise taxes | 18,224,861 | 16,439,174 | 15,871,932 | 15,380,127 | 22,022,134 |
| Insurance premium taxes | 4,816,576 | 4,735,930 | 5,320,538 | 6,352,818 | 5,325,940 |
| Licenses and Permits | 8,031,790 | 3,122,525 | 3,029,521 | 3,188,765 | 2,851,851 |
| Fines and Forfeitures | 1,654,881 | 2,690,287 | 2,785,551 | 3,795,605 | 3,518,114 |
| Intergovernmental | 16,427,691 | 17,099,268 | 17,033,379 | 18,223,392 | 19,162,789 |
| Charges for Services | 17,829,591 | 19,426,937 | 20,138,971 | 20,410,205 | 21,282,698 |
| Miscellaneous | 47,772,912 | 48,362,551 | 59,383,285 | 68,022,633 | 81,004,025 |
| TOTAL NON-AD VALOREM FUNDS | 149,512,621 | 146,602,310 | 158,949,650 | 171,255,153 | 192,172,722 |
| Less Amounts Not Legally Available | (6,116,467) | (6,076,528) | (6,655,316) | (7,564,229) | (6,552,036) |
| Less Designated Revenues | (40,522,840) | (40,776,100) | (41,360,709) | (42,043,556) | (42,815,302) |
| Less Debt Service Requirements | (2,505,958) | (3,167,048) | (3,007,054) | (28,918,003) | (24,584,312) |
| TOTAL AVAILABLE NON-AD VALOREM REVENUES | \$ 100,367,356 | \$ 96,582,634 | \$ 107,926,571 | \$ 92,729,365 | \$ 118,221,072 |

Series 2012 SO, Series 2012 WS, Series 2014 WS

GASB Statement No. 45

Fiscal Year 2014 Other Post-Employment Benefits (OPEB) Annual Cost and Net Obligation

| | |
|---------------------------------------|--------------|
| Annual Required Contribution | \$ 5,183,000 |
| Interest on Net OPEB Obligation | 1,031,000 |
| Amortization of Net OPEB Obligation | (938,000) |
| Annual OPEB Cost | 5,276,000 |
| Actual Contributions Made | (11,158,466) |
| Increase in Net OPEB Obligation | (5,882,466) |
| Beginning of Year Net OPEB Obligation | 14,729,487 |
| Contributions to OPEB Trust | - |
| End of Year Net OPEB Obligation | \$ 8,847,021 |

Series 2012 SO, Series 2011 AB, Series 2012 WS, Series 2014 WS

GASB Statement No. 45

OPEB Annual Costs and Contributions

| <u>Fiscal Year Ended</u> <u>September 30</u> | <u>Annual</u> <u>OPEB Cost</u> | <u>Contribution</u> | <u>Percent</u> <u>Contributed</u> | <u>Net OPEB</u> <u>Obligation</u> |
|---|-----------------------------------|---------------------|--------------------------------------|--------------------------------------|
| 2011 | \$ 6,316,000 | \$ 2,841,073 | 45.0% | \$ 9,517,758 |
| 2012 | 6,021,000 | 2,847,607 | 47.3% | 12,691,151 |
| 2013 | 6,329,000 | 4,290,664 | 67.8% | 14,729,487 |
| 2014 | 5,276,000 | 11,158,466 | 211.5% | 8,847,021 |

Series 2012 SO

Actuarial Methods and Assumptions

As of Fiscal Year Ended September 30, 2014

| <u>Method or Assumption</u> | <u>General Employees Retirement</u> | <u>Police and Firefighters' Retirement</u> |
|-----------------------------------|--|---|
| Valuation Date | September 30, 2012 | December 31, 2012 |
| Actuarial Cost Method | Entry Age | Entry Age |
| Amortization Method | Level percent closed | Level percent closed |
| Remaining Amortization Period | 30 years | 20 Years |
| Asset Valuation Method | Five year smoothed market | Recognition of 20% of difference between market value and expected actuarial value of assets. |
| Actuarial Assumptions: | | |
| Investment Rate of Return | 7.75% | 7.50% |
| Projected Salary Increases | 4.00% - 9.50% Including 3.25% Inflation | Rates by Svc. Incl. 2.75% Inflation |
| Cost-of-Living Adjustments (COLA) | Ad Hoc COLAs are granted with City Commission approval if investment earnings exceeded funding assumptions of the prior fiscal year. | Limited to change in CPI |

Series 2012 SO
Historical Schedule of GERS Beneficiaries

| Category of Beneficiary | Fiscal Year Ended September 30, | | | | |
|---|---------------------------------|-------|-------|-------|-------|
| | 2009 | 2010 | 2011 | 2012 | 2013 |
| Retirees and beneficiaries currently receiving benefits | 1,211 | 1,212 | 1,333 | 1,322 | 1,335 |
| Terminated employees entitled to benefits but not yet receiving them | 121 | 117 | 112 | 117 | 108 |
| Fully, partially and non-vested active plan participants | 1,280 | 1,227 | 1,035 | 985 | 947 |
| Participants in DROP | 27 | 32 | 22 | 22 | 19 |

Series 2012 SO
Annual Contributions to GERS

| Fiscal Year Ended (September 30) | Contribution as a Percent of Payroll | | | | | |
|-------------------------------------|--------------------------------------|------------------------|----------------|----------|--------|--------|
| | City Contribution | Percent Contributed | Normal Cost | Expenses | UAAL | Total |
| 2010 | \$ 19,387,067 | 100% | 13.17% | 0.59% | 14.92% | 28.68% |
| 2011 | 21,534,043 | 100 | 13.21 | 0.54 | 17.20 | 30.95 |
| 2012 | 22,369,549 | 100 | 13.32 | 0.52 | 18.91 | 32.75 |
| 2013 | 159,943,525 | 1,179 | 13.91 | 0.67 | 8.02 | 22.60 |
| 2014 | 15,061,353 | 116 | 12.84 | 0.72 | 13.93 | 27.49 |

Series 2012 SO, Series 2011AB, Series 2012 WS, Series 2014 WS
Current Funding Status of GERS

| Valuation Date 9/30 | Annual Gain (Loss) | Actuarial Value of Plan Assets (in millions) | Actuarial Accrued Liability Entry Age (in millions) | Unfunded Actuarial Accrued Liability (UAAL) (in millions) | Funded Ratio | Annual Covered Payroll (in millions) | UAAL as a Percent of Covered Payroll |
|---------------------------|-----------------------|---|--|---|-----------------|---|--|
| 2009 | \$ (21,592,067) | 345.2 | 482.1 | 136.9 | 71.6 | 71.5 | 191.5 |
| 2010 | (9,398,503) | 353.5 | 499.9 | 146.4 | 70.7 | 71.4 | 205.0 |
| 2011 | (18,218,973) | 355.7 | 536.7 | 181.0 | 66.3 | 60.6 | 298.7 |
| 2012 | (14,697,316) | 500.0 | 551.3 | 51.3 | 90.7 | 58.3 | 88.0 |
| 2013 | 2,991,103 | 520.0 | 572.5 | 52.5 | 90.8 | 57.2 | 91.8 |

Series 2011AB, Series 2012 WS, Series 2014 WS
Annual Pension Fund Costs

| Fiscal Year Ended September 30 | General Employees | | Police and Firefighters* | |
|-----------------------------------|-------------------|------------------------|--------------------------|------------------------|
| | Amount | Percent Contributed | Amount | Percent Contributed |
| 2010 | \$ 19,351,946 | 100 | \$ 25,752,119 | 100 |
| 2011 | 21,498,801 | 100 | 30,441,767 | 100 |
| 2012 | 22,369,549 | 100 | 30,684,942 | 100 |
| 2013 | 13,560,634 | 1179 | 17,799,540 | 1058 |
| 2014 | 12,968,078 | 116 | 16,958,373 | 112 |

* The PFRS, Fiscal Year ended December 31st until December 2012. Beginning January 1, 2013, the Fiscal Year ends September 30th. January 1 through September 30, 2013 was considered a short plan year.

Series 2012 SO

Historical Schedule of PFRS Beneficiaries

| Category of Beneficiary | Fiscal Year Ended September 30, | | | | |
|---|---------------------------------|-------|-------|-------|------|
| | 2009* | 2010* | 2011* | 2012* | 2013 |
| Retirees and beneficiaries currently receiving benefits | 860 | 865 | 869 | 887 | 907 |
| Terminated employees entitled to benefits but not yet receiving them | 18 | 16 | 18 | 20 | 20 |
| Fully, partially and non-vested active plan participants | 804 | 802 | 798 | 785 | 780 |
| Participants in DROP | 70 | 84 | 83 | 85 | 81 |

* Fiscal Year ended December 31st until December 2012. Beginning January 2013, the Fiscal Year ends September 30th. January 1 through September 30, 2013 was considered a short plan year.

Series 2012 SO

Annual Contributions to PFRS (Prior to Fiscal Year Change)

| Fiscal Year Ended (December 31)* | Annual Required Contribution | City Contribution | State Contribution | Percentage Contributed | Net Pension Obligation |
|-------------------------------------|---------------------------------|----------------------|-----------------------|---------------------------|---------------------------|
| 2009 | \$ 21,627,937 | \$ 19,146,573 | \$ 3,000,946 | 102% | - |
| 2010 | 28,367,152 | 25,456,535 | 2,635,176 | 99 | - |
| 2011 | 32,957,020 | 30,735,629 | 2,515,253 | 101 | - |
| 2012 | 33,391,584 | 30,684,942 | 2,413,449 | 99 | - |

* Schedule based on plan year ending December 31 from 2009-2012. See schedule below for restated schedule due to the plan year ending September 30 starting in 2013.

Series 2012 SO

Annual Contributions to PFRS (After Fiscal Year Change)

| Fiscal Year Ended (September 30) | Annual Required Contribution* | City Contribution | State Contribution | Percentage Contributed | Net Pension Obligation |
|-------------------------------------|----------------------------------|----------------------|-----------------------|---------------------------|---------------------------|
| 2010 | \$ 28,367,152 | \$ 25,456,535 | \$ 2,635,176 | 99% | \$ - |
| 2011 | 32,957,020 | 30,735,629 | 2,515,253 | 101 | - |
| 2012 | 21,697,551 | 19,284,102 | 2,413,449 | 100 | - |
| 2013 | 18,944,791 | 186,401,230 | 2,986,020 | 1,000 | (170,442,459) |
| 2014 | 19,012,474 | 15,698,921 | 3,313,553 | 100 | (172,496,560) |

* Restated based on plan year ending September 30 (see CAFR FY2014).

Series 2012 SO

Source of Various Contributions to PFRS

| Fiscal Year Ended (September 30)* | Employee Contribution | City Contribution | State Contribution | Investment Income | Other Income | Total |
|--------------------------------------|--------------------------|----------------------|-----------------------|----------------------|-----------------|---------------|
| 2010 | \$ 4,264,471 | \$ 25,456,535 | \$ 4,409,900 | \$ 6,092,184 | \$ - | \$ 40,223,090 |
| 2011 | 5,247,391 | 30,735,629 | 4,816,576 | 7,308,370 | - | 48,107,966 |
| 2012 | 5,202,719 | 30,684,942 | 4,735,930 | 10,441,009 | - | 51,064,600 |
| 2013 | 5,608,963 | 199,461,400 | 6,352,818 | 82,660,544 | 14,709 | 294,098,434 |
| 2014 | 5,581,044 | 14,498,457 | 5,875,363 | 63,358,858 | - | 89,313,722 |

* City contribution for Fiscal Year 2013 has been restated to include the short plan year contribution.

Series 2012 SO, Series 2011AB, Series 2012 WS, Series 2014 WS

Current Funding Status of PFRS

| Valuation Date | Cumulative Gain (Loss) | Actuarial Value of Plan Assets (in millions) | Actuarial Accrued Liability Entry Age (in millions) | Unfunded Actuarial Accrued Liability (UAAL) (in millions) | Funded Ratio | Annual Covered Payroll (in millions) | UAAL as a Percent of Covered Payroll |
|----------------|------------------------|--|---|---|--------------|--------------------------------------|--------------------------------------|
| 1/1/2010 | \$ (132,382,811) | 451.6 | 649.0 | 197.4 | 69.6 | 61.7 | 320.0 |
| 1/1/2011 | (131,528,734) | 482.2 | 674.2 | 192.0 | 71.5 | 62.6 | 307.0 |
| 1/1/2012 | (145,576,345) | 505.3 | 724.1 | 218.8 | 69.8 | 65.3 | 335.0 |
| 1/1/2013 | (132,768,515) | 692.5 | 732.8 | 40.3 | 94.5 | 68.9 | 58.6 |
| 10/1/2013 | (130,957,346) | 718.2 | 755.2 | 37.0 | 95.1 | 69.1 | 53.5 |

Series 2005

Ratio of Annual Debt Service for General Obligation Debt To General Governmental Expenditures of City of Fort Lauderdale

| Fiscal Year | Principal | Interest | Total Debt Service | Total General Governmental Expenditures | Ratio of Debt Service To General Expenditures (Percent) |
|-------------|--------------|--------------|--------------------|---|---|
| 2010 | \$ 2,455,000 | \$ 1,416,976 | \$ 3,871,976 | \$310,835,252 | 1.2% |
| 2011 | 2,545,000 | 1,337,739 | 3,882,739 | 321,992,636 | 1.2 |
| 2012 | 3,300,000 | 1,714,336 | 5,014,336 | 333,730,210 | 1.5 |
| 2013* | 3,125,000 | 1,724,271 | 4,849,271 | 659,670,008 | 0.7 |
| 2014 | 3,200,000 | 1,652,151 | 4,852,151 | 330,263,086 | 1.5 |

* Includes one-time pension contributions of approximately \$320,000,000.

Series 2011AB

Ratio of Net General Obligation Debt

| Fiscal Year Ended September 30, | General Obligation Bonds | Less Sinking Fund | Net General Bonded Debt | Percent of Actual Taxable Value of Property | Per Capita |
|---------------------------------|--------------------------|-------------------|-------------------------|---|------------|
| 2010 | \$ 34,465,000 | \$ 328,438 | \$ 34,136,562 | 0.12 | \$ 189.23 |
| 2011 | 65,900,000 | 16,045,899 | 49,854,101 | 0.20 | 301.23 |
| 2012 | 48,255,000 | 510,975 | 47,744,025 | 0.20 | 287.27 |
| 2013 | 45,130,000 | 602,401 | 44,527,599 | 0.19 | 261.83 |
| 2014 | 41,930,000 | 634,599 | 41,295,401 | 0.17 | 240.73 |

Series 2005

Direct and Overlapping Debt Ratios

FY Ended September 30, 2014

| | Net Debt | Per Capita | Net Debt to Full Value |
|------------------|----------------|-------------|------------------------|
| Direct City Debt | \$ 371,158,900 | \$ 2,163.64 | 1.11% |
| Overlapping Debt | 376,780,560 | 2,196 | 1.13% |
| Total Debt | \$ 747,939,460 | \$ 4,360 | 2.24% |

Series 2011AB; Series 2005
Direct and Overlapping Debt
 FY Ended September 30, 2014

| <u>Governmental Unit</u> | <u>Net Debt Outstanding</u> | <u>Percentage Applicable to City</u> | <u>City's Share of Overlapping Net Debt</u> |
|-------------------------------------|-----------------------------|--------------------------------------|---|
| Debt Repaid with Property Taxes | | | |
| Downtown Development Authority | \$ 6,983,808 | 100.00% | \$ 6,983,808 |
| Broward County | 279,630,000 | 18.68% | 52,234,884 |
| Broward County School Board | 1,700,010,000 | 18.68% | 317,561,868 |
| Subtotal Overlapping Debt | | | 376,780,560 |
| City of Fort Lauderdale Direct Debt | \$ 371,158,900 | 100.00% | 371,158,900 |
| Total Direct and Overlapping Debt | | | \$ 747,939,460 |

