

# **TOUGH CHOICES**

FACING FLORIDA'S GOVERNMENTS



## ***Debt Obligations in Florida Local Governments***

**David Matkin**

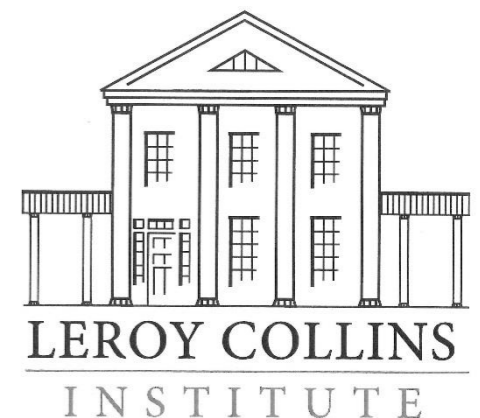
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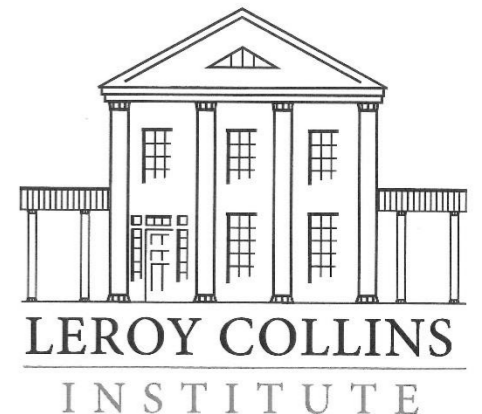
# Introduction

- Expand the Attention from Retirement Benefits to other Types of Long-Term Obligations
- City and County Long-Term Liabilities
- Data from Bloomberg Financial Services
- 395 Cities and 65 Counties
- Unbalanced Panel from 2004 to 2015 (FY)
- Two perspectives:
  - Long-term Liabilities / 2010 Population
  - Total Assets / Total Liabilities



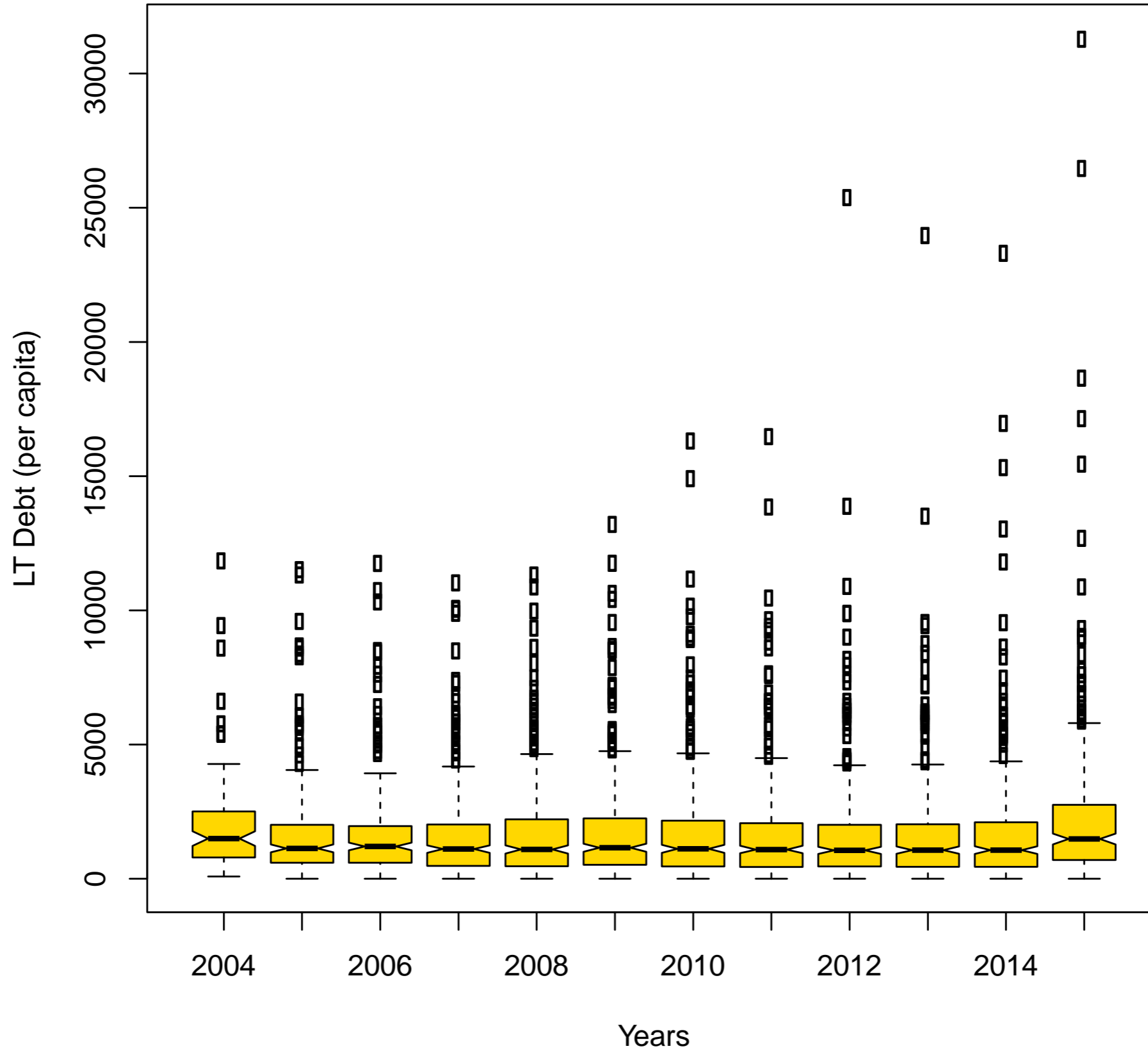
# Key Findings:

- Debt obligations decrease over most of the past decade but there was a large increase in debt obligations in 2015.
- Cities have larger debt obligations (on the books) than Counties.
- There does not appear to be a close relationship between debt obligations and populations growth (2000 to 2010) or population size.
- A handful of local governments stand out with high debt obligations (per capita burden and without assets to cover).

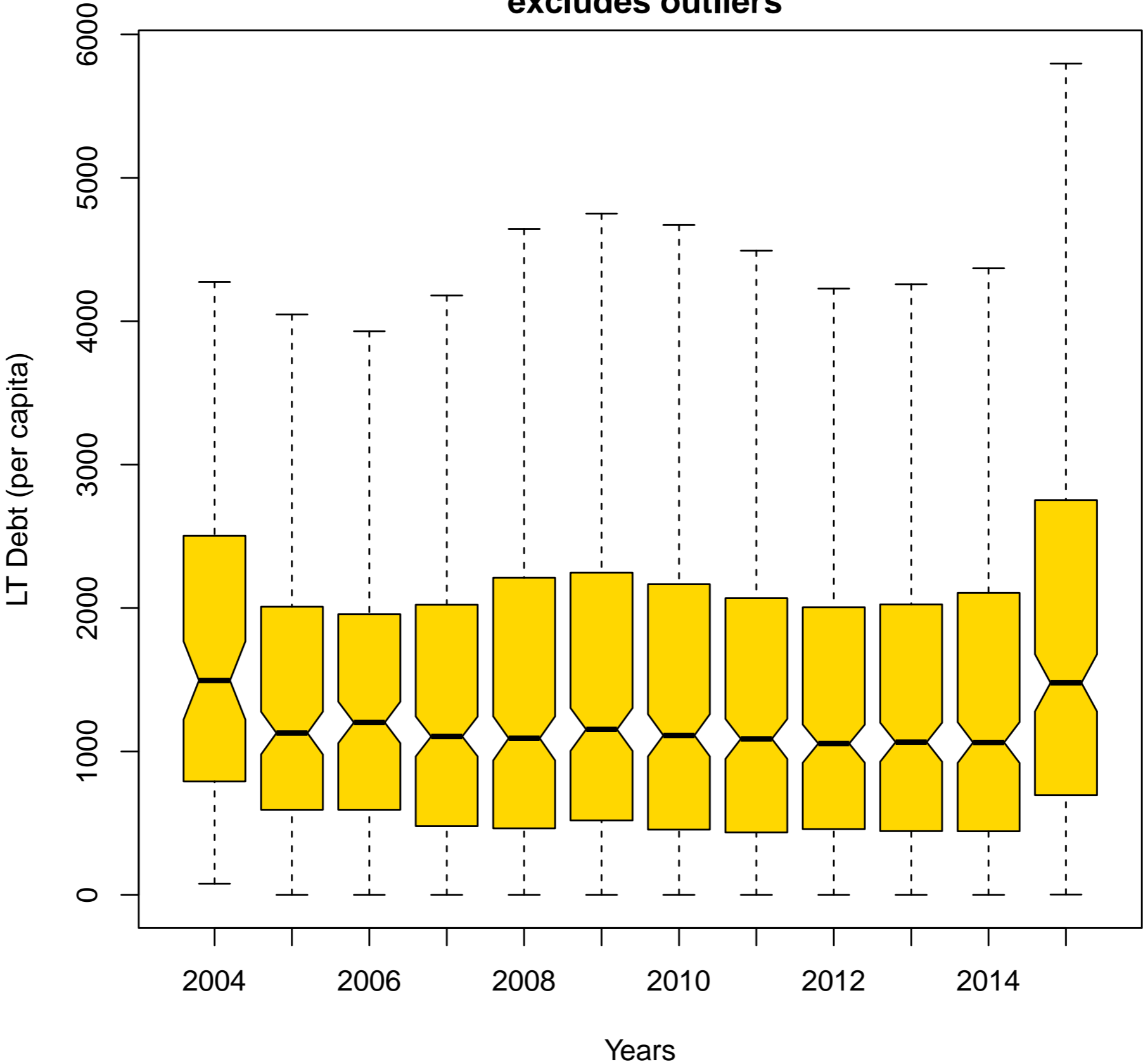


# LT Debt by Year

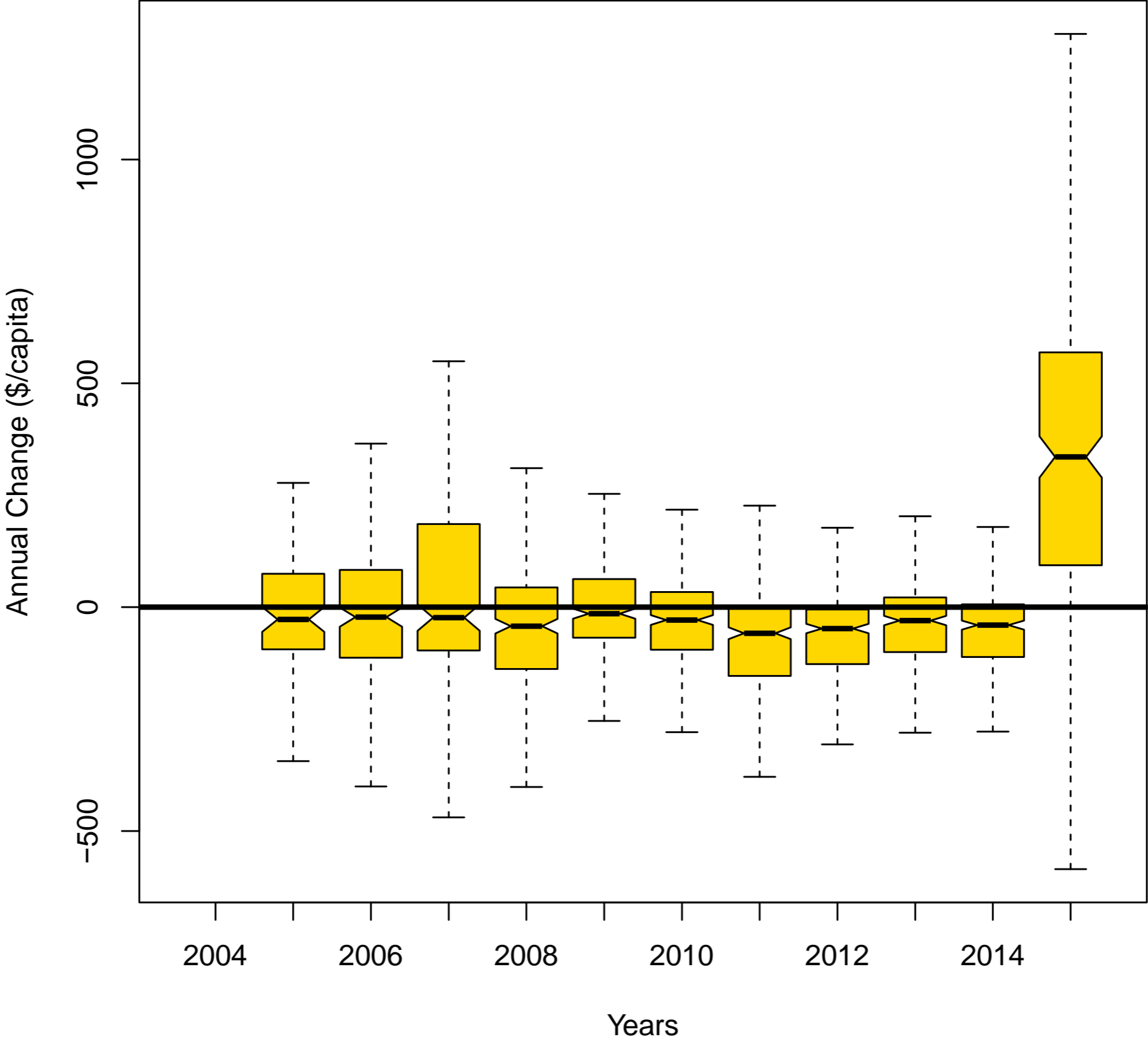
## Governments with > 2,000 population



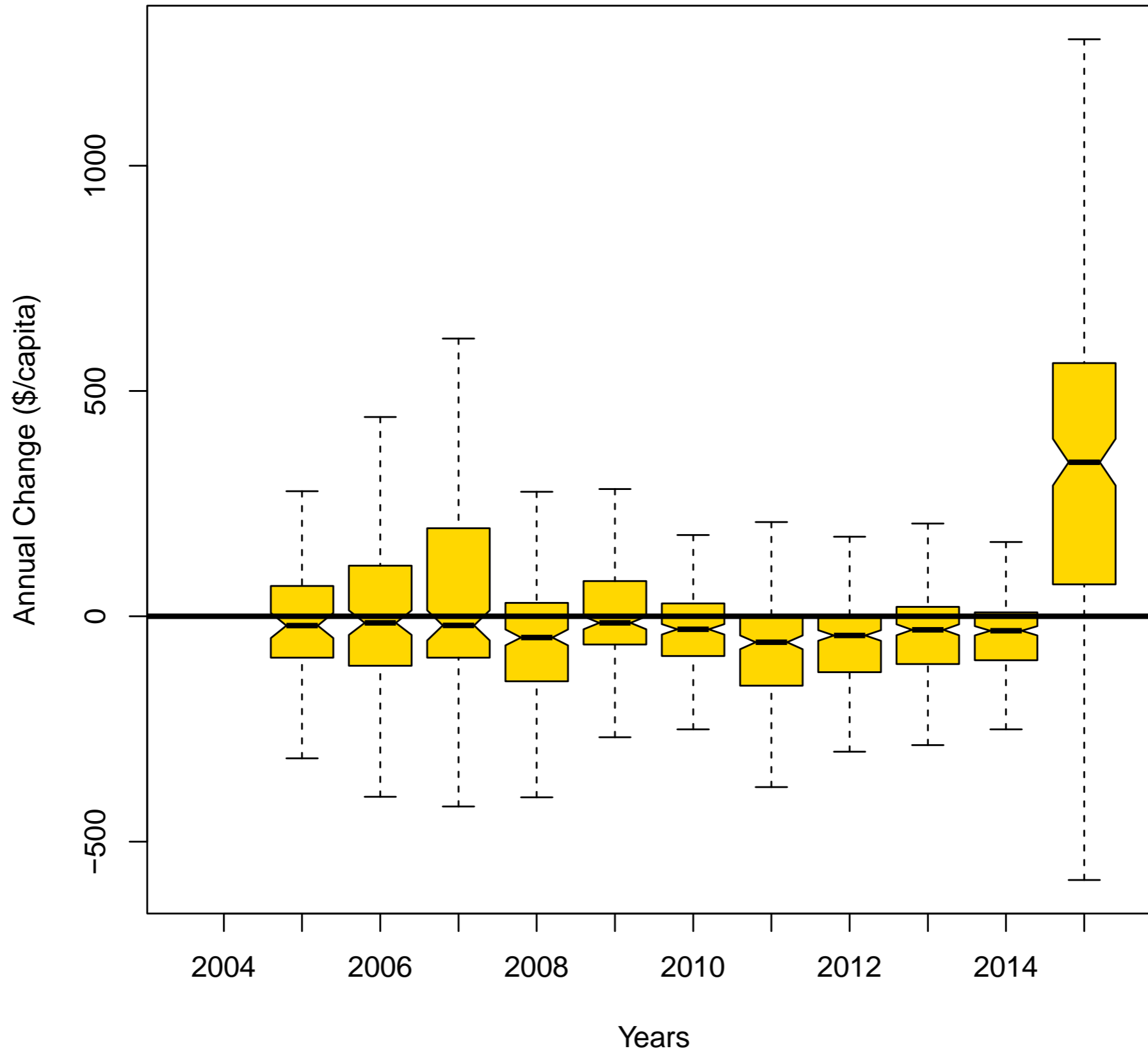
**LT Debt by Year**  
**Governments with > 2,000 population**  
**excludes outliers**



