



City of  
**LAUDERHILL**



**Comprehensive Annual Financial Report (CAFR)**  
*For Year Ended September 30, 2009*



# Comprehensive Annual Financial Report

## City of Lauderdale, Florida



For the Fiscal Year Ended September 30, 2009

Prepared by

City of Lauderdale Finance Department

*Kennie Hobbs, Jr.*

Director of Finance and Support Services

*Sean Henderson*

Assistant Finance Director

*Karen Pottinger*

Assistant Comptroller

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March 12, 2010

To the Honorable Mayor  
Members of the City Commission, and  
Citizens of Lauderhill:

The Comprehensive Annual Financial Report (CAFR) of the City of Lauderhill, Florida (the City), for the fiscal year ended September 30, 2009, is hereby submitted as mandated by both local ordinances and state statutes. The CAFR has been prepared in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). The audit was conducted in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants.

### **Management Responsibility**

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosure, rest with the City. To the best of our knowledge and belief, the data, as presented, is accurate in all material respects; that is, the presentation fairly shows the financial position and results of the City's operations as measured by the financial activity of its various funds; and that the included disclosures will provide the reader with an understanding of the City's financial affairs.

### **Internal Control**

Our goal is to provide a reasonable basis that supports the representations that management has established. A comprehensive internal control framework has been designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

## **Audit**

The City's financial statements have been audited by Harvey Covington Thomas, CPAs . The goal of the independent auditor was to provide reasonable assurance that the financial statements for fiscal year ending September 30, 2009, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors, based on their audit, rendered an unqualified opinion that the financial statements for the fiscal year ended September 30, 2009, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

In addition to the standard independent audit of the City's financial statements, this audit was performed as part of a broader, federally mandated "Single Audit", which is designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Report.

## **Financial Reporting Format**

The City has prepared its CAFR using the financial reporting requirements as prescribed by Government Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments (GASB 34). This GASB Statement requires that Management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion & Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The City of Lauderhill was incorporated in 1959 and is governed by an elected mayor and four-member City Commission. The Mayor and Commissioners are elected city-wide and serve four-year terms. The City is administered under a commission-manager form of government whereby the Mayor and Commission hire a City Manager for administrative duties. The Commission is responsible for passing resolutions, which generally confirm or direct specific actions; and ordinances, which generally amend the City's permanent Code of Ordinances, for approving the annual budget and setting tax and assessment rates, for approving capital expenditures and all debt issued by the City, for appointing citizen boards that assist and advise the Commission, and other related legislative duties. The City Manager is responsible for enacting the policies and actions approved by the Commission,

for overseeing the daily operations of the City, and for appointing Department Directors and approving their staffing selections.

The City provides a full range of municipal services, including police and fire protection; parks and recreational programs such as swimming, youth sports, and tennis; cultural events and art instruction; a senior citizen community center and sponsored trips; water distribution and sewer and storm water collection; street and bridge repair, maintenance, and lighting; public record maintenance; building inspection, business licensing, zoning regulation, and code enforcement; and, grant programs for housing purchase and repairs.

The annual budget is the cornerstone of the City's financial planning and control. The Commission holds public hearings between **February** and **April** of each year to gather resident input for new projects and initiatives for the upcoming budget. Given general direction from the Commission following these meetings, Department Directors submit proposed departmental budgets to the City Manager in **May**. The City Manager reviews each proposal with the Directors and assembles a proposed budget that is delivered to the Commission by **July 1**.

The Commission holds public workshops in July to discuss and amend the Manager's proposed budget. The final version of the proposed budget, including the proposed millage rate, is voted on in two public commission meetings in September. The budget goes into effect October 1 and covers the fiscal year, which ends the following September 30th. During the fiscal year, the City Manager may approve transfers of funds among line items within a department, with the exception of **reductions in capital outlay line items, which requires Commission approval**. The Commission must also approve transfers between departments or supplemental appropriations that increase expenditures and revenues.

### **Economic Conditions and Outlook**

Lauderhill is a mature community of approximately 76,000 year-round residents. That number increases to over 80,000 in the winter season, from December through March, as "snowbirds," primarily retirees from the northeastern United States and Canada, flock to their second homes in Lauderhill. Lauderhill's year-round residents include approximately 14,000 retirees, who are located throughout the City.