Series 2011AB; Series 2005
Broward County Tax Levies and Tax Collection

Collected within the Fiscal Year of the Levy (Dollars in Thousands)

| Fiscal Year Ended September 30, | Taxes Levied for the Fiscal Year | | Total Adjusted Levy | Property Tax Discount | Net Tax Levy | Amount | Collections | | | |
|---------------------------------|----------------------------------|-------------|---------------------|-----------------------|--------------|------------|-----------------------------|---------------------|------------|-----------------------------|
| | Original Levy | Adjustments | | | | | Percentage of Original Levy | in Subsequent Years | Amount | Percentage of Adjusted Levy |
| 2005 | \$ 810,880 | \$ (10,076) | \$ 800,804 | \$ 27,538 | \$ 773,266 | \$ 769,594 | 99.53% | \$ 1,810 | \$ 771,404 | 99.76% |
| 2006 | 901,441 | (6,252) | 895,189 | 30,176 | 865,013 | 860,792 | 99.51 | 2,960 | 863,752 | 99.85 |
| 2007 | 960,498 | (5,517) | 954,981 | 31,171 | 923,810 | 919,392 | 99.52 | 4,247 | 923,639 | 99.98 |
| 2008 | 930,844 | (3,764) | 927,080 | 29,542 | 897,538 | 892,074 | 99.39 | 4,441 | 896,515 | 99.89 |
| 2009 | 888,270 | (2,473) | 885,797 | 28,456 | 857,341 | 847,494 | 98.85 | 9,206 | 856,700 | 99.93 |
| 2010 | 802,614 | (9,243) | 793,371 | 26,205 | 767,166 | 758,499 | 98.87 | 4,830 | 763,329 | 99.50 |
| 2011 | 720,555 | (8,720) | 711,835 | 24,170 | 687,665 | 681,850 | 99.15 | 5,759 | 687,609 | 99.99 |
| 2012 | 700,353 | (4,549) | 695,804 | 23,902 | 671,902 | 669,929 | 99.71 | 1,544 | 671,473 | 99.94 |
| 2013 | 705,846 | (3,308) | 702,538 | 24,265 | 678,273 | 677,308 | 99.86 | 1,004 | 678,312 | 100.01 |
| 2014 | 718,911 | (3,963) | 714,948 | 24,863 | 690,085 | 689,257 | 99.88 | - | 689,257 | 99.88 |

Series 2011AB; Series 2005
City of Fort Lauderdale Tax Levies and Tax Collection

| Fiscal Year Ended September 30, | Total Tax Levy | Amount of Current Taxes Collected | Percent of Current Taxes Collected | Amount of Delinquent Taxes Collected | Total Collected For Year | Ratio of Total Taxes Collected to Current Levy |
|---------------------------------|----------------|-----------------------------------|------------------------------------|--------------------------------------|--------------------------|--|
| 2005 | \$ 108,470,506 | \$ 107,872,382 | 99.4% | \$ 291,178 | \$ 108,163,560 | 99.7% |
| 2006 | 120,645,437 | 119,708,465 | 99.2% | 418,165 | 120,126,630 | 99.6% |
| 2007 | 135,607,404 | 134,386,183 | 99.1% | 660,384 | 135,046,567 | 99.6% |
| 2008 | 128,954,993 | 127,212,927 | 98.6% | 628,589 | 127,841,516 | 99.1% |
| 2009 | 125,137,680 | 123,421,092 | 98.6% | 1,136,402 | 124,557,494 | 99.5% |
| 2010 | 112,960,028 | 110,925,089 | 98.2% | 1,059,669 | 111,984,758 | 99.1% |
| 2011 | 100,485,419 | 98,916,252 | 98.4% | 212,730 | 99,128,982 | 98.7% |
| 2012 | 96,205,050 | 95,670,313 | 99.4% | 96,393 | 95,766,706 | 99.5% |
| 2013 | 97,265,832 | 97,055,209 | 99.8% | - | 97,055,209 | 99.8% |
| 2014 | 101,135,579 | 100,961,341 | 99.8% | - | 100,961,341 | 99.8% |



CITY OF FORT LAUDERDALE

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GENERAL OBLIGATION BONDS

GENERAL OBLIGATION BONDS CITY OF FORT LAUDERDALE, FLORIDA CONSOLIDATED DEBT SERVICE

Summary of Remaining Debt Service Requirements

| Bond Year Ending July 1 | Total | \$20,000,000 Series 2011A | \$13,980,000 Series 2011B | \$20,000,000 Series 2005 |
|----------------------------|----------------------|------------------------------|------------------------------|-----------------------------|
| 2015 | \$ 4,845,916 | \$ 1,148,000 | \$ 2,517,075 | \$ 1,180,841 |
| 2016 | 4,856,341 | 1,149,200 | 2,526,500 | 1,180,641 |
| 2017 | 4,864,691 | 1,150,200 | 2,534,850 | 1,179,641 |
| 2018 | 2,328,841 | 1,151,000 | - | 1,177,841 |
| 2019 | 2,325,666 | 1,150,425 | - | 1,175,241 |
| 2020 | 2,327,866 | 1,151,025 | - | 1,176,841 |
| 2021 | 2,323,616 | 1,146,175 | - | 1,177,441 |
| 2022 | 2,318,066 | 1,146,025 | - | 1,172,041 |
| 2023 | 2,326,266 | 1,150,425 | - | 1,175,841 |
| 2024 | 2,322,666 | 1,149,225 | - | 1,173,441 |
| 2025 | 2,321,729 | 1,147,575 | - | 1,174,154 |
| 2026 | 2,323,393 | 1,149,763 | - | 1,173,629 |
| 2027 | 2,325,754 | 1,149,850 | - | 1,175,904 |
| 2028 | 2,325,616 | 1,148,925 | - | 1,176,691 |
| 2029 | 2,322,929 | 1,146,938 | - | 1,175,991 |
| 2030 | 2,322,693 | 1,148,888 | - | 1,173,804 |
| 2031 | 2,321,418 | 1,146,288 | - | 1,175,129 |
| 2032 | 2,327,443 | 1,147,688 | - | 1,179,754 |
| 2033 | 2,324,858 | 1,147,888 | - | 1,176,969 |
| 2034 | 2,325,827 | 1,149,138 | - | 1,176,688 |
| 2035 | 2,327,827 | 1,148,388 | - | 1,179,438 |
| 2036 | 1,150,638 | 1,150,638 | - | - |
| 2037 | 1,148,513 | 1,148,513 | - | - |
| 2038 | 1,149,944 | 1,149,944 | - | - |
| 2039 | 1,149,725 | 1,149,725 | - | - |
| 2040 | 1,146,588 | 1,146,588 | - | - |
| 2041 | 1,146,750 | 1,146,750 | - | - |
| | \$ 63,301,578 | \$ 31,015,193 | \$ 7,578,425 | \$ 24,707,961 |

\$20,000,000

CITY OF FORT LAUDERDALE, FLORIDA

GENERAL OBLIGATION BONDS, SERIES 2011A (FIRE-RESCUE FACILITIES)

Dated: September 28, 2011

Purpose

The Series 2011A Bonds were issued to provide funds to pay (i) a portion of the cost of the acquisition, design, construction, development, improvement, equipping and furnishing of certain new and existing fire-rescue facilities and (ii) the costs of issuance of the Series 2011A Bonds.

Security

The Series 2011A Bonds constitute general obligations of the City and the full faith, credit and taxing power of the City are irrevocably pledged for the payment of principal of and the interest on the Series 2011A Bonds.

Form

\$20,000,000 General Obligation Bonds, Series 2011A (Fire-Rescue Facilities) due July 1, 2041. The Series 2011A Bonds were issued in book-entry only form and purchasers of the Series 2011A Bonds did not receive certificates representing their interest in the Series 2011A Bonds purchased. Interest on the Series 2011A Bonds is payable semi-annually on each January 1 and July 1.

Bondholder: Public Offering

Credit Enhancement: None

Agents

Bond Registrar: Regions Bank, Jacksonville, Florida

Paying Agent: Regions Bank, Jacksonville, Florida

Ratings: as of October 27, 2014

Moody's: Aa1

Standard & Poor's: AA

Optional Redemption

The Series 2011A Bonds maturing prior to July 1, 2022 are not subject to redemption prior to maturity. The Series 2011A Bonds maturing on or after July 1, 2022 are subject to redemption at the option of the City prior to their respective dates of maturity on or after July 1, 2021, in whole or in part at any time, in any order of maturity selected by the City and by lot within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2011A Bonds to be redeemed, together with accrued interest from the most recent interest payment date to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2011A Bonds maturing on July 1, 2035 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of amortization requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on July 1 of each year in the following amounts and years specified:

| <u>Due (July 1)</u> | Amortization Requirement |
|-----------------------|---------------------------------|
| 2033 | \$775,000 |
| 2034 | 815,000 |
| 2035 (Final Maturity) | 855,000 |

The Series 2011A Bonds maturing on July 1, 2038 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of amortization requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on July 1 of each year in the following amounts and years specified:

| <u>Due (July 1)</u> | Amortization Requirement |
|-----------------------|---------------------------------|
| 2036 | \$900,000 |
| 2037 | 935,000 |
| 2038 (Final Maturity) | 975,000 |

The Series 2011A Bonds maturing on July 1, 2041 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of amortization requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on July 1 of each year in the following amounts and years specified:

| <u>Due (July 1)</u> | Amortization Requirement |
|-----------------------|---------------------------------|
| 2039 | \$1,015,000 |
| 2040 | 1,055,000 |
| 2041 (Final Maturity) | 1,100,000 |

The City may at any time use money held in the Principal and Interest Account for the payment of amortization requirements to purchase any Series 2011A Bonds that are Term Bonds, or portions thereof, whether or not such Term Bonds or portions thereof shall then be subject to redemption, at the most advantageous price obtainable with reasonable diligence, which price shall not exceed the redemption price for such Term Bonds on the next redemption date if such Term Bonds or portions thereof should be called for redemption on such date. The principal amount of any Term Bonds so purchased shall be credited toward the next amortization installment. However, if by the application of moneys in the Principal and Interest Account the City shall purchase or call for redemption in any year Term Bonds in excess of the amortization installments due for such year, such excess Term Bonds so purchased or redeemed shall be credited in such manner and at such times as the Director of Finance for the City shall determine over the remaining payment dates.

Notice of Redemption

Mailing of Notice of Redemption: Notice of redemption shall be given by deposit in the U.S. Mail a copy of a redemption notice, postage prepaid, at least thirty (30) days before the redemption date to all registered owners of Series 2011A Bonds or portions of the Series 2011A Bonds to be redeemed at their addresses as they appear on the registration books to be maintained in accordance with the provisions of the Resolution. Failure to mail any such notice to a registered owner of a Series 2011A Bond, or any defect therein, shall not affect the validity of the proceedings for redemption of any Series 2011A Bond or portion thereof with respect to which no failure or defect occurred. Such notice shall set forth the date fixed for redemption, the rate of interest borne by each Series 2011A Bond being redeemed, the date of publication, if any, of a notice of redemption, the name and address of the Bond Registrar and the Paying Agent, the redemption price to be paid and, if less than all of the Series 2011A Bonds then outstanding shall be called for redemption, the distinctive numbers and letters, including CUSIP numbers of such Series 2011A Bonds to be

redeemed and, in the case of Series 2011A Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Series 2011A Bond is to be redeemed in part only, the notice of redemption which relates to such Series 2011A Bond shall also state that on or after the redemption date, upon surrender of such Series 2011A Bond, a new Series 2011A Bond or Series 2011A Bonds in a principal amount equal to the unredeemed portion of such Series 2011A Bond will be issued. If the optional redemption of any of the Series 2011A Bonds is conditioned upon the receipt of sufficient moneys as described in the Series 2011A Resolution, the notice of redemption which relates to such Series 2011A Bonds shall also state that the redemption is so conditioned.

Any notice of redemption that is mailed in accordance with the provisions of the Resolution shall be conclusively presumed to have been duly given, whether or not the owner of the Series 2011A Bond called for redemption receives such notice. The Bond Registrar shall not be required to transfer or exchange any Series 2011A Bond after the mailing of a notice of redemption nor during the period of fifteen (15) days next preceding the mailing of a notice of redemption.

As long as a book-entry system maintained by the Depositor Trust Company (DTC) is used for determining beneficial ownership of Series 2011A Bonds, notice of redemption will be sent to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Series 2011A Bonds.

Effect of Redemption: Notice having been given in the manner and under the conditions described above, the Series 2011A Bonds or portions of Series 2011A Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Series 2011A Bonds or portions of Series 2011A Bonds on such date; provided, however, that Series 2011A Bonds or portions of Series 2011A Bonds called for optional redemption and which redemption is conditioned upon the receipt of sufficient moneys, shall not become due and payable on the redemption date if sufficient moneys to pay the redemption price of such Series 2011A Bonds or portions of such series 2011A Bonds have not been received by the Paying Agent (other than the City) on or prior to the redemption date. On the date so designated for redemption, moneys for payment of the redemption price being held in separate accounts by the Paying Agent in trust for the registered owners of the Series 2011A Bonds or portions thereof to be redeemed, interest on the Series 2011A Bonds or portions of Series 2011A Bonds so called for redemption shall cease to accrue, such Series 2011A Bonds and portions of Series 2011A Bonds shall cease to be entitled to any lien, benefit or security under the Bond Resolution and shall be deemed paid thereunder, and the registered owners of such Series 2011A Bonds or portions of Series 2011A Bonds shall have no right in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the Bond Resolution, to receive Series 2011A Bonds for any unredeemed portions of the Series 2011A Bonds.

\$20,000,000

**CITY OF FORT LAUDERDALE, FLORIDA
GENERAL OBLIGATION BONDS,
SERIES 2011A (FIRE-RESCUE FACILITIES)**

Summary of Remaining Debt Service Requirements

| Bond Year Ending July 1 | Interest Rate | Principal | Interest | Total |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|
| 2015 | 2.000% | \$ 440,000 | \$ 708,000 | \$ 1,148,000 |
| 2016 | 2.000 | 450,000 | 699,200 | 1,149,200 |
| 2017 | 2.000 | 460,000 | 690,200 | 1,150,200 |
| 2018 | 2.250 | 470,000 | 681,000 | 1,151,000 |
| 2019 | 3.000 | 480,000 | 670,425 | 1,150,425 |
| 2020 | 3.000 | 495,000 | 656,025 | 1,151,025 |
| 2021 | 3.000 | 505,000 | 641,175 | 1,146,175 |
| 2022 | 3.000 | 520,000 | 626,025 | 1,146,025 |
| 2023 | 3.000 | 540,000 | 610,425 | 1,150,425 |
| 2024 | 3.000 | 555,000 | 594,225 | 1,149,225 |
| 2025 | 3.125 | 570,000 | 577,575 | 1,147,575 |
| 2026 | 3.375 | 590,000 | 559,763 | 1,149,763 |
| 2027 | 4.250 | 610,000 | 539,850 | 1,149,850 |
| 2028 | 4.250 | 635,000 | 513,925 | 1,148,925 |
| 2029 | 4.250 | 660,000 | 486,938 | 1,146,938 |
| 2030 | 4.000 | 690,000 | 458,888 | 1,148,888 |
| 2031 | 4.000 | 715,000 | 431,288 | 1,146,288 |
| 2032 | 4.000 | 745,000 | 402,688 | 1,147,688 |
| 2033 | 5.000 | 775,000 | 372,888 | 1,147,888 |
| 2034 | 5.000 | 815,000 | 334,138 | 1,149,138 |
| 2035 | 5.000 | 855,000 | 293,388 | 1,148,388 |
| 2036 | 4.125 | 900,000 | 250,638 | 1,150,638 |
| 2037 | 4.125 | 935,000 | 213,513 | 1,148,513 |
| 2038 | 4.125 | 975,000 | 174,944 | 1,149,944 |
| 2039 | 4.250 | 1,015,000 | 134,725 | 1,149,725 |
| 2040 | 4.250 | 1,055,000 | 91,588 | 1,146,588 |
| 2041 | 4.250 | 1,100,000 | 46,750 | 1,146,750 |
| | | \$ 18,555,000 | \$ 12,460,193 | \$ 31,015,193 |

\$13,980,000

CITY OF FORT LAUDERDALE, FLORIDA
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011B

Dated: September 28, 2011

Purpose

The Series 2011B Bonds were issued to (i) provide for the current refunding of all of the City's outstanding General Obligation Refunding Bonds, Series 2002, which Series 2002 Bonds, immediately prior to issuance of the Series 2011B Bonds, were outstanding in the aggregate principal amount of \$14,345,000; and (ii) pay certain costs of issuance of the Series 2011B Bonds.

Security

The Series 2011B Bonds constitute general obligations of the City and the full faith, credit and taxing power of the City are irrevocably pledged for the payment of principal of and the interest on the Series 2011B Bonds.

Form

\$13,980,000 General Obligation Refunding Bonds, Series 2011B due July 1, 2017. The Series 2011B Bonds were issued in book-entry only form and purchasers of the Series 2011B Bonds did not receive certificates representing their interest in the Series 2011B Bonds purchased. Principal of and interest on the Series 2011B Bonds are payable semi-annually on each January 1 and July 1.

Bondholder: Public Offering

Credit Enhancement: None

Agents

Bond Registrar: Regions Bank, Jacksonville, Florida

Paying Agent: Regions Bank, Jacksonville, Florida

Escrow Agent: Regions Bank, Jacksonville, Florida

Ratings: as of October 27, 2014

Moody's: Aa1

Standard & Poor's: AA

Optional Redemption

The Series 2011B Bonds are not subject to redemption prior to maturity.