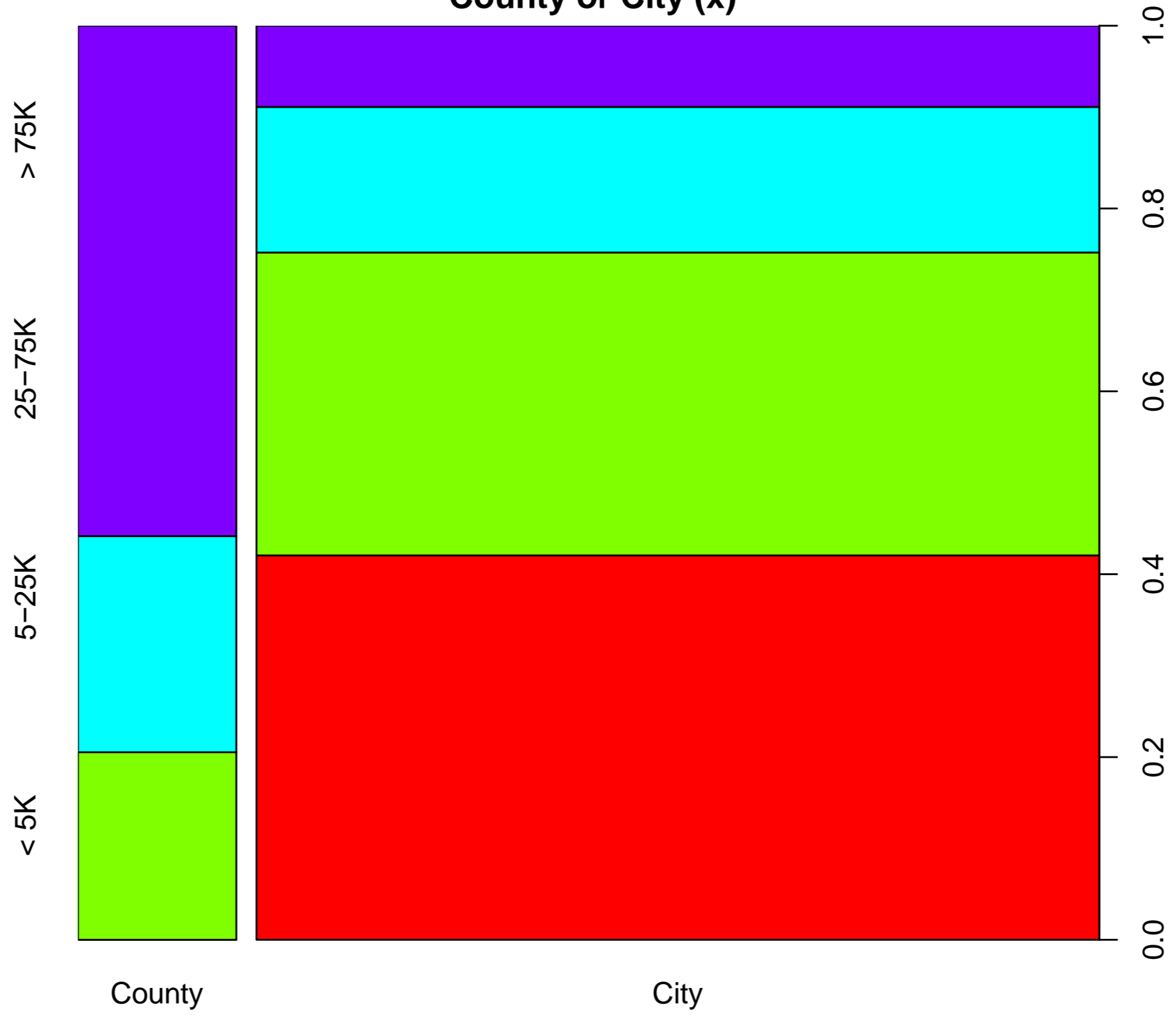
**Annual Change in LT Debt by Year**  
**Governments with > 2,000 population**  
**excludes outliers**



**Annual Change in LT Debt by Year**  
**Governments with > 2,000 population & Report in 2015**  
**excludes outliers**

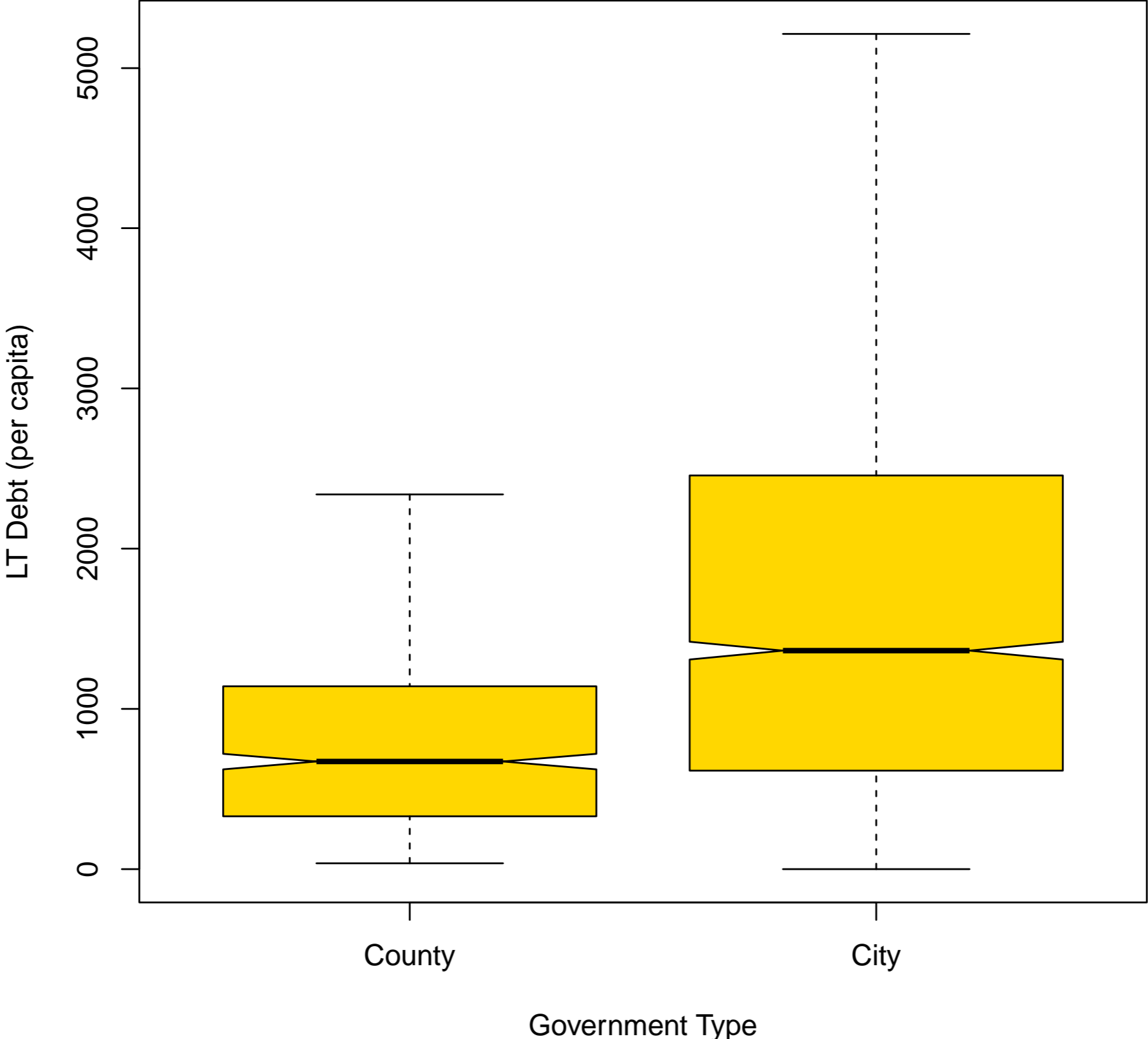


# Composition of Sample Population Size (y) and County or City (x)

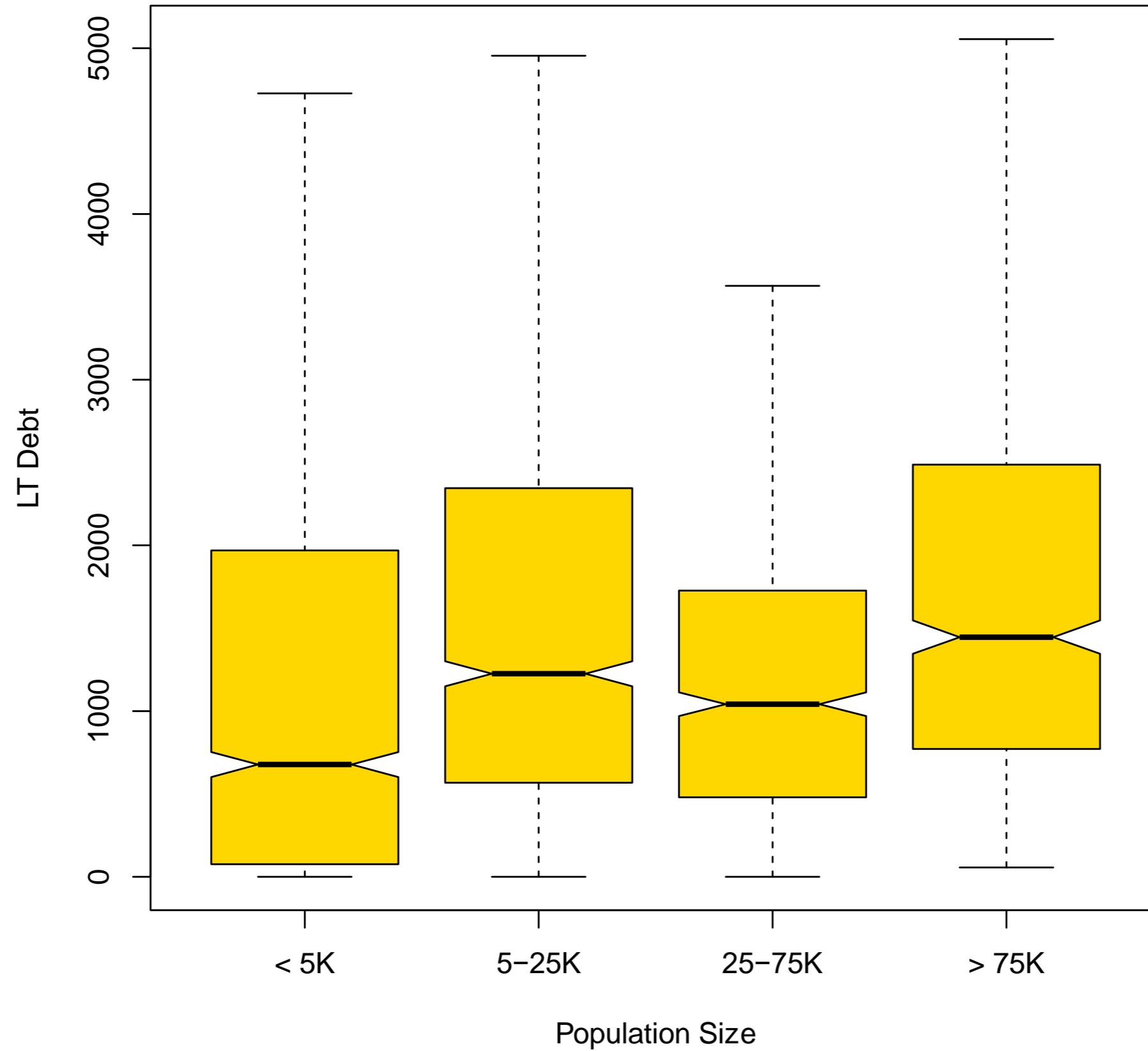




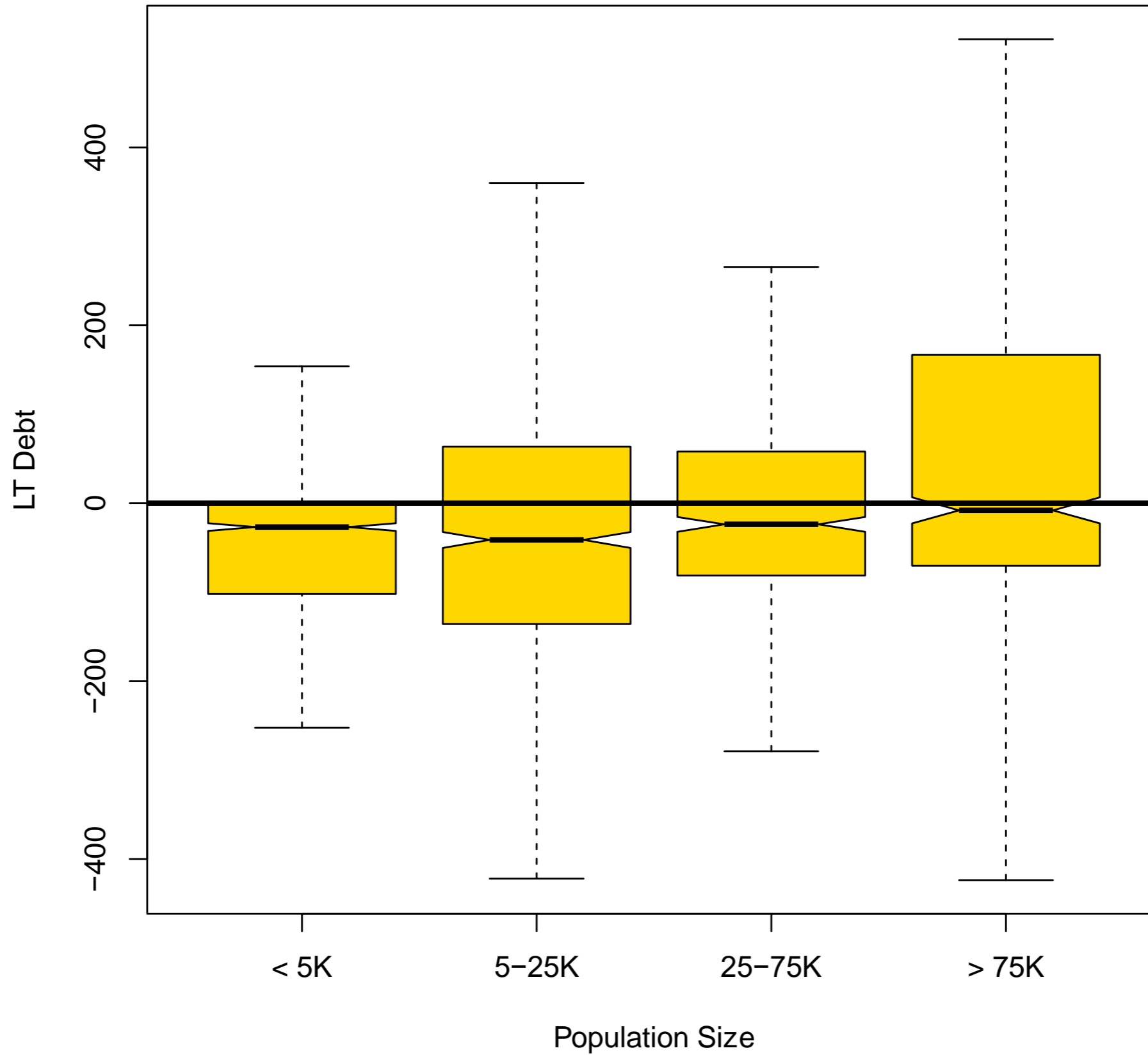
**LT Debt by Government Type**  
**Governments with > 2,000 population**  
**excludes outliers**