Working residents hold a range of jobs typical of those in the South Florida economy. These include positions in retail sales and other services, especially in the medical and tourism sectors, communications, municipal and county government, construction, and financial services. The broad base of Lauderhill's economy is representative of Western Broward County, which is less dependent on tourism than the beach areas to the east.

Lauderhill's property tax base is primarily residential. Lauderhill has an industrial park with many small firms operating in warehouses under 10,000 square feet but no large firms that comprise a significant portion of the tax base. Lauderhill's residential tax base is rather evenly divided between single-family homes and multi-family condominiums and

apartments. As shown in the Statistical Section of this CAFR, five of the ten largest property taxpayers in Lauderhill are apartment complexes.

Lauderhill has experienced a resurgence in development activity during the past ten years. Over 1,000 new housing units, two new shopping centers and a successful food market have been built during this time. As a means of squaring off our borders, Lauderhill, during fiscal year 2004, extended an invitation to three (3) neighboring communities to be annexed into our City. As of September 15, 2006, all three communities (West Ken Lark, St. George and Broward Estates) voted in the affirmative and have joined our City. The inclusion of the three new communities added an additional 1,750 homes and 13,000 individuals to the City. Fiscal Year 2009 CAFR represents the third full year that data will be included for the three new neighborhoods.

The local economy has slowed over the past four years. Property values in the tri-county area have decreased between 10 to 35 percent in value from their one year ago values. As a result of decreasing market values in existing real estate, the City experienced an overall decrease in property values of more than \$590 million. Moreover, the market is expected to continue to decline over the next two years; therefore, staff continues to streamline operations in anticipation of reduced revenues.

The sluggish economy forced the State of Florida to reduce the allocation of Intergovernmental revenues to municipalities throughout the state. Reductions in tourism generated less than expected revenues in the areas of Sales Tax, Utility Taxes and Franchise Fees. As a result, the City had to revise its budget estimates to reflect a decrease in intergovernmental revenues.

On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held in October 2007. With respect to homestead property, Amendment 1 increases the current \$25,000 homestead exemption by another \$25,000 (for property values between \$50,000 - \$75,000), except for school district taxes. Since the new \$25,000 homestead exemption does not apply to school district taxes, this effectively amounts to a \$15,000 increase to the existing homestead exemption, resulting in an estimated annual savings of \$240 for an average homeowner. Amendment 1 also allows property owners to transfer (make portable) up to \$500,000 of their Save Our Homes benefits to their next homestead when they move. Save Our Homes became effective in 1995 and limits (caps) the annual increase in assessed value for homestead property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less.

With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property.

Amendment 1 became effective on October 1, 2008, with the exception of the ten percent (10%) assessment cap on non-homestead property which becomes effective on January 1, 2009. Based on information received from the Broward County Property Appraiser's Office, the annual loss of property tax revenues for our city from the additional homestead exemption and the \$25,000 exemption for tangible personal property for fiscal year 2010 is approximately \$1,500,000. The estimated loss is based on the estimated February 2010 Broward County Property Appraisers' Annual Valuation Report which reflects a decrease in assessed value from \$2.360 billion to \$1.770 billion (\$590 million or 25%).

### **Major Initiatives and Capital Projects**

In the face of one of the worst financial downturns in recent history, the City continues to make needed improvements to its infrastructure and public facilities. As mandated by the Citizens, the City continues work on phase three of its Great Neighborhood Bond community improvement program during fiscal year 2009. The City continues its comprehensive process of planning and development stages on major projects such as park improvements (\$2 million) and the construction of two new community centers, a swimming pool, major renovations to the existing senior community center (\$3.5 million) and demolition and development of the Original City Hall on 47<sup>th</sup> Avenue. The plan also includes the completion of linear parks and greenways to connect all areas of the city, traffic calming devices and major roadway resurfacing and widening and landscape improvements on various major thoroughfares throughout the city.