Summary of Remaining Debt Service Requirements

| Bond Year | | | | |
|----------------------|----------------------|---------------------|-------------------|---------------------|
| Ending July 1 | Interest Rate | Principal | Interest | Total |
| 2015 | 3.000% | \$ 2,330,000 | \$ 187,075 | \$ 2,517,075 |
| 2016 | 3.000 | 2,410,000 | 116,500 | 2,526,500 |
| 2017 | (1) | 2,485,000 | 49,850 | 2,534,850 |
| | | \$ 7,225,000 | \$ 353,425 | \$ 7,578,425 |

(1) 1/1/17 Interest Rate: 2.000%; 7/1/17 Interest Rate: 3.000%

\$20,000,000

CITY OF FORT LAUDERDALE, FLORIDA

GENERAL OBLIGATION BONDS, SERIES 2005 (FIRE-RESCUE FACILITIES)

Dated: June 16, 2005

Purpose

The Series 2005 Bonds were issued to provide funds to pay (i) a portion of the cost of the acquisition, design, construction, development, improvement, equipping and furnishing of certain new and existing fire-rescue facilities and (ii) the costs of issuance of the Series 2005 Bonds, including the premium for issuing the financial guaranty insurance policy securing the Series 2005 Bonds.

Security

The Series 2005 Bonds constitute general obligations of the City and the full faith, credit and taxing power of the City are irrevocably pledged for the payment of principal of and the interest on the Series 2005 Bonds.

Form

\$20,000,000 General Obligation Bonds, Series 2005 (Fire-Rescue Facilities) due July 1, 2035. The Series 2005 Bonds were issued in book-entry only form and purchasers of the Series 2005 Bonds did not receive certificates representing their interest in the Series 2005 Bonds purchased. Interest on the Series 2005 Bonds is payable semi-annually on each January 1 and July 1.

Bondholder: Public Offering

Credit Enhancement: MBIA Insurance Corporation

Agents

Bond Registrar and Paying Agent: The City's Director of Finance

Ratings: as of October 27, 2014

Moody's: Aa1 (underlying)

Standard & Poor's: AA (underlying)

Optional Redemption

The Series 2005 Bonds maturing prior to July 14, 2014 were not subject to redemption prior to maturity. The Series 2005 Bonds maturing on or after July 1, 2014 are subject to redemption at the option of the City prior to their respective dates of maturity on or after July 1, 2013, in whole or in part at any time, in any order of maturity selected by the City and by lot within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2005 Bonds to be redeemed, together with accrued interest from the most recent interest payment date to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2005 Bonds maturing on July 1, 2035 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of amortization requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on July 1 of each year in the following amounts and years specified:

| <u>Due (July 1)</u> | <u>Amortization Requirement</u> |
|-----------------------|---------------------------------|
| 2033 | \$1,035,000 |
| 2034 | 1,080,000 |
| 2035 (Final Maturity) | 1,130,000 |

The City may at any time use money held in the Principal and Interest Account for the payment of amortization requirements to purchase any Series 2005 Bonds that are Term Bonds, or portions thereof, whether or not such Term Bonds or portions thereof shall then be subject to redemption, at the most advantageous price obtainable with reasonable diligence, which price shall not exceed the redemption price for such Term Bonds on the next redemption date if such Term Bonds or portions thereof should be called for redemption on such date. The principal amount of any Term Bonds so purchased shall be credited toward the next amortization installment. However, if by the application of moneys in the Principal and Interest Account the City shall purchase or call for redemption in any year Term Bonds in excess of the amortization installments due for such year, such excess Term Bonds so purchased or redeemed shall be credited in such manner and at such times as the Director of Finance for the City shall determine over the remaining payment dates.

Notice of Redemption

Mailing of Notice of Redemption: Notice of redemption shall be given by deposit in the U.S. Mail a copy of a redemption notice, postage prepaid, at least thirty (30) days before the redemption date to all registered owners of Series 2005 Bonds or portions of the Series 2005 Bonds to be redeemed at their addresses as they appear on the registration books to be maintained in accordance with the provisions of the Resolution. Failure to mail any such notice to a registered owner of a Series 2005 Bond, or any defect therein, shall not affect the validity of the proceedings for redemption of any Series 2005 Bond or portion thereof with respect to which no failure or defect occurred. Such notice shall set forth the date fixed for redemption, the rate of interest borne by each Series 2005 Bond being redeemed, the date of publication, if any, of a notice of redemption, the name and address of the Bond Registrar and the Paying Agent, the redemption price to be paid and, if less than all of the Series 2005 Bonds then outstanding shall be called for redemption, the distinctive numbers and letters, including CUSIP numbers of such Series 2005 Bonds to be redeemed and, in the case of Series 2005 Bonds to be redeemed in part only, the notice of redemption which relates to such Series 2005 Bond shall also state that on or after the redemption date, upon surrender of such Series 2005 Bond, a new Series 2005 Bond or Series 2005 Bonds in a principal amount equal to the unredeemed portion of such Series 2005 Bond will be issued. If the optional redemption of any of the Series 2005 Bonds is conditioned upon the receipt of sufficient moneys as described in the Resolution, the notice of redemption which relates to such Series 2005 Bonds shall also state that the redemption is so conditioned.

Any notice of redemption that is mailed in accordance with the provisions of the Resolution shall be conclusively presumed to have been duly given, whether or not the owner of the Series 2005 Bond called for redemption receives such notice. The Bond Registrar shall not be required to transfer or exchange any Series 2005 Bond after the mailing of a notice of redemption nor during the period of fifteen (15) days next preceding the mailing of a notice of redemption.

As long as a book-entry system maintained by DTC is used for determining beneficial ownership of Series 2005 Bonds, notice of redemption will be sent to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Series 2005 Bonds.

Effect of Redemption: Notice having been given in the manner and under the conditions described above, the Series 2005 Bonds or portions of Series 2005 Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Series 2005 Bonds or portions of Series 2005 Bonds on such date; provided, however, that Series 2005 Bonds or portions of Series 2005 Bonds called for optional redemption and which redemption is conditioned upon the receipt of sufficient moneys, shall not become due and payable on the redemption date if sufficient moneys to pay the redemption price of such Series 2005 Bonds or portions of such series 2005 Bonds have not been received by the Paying Agent (other than the City) on or prior to the redemption date. On the date so designated for redemption, moneys for payment of the redemption price being held in separate accounts by the Paying Agent in trust for the registered owners of the Series 2005 Bonds or portions thereof to be redeemed, interest on the Series 2005 Bonds or portions of Series 2005 Bonds so called for redemption shall cease to accrue, such Series 2005 Bonds and portions of Series 2005 Bonds shall cease to be entitled to any lien, benefit or security under the Bond Resolution and shall be deemed paid thereunder, and the registered owners of such Series 2005 Bonds or portions of Series 2005 Bonds shall be deemed paid thereunder, and the registered owners of such Series 2005 Bonds or portions of Series 2005 Bonds shall have no right in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the Bond Resolution, to receive Series 2005 Bonds for any unredeemed portions of the Series 2005 Bonds.

\$20,000,000
CITY OF FORT LAUDERDALE, FLORIDA
GENERAL OBLIGATION BONDS,
SERIES 2005 (FIRE-RESCUE FACILITIES)

Summary of Remaining Debt Service Requirements

| Bond Year Ending July 1 | Interest Rate | Principal | Interest | Total |
|------------------------------------|----------------------|----------------------|---------------------|----------------------|
| 2015 | (1) | \$ 505,000 | \$ 675,841 | \$ 1,180,841 |
| 2016 | 4.000% | 525,000 | 655,641 | 1,180,641 |
| 2017 | 4.000 | 545,000 | 634,641 | 1,179,641 |
| 2018 | 4.000 | 565,000 | 612,841 | 1,177,841 |
| 2019 | 4.000 | 585,000 | 590,241 | 1,175,241 |
| 2020 | 4.000 | 610,000 | 566,841 | 1,176,841 |
| 2021 | 4.000 | 635,000 | 542,441 | 1,177,441 |
| 2022 | 4.000 | 655,000 | 517,041 | 1,172,041 |
| 2023 | 4.000 | 685,000 | 490,841 | 1,175,841 |
| 2024 | (2) | 710,000 | 463,441 | 1,173,441 |
| 2025 | 4.125 | 740,000 | 434,154 | 1,174,154 |
| 2026 | (3) | 770,000 | 403,629 | 1,173,629 |
| 2027 | 4.250 | 805,000 | 370,904 | 1,175,904 |
| 2028 | 4.250 | 840,000 | 336,691 | 1,176,691 |
| 2029 | 4.250 | 875,000 | 300,991 | 1,175,991 |
| 2030 | 4.250 | 910,000 | 263,804 | 1,173,804 |
| 2031 | 4.250 | 950,000 | 225,129 | 1,175,129 |
| 2032 | (4) | 995,000 | 184,754 | 1,179,754 |
| 2033 | (5) | 1,035,000 | 141,969 | 1,176,969 |
| 2034 | 4.375 | 1,080,000 | 96,688 | 1,176,688 |
| 2035 | 4.375 | 1,130,000 | 49,438 | 1,179,438 |
| | | \$ 16,150,000 | \$ 8,557,961 | \$ 24,707,961 |

(1) 1/1/15 Interest Rate: 3.300%; 7/1/15 Interest Rate: 4.000%

(2) 1/1/24 Interest Rate: 4.000%; 7/1/24 Interest Rate: 4.125%

(3) 1/1/26 Interest Rate: 4.125%; 7/1/26 Interest Rate: 4.250%

(4) 1/1/32 Interest Rate: 4.250%; 7/1/32 Interest Rate: 4.300%

(5) 1/1/33 Interest Rate: 4.300%; 7/1/33 Interest Rate: 4.375%

TAXABLE SPECIAL OBLIGATION BONDS

CITY OF FORT LAUDERDALE, FLORIDA TAXABLE SPECIAL OBLIGATION BONDS CONSOLIDATED DEBT SERVICE

Summary of Remaining Debt Service Requirements

| Bond Year | | | \$337,755,000 |
|-------------------------|----|--------------------|-----------------------|
| Ending January 1 | | Total | Series 2012 |
| 2015 | \$ | 26,359,882 | \$ 26,359,882 |
| 2016 | | 26,358,764 | 26,358,764 |
| 2017 | | 26,360,004 | 26,360,004 |
| 2018 | | 26,357,124 | 26,357,124 |
| 2019 | | 26,482,711 | 26,482,711 |
| 2020 | | 26,876,114 | 26,876,114 |
| 2021 | | 28,186,916 | 28,186,916 |
| 2022 | | 28,188,933 | 28,188,933 |
| 2023 | | 28,197,153 | 28,197,153 |
| 2024 | | 25,861,778 | 25,861,778 |
| 2025 | | 23,191,515 | 23,191,515 |
| 2026 | | 21,565,188 | 21,565,188 |
| 2027 | | 20,982,808 | 20,982,808 |
| 2028 | | 20,891,001 | 20,891,001 |
| 2029 | | 22,878,232 | 22,878,232 |
| 2030 | | 16,909,721 | 16,909,721 |
| 2031 | | 14,104,815 | 14,104,815 |
| 2032 | | 14,242,053 | 14,242,053 |
| | \$ | 423,994,712 | \$ 423,994,712 |

\$337,755,000
CITY OF FORT LAUDERDALE, FLORIDA
TAXABLE SPECIAL OBLIGATION BONDS, SERIES 2012
(PENSION FUNDING PROJECT)

Dated: October 3, 2012

Purpose

The Series 2012 Bonds were issued for the purpose of providing funds to pay (i) the cost of funding a portion of the current unfunded actuarial accrued liability of the Pension Plans (determined as of the most recent valuation date for each of the Pension Plans) (the "UAAL"), including, without limitation, a partial repayment to the City of its contribution to the PFRS to prefund the City's UAAL portion of its Annual Required Contribution to the PFRS for Fiscal Year 2013 (collectively, the "Project"); and (ii) certain costs of issuance of the Series 2012 Bonds.

Security

Payment of the principal of and interest on the Series 2012 Bonds is secured equally and ratably by a lien on and pledge of the Pledged Funds. Pledged Funds consist of (i) the Designated Revenues, (ii) any Non-Ad Valorem Revenues actually deposited into the Principal and Interest Account of the Debt Service Fund to cure a Debt Service Funding Deficiency, and (iii) all investment income in the funds and accounts established under the Resolution, except for the Rebate Fund; provided, however, that amounts on deposit in or to the credit of a Reserve Account within the Reserve Fund shall constitute Pledged Funds for, and secure, only the particular Series of Bonds for which such Reserve Account is established. Notwithstanding anything in the documents authorizing issuance of the Series 2012 Bonds to the contrary, Non-Ad Valorem Revenues shall only become Pledged Funds if (i) Designated Revenues are determined to be insufficient to meet the Principal and Interest Requirements coming due and payable during any Fiscal Year; (ii) the City's covenant to budget and appropriate Non-Ad Valorem Revenues to pay principal of and interest on Bonds has not been released pursuant to the terms of the Resolution; and (iii) the City actually budgets, appropriates and deposits Non-Ad Valorem Revenues into the Principal and Interest Account of the Debt Service Fund to cure a Debt Service Funding Deficiency.

Form

\$337,755,000 Taxable Special Obligation Bonds, Series 2012 (Pension Funding Project) due January 1, 2032. The Series 2012 Bonds were issued only in fully registered form. Interest on the Series 2012 Bonds is payable semi-annually on each January 1 and July 1.

Bondholder: Public Offering

Credit Enhancement: None

Agents

Bond Registrar: Regions Bank, Jacksonville, Florida

Paying Agent: Regions Bank, Jacksonville, Florida

Ratings: as of September 12, 2012

Moody's: A1

Standard & Poor's: AA-

Optional Redemption

The Series 2012 Bonds maturing on or after January 1, 2024 are subject to redemption at the option of the City prior to their respective dates of maturity on or after January 1, 2023, in whole or in part at any time, and if in part, in accordance with the procedures described in this section below under "Partial

Redemption," at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2012 Bonds or portion of the Series 2012 Bonds to be redeemed, together with accrued interest from the most recent interest payment date as of which interest has been paid to the date fixed for redemption.

Make-Whole Optional Redemption

The Series 2012 Bonds are subject to redemption prior to their maturity dates at the option of the City, in whole or in part, on any date prior to January 1, 2023, and if in part, in accordance with the procedures described in this section below under "Partial Redemption," at a redemption price equal to the greater of:

- (1) 100% of the principal amount of the Series 2012 Bonds to be redeemed; or
- (2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Series 2012 Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Series 2012 Bonds are to be redeemed, discounted to the date on which the Series 2012 Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate, plus thirty-five (35) basis points, plus, in each case, accrued and unpaid interest on the Series 2012 Bonds to be redeemed to the redemption date.

"Treasury Rate" shall mean, as of any redemption date for a particular Series 2012 Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two (2) Business Days, but not more than forty-five (45) calendar days, prior to the redemption date (excluding inflation indexed securities) or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the Series 2012 Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

Notwithstanding the foregoing, prior to the optional redemption of the Series 2012 Bonds at par on or after January 1, 2023, pursuant to the provisions of the Resolution, the City may elect to legally defease all or a portion of the Series 2012 Bonds until their optional redemption on January 1, 2023. Such legal defeasance of all or a portion of the Series 2012 Bonds shall not constitute a "make-whole optional redemption." The provisions set forth above relating to a make-whole optional redemption shall apply only in the event the City elects to redeem the Series 2012 Bonds on any date prior to January 1, 2023, but not if the City elects only to legally defease all or any portion of the Series 2012 Bonds prior to January 1, 2023.

Mandatory Sinking Fund Redemption

The Series 2012 Bonds maturing on January 1, 2032 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, on January 1 of each year in the following amounts and years specified:

| <u>Due (January 1)</u> | <u>Amortization Requirement</u> | <u>Due (January 1)</u> | <u>Amortization Requirement</u> |
|----------------------------|-------------------------------------|----------------------------|-------------------------------------|
| 2028 | \$ 17,245,000 | 2031 | \$ 13,055,000 |
| 2029 | 20,195,000 | 2032* | 13,885,000 |
| 2030 | 15,135,000 | | |

*Final Maturity

Partial Redemption

If less than all of the Series 2012 Bonds are to be redeemed, the Bond Registrar, upon written instructions from the City, shall select the Series 2012 Bonds for redemption from such maturity dates and in such amounts as are selected by the City, and, so long as the Series 2012 Bonds constitute Book-Entry Bonds held by DTC, shall select such Series 2012 Bonds within such selected maturities on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures; provided that so long as such Series 2012 Bonds are held under the Book-Entry System, the selection for redemption of such Series 2012 Bonds shall be made in accordance with the operational arrangements of DTC then in effect and, if the DTC operational arrangements do not allow for redemption on a "Pro Rata Pass-Through Distribution of Principal" basis, such Series 2012 Bonds shall be selected for redemption within each such maturity in such manner as the Bond Registrar shall determine and in accordance with DTC procedures. In any event, the portion of the Series 2012 Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple in excess thereof.