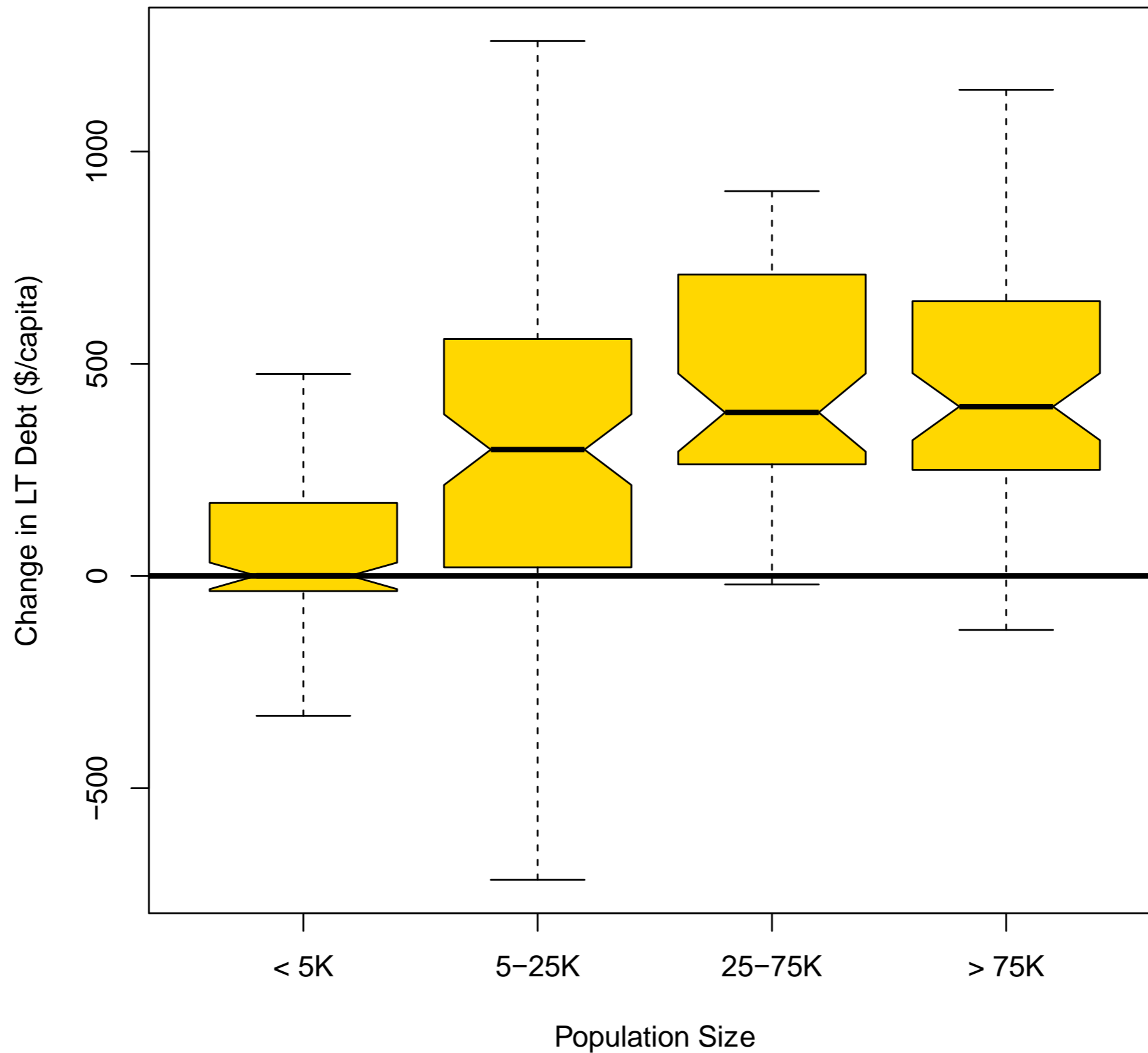
**LT Debt by Government Size**  
**All Governments**  
**excludes outliers**



**Change in LT Debt by Government Size**  
**All Governments**  
**excludes outliers**

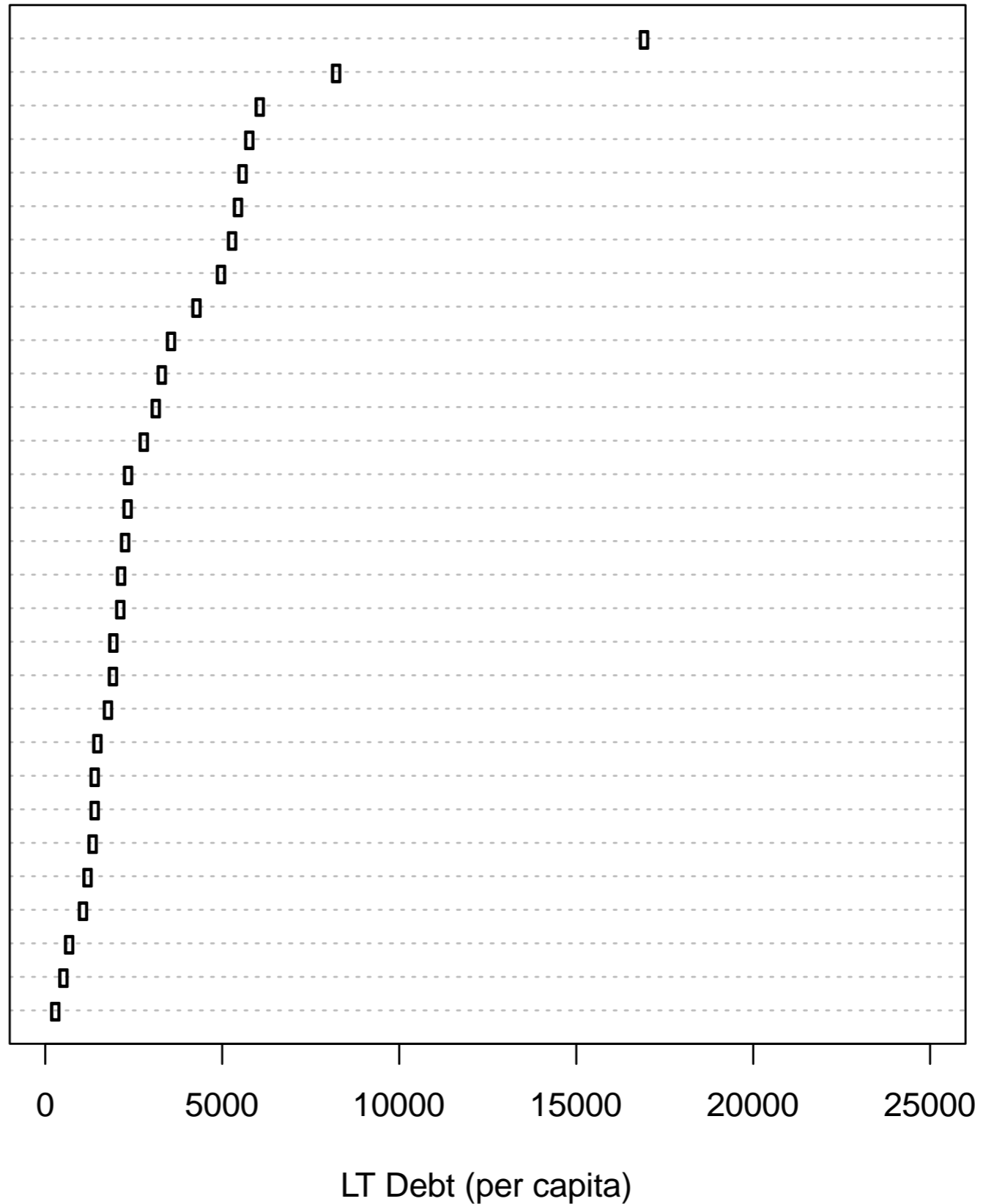


**Change in LT Debt by Government Size**  
**All Governments (2014 to 2015)**  
**excludes outliers**

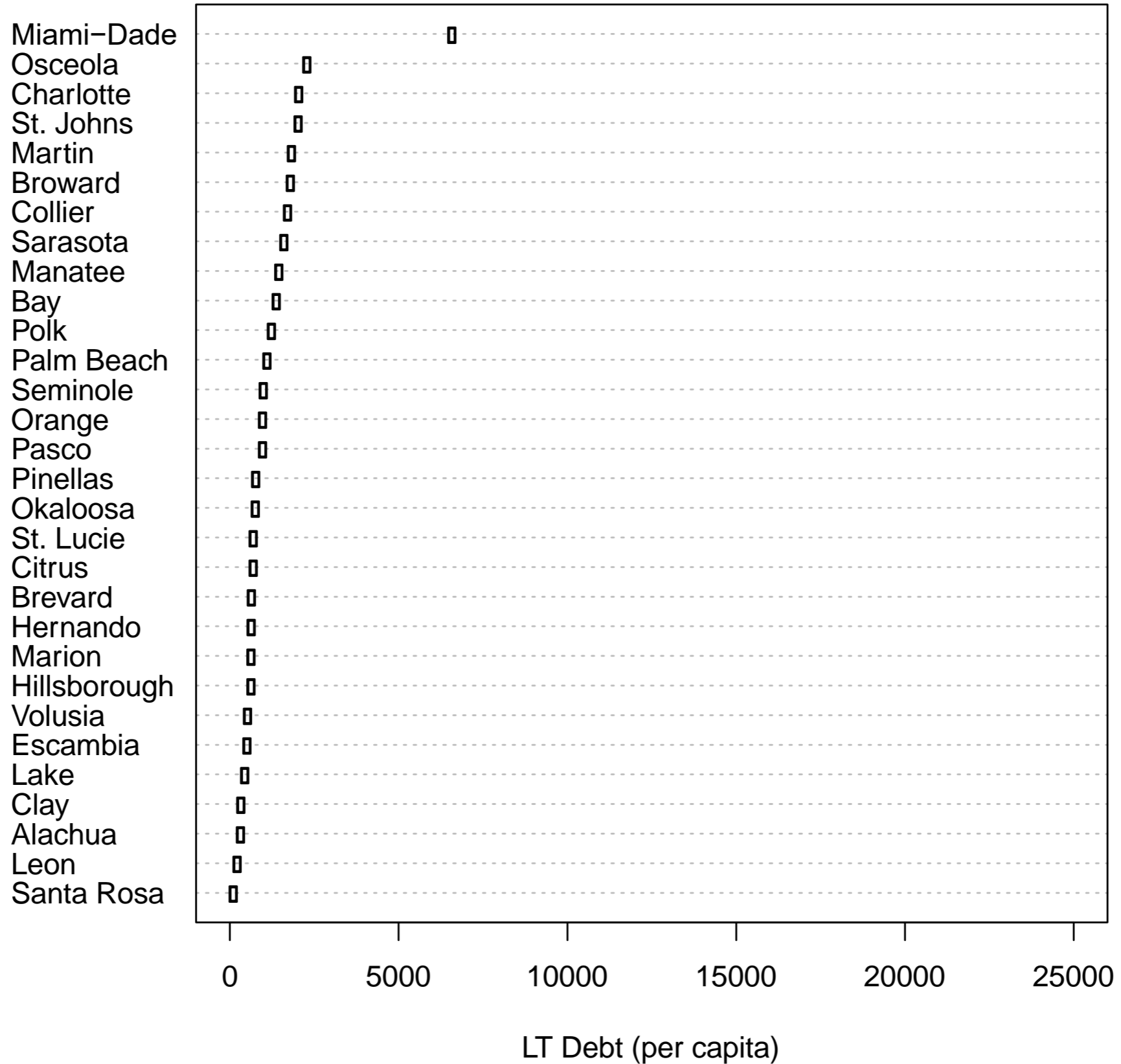


# The 30 Largest (Population) Cities 2014 data

Gainesville  
Lakeland  
Cape Coral  
Tallahassee  
Port St. Lucie  
Miami Beach  
Orlando  
Ft. Lauderdale  
West Palm Beach  
Jacksonville  
Hollywood  
Sunrise  
Miami  
Clearwater  
Palm Coast  
Pembroke Pines  
Tampa  
Davie  
Miramar  
St. Petersburg  
Boynton Beach  
Palm Bay  
Boca Raton  
Miami Gardens  
Hialeah  
Deltona  
Deerfield Beach  
Plantation  
Coral Springs  
Largo