With regard to the foregoing, it is the City's intent that redemption allocations made by DTC, its Participants or such other intermediaries that may exist between the City and the Beneficial Owners be made pro rata. However, the City can provide no assurance that DTC, its Participants or any other intermediaries will allocate redemptions of Series 2012 Bonds on a pro rata basis. If the Series 2012 Bonds are no longer held under a Book-Entry System and less than all of the Series 2012 Bonds are to be redeemed, the Holder of Series 2012 Bonds to be redeemed, or such Holder's attorney or legal representative, shall present and surrender such Series 2012 Bond to the Bond Registrar for payment of the principal amount thereof so called for redemption and the redemption premium, if any, on such principal amount. Upon such presentation and surrender, the City shall execute and the Bond Registrar shall authenticate and deliver to or upon the order of such Holder or such Holder's legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Series 2012 Bond so surrendered, a new Series 2012 Bond of the same maturity and bearing interest at the same rate.

Notice of Redemption

Mailing of Notice of Redemption. At least thirty (30) days, but not more than sixty (60) days, before the redemption date of any Series 2012 Bonds, whether such redemption be in whole or in part, the City shall cause a notice of such redemption, signed by the Finance Director to be mailed, first class postage prepaid, to all Holders owning Series 2012 Bonds to be redeemed in whole or in part and to any Fiduciaries, at their addresses as they appear on the registration books maintained by the Bond Registrar but any defect in such notice or failure to mail such notice to any Holder of any Series 2012 Bonds shall not affect the validity of the proceedings for the redemption of any other Series 2012 Bonds. Each such notice shall set forth the name of the Series 2012 Bonds or portions thereof to be redeemed, the date fixed for redemption, the redemption price to be paid, the Series, and if less than all the Series 2012 Bonds shall be called for redemption, the maturities of the Series 2012 Bonds to be redeemed, the CUSIP numbers, the name and address (including contact person and phone number) of the Fiduciary to which Series 2012 Bonds called for redemption are to be delivered and, if less than all of the Series 2012 Bonds of any one maturity then Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of such Series 2012 Bonds to be redeemed and, in the case of Series 2012 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Series 2012 Bond is to be redeemed in part only, the notice of redemption shall also state that on or after the redemption date, upon surrender of such Series 2012 Bond, a new Series 2012 Bond in principal amount equal to the unredeemed portion of such Series 2012 Bond, and of the same Series and maturity and bearing the same interest rate, will be issued. Any notice as provided herein shall be conclusively presumed to have been duly given, whether or not the owner of the Series 2012 Bond receives such notice.

In the case of an optional redemption, any notice of redemption may state that (i) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Bond Registrar, Paying Agent or a Fiduciary acting as escrow agent no later than the redemption date or (ii) the City retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Finance Director delivers a written direction to the Bond Registrar directing the Bond Registrar to rescind the redemption notice. The Bond Registrar shall give prompt notice of such rescission to the affected Bondholders. Any Series 2012 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the City to make such funds available shall constitute an event of default under the Resolution. The Bond Registrar shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Series 2012 Bonds called for redemption and not so paid remain Outstanding.

Effect of Redemption. On the date fixed for redemption, notice having been mailed in the manner and under the conditions described above, provided that such notice of redemption has not been rescinded as described above, the Series 2012 Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such redemption date. If on the date fixed for redemption money or Defeasance Obligations, or a combination of both, sufficient to pay the redemption price of the Series 2012 Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption, are held by a Depositary in trust for the Holders of Series 2012 Bonds to be redeemed, interest on the Series 2012 Bonds called for redemption shall cease to accrue after the date fixed for redemption. Such Series 2012 Bonds shall cease to be entitled to any benefits or security under the Resolution or to be deemed Outstanding and the Holders of such Series 2012 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof plus accrued interest to the date of redemption, provided the notice of redemption for such Series 2012 Bonds has not been rescinded, as described above.

If a portion of an Outstanding Series 2012 Bond shall be selected for redemption, the Holder thereof or such Holder's attorney or legal representative, shall present and surrender such Series 2012 Bond to the Bond Registrar for payment of the principal amount thereof so called for redemption. The City shall execute and the Bond Registrar shall authenticate and deliver to or upon the order of such registered owner or such owner's legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Series 2012 Bond so surrendered, a Series 2012 Bond of the same maturity and bearing interest at the same rate. As long as a book-entry system is used for determining beneficial ownership of Series 2012 Bonds, notice of redemption will be sent to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Series 2012 Bonds.

\$337,755,000

**CITY OF FORT LAUDERDALE, FLORIDA
TAXABLE SPECIAL OBLIGATION BONDS, SERIES 2012
(PENSION FUNDING PROJECT)**

Summary of Remaining Debt Service Requirements

| Bond Year Ending January 1 | Interest Rate | Principal | Interest | Total |
|---|----------------------|-----------------------|-----------------------|-----------------------|
| 2015 | 1.400 | 15,230,000 | 11,129,882 | 26,359,882 |
| 2016 | 1.740 | 15,470,000 | 10,888,764 | 26,358,764 |
| 2017 | 2.090 | 15,770,000 | 10,590,004 | 26,360,004 |
| 2018 | 2.460 | 16,130,000 | 10,227,124 | 26,357,124 |
| 2019 | 2.710 | 16,680,000 | 9,802,711 | 26,482,711 |
| 2020 | 3.020 | 17,565,000 | 9,311,114 | 26,876,114 |
| 2021 | 3.220 | 19,455,000 | 8,731,916 | 28,186,916 |
| 2022 | 3.420 | 20,115,000 | 8,073,933 | 28,188,933 |
| 2023 | 3.570 | 20,840,000 | 7,357,153 | 28,197,153 |
| 2024 | 3.820 | 19,245,000 | 6,616,778 | 25,861,778 |
| 2025 | 4.070 | 17,295,000 | 5,896,515 | 23,191,515 |
| 2026 | 4.320 | 16,375,000 | 5,190,188 | 21,565,188 |
| 2027 | 4.520 | 16,520,000 | 4,462,808 | 20,982,808 |
| 2028 | 5.140 | 17,245,000 | 3,646,001 | 20,891,001 |
| 2029 | 5.140 | 20,195,000 | 2,683,232 | 22,878,232 |
| 2030 | 5.140 | 15,135,000 | 1,774,721 | 16,909,721 |
| 2031 | 5.140 | 13,055,000 | 1,049,815 | 14,104,815 |
| 2032 | 5.140 | 13,885,000 | 357,053 | 14,242,053 |
| | | \$ 306,205,000 | \$ 117,789,712 | \$ 423,994,712 |



CITY OF FORT LAUDERDALE

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WATER AND SEWER SYSTEM

History

The Water System. Approximately one year after the City's incorporation in 1911, the City's water system (the "Water System") began operations, serving less than 100 people. The original Water System was replaced with a larger well, pumping station and treatment plant in 1919. In 1926 construction of the Dixie Water Treatment Plant (now known as the Walter E. Peele-Dixie Water Treatment Plant) (the "Peele-DixieWTP") began and such facility was enlarged in 1939 to a capacity of 14 million gallons per day ("mgd"). The number of customer accounts served by the Water System nearly doubled between 1935 and 1945 and again by 1950, growing from 2,365 in 1935 to 5,721 in 1945, and to 11,577 by 1950. In 1950 the City purchased the Fiveash Water Treatment Plant (the "Fiveash WTP") and increased its capacity from 8 mgd to 16 mgd in 1958. By the early 1970s, the capacity of the Peele-Dixie WTP was increased to 20 mgd, and the Fiveash WTP to 40 mgd. Together these water treatment plants provided service to approximately 35,700 customers. The Fiveash WTP was expanded by an additional 24 mgd of design capacity in the early 1980s as the Water System neared capacity.

In 1953 the City began providing water service to other nearby communities when the City entered into a contract with the Town of Lauderdale-by-the-Sea. Prior to 2008, Lauderdale-by-the-Sea owned the water lines within its boundaries and the City of Fort Lauderdale maintained those lines and otherwise provided retail water service to the residents of that community. In 2008, the City purchased the water lines it previously leased from Lauderdale-by-the-Sea. The City continues to provide retail water service to the residents of the Town of Lauderdale-by-the-Sea.

Other entities also purchase water from the City under similar arrangements, including the Village of Sea Ranch Lakes and parts of unincorporated Broward County. Together, the Town of Lauderdale-by-the-Sea and the Village of Sea Ranch Lakes comprise less than four percent (4%) of the total population served by the Water System. The number of retail customers that the City serves in unincorporated Broward County also comprises a small percentage of the total population served by the Water System.

Several other entities purchase water from the City on a wholesale or bulk user basis through a master meter or have emergency interconnects. These entities include the cities of Oakland Park and Wilton Manors and portions of the City of Tamarac, the Town of Davie, unincorporated Broward County and Broward County's Port Everglades. The agreements for water supply between these entities and the City all have 30-year terms, except for the agreement with the City of Wilton Manors, which has a 25-year term. Such contracts collectively represent 15.9% of the City's total water production. Set forth below is a listing of such contracts, their current expiration dates and the percentage of total consumption of the Water System represented by each contract.

Water User Contracts

| <u>Large User</u> | <u>Effective Dates of Agreement</u> | <u>% of Total Water System Consumption⁽¹⁾</u> |
|---|---|--|
| Broward County | 1994 – 2024 | 0.02% |
| Town of Davie | 1987 – 2017 | 0.25 |
| City of Oakland Park | 1994 – 2024 | 8.99 |
| Broward County's Port Everglades ⁽²⁾ | 2002 – 2032 | 2.31 |
| City of Tamarac | 1994 – 2024 | 0.44 |
| City of Wilton Manors | 2005 – 2030 | <u>3.89</u> |
| TOTAL | | <u>15.9%</u> |

Source: The City's Public Works Department.

- (1) Total metered consumption in Fiscal Year 2014 amounted to approximately 12.958 billion gallons.
 (2) Since 2004, the City has provided retail water service to some tenants at Broward County's Port Everglades but continues also to provide wholesale water service at Port Everglades.

The Sewer System. Prior to construction of the G. T. Lohmeyer Wastewater Treatment Plant (the "Lohmeyer WWTP") in the 1970s, the Sewer System of the City (the "Sewer System") was comprised of numerous small sewer treatment facilities housed at various locations around the City. The construction of the Sewer System began in 1927 but, due to the impacts of a hurricane and local economic downturn, was not completed until 1937. In the 1940s and 1950s, the population of the City grew more rapidly than the Sewer System. As a result, new developments were often served by septic systems. By the late 1950s, the City began to expand the Sewer System to serve all areas of the City. Most new developments subsequent to 1950 were required to install sanitary sewers.

Expansion of the wastewater collection system was limited until 1957, when the City began expanding the Sewer System into unserved areas, beginning from the beach area and extending west. However, expansion of the gravity wastewater system slowed considerably in the late 1970s and 1980s, as available capital funds were used to consolidate and upgrade the wastewater treatment plants of the Sewer System. Currently, almost all of the City's residents are connected, or have access, to the Sewer System.

Construction of the Lohmeyer WWTP began in the mid-1970s. The Lohmeyer WWTP was designed to serve the entire City, as well as the City of Oakland Park, the City of Wilton Manors, Broward County's Port Everglades, portions of the Town of Davie and portions of the City of Tamarac. The City has negotiated contractual agreements with each of these large regional Sewer System users. All of these contracts were amended in 2001 and are now scheduled to expire in 2021. After constructing the Lohmeyer WWTP, the City closed all of the smaller wastewater treatment facilities that had previously been used to operate the Sewer System. The Lohmeyer WWTP has a permitted capacity of 56.6 mgd.

Organizational Structure

Organization and Management. Operation of the Water System and the Sewer System is the responsibility of the City's Public Works Department. In addition, the Public Works Department manages the operation of the City's stormwater drainage system and solid waste collection system. The Public Works Department currently employs approximately 433 full-time equivalent staff and is composed of the Director's Office, which constitutes the Administration Division, and the following three (3) divisions: Utilities, Sustainability and Engineering.

The Utilities Division is responsible for operation of the Water System, the Sewer System and the City's stormwater drainage system. The three subdivisions within the Utilities Division are: (i) Distribution and Collection (which operates and maintains the potable water distribution facilities and sewer collection and pumping facilities); (ii) Stormwater (which is responsible for operation and maintenance of the municipal storm sewer system, comprised of publicly-owned ditches, curbs, catch basins, storm drains, and underground pipes that collect and transport stormwater to Florida's surface waters); and (iii) Treatment (which operates the Peele-Dixie WTP, the Fiveash WTP, the Lohmeyer WWTP and the environmental lab).

The Sustainability Division operates the solid waste and recycling activities, fleet services, environmental and regulatory affairs, and sustainability and climate resilience. The Engineering Division includes the design management and construction management subdivisions. The Director's office, constituting the Administration Division, is responsible for financial services and utilities support activities, including budget, utilities finance, human resources and payroll, meter reading, and the call center.

The Director of the Public Works Department is Hardeep Anand, P.E. Mr. Anand has been Director of the Public Works Department since May of 2013 and prior to becoming the Director, he served as Deputy Director. Prior to accepting a position in the City's Public Works Department, Mr. Anand served Miami-Dade County's Department of Environmental Resources Management as the Pollution Regulation and Enforcement Division Director. Prior to that position, Mr. Anand served in such Department for Miami-Dade County as a Section Chief.

The Deputy Director for the Public Works Department is Paul Berg. Mr. Berg has over twenty (20) years of experience serving in a senior management capacity within the public sector. Prior to serving as the Deputy Director for the Public Works Department, Mr. Berg's experience includes serving as the City Manager for the City of Eustis, Florida from 2007 to 2013, as well as serving as the Assistant City Manager for Champaign, Illinois from 1987 through 2007.

Training Programs and Certifications. The City has an active training program for its field crews and operations and maintenance staff, including monthly safety meetings and quarterly courses on various safety related subjects. All of the operators of the Water System, the Sewer System and the City's stormwater drainage system are licensed and certified by the State of Florida and the Florida Administrative Code requires all distribution and collection field crew leaders to be certified by the State of Florida as a condition of their employment. The City's distribution and collection field crew leaders, and staff wishing to be eligible for promotion to such positions, are training to meet State of Florida certification requirements. The City is currently rotating staff to ensure that a licensed crew member is assigned to each job or project of the Water and Sewer System. The City is also requiring that vacancies be filled by licensed operators or by individuals who agree to train to be licensed operators to provide a more permanent solution to the certification requirement. The City's environmental laboratories are certified by the Florida Department of Environmental Protection ("FDEP") and by the Florida Department of Health for collecting environmental water samples and conducting water quality analyses.

Government Regulations

The Water and Sewer System are subject to federal, state, regional and local regulation. Federal regulatory jurisdiction is vested in the United States Environmental Protection Agency (the "EPA"). The Water System must comply with the Federal Safe Drinking Water Act. However, the EPA has delegated the primary responsibility for enforcement of drinking water standards to the State of Florida. The Sewer System must comply with the Federal Water Pollution Control Act and the 1977 Clean Water Act. The EPA has retained jurisdiction over the enforcement of the federal laws and the National Pollution Discharge Elimination System ("NPDES").

The State, acting through FDEP, has its own system of operational permits which govern the Water System and the Sewer System. On a regional level, the South Florida Water Management District ("SFWMD") controls groundwater withdrawals through consumptive use permits, which stipulate the maximum annual and daily withdrawals for 2 to 5 years. Locally, the Broward County Department of Natural Resource Protection has its own licensing system for wastewater plants and a monitoring and enforcement process and the Broward County Health Department has jurisdiction over the treatment of potable water.