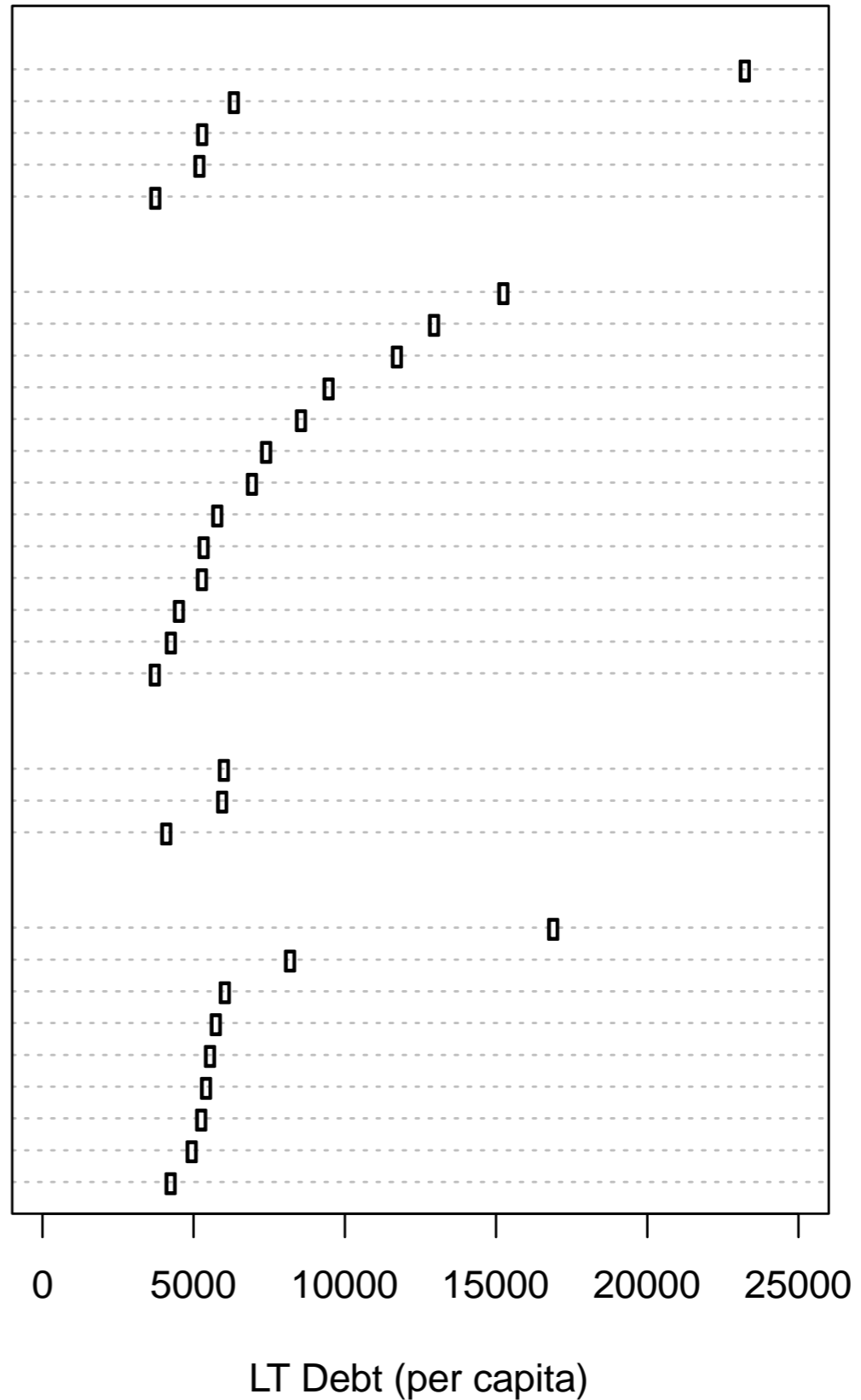


# The 30 Largest (Population) Counties 2014 data

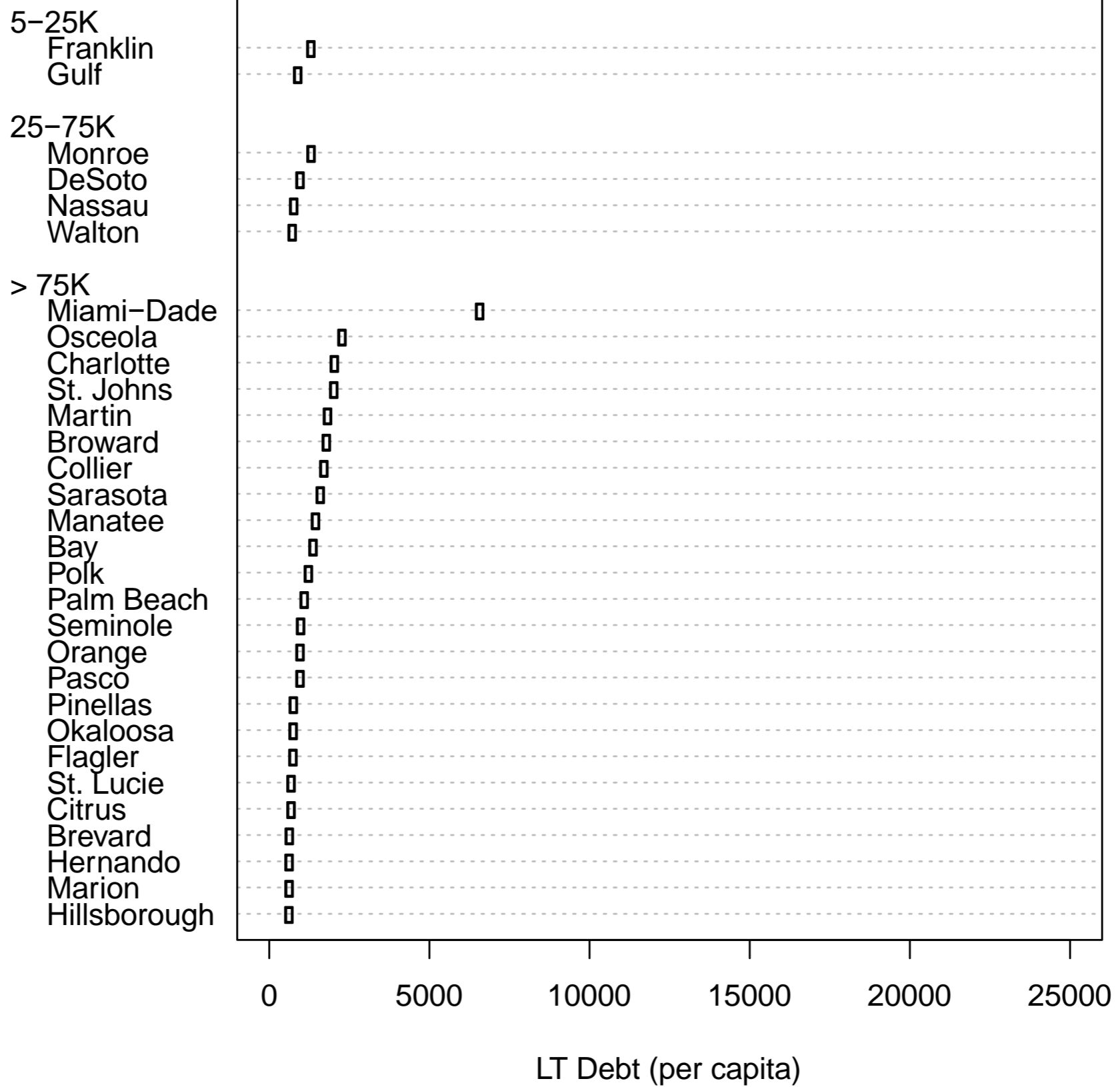


## Cities with the Highest LT Debt Populations > 2,000 2014 data

- < 5K
  - Oakland
  - Daytona Beach Shores
  - Port St. Joe
  - Longboat Key
  - Bal Harbour
- 5-25K
  - Palm Beach
  - Marco Island
  - Islamorada, Village of Islands
  - Marathon
  - Panama City Beach
  - Leesburg
  - Cocoa
  - Sanibel
  - Vero Beach
  - St. Augustine
  - Bay Harbor Islands
  - Gulf Breeze
  - Auburndale
- 25-75K
  - Winter Park
  - Ft. Myers
  - Pensacola
- > 75K
  - Gainesville
  - Lakeland
  - Cape Coral
  - Tallahassee
  - Port St. Lucie
  - Miami Beach
  - Orlando
  - Ft. Lauderdale
  - West Palm Beach



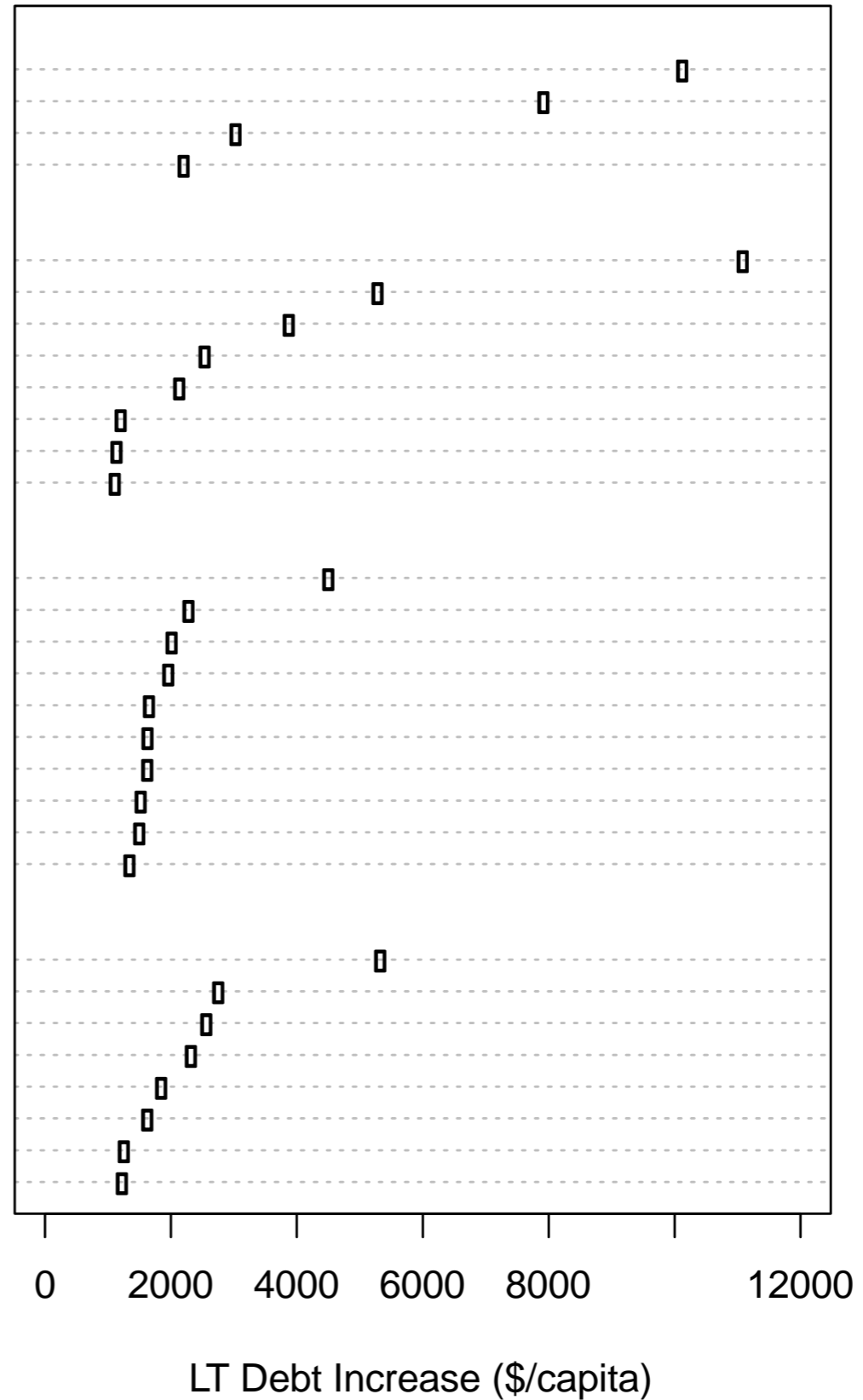
**Counties with the Highest LT Debt**  
**Populations > 2,000**  
**2014 data**



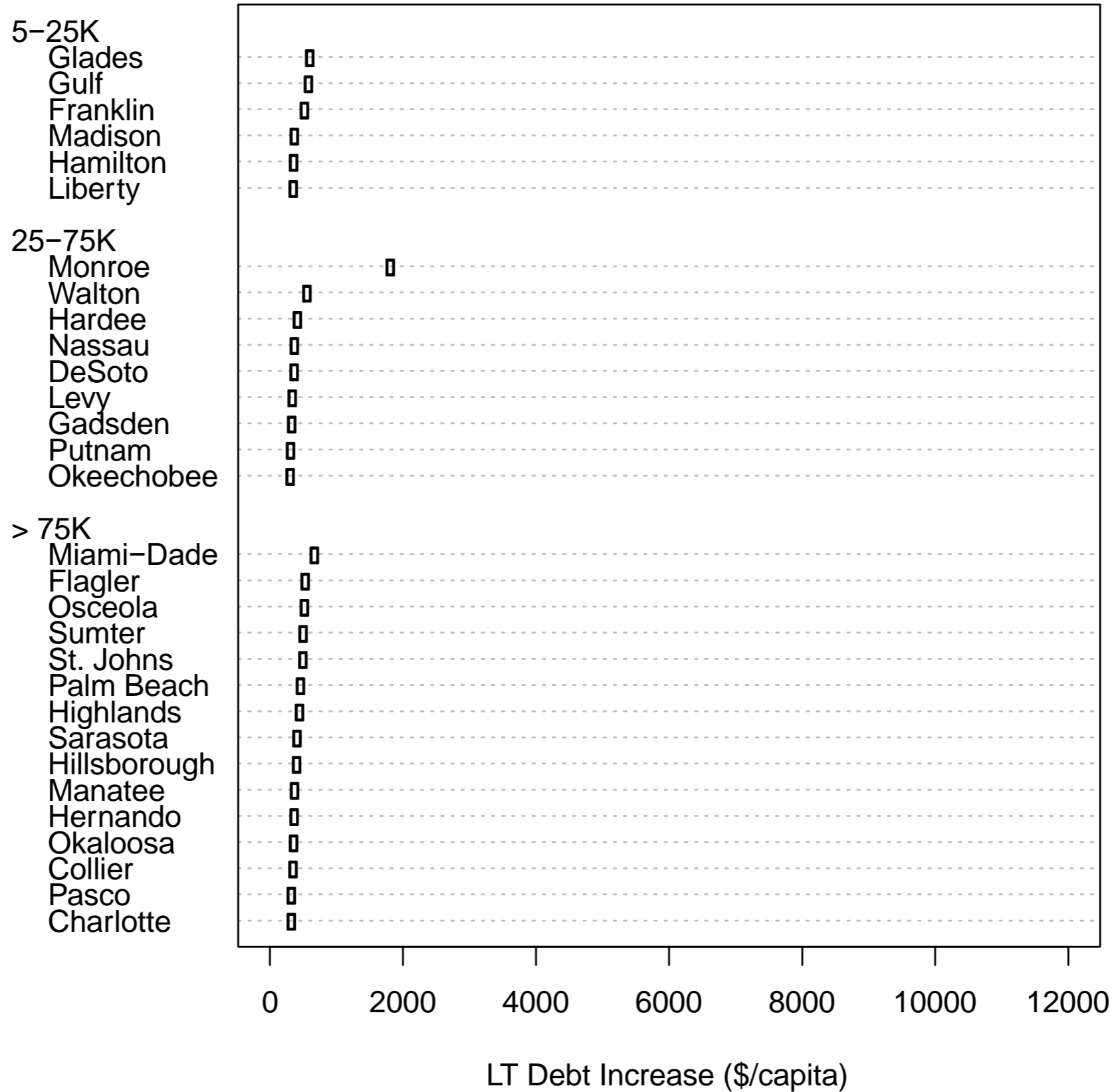


## The Highest LT Debt Increase in 2015 Cities with Populations > 2,000 2014 & 2015 data

- < 5K
  - Longboat Key
  - Oakland
  - Bal Harbour
  - Madeira Beach
- 5-25K
  - Palm Beach
  - Islamorada, Village of Islands
  - St. Pete Beach
  - Venice
  - Vero Beach
  - Fernandina Beach
  - Wilton Manors
  - Temple Terrace
- 25-75K
  - Coral Gables
  - Ft. Myers
  - Lake Worth
  - Ocala
  - North Miami Beach
  - Hallandale Beach
  - Sarasota
  - Pensacola
  - Delray Beach
  - Daytona Beach
- > 75K
  - Miami Beach
  - Hollywood
  - Jacksonville
  - Sunrise
  - Miami
  - Gainesville
  - Miramar
  - Pembroke Pines