CITY OF FORT LAUDERDALE

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**WATER AND SEWER REVENUE BONDS
CITY OF FORT LAUDERDALE, FLORIDA
CONSOLIDATED DEBT SERVICE**

Summary of Remaining Debt Service Requirements

| Bond Year Ending September 1 | Total | \$64,585,000 Series 2012 | \$82,300,000 Series 2010 | \$155,000,000 Series 2008 | \$100,000,000 Series 2006 |
|------------------------------------|-----------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
| 2015 | \$ 26,197,119 | \$ 5,000,938 | \$ 5,194,513 | \$ 10,100,456 | \$ 5,901,212 |
| 2016 | 26,209,644 | 4,997,938 | 5,192,138 | 10,101,356 | 5,918,212 |
| 2017 | 26,207,519 | 5,002,363 | 5,193,038 | 10,101,156 | 5,910,962 |
| 2018 | 26,212,226 | 5,012,788 | 5,196,538 | 10,099,856 | 5,903,044 |
| 2019 | 26,199,811 | 5,018,288 | 5,191,738 | 10,100,619 | 5,889,166 |
| 2020 | 26,192,126 | 5,021,413 | 5,193,638 | 10,101,175 | 5,875,900 |
| 2021 | 26,165,976 | 5,024,838 | 5,196,938 | 10,101,675 | 5,842,525 |
| 2022 | 26,149,467 | 5,032,288 | 5,191,438 | 10,100,841 | 5,824,900 |
| 2023 | 26,152,682 | 5,035,113 | 5,192,238 | 10,103,806 | 5,821,525 |
| 2024 | 26,148,113 | 5,047,738 | 5,194,038 | 10,099,187 | 5,807,150 |
| 2025 | 26,146,327 | 5,055,863 | 5,191,538 | 10,097,526 | 5,801,400 |
| 2026 | 26,148,863 | 5,059,263 | 5,194,838 | 10,100,862 | 5,793,900 |
| 2027 | 26,154,547 | 5,065,538 | 5,198,438 | 10,099,362 | 5,791,209 |
| 2028 | 26,161,126 | 5,077,038 | 5,194,513 | 10,097,737 | 5,791,838 |
| 2029 | 26,165,994 | 5,087,332 | 5,191,388 | 10,100,112 | 5,787,162 |
| 2030 | 26,158,094 | 5,099,663 | 5,196,657 | 10,105,487 | 5,756,287 |
| 2031 | 26,129,963 | 5,101,713 | 5,192,101 | 10,102,987 | 5,733,162 |
| 2032 | 26,631,600 | - | 5,195,101 | 10,101,987 | 11,334,512 |
| 2033 | 26,652,007 | - | 5,194,851 | 10,101,487 | 11,355,669 |
| 2034 | 26,672,351 | - | 5,195,351 | 10,100,487 | 11,376,513 |
| 2035 | 26,665,426 | - | 5,194,726 | 10,097,987 | 11,372,713 |
| 2036 | 15,297,488 | - | 5,193,601 | 10,103,887 | - |
| 2037 | 5,193,913 | - | 5,193,913 | - | - |
| 2038 | 5,195,213 | - | 5,195,213 | - | - |
| | \$ 577,207,595 | \$ 85,740,115 | \$ 124,658,484 | \$ 222,220,035 | \$ 144,588,961 |

\$64,585,000

**CITY OF FORT LAUDERDALE, FLORIDA
WATER AND SEWER REVENUE REFUNDING BONDS, SERIES 2012**

Dated: May 16, 2012

Purpose

The Series 2012 Bonds were issued and used, together with other legally available funds of the City, to (i) advance refund \$68,935,000 in aggregate principal amount of the City's outstanding Water and Sewer Revenue Bonds, Series 2003, which were originally issued to pay a portion of the cost of improvements to the Water and Sewer System and (ii) pay the costs of issuing the Series 2012 Bonds.

Security

The Series 2012 Bonds are secured by a lien on and pledge of the Net Revenues derived from the City's ownership and operation of the Water and Sewer System and certain other moneys held under the Resolution of the City authorizing issuance of the Series 2012 Bonds.

Form

\$64,585,000 Water and Sewer Revenue Refunding Bonds, Series 2012 due September 1, 2031. The Series 2012 Bonds were issued in book-entry only form and purchasers of the Series 2012 Bonds did not receive certificates representing their interest in the Series 2012 Bonds purchased. Principal of and interest on the Series 2012 Bonds are payable semi-annually on each March 1 and September 1.

Bondholder: Public Offering

Credit Enhancement: None

Agents

Bond Registrar: Regions Bank, Jacksonville, Florida

Paying Agent: Regions Bank, Jacksonville, Florida

Escrow Agent: Regions Bank, Jacksonville, Florida

Ratings: as of October 27, 2014

Moody's: Aa1

Standard & Poor's: AA+

Optional Redemption

The Series 2012 Bonds maturing on or prior to September 1, 2021 are not subject to redemption prior to maturity. The Series 2012 Bonds maturing on or after March 1, 2022 are subject to redemption at the option of the City prior to their respective dates of maturity on or after September 1, 2021, in whole or in part at any time, in any order of maturity selected by the City and by lot within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2012 Bonds to be redeemed, together with accrued interest from the most recent interest payment date to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2012 Bonds maturing on September 1, 2026 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2026 | \$2,015,000 |
| September 1, 2026 (Final Maturity) | 2,050,000 |

The Series 2012 Bonds maturing on September 1, 2029 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2029 | \$2,305,000 |
| September 1, 2029 (Final Maturity) | 2,350,000 |

The Series 2012 Bonds maturing on September 1, 2030 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2030 | \$2,390,000 |
| September 1, 2030 (Final Maturity) | 2,430,000 |

The Series 2012 Bonds maturing on September 1, 2031 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2031 | \$2,470,000 |
| September 1, 2031 (Final Maturity) | 2,510,000 |

Notice of Redemption

Mailing of Notice of Redemption: At least thirty (30), but not more than sixty (60), days before the date set for redemption of any Series 2012 Bonds, either in whole or in part, a notice of such redemption, signed by the Finance Director, shall be (a) filed with the Bond Registrar and (b) mailed, first class mail, postage prepaid, to all registered owners of Series 2012 Bonds to be redeemed at their addresses as they appear on the registration books maintained by the Bond Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall specify the redemption date, the redemption price and the place or places where amounts due upon such redemption will be payable and, if less than all of the Series 2012 Bonds are to be redeemed, the numbers or other distinguishing marks of such Series 2012 Bonds to be redeemed in part only, and the respective portions thereof to be redeemed. Such notice shall further state that on the redemption date there shall become due and payable upon each of the Series 2012 Bonds to be redeemed the redemption price or the specified portions thereof, in the case of Series 2012 Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest shall cease to accrue and be payable on such Series 2012 Bonds or portions thereof so redeemed.

In the case of an optional redemption of the Series 2012 Bonds, any notice of redemption may state that (i) it is conditioned upon the deposit of moneys with the Paying Agent or an escrow agent, no later than the redemption date, in an amount equal to the amount necessary to effect the redemption; or (ii) the City retains the right to rescind such notice of redemption on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Finance Director delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Series 2012 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the City to make such funds available shall constitute an Event of Default. The Paying Agent shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Series 2012 Bonds called for redemption and not so paid remain Outstanding.

In the event that only part of the principal sum of any Series 2012 Bond shall be called for redemption or prepaid, payment of the amount to be redeemed or prepaid shall be made only upon surrender of such Series 2012 Bond to the Bond Registrar. Upon surrender of such Series 2012 Bond, the Bond Registrar shall execute and deliver to the registered owner thereof, at the designated office of the Bond Registrar, new duly executed Series 2012 Bonds, of authorized principal sums equal in aggregate principal amount to, and of the same maturity and interest rate as, the unredeemed portion of the Series 2012 Bond surrendered.

Effect of Redemption. On the date so designated for redemption, notice having been mailed and filed in the manner and under the conditions described in the Resolution pursuant to which the Series 2012 Bonds were issued, the Series 2012 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2012 Bonds on such redemption date and, moneys for payment of the redemption price being held in separate accounts by the Bond Registrar or by a separate financial institution designated as escrow agent in trust for the Holders of the Series 2012 Bonds to be redeemed, interest on the Series 2012 Bonds so called for redemption shall cease to accrue, such Series 2012 Bonds shall cease to be entitled to any lien, benefit or security under the Resolution pursuant to which the Series 2012 Bonds were issued, and the Holders or registered owners of the Series 2012 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon.

As long as a book-entry system is used for determining beneficial ownership of Series 2012 Bonds, notice of redemption will be sent to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Series 2012 Bonds.

\$64,585,000
CITY OF FORT LAUDERDALE, FLORIDA
WATER AND SEWER REVENUE REFUNDING BONDS, SERIES 2012

Summary of Remaining Debt Service Requirements

| Bond Year Ending September 1 | Interest Rate | Principal | Interest | Total |
|---|----------------------|----------------------|----------------------|----------------------|
| 2015 | 4.000% | \$ 2,430,000 | \$ 2,570,938 | \$ 5,000,938 |
| 2016 | 4.000 | 2,525,000 | 2,472,938 | 4,997,938 |
| 2017 | (1) | 2,625,000 | 2,377,363 | 5,002,363 |
| 2018 | 5.000 | 2,755,000 | 2,257,788 | 5,012,788 |
| 2019 | 5.000 | 2,900,000 | 2,118,288 | 5,018,288 |
| 2020 | 5.000 | 3,050,000 | 1,971,413 | 5,021,413 |
| 2021 | 4.000 | 3,200,000 | 1,824,838 | 5,024,838 |
| 2022 | (2) | 3,345,000 | 1,687,288 | 5,032,288 |
| 2023 | 5.000 | 3,500,000 | 1,535,113 | 5,035,113 |
| 2024 | 5.000 | 3,690,000 | 1,357,738 | 5,047,738 |
| 2025 | 5.000 | 3,885,000 | 1,170,863 | 5,055,863 |
| 2026 | 3.000 | 4,065,000 | 994,263 | 5,059,263 |
| 2027 | 5.000 | 4,215,000 | 850,538 | 5,065,538 |
| 2028 | 5.000 | 4,440,000 | 637,038 | 5,077,038 |
| 2029 | 3.250 | 4,655,000 | 432,332 | 5,087,332 |
| 2030 | 3.250 | 4,820,000 | 279,663 | 5,099,663 |
| 2031 | 3.250 | 4,980,000 | 121,713 | 5,101,713 |
| | | \$ 61,080,000 | \$ 24,660,115 | \$ 85,740,115 |

(1) 3/1/17 Interest Rate: 3.000%; 9/1/17 Interest Rate: 5.000%

(2) 3/1/22 Interest Rate: 5.000%; 9/1/22 Interest Rate: 4.000%

\$82,300,000
CITY OF FORT LAUDERDALE, FLORIDA
WATER AND SEWER REVENUE BONDS, SERIES 2010

Dated: June 10, 2010

Purpose

The Series 2010 Bonds were issued to provide funds to (i) pay a portion of the cost of improvements to the Water and Sewer System, (ii) make a deposit to the Reserve Account to provide the additional amount needed upon issuance of the Series 2010 Bonds to satisfy the Reserve Account Requirement and (iii) pay the cost of issuing the Series 2010 Bonds.

Security

The Series 2010 Bonds are secured by a lien on and pledge of the Net Revenues derived from the City's ownership and operation of the Water and Sewer System and certain other moneys held under the Resolution of the City authorizing issuance of the Series 2010 Bonds.

Form

\$82,300,000 Water and Sewer Revenue Bonds, Series 2010 due September 1, 2038. The Series 2010 Bonds were issued in book-entry only form and purchasers of the Series 2010 Bonds did not receive certificates representing their interest in the Series 2010 Bonds purchased. Principal of and interest on the Series 2010 Bonds are payable semi-annually on each March 1 and September 1.

Bondholder: Public Offering

Credit Enhancement: None

Agents

Bond Registrar: Regions Bank, Jacksonville, Florida

Paying Agent: Regions Bank, Jacksonville, Florida

Ratings: as of October 27, 2014

Moody's: Aa1

Standard & Poor's: AA+

Optional Redemption

The Series 2010 Bonds maturing on or prior to September 1, 2019 are not subject to redemption prior to maturity. The Series 2010 Bonds maturing on or after March 1, 2020 are subject to redemption at the option of the City prior to their respective dates of maturity on or after September 1, 2019, in whole at any time or in part on the first business day of any month, in any order of maturity selected by the City and by lot within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2010 Bonds to be redeemed, together with accrued interest from the most recent interest payment date to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2010 Bonds maturing on September 1, 2032 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2031 | \$1,775,000 |
| September 1, 2031 | 1,820,000 |
| March 1, 2032 | 1,865,000 |
| September 1, 2032 (Final Maturity) | 1,915,000 |

The Series 2010 Bonds maturing on September 1, 2036 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|--------------------------------|---------------------------------|
| September 1, 2033 | \$2,005,000 |
| March 1, 2034 | 2,055,000 |
| September 1, 2034 | 2,105,000 |
| March 1, 2035 | 2,160,000 |
| September 1, 2035 | 2,210,000 |
| March 1, 2036 (Final Maturity) | 2,265,000 |

The Series 2010 Bonds maturing on September 1, 2038 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| September 1, 2036 | \$2,325,000 |
| March 1, 2037 | 2,375,000 |
| September 1, 2037 | 2,430,000 |
| March 1, 2038 | 2,485,000 |
| September 1, 2038 (Final Maturity) | 2,540,000 |

Notice of Redemption

Mailing of Notice of Redemption: At least thirty (30), but not more than sixty (60), days before the date set for redemption of any Series 2010 Bonds, either in whole or in part, a notice of such redemption, signed by the Finance Director, shall be (a) filed with the Bond Registrar and (b) mailed, first class mail, postage prepaid, to all registered owners of Series 2010 Bonds to be redeemed at their addresses as they appear on the registration books maintained by the Bond Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall specify the redemption date, the redemption price and the place or places where amounts due upon such redemption will be payable and, if less than all of the Series 2010 Bonds are to be redeemed, the numbers or other distinguishing marks of such Series 2010 Bonds to be redeemed in part only, and the respective portions thereof to be redeemed. Such notice shall further state that on the redemption date there shall become due and payable upon each of the Series 2010 Bonds to be redeemed the redemption price or the specified portions thereof, in the case of Series 2010 Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest shall cease to accrue and be payable on such Series 2010 Bonds or portions thereof so redeemed.

In the case of an optional redemption of the Series 2010 Bonds, any notice of redemption may state that (i) it is conditioned upon the deposit of moneys with the Paying Agent or an escrow agent, no later than the redemption date, in an amount equal to the amount necessary to effect the redemption; or (ii) the City retains the right to rescind such notice of redemption on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Finance Director delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Series 2010 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the City to make such funds available shall constitute an Event of Default. The Paying Agent shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Series 2010 Bonds called for redemption and not so paid remain Outstanding.

In the event that only part of the principal sum of any Series 2010 Bond shall be called for redemption or prepaid, payment of the amount to be redeemed or prepaid shall be made only upon surrender of such Series 2010 Bond to the Bond Registrar. Upon surrender of such Series 2010 Bond, the Bond Registrar shall execute and deliver to the registered owner thereof, at the designated office of the Bond Registrar, new duly executed Series 2010 Bonds, of authorized principal sums equal in aggregate principal amount to, and of the same maturity and interest rate as, the unredeemed portion of the Series 2010 Bond surrendered.

Effect of Redemption: On the date so designated for redemption, notice having been mailed and filed in the manner and under the conditions described in the Resolution pursuant to which the Series 2010 Bonds were issued, the Series 2010 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2010 Bonds on such redemption date and, moneys for payment of the redemption price being held in separate accounts by the Finance Director or by the Paying Agent in trust for the Holders of the Series 2010 Bonds to be redeemed, interest on the Series 2010 Bonds so called for redemption shall cease to accrue, such Series 2010 Bonds shall cease to be entitled to any lien, benefit or security under the Resolution pursuant to which the Series 2010 Bonds were issued, and the Holders or registered owners of the Series 2010 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon.

As long as a book-entry system is used for determining beneficial ownership of Series 2010 Bonds, notice of redemption will be sent to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Series 2010 Bonds.

\$82,300,000

**CITY OF FORT LAUDERDALE, FLORIDA
WATER AND SEWER REVENUE BONDS, SERIES 2010**

Summary of Remaining Debt Service Requirements

| Bond Year Ending September 1 | Interest Rate | Principal | Interest | Total |
|---|----------------------|----------------------|----------------------|-----------------------|
| 2015 | 3.000% | \$ 1,900,000 | \$ 3,294,513 | \$ 5,194,513 |
| 2016 | 3.000 | 1,955,000 | 3,237,138 | 5,192,138 |
| 2017 | (1) | 2,020,000 | 3,173,038 | 5,193,038 |
| 2018 | 4.000 | 2,100,000 | 3,096,538 | 5,196,538 |
| 2019 | 4.000 | 2,180,000 | 3,011,738 | 5,191,738 |
| 2020 | 4.000 | 2,270,000 | 2,923,638 | 5,193,638 |
| 2021 | 4.000 | 2,365,000 | 2,831,938 | 5,196,938 |
| 2022 | 4.000 | 2,455,000 | 2,736,438 | 5,191,438 |
| 2023 | 4.000 | 2,555,000 | 2,637,238 | 5,192,238 |
| 2024 | 4.000 | 2,660,000 | 2,534,038 | 5,194,038 |
| 2025 | 4.000 | 2,765,000 | 2,426,538 | 5,191,538 |
| 2026 | 4.000 | 2,880,000 | 2,314,838 | 5,194,838 |
| 2027 | 4.000 | 3,000,000 | 2,198,438 | 5,198,438 |
| 2028 | 5.000 | 3,125,000 | 2,069,513 | 5,194,513 |
| 2029 | 5.000 | 3,280,000 | 1,911,388 | 5,191,388 |
| 2030 | 4.250 | 3,445,000 | 1,751,657 | 5,196,657 |
| 2031 | 5.000 | 3,595,000 | 1,597,101 | 5,192,101 |
| 2032 | 5.000 | 3,780,000 | 1,415,101 | 5,195,101 |
| 2033 | (2) | 3,965,000 | 1,229,851 | 5,194,851 |
| 2034 | 5.000 | 4,160,000 | 1,035,351 | 5,195,351 |
| 2035 | 5.000 | 4,370,000 | 824,726 | 5,194,726 |
| 2036 | (3) | 4,590,000 | 603,601 | 5,193,601 |
| 2037 | 4.500 | 4,805,000 | 388,913 | 5,193,913 |
| 2038 | 4.500 | 5,025,000 | 170,213 | 5,195,213 |
| | | \$ 75,245,000 | \$ 49,413,484 | \$ 124,658,484 |

(1) 3/1/17 Interest Rate: 4.000%; 9/1/17 Interest Rate: 3.500%

(2) 3/1/33 Interest Rate: 4.375%; 9/1/33 Interest Rate: 5.000%

(3) 3/1/36 Interest Rate: 5.000%; 9/1/36 Interest Rate: 4.500%

\$155,000,000
CITY OF FORT LAUDERDALE, FLORIDA
WATER AND SEWER REVENUE BONDS, SERIES 2008

Dated: March 6, 2008

Purpose

The Series 2008 Bonds were issued to provide funds to (i) pay a portion of the cost of improvements to the Water and Sewer System, (ii) make a deposit to the Reserve Account to provide the additional amount needed upon issuance of the Series 2008 Bonds to satisfy the Reserve Account Requirement and (iii) pay the cost of issuing the Series 2008 Bonds.

Security

The Series 2008 Bonds are secured by a lien on and pledge of the Net Revenues derived from the City's ownership and operation of the Water and Sewer System and certain other moneys held under the Resolution of the City authorizing issuance of the Series 2008 Bonds.

Form

\$155,000,000 Water and Sewer Revenue Bonds, Series 2008 due September 1, 2036. The Series 2008 Bonds were issued in book-entry only form and purchasers of the Series 2008 Bonds did not receive certificates representing their interest in the Series 2008 Bonds purchased. Principal of and interest on the Series 2008 Bonds are payable semi-annually on each March 1 and September 1.

Bondholder: Public Offering

Credit Enhancement: None

Agents

Bond Registrar: Regions Bank, Jacksonville, Florida

Paying Agent: Regions Bank, Jacksonville, Florida

Ratings: as of October 27, 2014

Moody's: Aa1

Standard & Poor's: AA+

Optional Redemption

The Series 2008 Bonds maturing on or prior to September 1, 2017 are not subject to redemption prior to maturity. The Series 2008 Bonds maturing on or after March 1, 2018 are subject to redemption at the option of the City prior to their respective dates of maturity on or after September 1, 2017, in whole at any time or in part on the first business day of any month, in any order of maturity selected by the City and by lot within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2008 Bonds to be redeemed, together with accrued interest from the most recent interest payment date to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2008 Bonds maturing on September 1, 2032 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2029 | \$3,410,000 |
| September 1, 2029 | 3,495,000 |
| March 1, 2030 | 3,585,000 |
| September 1, 2030 | 3,675,000 |
| March 1, 2031 | 3,765,000 |
| September 1, 2031 | 3,860,000 |
| March 1, 2032 | 3,955,000 |
| September 1, 2032 (Final Maturity) | 4,055,000 |

The Series 2008 Bonds maturing on September 1, 2035 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2033 | \$4,155,000 |
| September 1, 2033 | 4,260,000 |
| March 1, 2034 | 4,365,000 |
| September 1, 2034 | 4,475,000 |
| March 1, 2035 | 4,585,000 |
| September 1, 2035 (Final Maturity) | 4,700,000 |

The Series 2008 Bonds maturing on September 1, 2036 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2036 | \$4,820,000 |
| September 1, 2036 (Final Maturity) | 4,935,000 |

Notice of Redemption

Mailing of Notice of Redemption: At least thirty (30), but not more than sixty (60), days before the date set for redemption of any Series 2008 Bonds, either in whole or in part, a notice of such redemption, signed by the Finance Director, shall be (a) filed with the Bond Registrar and (b) mailed, first class mail, postage prepaid, to all registered owners of Series 2008 Bonds to be redeemed at their addresses as they appear on the registration books maintained by the Bond Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall specify the redemption date, the redemption price and the place or places where amounts due upon such redemption will be payable and, if less than all of the Series 2008 Bonds are to be redeemed, the numbers or other distinguishing marks of such Series 2008 Bonds to be redeemed in part only, and the respective portions thereof to be redeemed. Such notice shall further state that on the redemption date there shall become due and payable upon each of the

Series 2008 Bonds to be redeemed the redemption price or the specified portions thereof, in the case of Series 2008 Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest shall cease to accrue and be payable on such Series 2008 Bonds or portions thereof so redeemed.

In the case of an optional redemption of the Series 2008 Bonds, any notice of redemption may state that (i) it is conditioned upon the deposit of moneys with the Paying Agent or an escrow agent, no later than the redemption date, in an amount equal to the amount necessary to effect the redemption; or (ii) the City retains the right to rescind such notice of redemption on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Finance Director delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Series 2008 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the City to make such funds available shall constitute an Event of Default. The Paying Agent shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Series 2008 Bonds called for redemption and not so paid remain Outstanding.

In the event that only part of the principal sum of any Series 2008 Bond shall be called for redemption or prepaid, payment of the amount to be redeemed or prepaid shall be made only upon surrender of such Series 2008 Bond to the Bond Registrar. Upon surrender of such Series 2008 Bond, the Bond Registrar shall execute and deliver to the registered owner thereof, at the designated office of the Bond Registrar, new duly executed Series 2008 Bonds, of authorized principal sums equal in aggregate principal amount to, and of the same maturity and interest rate as, the unredeemed portion of the Series 2008 Bond surrendered.

Effect of Redemption: On the date so designated for redemption, notice having been mailed and filed in the manner and under the conditions described in the Resolution pursuant to which the Series 2008 Bonds were issued, the Series 2008 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2008 Bonds on such redemption date and, moneys for payment of the redemption price being held in separate accounts by the Finance Director or by the Paying Agent in trust for the Holders of the Series 2008 Bonds to be redeemed, interest on the Series 2008 Bonds so called for redemption shall cease to accrue, such Series 2008 Bonds shall cease to be entitled to any lien, benefit or security under the Resolution pursuant to which the Series 2008 Bonds were issued, and the Holders or registered owners of the Series 2008 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon.

As long as a book-entry system is used for determining beneficial ownership of Series 2008 Bonds, notice of redemption will be sent to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Series 2008 Bonds.

\$155,000,000
CITY OF FORT LAUDERDALE, FLORIDA
WATER AND SEWER REVENUE BONDS, SERIES 2008

Summary of Remaining Debt Service Requirements

| Bond Year Ending September 1 | Interest Rate | Principal | Interest | Total |
|---|----------------------|-----------------------|----------------------|-----------------------|
| 2015 | 4.000% | \$ 3,690,000 | \$ 6,410,456 | \$ 10,100,456 |
| 2016 | 4.000 | 3,840,000 | 6,261,356 | 10,101,356 |
| 2017 | 4.000 | 3,995,000 | 6,106,156 | 10,101,156 |
| 2018 | 4.000 | 4,155,000 | 5,944,856 | 10,099,856 |
| 2019 | 4.125 | 4,325,000 | 5,775,619 | 10,100,619 |
| 2020 | (1) | 4,510,000 | 5,591,175 | 10,101,175 |
| 2021 | 4.500 | 4,710,000 | 5,391,675 | 10,101,675 |
| 2022 | 4.625 | 4,925,000 | 5,175,841 | 10,100,841 |
| 2023 | 4.750 | 5,160,000 | 4,943,806 | 10,103,806 |
| 2024 | 4.875 | 5,405,000 | 4,694,187 | 10,099,187 |
| 2025 | 4.875 | 5,670,000 | 4,427,526 | 10,097,526 |
| 2026 | 5.000 | 5,955,000 | 4,145,862 | 10,100,862 |
| 2027 | 5.000 | 6,255,000 | 3,844,362 | 10,099,362 |
| 2028 | 5.000 | 6,570,000 | 3,527,737 | 10,097,737 |
| 2029 | 5.000 | 6,905,000 | 3,195,112 | 10,100,112 |
| 2030 | 5.000 | 7,260,000 | 2,845,487 | 10,105,487 |
| 2031 | 5.000 | 7,625,000 | 2,477,987 | 10,102,987 |
| 2032 | 5.000 | 8,010,000 | 2,091,987 | 10,101,987 |
| 2033 | 5.000 | 8,415,000 | 1,686,487 | 10,101,487 |
| 2034 | 5.000 | 8,840,000 | 1,260,487 | 10,100,487 |
| 2035 | 5.000 | 9,285,000 | 812,987 | 10,097,987 |
| 2036 | 4.750 | 9,755,000 | 348,887 | 10,103,887 |
| | | \$ 135,260,000 | \$ 86,960,035 | \$ 222,220,035 |

(1) 3/1/20 Interest Rate: 4.500%; 9/1/20 Interest Rate: 4.250%

\$100,000,000
CITY OF FORT LAUDERDALE, FLORIDA
WATER AND SEWER REVENUE BONDS, SERIES 2006

Dated: October 4, 2006

Purpose

The Series 2006 Bonds were issued to provide funds to (i) pay a portion of the cost of improvements to the Water and Sewer System, (ii) make a deposit to the Reserve Account to provide the additional amount needed upon issuance of the Series 2006 Bonds to satisfy the Reserve Account Requirement and (iii) pay the cost of issuing the Series 2006 Bonds, including the premium for issuing the financial guaranty insurance policy securing the Series 2006 Bonds.

Security

The Series 2006 Bonds are secured by a lien on and pledge of the Net Revenues derived from the City's ownership and operation of the Water and Sewer System and certain other moneys held under the Resolution of the City authorizing issuance of the Series 2006 Bonds.

Form

\$100,000,000 Water and Sewer Revenue Bonds, Series 2006 due September 1, 2035. The Series 2006 Bonds were issued in book-entry only form and purchasers of the Series 2006 Bonds did not receive certificates representing their interest in the Series 2006 Bonds purchased. Principal of and interest on the Series 2006 Bonds are payable semi-annually on each March 1 and September 1.

Bondholder: Public Offering

Credit Enhancement: MBIA Insurance Corporation

Agents

Bond Registrar: Regions Bank, Jacksonville, Florida

Paying Agent: Regions Bank, Jacksonville, Florida

Ratings: as of October 27, 2014

Moody's: Aa1 (underlying)

Standard & Poor's: AA+ (underlying)

Optional Redemption

The Series 2006 Bonds maturing on or prior to September 1, 2016 are not subject to redemption prior to maturity. The Series 2006 Bonds maturing on or after March 1, 2017 are subject to redemption at the option of the City prior to their respective dates of maturity on or after September 1, 2016, in whole at any time or in part on the first business day of any month, in any order of maturity selected by the City and by lot within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2006 Bonds to be redeemed, together with accrued interest from the most recent interest payment date to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2006 Bonds maturing on September 1, 2031 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2029 | \$1,720,000 |
| September 1, 2029 | 1,760,000 |
| March 1, 2030 | 1,795,000 |
| September 1, 2030 | 1,830,000 |
| March 1, 2031 | 1,870,000 |
| September 1, 2031 (Final Maturity) | 1,915,000 |

The Series 2006 Bonds maturing on September 1, 2033 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2032 | \$4,760,000 |
| September 1, 2032 | 4,870,000 |
| March 1, 2033 | 4,975,000 |
| September 1, 2033 (Final Maturity) | 5,090,000 |

The Series 2006 Bonds maturing on September 1, 2035 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2034 | \$5,205,000 |
| September 1, 2034 | 5,320,000 |
| March 1, 2035 | 5,435,000 |
| September 1, 2035 (Final Maturity) | 5,565,000 |

Notice of Redemption

Mailing of Notice of Redemption: At least thirty (30), but not more than sixty (60), days before the date set for redemption of any Series 2006 Bonds, either in whole or in part, a notice of such redemption, signed by the Finance Director, shall be (a) filed with the Bond Registrar and (b) mailed, first class mail, postage prepaid, to all registered owners of Series 2006 Bonds to be redeemed at their addresses as they appear on the registration books maintained by the Bond Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall specify the redemption date, the redemption price and the place or places where amounts due upon such redemption will be payable and, if less than all of the Series 2006 Bonds are to be redeemed, the numbers or other distinguishing marks of such Series 2006 Bonds to be redeemed in part only, and the respective portions thereof to be redeemed. Such notice shall further state that on the redemption date there shall become due and payable upon each of the Series 2006 Bonds to be redeemed the redemption price or the specified portions thereof, in the case of Series 2006 Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest shall cease to accrue and be payable on such Series 2006 Bonds or portions thereof so redeemed.

In the case of an optional redemption of the Series 2006 Bonds, any notice of redemption may state that (i) it is conditioned upon the deposit of moneys with the Paying Agent or an escrow agent, no later than the redemption date, in an amount equal to the amount necessary to effect the redemption; or (ii) the City retains the right to rescind such notice of redemption on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Finance Director delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Series 2006 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the City to make such funds available shall constitute an Event of Default. The Paying Agent shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Series 2006 Bonds called for redemption and not so paid remain Outstanding.

In the event that only part of the principal sum of any Series 2006 Bond shall be called for redemption or prepaid, payment of the amount to be redeemed or prepaid shall be made only upon surrender of such Series 2006 Bond to the Bond Registrar. Upon surrender of such Series 2006 Bond, the Bond Registrar shall execute and deliver to the registered owner thereof, at the designated office of the Bond Registrar, new duly executed Series 2006 Bonds, of authorized principal sums equal in aggregate principal amount to, and of the same maturity and interest rate as, the unredeemed portion of the Series 2006 Bond surrendered.

Effect of Redemption: On the date so designated for redemption, notice having been mailed and filed in the manner and under the conditions described in the Resolution pursuant to which the Series 2006 Bonds were issued, the Series 2006 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2006 Bonds on such redemption date and, moneys for payment of the redemption price being held in separate accounts by the Finance Director or by the Paying Agent in trust for the Holders of the Series 2006 Bonds to be redeemed, interest on the Series 2006 Bonds so called for redemption shall cease to accrue, such Series 2006 Bonds shall cease to be entitled to any lien, benefit or security under the Resolution pursuant to which the Series 2006 Bonds were issued, and the Holders or registered owners of the Series 2006 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon.

As long as a book-entry system is used for determining beneficial ownership of Series 2006 Bonds, notice of redemption will be sent to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Series 2006 Bonds.