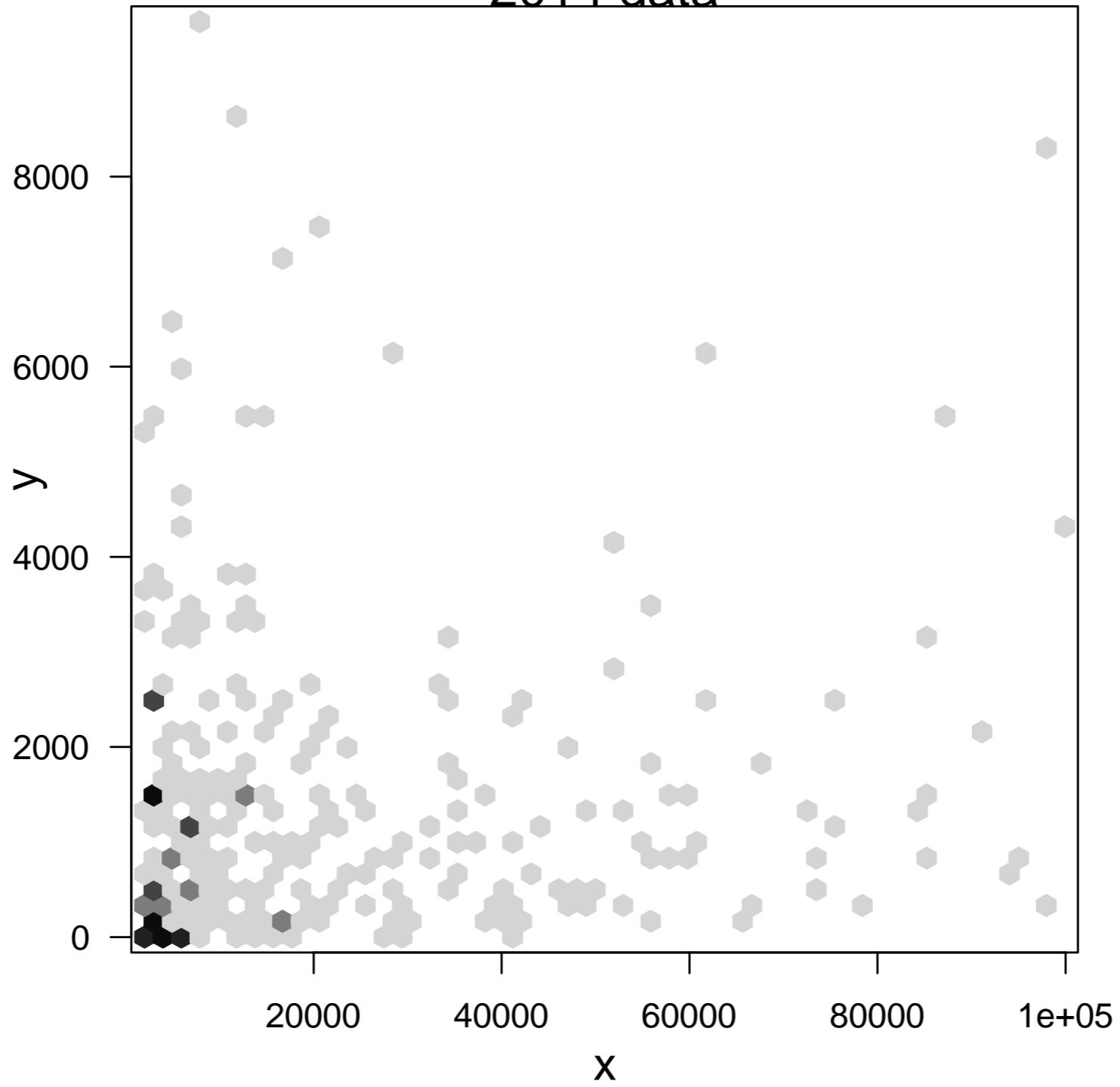


## The Highest LT Debt Increase in 2015 Counties with Populations > 2,000 2014 & 2015 data

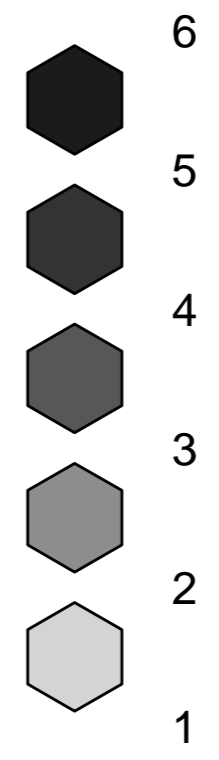


LT Debt per Capita – y axis  
Population Size – x axis

2014 data

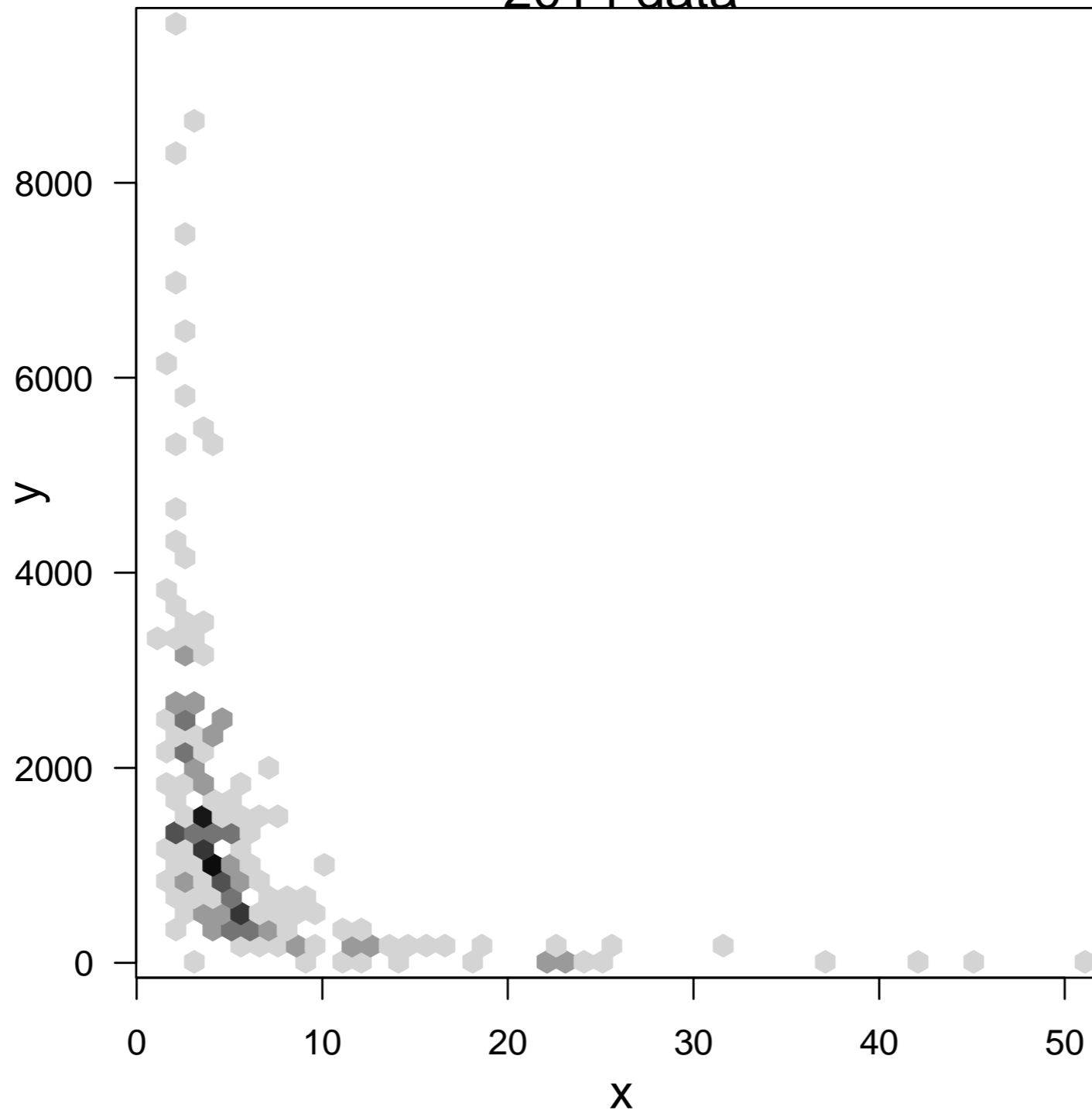


Counts

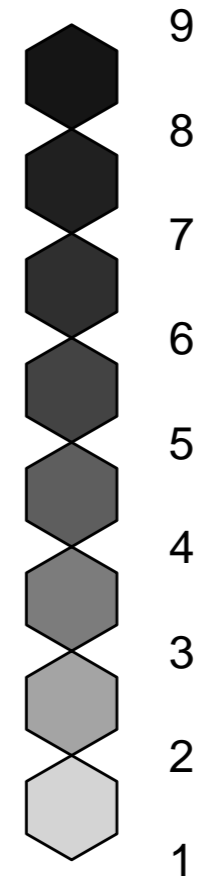


LT Debt per Capita – y axis  
Population Growth in % – x axis

2014 data

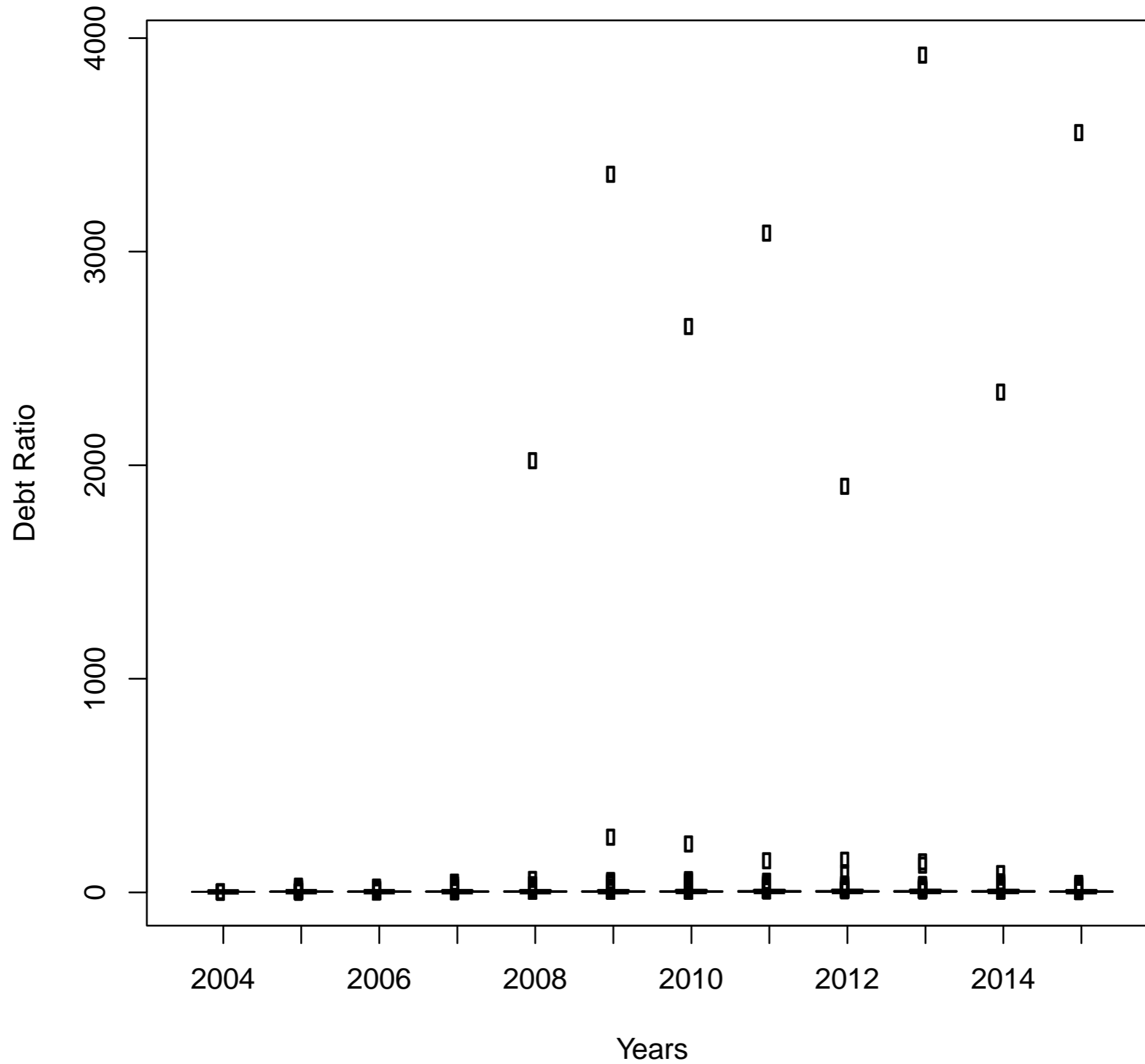


Counts

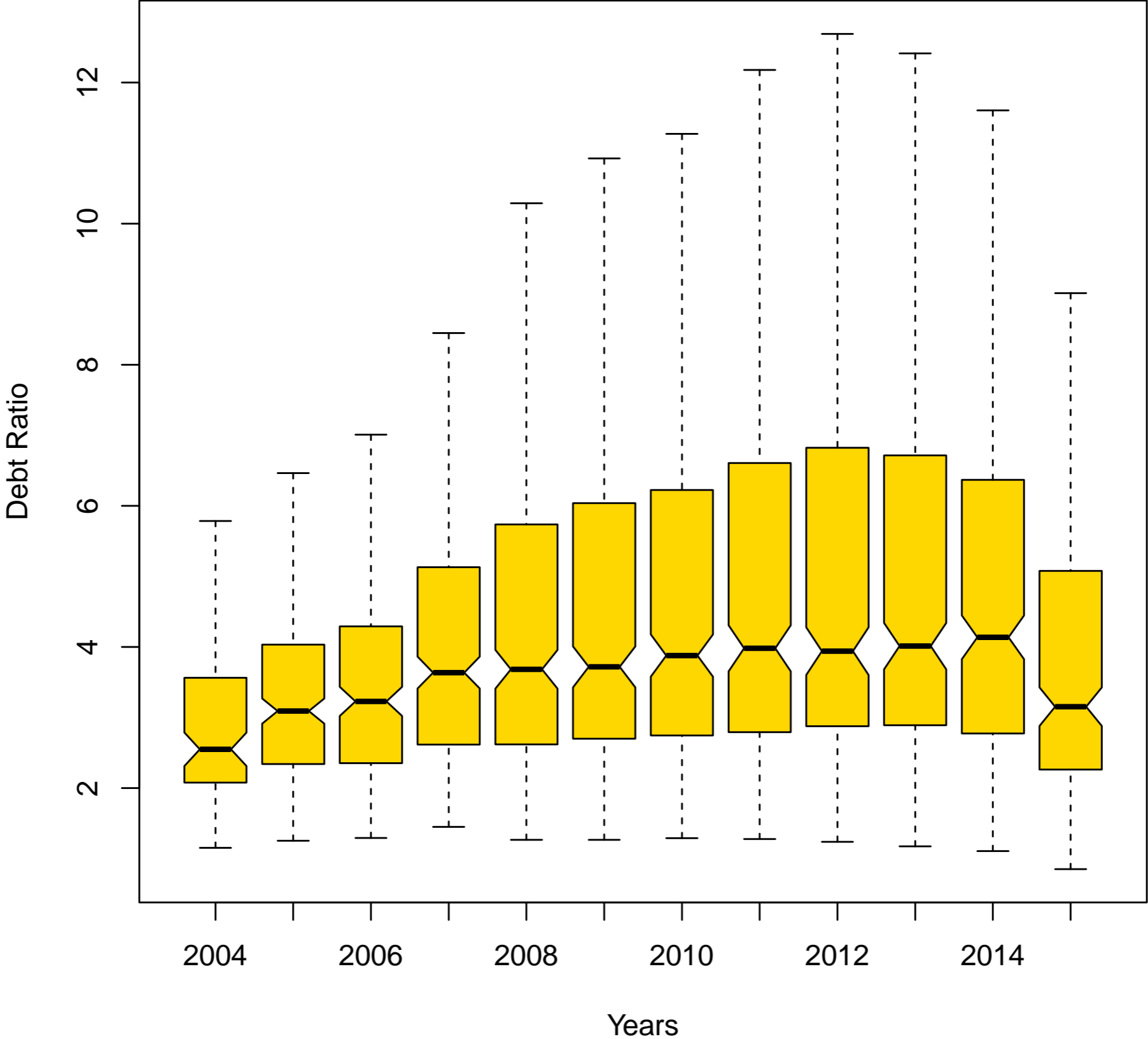


# Debt Ratio by Year

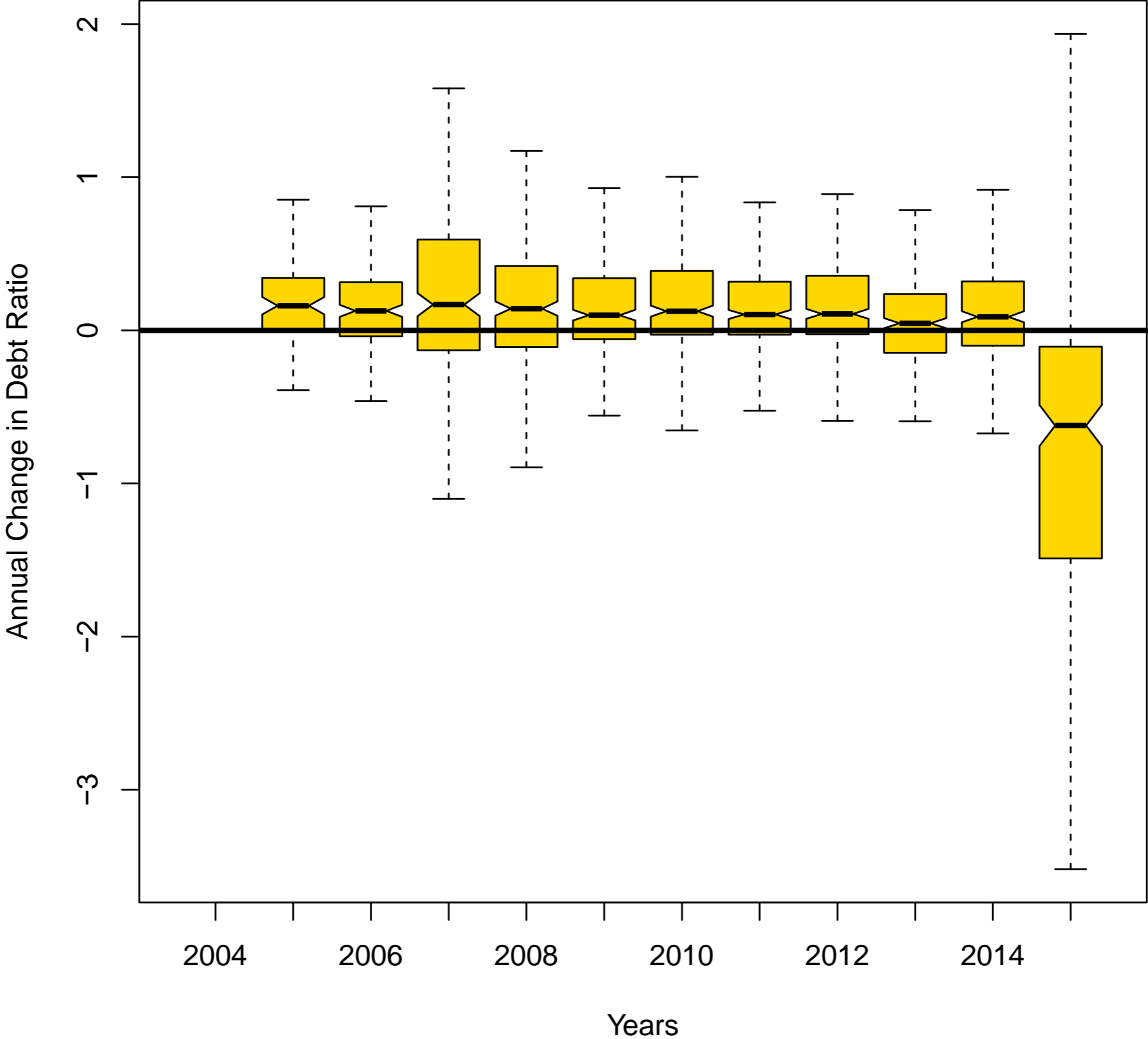
## Governments with > 2,000 population



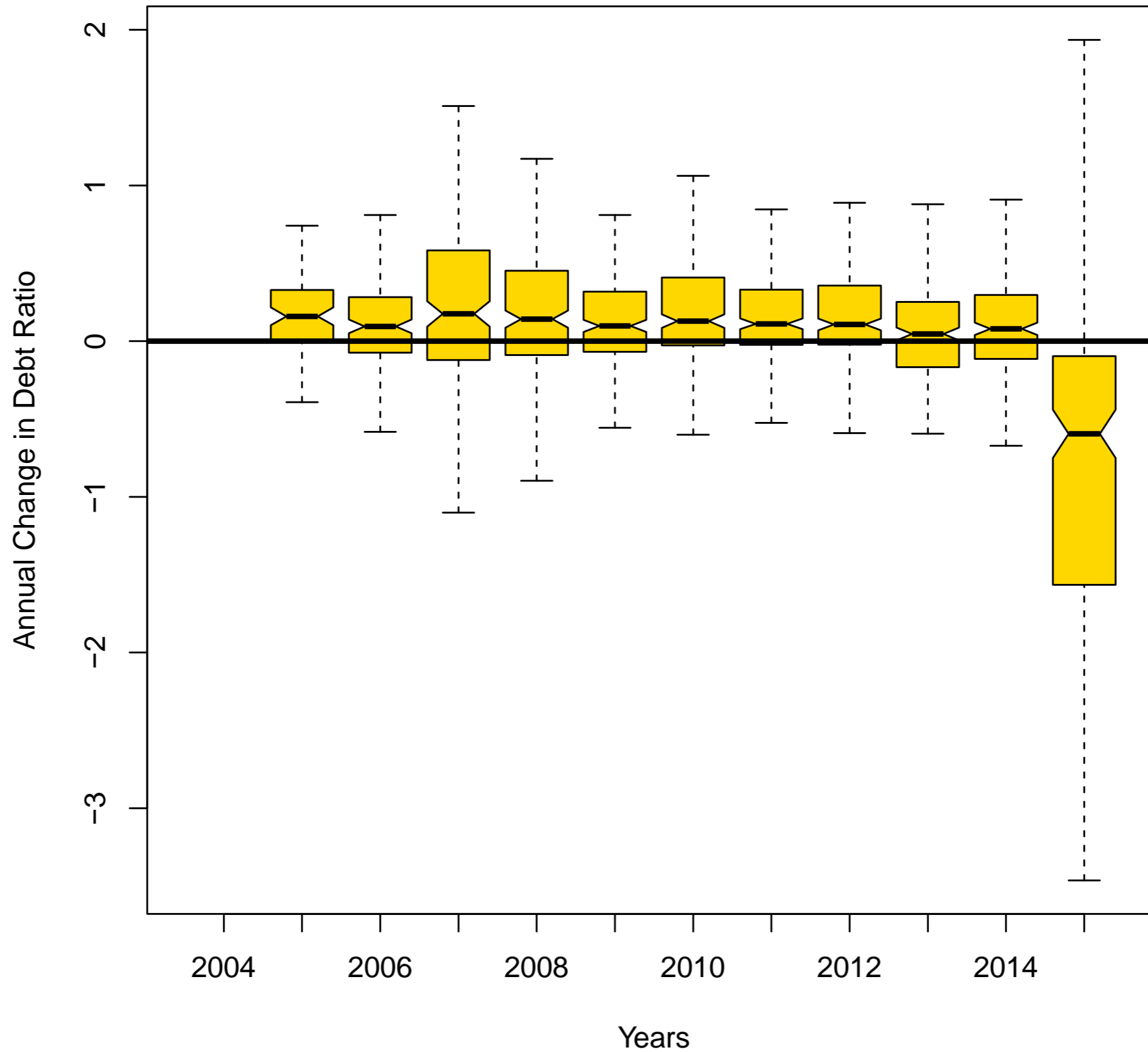
**Debt Ratio by Year**  
**Governments with > 2,000 population**  
**excludes outliers**



**Annual Change in Debt Ratio by Year**  
**Governments with > 2,000 population**  
**excludes outliers**

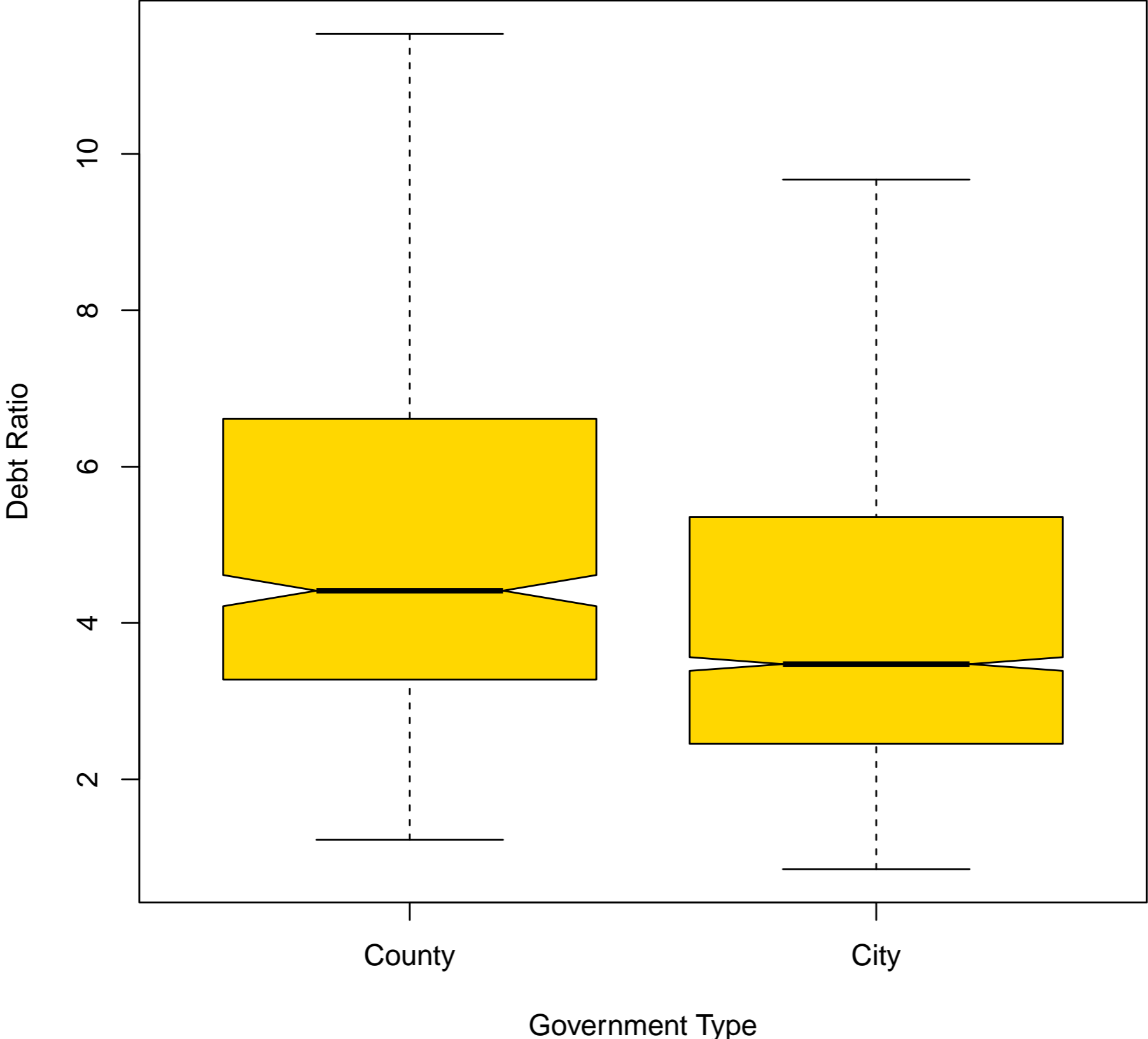


**Annual Change in Debt Ratio by Year**  
**Governments with > 2,000 population & Report in 2015**  
**excludes outliers**