\$100,000,000
CITY OF FORT LAUDERDALE, FLORIDA
WATER AND SEWER REVENUE BONDS, SERIES 2006

Summary of Remaining Debt Service Requirements

| Bond Year Ending September 1 | Interest Rate | Principal | Interest | Total |
|---|----------------------|----------------------|----------------------|-----------------------|
| 2015 | 4.000% | \$ 1,925,000 | \$ 3,976,212 | \$ 5,901,212 |
| 2016 | 4.000 | 2,020,000 | 3,898,212 | 5,918,212 |
| 2017 | 4.125 | 2,095,000 | 3,815,962 | 5,910,962 |
| 2018 | 4.250 | 2,175,000 | 3,728,044 | 5,903,044 |
| 2019 | 4.375 | 2,255,000 | 3,634,166 | 5,889,166 |
| 2020 | 5.000 | 2,345,000 | 3,530,900 | 5,875,900 |
| 2021 | 5.000 | 2,430,000 | 3,412,525 | 5,842,525 |
| 2022 | 5.000 | 2,535,000 | 3,289,900 | 5,824,900 |
| 2023 | 5.000 | 2,660,000 | 3,161,525 | 5,821,525 |
| 2024 | 5.000 | 2,780,000 | 3,027,150 | 5,807,150 |
| 2025 | 5.000 | 2,915,000 | 2,886,400 | 5,801,400 |
| 2026 | 5.000 | 3,055,000 | 2,738,900 | 5,793,900 |
| 2027 | 4.125 | 3,200,000 | 2,591,209 | 5,791,209 |
| 2028 | 4.250 | 3,335,000 | 2,456,838 | 5,791,838 |
| 2029 | 5.000 | 3,480,000 | 2,307,162 | 5,787,162 |
| 2030 | 5.000 | 3,625,000 | 2,131,287 | 5,756,287 |
| 2031 | 5.000 | 3,785,000 | 1,948,162 | 5,733,162 |
| 2032 | 4.250 | 9,630,000 | 1,704,512 | 11,334,512 |
| 2033 | 4.250 | 10,065,000 | 1,290,669 | 11,355,669 |
| 2034 | 4.500 | 10,525,000 | 851,513 | 11,376,513 |
| 2035 | 4.500 | 11,000,000 | 372,713 | 11,372,713 |
| | | \$ 87,835,000 | \$ 56,753,961 | \$ 144,588,961 |



CITY OF FORT LAUDERDALE

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BANK LOANS

SPECIAL OBLIGATION BONDS CITY OF FORT LAUDERDALE, FLORIDA CONSOLIDATED DEBT SERVICE

Summary of Remaining Debt Service Requirements

| Fiscal Year* | Total | \$7,218,000 Series 2011A | \$2,546,000 Series 2011B | \$14,015,000 Series 2010A | \$10,095,000 Series 2010B |
|---------------------|----------------------|-------------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|
| 2015 | \$ 3,411,778 | \$ 596,550 | \$ 395,283 | \$ 1,430,397 | \$ 989,548 |
| 2016 | 3,412,494 | 597,108 | 395,499 | 1,430,375 | 989,512 |
| 2017 | 3,411,617 | 596,294 | 395,495 | 1,430,319 | 989,509 |
| 2018 | 3,413,179 | 597,093 | 396,249 | 1,430,313 | 989,524 |
| 2019 | 3,290,046 | 596,489 | 395,780 | 1,308,236 | 989,541 |
| 2020 | 2,894,262 | 596,483 | - | 1,308,236 | 989,543 |
| 2021 | 1,586,559 | 597,045 | - | - | 989,514 |
| 2022 | 1,585,715 | 596,175 | - | - | 989,540 |
| 2023 | 596,858 | 596,858 | - | - | - |
| 2024 | 597,064 | 597,064 | - | - | - |
| 2025 | 596,793 | 596,793 | - | - | - |
| 2026 | 597,030 | 597,030 | - | - | - |
| 2027 | 596,761 | 596,761 | - | - | - |
| | \$ 25,990,156 | \$ 7,757,743 | \$ 1,978,306 | \$ 8,337,876 | \$ 7,916,231 |

* Series 2011A and 2011B: Bond year ending November 1; Series 2010A and 2010B: Bond year ending September 1

\$7,218,000

**CITY OF FORT LAUDERDALE, FLORIDA
SPECIAL OBLIGATION BOND, SERIES 2011A**

Dated: September 9, 2011

Purpose

The Series 2011A Bond was issued to provide funds to (i) finance a portion of the cost of the acquisition, construction, renovation, improvement and equipping of certain capital improvements within the City and (ii) pay the cost of issuance of the Series 2011A Bond.

Security

The Series 2011A Bond is secured by a pledge of the City's legally available non-ad valorem tax revenues deposited into a sinking fund to pay the principal and interest thereon and any investment earnings on sinking fund amounts.

Form

\$7,218,000 Special Obligation Bond, Series 2011A due November 1, 2026. The Series 2011A Bond was issued only in fully registered form. Interest on the Series 2011A Bond is payable semi-annually on each May 1 and November 1.

Bondholder: Pinnacle Public Finance, Inc.

Credit Enhancement: None

Agents

Bond Registrar and Paying Agent: The City's Director of Finance

Ratings: Not Rated

Optional Redemption

The Series 2011A Bond is subject to optional prepayment by the City upon ten (10) days prior notice to the bondholder, in whole, but not in part, on any scheduled payment date at the prepayment price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the date fixed for prepayment.

Mandatory Sinking Fund Redemption

The Series 2011A Bond is subject to mandatory sinking fund prepayment in part prior to maturity through the application of Amortization Requirements set forth below, at a prepayment price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the prepayment date, on November 1 of each year in the amount of the Amortization Requirement for each year specified below:

| Due (November 1) | Amortization Requirement | Due (November 1) | Amortization Requirement |
|-----------------------------|-------------------------------------|-----------------------------|-------------------------------------|
| 2014 | \$ 411,000 | 2021 | \$ 506,000 |
| 2015 | 424,000 | 2022 | 522,000 |
| 2016 | 436,000 | 2023 | 538,000 |
| 2017 | 450,000 | 2024 | 554,000 |
| 2018 | 463,000 | 2025 | 571,000 |
| 2019 | 477,000 | 2026* | 588,000 |
| 2020 | 492,000 | | |

*Final Maturity

\$7,218,000
CITY OF FORT LAUDERDALE, FLORIDA
SPECIAL OBLIGATION BOND, SERIES 2011A

Summary of Remaining Debt Service Requirements

| Bond Year Ending November 1 | Interest Rate | Principal | Interest | Total |
|--|----------------------|---------------------|---------------------|---------------------|
| 2014 | 2.980% | \$ 411,000 | \$ 185,550 | \$ 596,550 |
| 2015 | 2.980 | 424,000 | 173,108 | 597,108 |
| 2016 | 2.980 | 436,000 | 160,294 | 596,294 |
| 2017 | 2.980 | 450,000 | 147,093 | 597,093 |
| 2018 | 2.980 | 463,000 | 133,489 | 596,489 |
| 2019 | 2.980 | 477,000 | 119,483 | 596,483 |
| 2020 | 2.980 | 492,000 | 105,045 | 597,045 |
| 2021 | 2.980 | 506,000 | 90,175 | 596,175 |
| 2022 | 2.980 | 522,000 | 74,858 | 596,858 |
| 2023 | 2.980 | 538,000 | 59,064 | 597,064 |
| 2024 | 2.980 | 554,000 | 42,793 | 596,793 |
| 2025 | 2.980 | 571,000 | 26,030 | 597,030 |
| 2026 | 2.980 | 588,000 | 8,761 | 596,761 |
| | | \$ 6,432,000 | \$ 1,325,744 | \$ 7,757,744 |

\$2,546,000

**CITY OF FORT LAUDERDALE, FLORIDA
SPECIAL OBLIGATION BOND, SERIES 2011B**

Dated: September 9, 2011

Purpose

The Series 2011B Bond was issued to provide funds to (i) finance a portion of the cost of the replacement of the City's 800MHz Public Safety/Public Services Radio Communication System and (ii) pay the cost of issuance of the Series 2011B Bond.

Security

The Series 2011B Bond is secured by a pledge of the City's legally available non-ad valorem tax revenues deposited into a sinking fund to pay the principal and interest thereon and any investment earnings on sinking fund amounts.

Form

\$2,546,000 Special Obligation Bond, Series 2011B due November 1, 2018. The Series 2011B Bond was issued only in fully registered form. Interest on the Series 2011B Bond is payable semi-annually on each May 1 and November 1.

Bondholder: Pinnacle Public Finance, Inc.

Credit Enhancement: None

Agents

Bond Registrar and Paying Agent: The City's Director of Finance.

Ratings: Not Rated

Optional Redemption

The Series 2011B Bond is subject to optional prepayment by the City upon ten (10) days prior notice to the bondholder, in whole, but not in part, on any scheduled payment date at the prepayment price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date fixed for prepayment.

Mandatory Sinking Fund Redemption

The Series 2011B Bond is subject to mandatory sinking fund prepayment in part prior to maturity through the application of Amortization Requirements set forth below, at a prepayment price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the prepayment date, on November 1 of each year in the amount of the Amortization Requirement for each year specified below:

| Due (November 1) | Amortization Requirement | Due (November 1) | Amortization Requirement |
|-----------------------------|-------------------------------------|-----------------------------|-------------------------------------|
| 2014 | \$ 354,000 | 2017 | \$ 382,000 |
| 2015 | 363,000 | 2018* | 391,000 |
| 2016 | 372,000 | | |

*Final Maturity

\$2,546,000

**CITY OF FORT LAUDERDALE, FLORIDA
SPECIAL OBLIGATION BOND, SERIES 2011B**

Summary of Remaining Debt Service Requirements

| Bond Year Ending November 1 | Interest Rate | Principal | Interest | Total |
|--|----------------------|---------------------|-------------------|---------------------|
| 2014 | 2.450% | \$ 354,000 | \$ 41,283 | \$ 395,283 |
| 2015 | 2.450 | 363,000 | 32,499 | 395,499 |
| 2016 | 2.450 | 372,000 | 23,495 | 395,495 |
| 2017 | 2.450 | 382,000 | 14,249 | 396,249 |
| 2018 | 2.450 | 391,000 | 4,780 | 395,780 |
| | | \$ 1,862,000 | \$ 116,307 | \$ 1,978,307 |

\$14,015,000
CITY OF FORT LAUDERDALE, FLORIDA
SPECIAL OBLIGATION REFUNDING BOND, SERIES 2010A

Dated: October 29, 2010

Purpose

The Series 2010A Bond was issued to provide funds, together with any other moneys that may be legally available for such purpose, to (i) prepay in full the City's Special Obligation Refunding Bond, Series 2008A and (ii) pay the costs of issuance of the Series 2010A Bond.

Security

The Series 2010A Bond is secured by a pledge of the City's legally available non-ad valorem tax revenues deposited into a sinking fund to pay the principal and interest thereon and any investment earnings on sinking fund amounts.

Form

\$14,015,000 Special Obligation Refunding Bond, Series 2010A due September 1, 2020. The Series 2010A Bond was issued only in fully registered form. Interest on the Series 2010A Bond is payable semi-annually on each March 1 and September 1.

Bondholder: Branch Banking & Trust Company

Credit Enhancement: None

Agents

Bond Registrar and Paying Agent: The City's Director of Finance.

Ratings: Not Rated

Optional Redemption

The Series 2010A Bond is subject to optional prepayment by the City upon ten (10) days prior notice to the bondholder, in whole, but not in part, on any scheduled payment date at the prepayment price equal to one hundred one percent (101%) of the principal amount thereof or the portion thereof to be redeemed, plus accrued interest to the date fixed for prepayment.

Mandatory Sinking Fund Redemption

The Series 2010A Bond is subject to mandatory sinking fund prepayment in part prior to maturity through the application of Amortization Requirements set forth below, at a prepayment price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the prepayment date, on September 1 of each year in the amount of the Amortization Requirement for each year specified below:

| <u>Due (September 1)</u> | <u>Amortization Requirement</u> | <u>Due (September 1)</u> | <u>Amortization Requirement</u> |
|------------------------------|-------------------------------------|------------------------------|-------------------------------------|
| 2015 | \$ 1,243,700 | 2018 | \$ 1,336,500 |
| 2016 | 1,273,900 | 2019 | 1,246,900 |
| 2017 | 1,304,800 | 2020* | 1,277,200 |

*Final Maturity

\$14,015,000
CITY OF FORT LAUDERDALE, FLORIDA
SPECIAL OBLIGATION REFUNDING BOND, SERIES 2010A

Summary of Remaining Debt Service Requirements

| Bond Year Ending September 1 | Interest Rate | Principal | Interest | Total |
|---|----------------------|---------------------|-------------------|---------------------|
| 2015 | 2.430% | \$ 1,243,700 | \$ 186,697 | \$ 1,430,397 |
| 2016 | 2.430 | 1,273,900 | 156,475 | 1,430,375 |
| 2017 | 2.430 | 1,304,800 | 125,519 | 1,430,319 |
| 2018 | 2.430 | 1,336,500 | 93,813 | 1,430,313 |
| 2019 | 2.430 | 1,246,900 | 61,336 | 1,308,236 |
| 2020 | 2.430 | 1,277,200 | 31,036 | 1,308,236 |
| | | \$ 7,683,000 | \$ 654,876 | \$ 8,337,876 |

\$10,095,000
CITY OF FORT LAUDERDALE, FLORIDA
SPECIAL OBLIGATION REFUNDING BOND, SERIES 2010B

Dated: October 29, 2010

Purpose

The Series 2010B Bond was issued to (i) provide funds, together with any other moneys that may be legally available for such purpose, to refinance and pay at maturity the principal of and interest on the City's Special Obligation Note, Series 2008B and (ii) pay the costs of issuance of the Series 2010B Bond.

Security

The Series 2010B Bond is secured by a pledge of the City's legally available non-ad valorem tax revenues deposited into a sinking fund to pay the principal and interest thereon and any investment earnings on sinking fund amounts.

Form

\$10,095,000 Special Obligation Refunding Bond, Series 2010B due September 1, 2022. The Series 2010B Bond was issued only in fully registered form. Interest on the Series 2010B Bond is payable semi-annually on each March 1 and September 1.

Bondholder: Branch Banking & Trust Company

Credit Enhancement: None

Agents

Bond Registrar and Paying Agent: The City's Director of Finance.

Ratings: Not Rated

Optional Redemption

The Series 2010B Bond is subject to optional prepayment by the City upon ten (10) days prior notice to the bondholder, in whole, but not in part, on any scheduled payment date at the prepayment price equal to one hundred one percent (101%) of the principal amount thereof or the portion thereof to be redeemed, plus accrued interest to the date fixed for prepayment.

Mandatory Sinking Fund Redemption

The Series 2010B Bond is subject to mandatory sinking fund prepayment in part prior to maturity through the application of Amortization Requirements set forth below, at a prepayment price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the prepayment date, on September 1 of each year in the amount of the Amortization Requirement for each year specified below:

| <u>Due (September 1)</u> | <u>Amortization Requirement</u> | <u>Due (September 1)</u> | <u>Amortization Requirement</u> |
|------------------------------|-------------------------------------|------------------------------|-------------------------------------|
| 2015 | \$ 802,100 | 2019 | \$ 890,900 |
| 2016 | 823,400 | 2020 | 914,600 |
| 2017 | 845,300 | 2021 | 938,900 |
| 2018 | 867,800 | 2022* | 963,900 |

*Final Maturity

\$10,095,000

**CITY OF FORT LAUDERDALE, FLORIDA
SPECIAL OBLIGATION REFUNDING BOND, SERIES 2010B**

Summary of Remaining Debt Service Requirements

| Bond Year Ending September 1 | Interest Rate | Principal | Interest | Total |
|---|----------------------|---------------------|-------------------|---------------------|
| 2015 | 2.660% | \$ 802,100 | \$ 187,448 | \$ 989,548 |
| 2016 | 2.660 | 823,400 | 166,112 | 989,512 |
| 2017 | 2.660 | 845,300 | 144,209 | 989,509 |
| 2018 | 2.660 | 867,800 | 121,724 | 989,524 |
| 2019 | 2.660 | 890,900 | 98,641 | 989,541 |
| 2020 | 2.660 | 914,600 | 74,943 | 989,543 |
| 2021 | 2.660 | 938,900 | 50,614 | 989,514 |
| 2022 | 2.660 | 963,900 | 25,640 | 989,540 |
| | | \$ 7,046,900 | \$ 869,331 | \$ 7,916,231 |

OTHER DEBT FINANCING

State Revolving Fund Loans

In addition to the issuance of Bonds, in connection with improvements to the Water and Sewer System, the City has borrowed funds from the State of Florida revolving loan program (the "SRF"). Although not currently contemplated, the City may obtain additional SRF loans for capital needs in the future. Such SRF loans have not been incurred by the City, and are not expected to be incurred by the City in the future, as Additional Bonds or Alternative Parity Debt under the Resolution authorizing the issuance of Bonds for the Water and Sewer System. As a result, such SRF loans are currently, and if obtained in the future are expected to be, payable from and secured by Net Revenues on a basis that is junior and subordinate to the pledge of and lien on Net Revenues in favor of the Bonds or Alternative Parity Debt issued, or to be issued, under the Resolution authorizing the issuance of Bonds for the Water and Sewer System.

The City began borrowing funds through the SRF loan program in 2003. The SRF program has lending rates that are approximately fifty-five percent (55%) of the average for the municipal bond cost index. The below market rate makes this financing source attractive though there are additional administrative costs associated with the SRF loan program. The SRF source of funding has been limited because of demand and other circumstances beyond the City's control. The City maximized its use of this funding source, which is projected to result in reduced costs of approximately \$30 million over the life of the loans when compared to revenue bonds. The City has executed SRF loan agreements totaling almost \$104 million, with approximately \$102 million available for capital improvement funding, of which nearly all available funds have been expended. An average annual debt service of approximately \$6.6 million for the total SRF loans outstanding is payable by the City through FY 2028.



CITY OF FORT LAUDERDALE

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SUBSEQUENT EVENTS

\$121,520,000

**CITY OF FORT LAUDERDALE, FLORIDA
WATER AND SEWER REVENUE REFUNDING BONDS, SERIES 2014**

Dated: December 3, 2014

Purpose

The Series 2014 Bonds were issued and used, together with other legally available funds of the City, to (i) advance refund \$31,865,000 of the City's outstanding Water and Sewer Revenue Bonds, Series 2006 and \$98,660,000 of the City's outstanding Water and Sewer Revenue Bonds, Series 2008, which were originally issued to pay a portion of the cost of improving and upgrading the City's Water and Sewer System; (ii) pay the costs of issuing the Series 2014 Bonds.

Security

The Series 2014 Bonds are secured by a lien on and pledge of the Net Revenues derived from the City's ownership and operation of the Water and Sewer System and certain other moneys held under the Resolution of the City authorizing issuance of the Series 2014 Bonds.

Form

\$121,520,000 Water and Sewer Revenue Refunding Bonds, Series 2014 due September 1, 2035. The Series 2014 Bonds were issued in book-entry only form and purchasers of the Series 2014 Bonds did not receive certificates representing their interest in the Series 2014 Bonds purchased. Principal of and interest on the Series 2014 Bonds are payable semi-annually on each March 1 and September 1.

Bondholder: Public Offering

Credit Enhancement: None

Agents

Bond Registrar: Regions Bank, Jacksonville, Florida

Paying Agent: Regions Bank, Jacksonville, Florida

Escrow Agent: Regions Bank, Jacksonville, Florida

Ratings: as of October 27, 2014

Moody's: Aa1

Standard & Poor's: AA+

Optional Redemption

The Series 2014 Bonds maturing on or prior to September 1, 2024 are not subject to redemption prior to maturity. The Series 2014 Bonds maturing on or after March 1, 2025 are subject to redemption at the option of the City prior to their respective dates of maturity on or after September 1, 2024, in whole or in part at any time, in any order of maturity selected by the City and by lot within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2014 Bonds to be redeemed, together with accrued interest from the most recent interest payment date to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2014 Bonds maturing on September 1, 2028 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the

redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2028 | \$3,070,000 |
| September 1, 2028 (Final Maturity) | 3,130,000 |

The Series 2014 Bonds maturing on September 1, 2029 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2029 | \$4,915,000 |
| September 1, 2029 (Final Maturity) | 5,010,000 |

The Series 2014 Bonds maturing on September 1, 2030 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2030 | \$5,105,000 |
| September 1, 2030 (Final Maturity) | 5,195,000 |

The Series 2014 Bonds maturing on September 1, 2031 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2031 | \$5,295,000 |
| September 1, 2031 (Final Maturity) | 5,400,000 |

The Series 2014 Bonds maturing on September 1, 2032 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2032 | \$3,540,000 |
| September 1, 2032 (Final Maturity) | 3,615,000 |

The Series 2014 Bonds maturing on September 1, 2033 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2033 | \$3,865,000 |
| September 1, 2033 (Final Maturity) | 3,760,000 |

The Series 2014 Bonds maturing on September 1, 2034 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2034 | \$3,865,000 |
| September 1, 2034 (Final Maturity) | 3,910,000 |

The Series 2014 Bonds maturing on September 1, 2035 are subject to mandatory sinking fund redemption in part prior to maturity by lot through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, on March 1 and September 1 of each year in the following amounts and years specified:

| <u>Due</u> | <u>Amortization Requirement</u> |
|------------------------------------|---------------------------------|
| March 1, 2035 | \$3,990,000 |
| September 1, 2035 (Final Maturity) | 4,070,000 |

Notice of Redemption

Mailing of Notice of Redemption: At least thirty (30), but not more than sixty (60), days before the date set for redemption of any Series 2014 Bonds, either in whole or in part, a notice of such redemption, signed by the Finance Director, shall be (a) filed with the Bond Registrar and (b) mailed, first class mail, postage prepaid, to all registered owners of Series 2014 Bonds to be redeemed at their addresses as they appear on the registration books maintained by the Bond Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall specify the redemption date, the redemption price and the place or places where amounts due upon such redemption will be payable and, if less than all of the Series 2014 Bonds are to be redeemed, the numbers or other distinguishing marks of such Series 2014 Bonds to be redeemed in part only, and the respective portions thereof to be redeemed. Such notice shall further state that on the redemption date there shall become due and payable upon each of the Series 2014 Bonds to be redeemed the redemption price or the specified portions thereof, in the case of Series 2014 Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest shall cease to accrue and be payable on such Series 2012 Bonds or portions thereof so redeemed.

In the case of an optional redemption of the Series 2014 Bonds, any notice of redemption may state that (i) it is conditioned upon the deposit of moneys with the Paying Agent or an escrow agent, no later than the redemption date, in an amount equal to the amount necessary to effect the redemption; or (ii) the City retains the right to rescind such notice of redemption on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Finance Director delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Series 2014

Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the City to make such funds available shall constitute an Event of Default. The Paying Agent shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Series 2014 Bonds called for redemption and not so paid remain Outstanding.

In the event that only part of the principal sum of any Series 2014 Bond shall be called for redemption or prepaid, payment of the amount to be redeemed or prepaid shall be made only upon surrender of such Series 2014 Bond to the Bond Registrar. Upon surrender of such Series 2014 Bond, the Bond Registrar shall execute and deliver to the registered owner thereof, at the designated office of the Bond Registrar, new duly executed Series 2014 Bonds, of authorized principal sums equal in aggregate principal amount to, and of the same maturity and interest rate as, the unredeemed portion of the Series 2014 Bond surrendered.

Effect of Redemption. On the date so designated for redemption, notice having been mailed and filed in the manner and under the conditions described in the Resolution pursuant to which the Series 2014 Bonds were issued, the Series 2014 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2014 Bonds on such redemption date and, moneys for payment of the redemption price being held in separate accounts by the Bond Registrar or by a separate financial institution designated as escrow agent in trust for the Holders of the Series 2014 Bonds to be redeemed, interest on the Series 2014 Bonds so called for redemption shall cease to accrue, such Series 2014 Bonds shall cease to be entitled to any lien, benefit or security under the Resolution pursuant to which the Series 2014 Bonds were issued, and the Holders or registered owners of the Series 2014 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon.

As long as a book-entry system is used for determining beneficial ownership of Series 2014 Bonds, notice of redemption will be sent to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Series 2014 Bonds.

\$121,520,000
CITY OF FORT LAUDERDALE, FLORIDA
WATER AND SEWER REVENUE REFUNDING BONDS, SERIES 2014

Summary of Remaining Debt Service Requirements

| Bond Year Ending September 1 | Interest Rate | Principal | Interest | Total |
|---|----------------------|-----------------------|----------------------|-----------------------|
| 2015 | 5.000% | \$ - | \$ 4,020,558 | \$ 4,020,558 |
| 2016 | 5.000 | - | 5,400,750 | 5,400,750 |
| 2017 | 5.000 | - | 5,400,750 | 5,400,750 |
| 2018 | 5.000 | - | 5,400,750 | 5,400,750 |
| 2019 | 5.000 | 1,975,000 | 5,376,375 | 7,351,375 |
| 2020 | 5.000 | 2,060,000 | 5,276,500 | 7,336,500 |
| 2021 | 5.000 | 4,510,000 | 5,172,625 | 9,682,625 |
| 2022 | 5.000 | 7,160,000 | 4,885,125 | 12,045,125 |
| 2023 | 5.000 | 7,520,000 | 4,522,625 | 12,042,625 |
| 2024 | 5.000 | 7,885,000 | 4,142,250 | 12,027,250 |
| 2025 | 5.000 | 8,275,000 | 3,743,125 | 12,018,125 |
| 2026 | 5.000 | 8,690,000 | 3,324,450 | 12,014,450 |
| 2027 | 5.000 | 5,920,000 | 2,923,875 | 8,843,875 |
| 2028 | 4.000 | 6,200,000 | 2,639,600 | 8,839,600 |
| 2029 | 4.000 | 9,925,000 | 2,354,700 | 12,279,700 |
| 2030 | 4.000 | 10,300,000 | 1,953,900 | 12,253,900 |
| 2031 | 4.000 | 10,695,000 | 1,538,100 | 12,233,100 |
| 2032 | 4.000 | 7,155,000 | 1,145,400 | 8,300,400 |
| 2033 | 4.000 | 7,445,000 | 856,300 | 8,301,300 |
| 2034 | 4.000 | 7,745,000 | 555,500 | 8,300,500 |
| 2035 | 4.000 | 8,060,000 | 242,600 | 8,302,600 |
| | | \$ 121,520,000 | \$ 70,875,858 | \$ 192,395,858 |



CITY OF FORT LAUDERDALE

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APPENDIX A – GLOSSARY

In addition to the definitions set forth below, capitalized terms used but not defined in this Report shall have the meanings ascribed to such terms in the resolutions of the City authorizing issuance of the respective series of bonds to which such capitalized term relates.

"Amortization Requirements" shall mean the amounts required to be deposited in the Redemption Subaccount for any Series of Bonds for the purpose of redeeming prior to their maturity and paying at their maturity the Term Bonds of any Series, the specific amounts and times of such deposits to be determined by the City Commission in a Series Resolution relating to such Series of Bonds.

"Bond Registrar" shall mean either the City or a bank or trust company, either within or without the State of Florida, designated as such by the City Commission in the Series Resolution relating to a Series of Bonds, which shall perform such functions as Bond Registrar and paying agent as required by the Bond Resolution.

"Bondholders" or "Holders" shall mean the registered owners of the Bonds.

"City" shall mean the City of Fort Lauderdale, Florida.

"City Commission" shall mean the City Commission of the City or any successor commission, council, board or body in which the general legislative power of the City shall be vested.

"City Manager" shall mean the City Manager of the City or his or her designee or the officer succeeding to his or her principal functions.

"DAC" acts as disclosure dissemination agent for issuers of municipal bonds, electronically posting and transmitting information to repositories and investors alike.

"DROP" shall mean deferred retirement option program whereby employees may technically retire and collect benefits prior to separation from employment.

"DTC" shall mean The Depository Trust Company, New York, New York.

"Fiscal Year" shall mean the period commencing on the first day of October and ending on the last day of September of the following year, as the same may be amended from time to time to conform to the Fiscal Year of the City.

"Fitch" shall mean Fitch Ratings, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City.

"Mayor" shall mean the Mayor of the City, or in his or her absence, the Vice Mayor of the City, or the officer succeeding to his or her principal functions.

"Moody's Investors Service" or "Moody's" shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if for any reason such corporation shall no longer perform the functions of a securities rating agency, "Moody's Investors Services" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City.

"Net Revenues" for any particular period shall mean the amount of the excess of the Revenues for such period over the Current Expenses for such period.

"OPEB" shall mean Other Post-Employment Benefits.

"Rating Agencies" shall mean each of Moody's Investors Service, Standard & Poor's and Fitch, to the extent that Moody's Investors Service, Standard & Poor's and Fitch then have ratings issued and outstanding in respect of any Bonds.

"Reserve Account Insurance Policy" shall mean an insurance policy, surety bond or other acceptable evidence of insurance, if any, maintained by the City in lieu of or in partial substitution for cash or securities on deposit in the Reserve Account for any Bonds, provided that the entity providing such facility is, at the time of so providing, of sufficient credit quality to entitle debt backed by its facility to be rated in one of the two highest rating categories (without regard to any gradations within such categories) by each of the Rating Agencies.

"Reserve Account Letter of Credit" shall mean an irrevocable, transferable letter of credit, if any, maintained by the City in lieu of or in partial substitution for cash or securities on deposit in the Reserve Account for any Bonds, provided that the entity providing such facility is, at the time of so providing, of sufficient credit quality to entitle debt backed by its facility to be rated in one of the two highest rating categories (without regard to any gradations within such categories) by each of the Rating Agencies.

"Reserve Account Requirement" shall mean an amount equal to the lesser of (i) the Maximum Principal and Interest Requirements for all Outstanding Bonds, (ii) 125% of the average annual Principal and Interest Requirements for all Outstanding Bonds and (iii) 10% of the original proceeds (within the meaning of the Code) of all Series of Bonds Outstanding; provided that, if the Series Resolution corresponding to a Series of Bonds provides for the establishment of a separate subaccount in the Reserve Account to secure only such Series of Bonds (with such Series of Bonds having no claim on the other moneys deposited to the credit of the Reserve Account), the Reserve Account Requirement for such Series of Bonds shall be calculated as set forth in the corresponding Series Resolution. The City shall be permitted to provide all or a portion of the Reserve Account Requirement by the execution and delivery of a Reserve Account Insurance Policy or a Reserve Account Letter of Credit or other similar arrangement which, after its issuance and delivery, will permit the Bond Registrar to receive the full amount covered by such arrangement without further conditions, financial or otherwise.

"Standard & Poor's" shall mean Standard & Poor's Ratings Services, a Division of McGraw- Hill Corporation Investors Services, a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Standard & Poor's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City.

"State Revolving Fund" shall mean the state revolving loan fund established by the State of Florida under the Federal Clean Water Act.

"Term Bonds" shall mean the Bonds of a Series so designated in the Series Resolution for such Bonds.

"Water and Sewer System" shall mean the combined water and sewer system for the supply, treatment and distribution of water and for the collection, transmission, treatment and disposal of sewage, owned and/or operated by the City or on its behalf, together with any Separate Systems consolidated with the Water and Sewer System.

APPENDIX B – VOLUNTARY EVENT NOTICE

Notice of Specified Event

In connection with the issuance by the City of Fort Lauderdale, Florida (the “City”) of various series of bonds, the City has delivered its Continuing Disclosure Commitments (collectively, the “Disclosure Commitments”). The Disclosure Commitments state, among other things, that the City shall provide notice of the occurrence of certain significant events listed therein and may disseminate any other information, using the means of dissemination provided in the Disclosure Commitments for notice of the occurrence of one of the listed events. This Notice of Specified Event provides voluntary disclosure of information relating to the City’s Police and Firefighter’s Retirement System (the “PFRS”), as authorized in the Disclosure Commitments, and is not a required notice of any of the events listed in the Disclosure Commitments. The City’s outstanding Bonds, and the base CUSIP Numbers for such Bonds, as applicable, are as follows:

| <u>Name of Bonds - City of Fort Lauderdale, Florida</u> | <u>CUSIP Number</u> |
|---|---------------------|
| General Obligation Bonds, Series 2011A (Fire-Rescue Facilities) | 347550 |
| General Obligation Refunding Bonds, Series 2011B | 347550 |
| General Obligation Bonds, Series 2005 (Fire-Rescue Facilities) | 347550 |
| Special Obligation Bonds, Series 2011A | None |
| Special Obligation Bonds, Series 2011B | None |
| Special Obligation Refunding Bonds, Series 2010A | None |
| Special Obligation Refunding Bonds, Series 2010B | None |
| Taxable Special Obligation Bonds, Series 2012 (Pension Funding Project) | 347622 |
| Water and Sewer Revenue Refunding Bonds, Series 2014 | 347658 |
| Water and Sewer Revenue Refunding Bonds, Series 2012 | 347658 |
| Water and Sewer Revenue Bonds, Series 2010 | 347658 |
| Water and Sewer Revenue Bonds, Series 2008 | 347658 |
| Water and Sewer Revenue Bonds, Series 2006 | 347658 |

Specified Event

Notice is hereby given that in June 2013, the PFRS changed its Fiscal Year end from December 31st to September 30th to align its Fiscal Year end with the Fiscal Year end for the City and the City’s General Employees Retirement System. The change required the City to recognize a required employer contribution for the short year of the PFRS (January 2013 - September 2013). The effect of such recognition was to increase the net position of the PFRS by \$10,223,809 as of October 1, 2013. The City’s comprehensive annual financial report for the Fiscal Year ended September 30, 2014 reflected a \$10,223,809 decrease in net position/fund balance of the City’s General Fund, but no additional cash payment was required from the City to the PFRS, since the PFRS had received \$28,088,527 as a prepayment by the City of its annual required contribution for Fiscal Year 2013.

Other Matters

No representation is made regarding the effects of the change in the Fiscal Year of the PFRS, except as described above. This Notice of Specified Event does not constitute, and should not be construed as, a statement regarding any other financial or operating information about the City or any of its outstanding Bonds or a representation that no other circumstances or events have occurred which may impact the City's financial condition, results of operations or an investor's decision to buy, sell, or hold any of the City's outstanding Bonds.

City of Fort Lauderdale, Florida

By: Kirk W. Buffington
Director of Finance

Dated: May 6, 2015

-
- * CUSIP numbers are included solely for the convenience of holders and owners of the City's outstanding Bonds. No representation is made as to (and neither the City nor Digital Assurance Certification, L.L.C., as the City's dissemination agent under the Disclosure Commitments, is responsible for) the correctness or accuracy of the CUSIP numbers in this Notice of Specified Event.



FORT LAUDERDALE CITY COMMISSION

Mayor John P. "Jack" Seiler

Vice Mayor, Robert L. McKinzie, District III

Commissioner Bruce G. Roberts, District I

Commissioner Dean J. Trantalis, District II

Commissioner Romney Rogers, District IV

Lee R. Feldman, ICMA-CM, City Manager



WE BUILD COMMUNITY



If you would like this publication in an alternate format, please call (954) 828-4755
or email publicaffairs@fortlauderdale.gov.