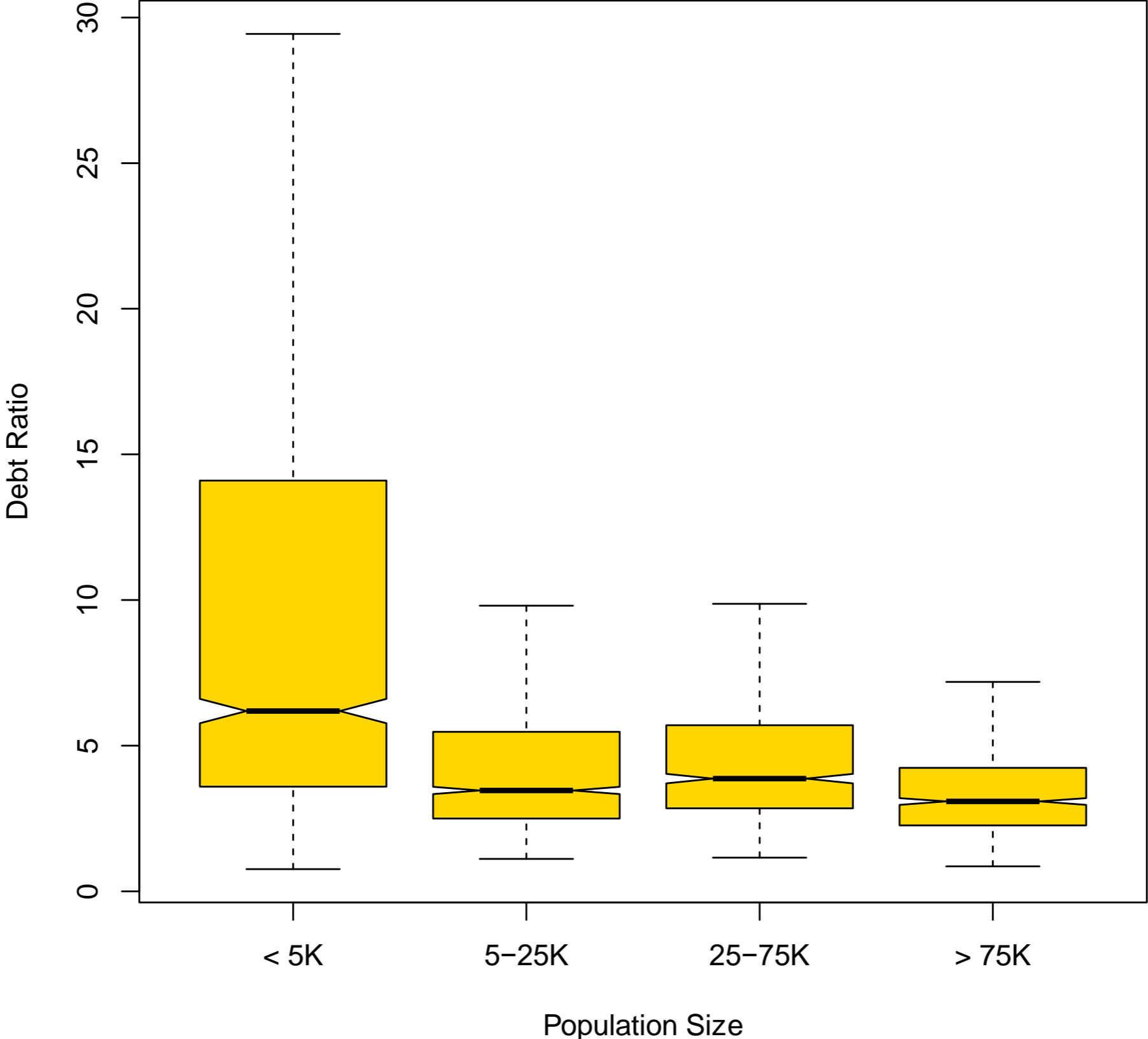




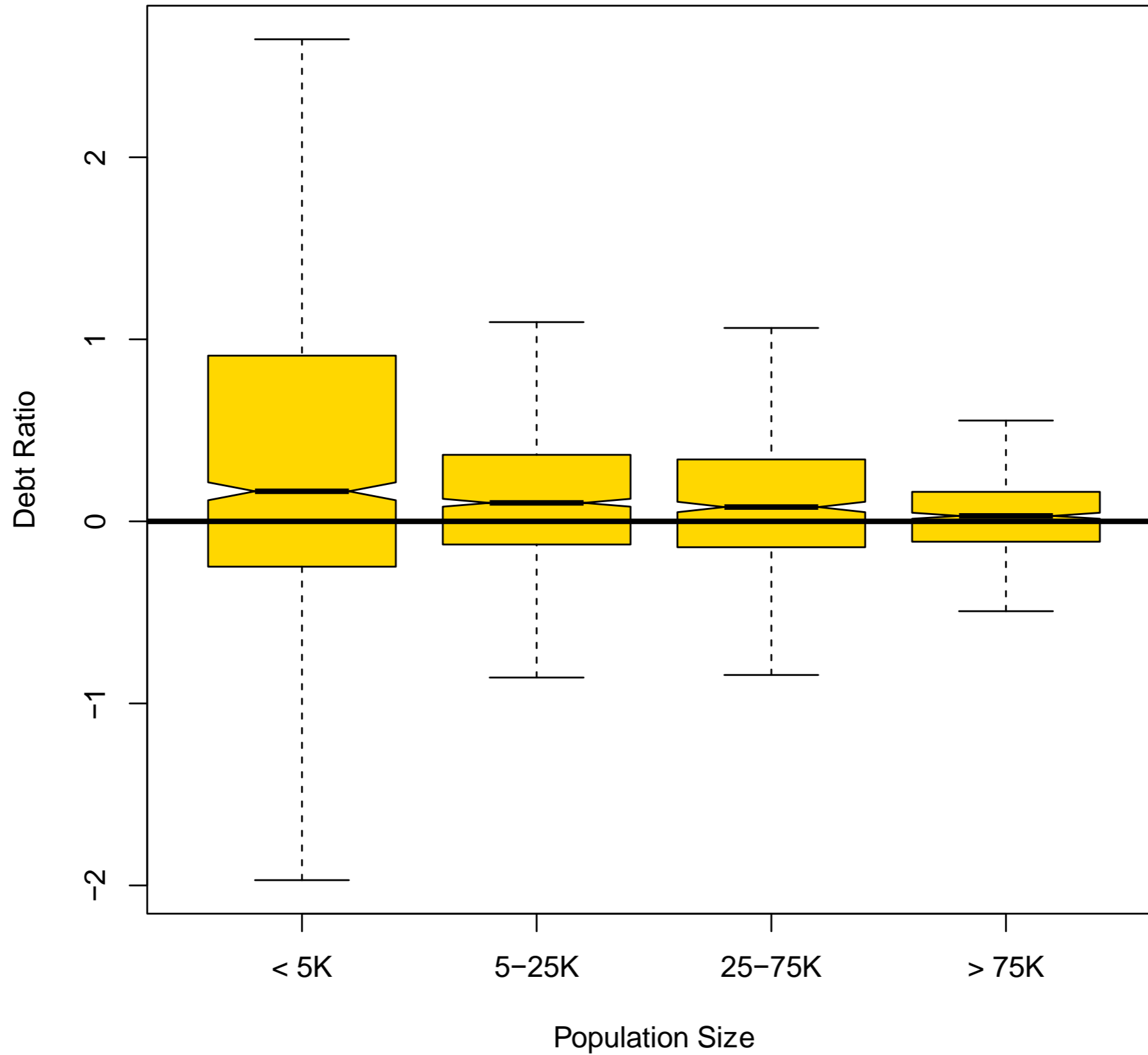
**Debt Ratio by Government Type**  
**Governments with > 2,000 population**  
**excludes outliers**



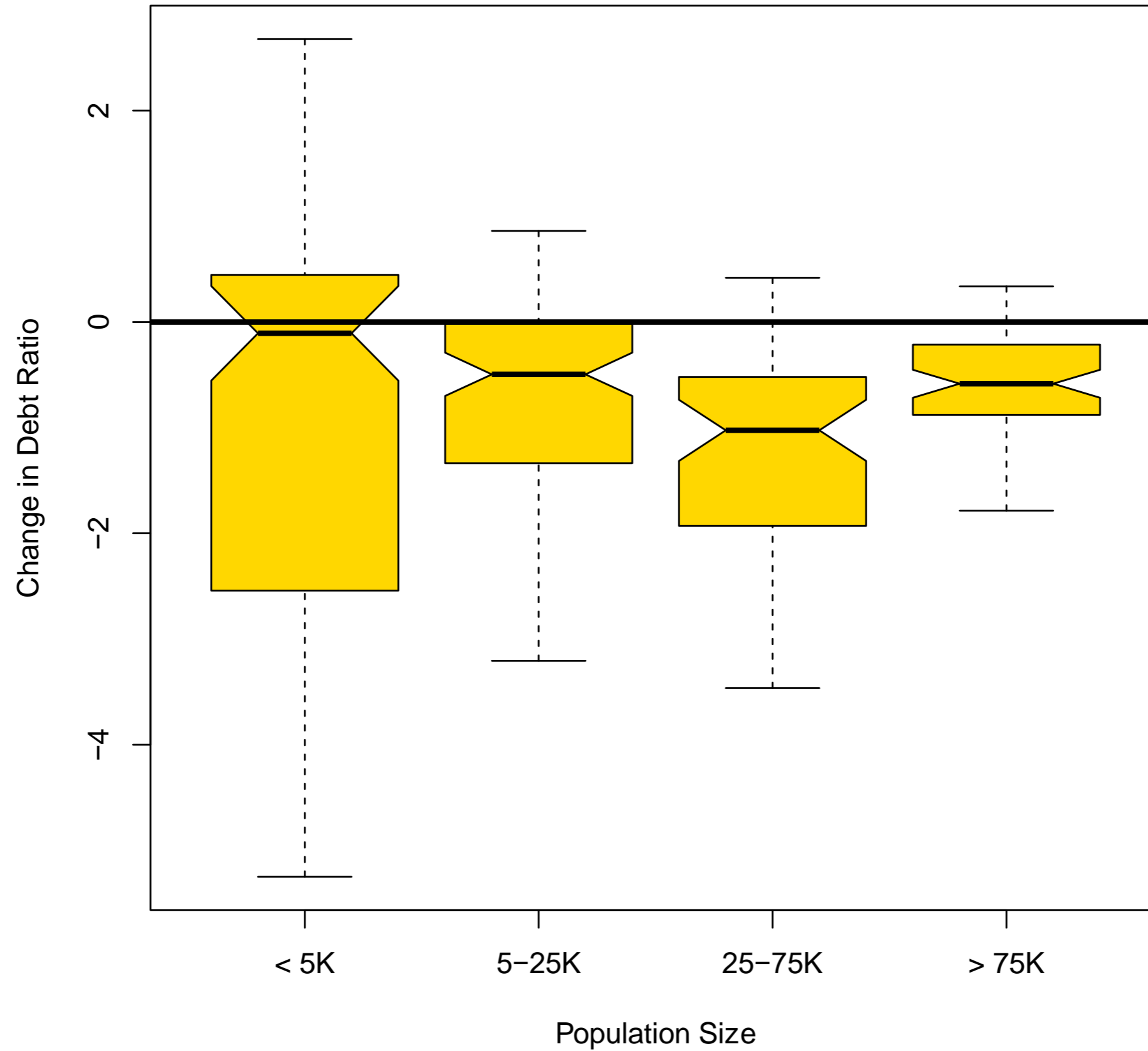
**Debt Ratio by Government Size**  
**All Governments**  
**excludes outliers**



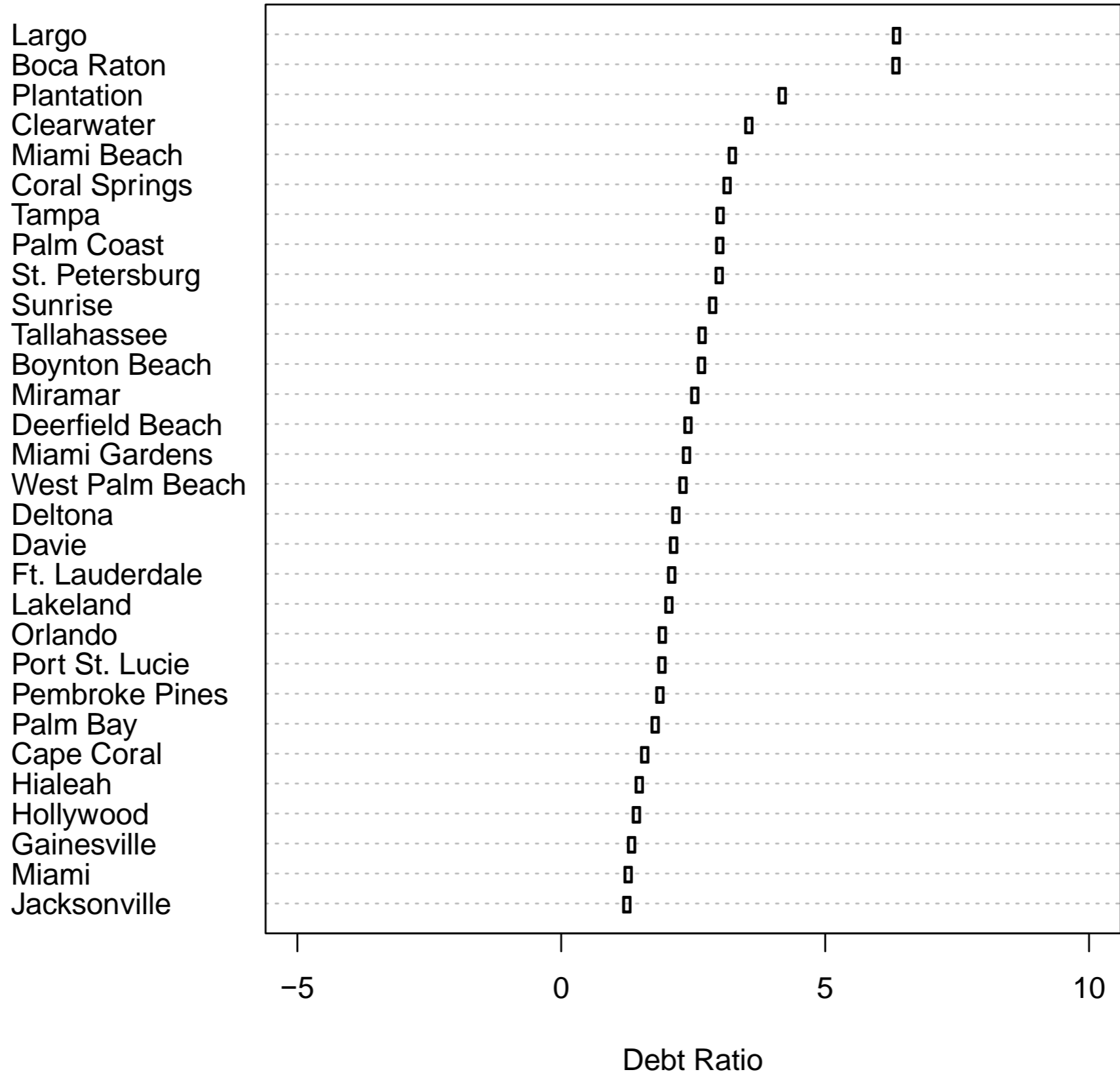
**Change in Debt Ratio by Government Size**  
**All Governments**  
**excludes outliers**



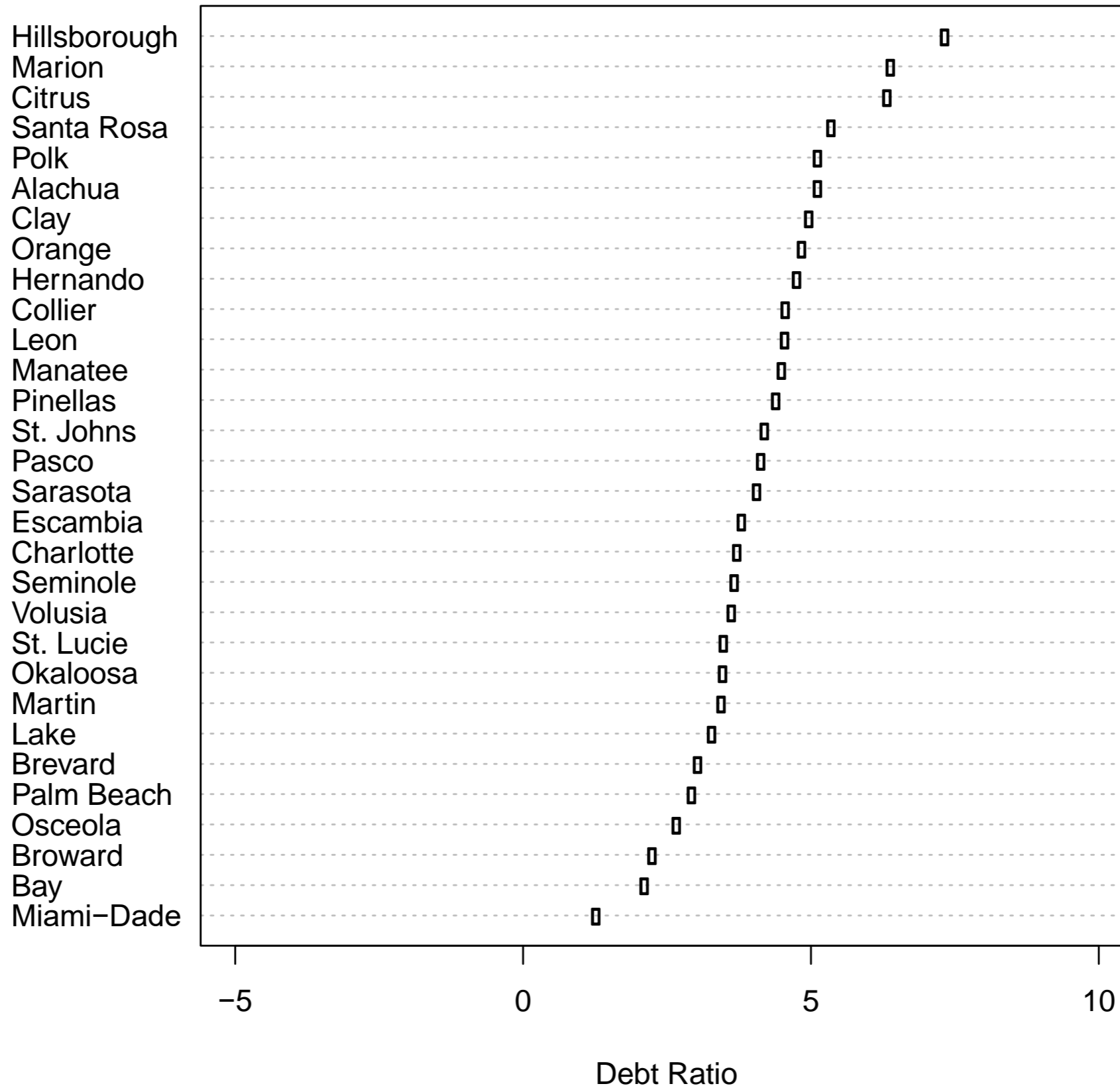
**Change in Debt Ratio by Government Size**  
**All Governments (2014 to 2015)**  
**excludes outliers**



## The 30 Largest (Population) Cities 2014 data

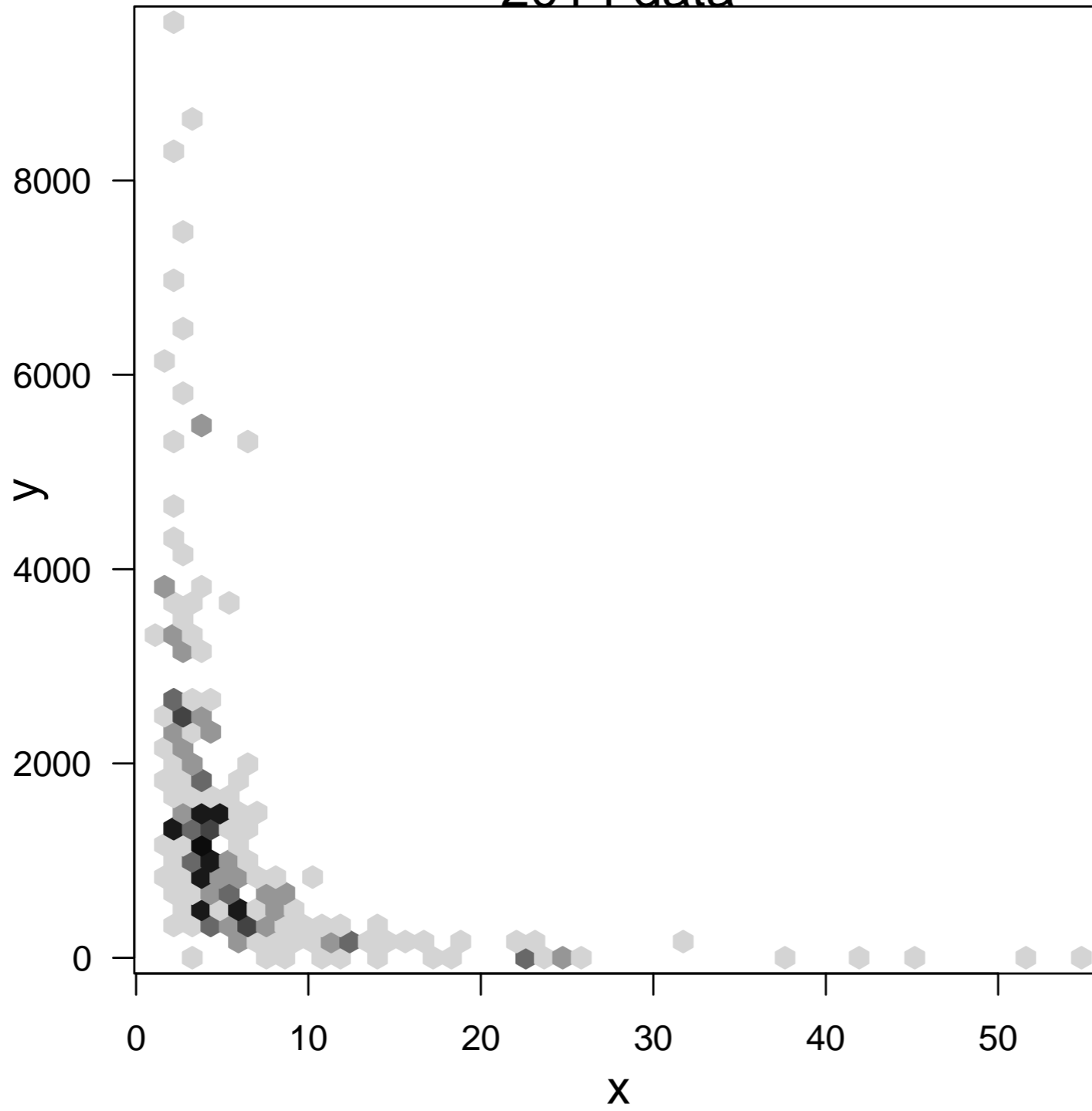


# The 30 Largest (Population) Counties 2014 data

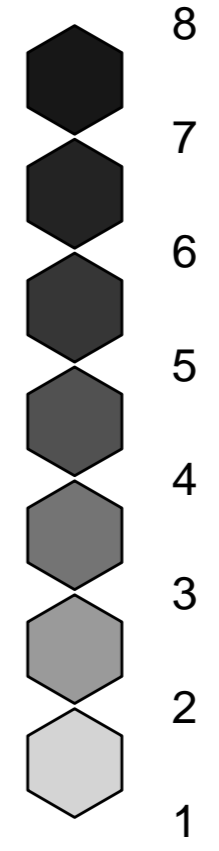


LT Debt per Capita – y axis  
Debt Ratio – x axis

2014 data



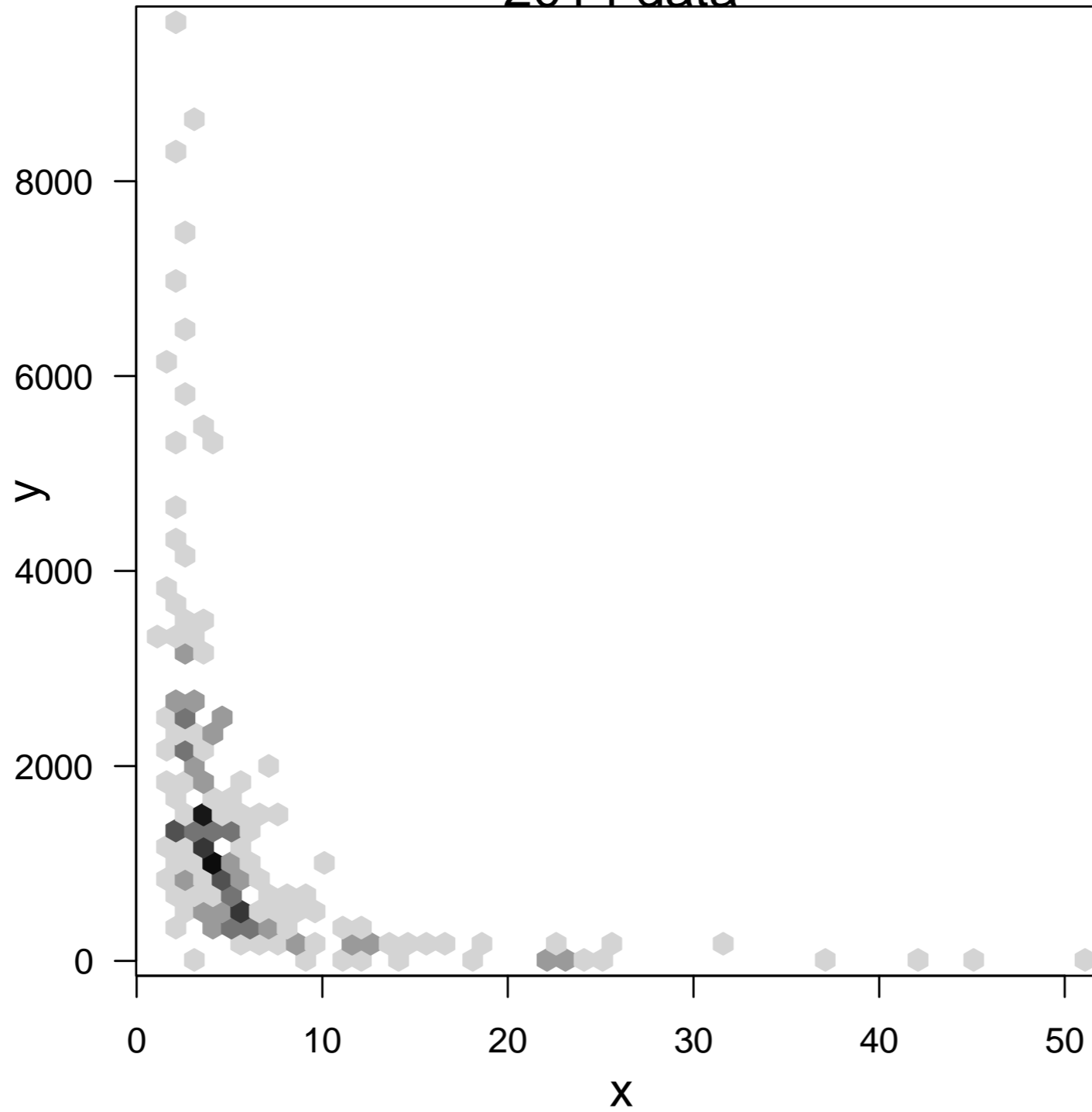
Counts



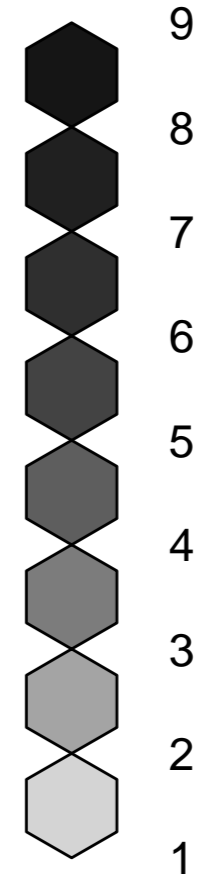
LT Debt per Capita – y axis

Debt Ratio – x axis

2014 data

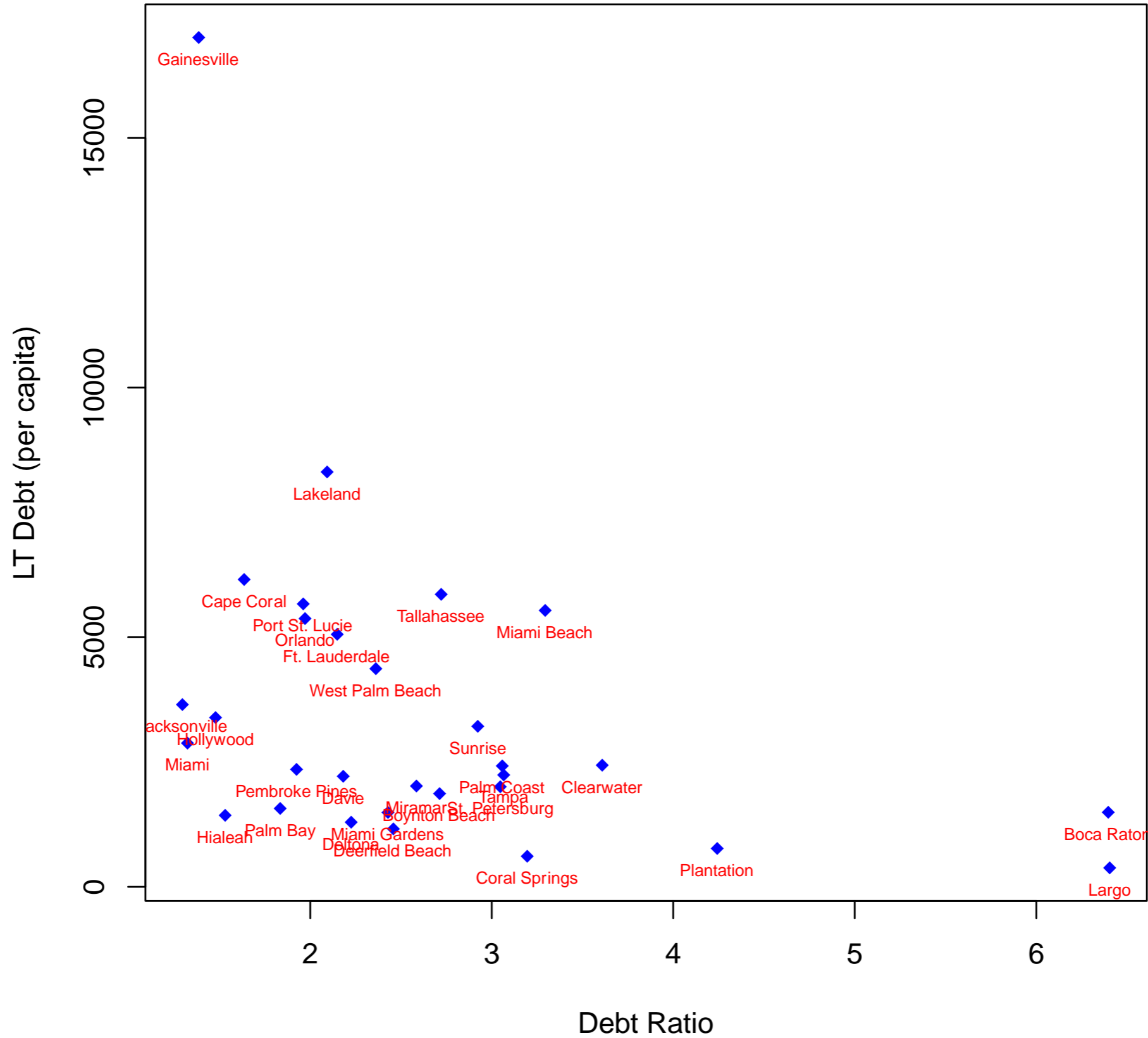


Counts

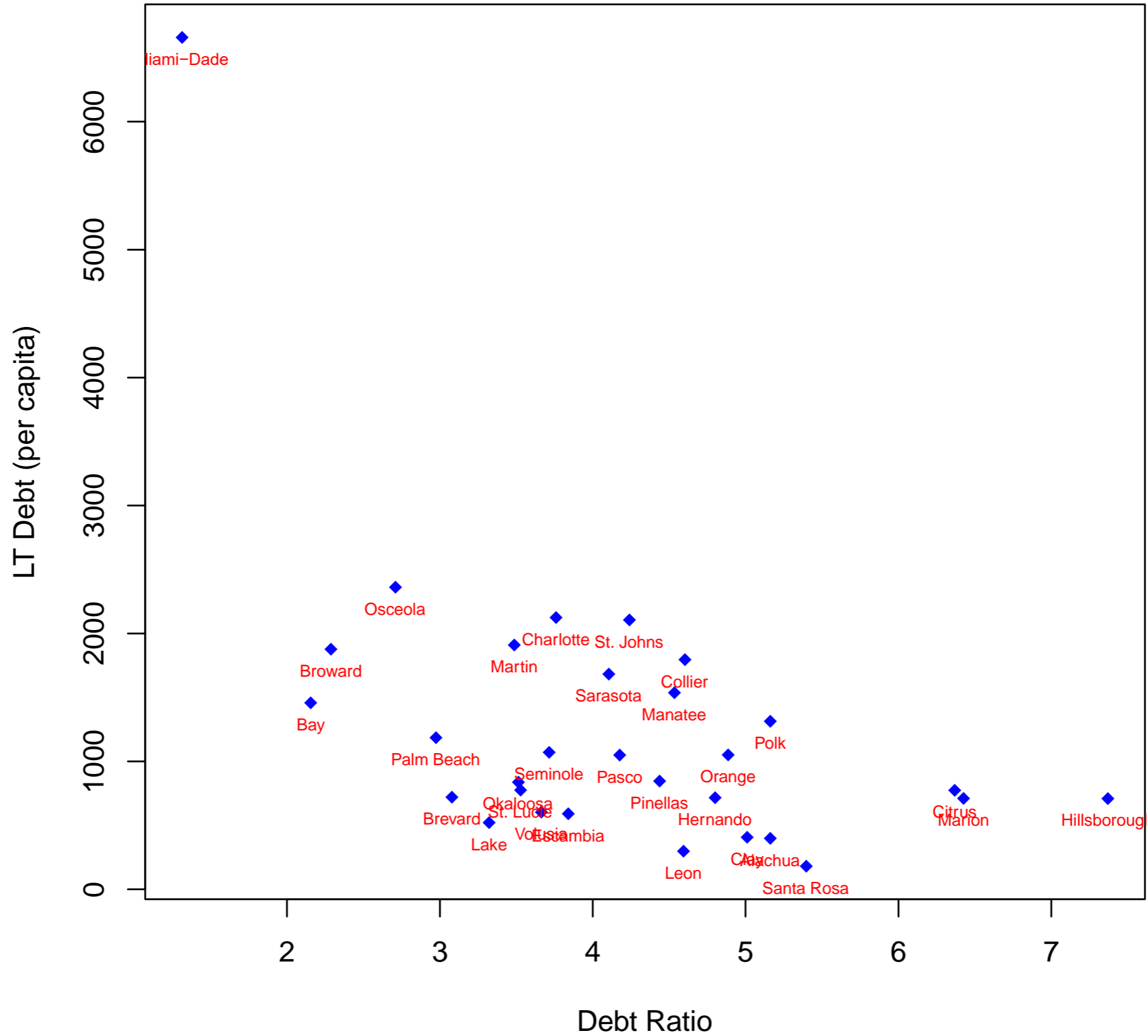




# Debt Ratio vs. LT Debt Per Capita 30 Largest Cities



## Debt Ratio vs. LT Debt Per Capita 30 Largest Counties



Thank you !!

Questions & Suggestions ??