As of fiscal year end, the following capital projects have been completed; the construction of privacy walls and curbing throughout Northwest Lauderdale and Inverrary, and landscaping and median improvements along West Oakland Park Boulevard and State Road 7, the renovations to Windermere Community Center and Park, Renaissance Park and Play Area, City Hall Park Basketball and Tennis Court resurfacing, Golf Course improvements, Ilene Lieberman Botanical Park, turf and field replacements at Lauderdale Middle School, Veterans Park, the Sports Park and St. Georges Park and roadway and median improvements along State Road 7 and North West 55<sup>th</sup> Avenue. As mentioned in previous CAFR's, City Hall suffered substantial damage which caused us to relocate to the Corporate Park in Inverrary. The operated from that site for more than three years while a new City Hall was constructed at the corner of West Oakland Park Boulevard and Inverrary Boulevard. As of mid October 2009, the construction of the new building was completed; and on November 1, 2009, our New City Hall was open to the public to service our residents and businesses.

The City has begun to capitalize on the neighborhood stabilization opportunities afforded by the funds received through the federally funded Neighborhood Stabilization Program (NSP). To date, the City has acquired 22 single family homes/condominiums. These units will be redeveloped and ultimately sold to qualified homeowners to serve as their primary residence. In addition, three families have received down-payment assistance to purchase previously foreclosed units located within our city limits.

In addition, the City continues to work with private developers that own two parcels of land; one that is adjacent to the park and the second which is located across the street on State Road 7. The land abutting the park is slated for mixed-use development, including a hotel, along with commercial and office space that can benefit from direct proximity to the park and the cricket stadium and 300 townhouses and retail space, which will include the country's first Gospel Complex, on the second property.

One and a half miles north, the Lauderhill Mall, which was the first air conditioned mall in the southeast, has been purchased by a commercial development firm. Plans submitted to the City include \$100 million in redevelopment that will transform the mall into a mix-use development that will include both retail and office space and 500 residential units.

These three developments are integral to a larger plan, developed by a planning and engineering consultant, and approved by the Commission, for redevelopment of the State Road 7 commercial corridor and establishment of a commercial redevelopment agency. As part of the Great Neighborhoods Bond, the City has earmarked \$5 million to be used in conjunction with funds from Broward County to build a state of the art performing arts complex.

### **Debt Administration**

The City has outstanding; five sales tax revenue bonds, six water and sewer revenue bonds, two Stormwater revenue bonds, a General Obligation bond and one line of credit. With the exception of the line of credit, all remaining bonds have been issued between 1998 and 2009 to pay for capital projects or to refund earlier bond issues in an effort to take advantage of reduced interest rates. The total outstanding principal as of September 30, 2008 is \$22,195 million for the sales tax bonds, \$22,195 million for the water and sewer revenue bonds, \$10,780 million for the Stormwater bonds, \$31,200 million for the General Obligation Bonds and \$7,902 for the bank line of credit.

All of the bond issues are rated AAA by Standard and Poor's and Moody's, and are insured by Financial Guaranty Insurance Company, the Municipal Bond Insurance Association, or by AMBAC Indemnity Corporation. The outstanding debt is further detailed in Note to the Financial Statements. The debt service coverage required by the bond covenants is displayed in the Statistical Section of these statements.

In addition to these bonds, the City has \$8,570 million in loans due to the State of Florida Department of Environmental Protection for storm water improvements. These loans are awarded to municipalities by the State under a competitive program and carry a subsidized below-market interest rate.

### **Cash Management**

All monies received are deposited daily. Short-term funds are invested in the Florida State Board of Administration's pooled cash fund or Florida Public Depository Accounts. Excess

funds are invested in United States Treasury and agency notes purchased via competitive bidding. Investment earnings are allocated and credited to individual funds. The average portfolio of approximately \$31,521,111 generated \$1,048,518 in income for a total return of 3.33%. These earnings exceeded those available on short-term investments because The City uses a combination of investment maturities to improve and smooth out earnings. The City's guiding investment policy emphasizes safety of principal and liquidity over yield.

### **Risk Management**

Lauderhill has maintained a Protected Self Insurance Risk Management Program since Fiscal Year 1990 with the goals of spending less for insurance, controlling the frequency and severity of losses, and affording more comprehensive coverage. The City engages a professional claims administrator to evaluate claims and to assist in record keeping. Lauderhill's insurance program has excess coverage as well as limited liability under State law so that the amount for a single or combined peril loss chargeable to the fund is capped. Therefore, no single loss could liquidate the insurance fund. Included in the program is coverage for Workers' Compensation, Property Damage, General and Specific Liabilities, Boiler and Machinery losses, Fidelity Bonds for financial matters and Sports Accident Insurance for youth sports.

The charges to various departments under the insurance program during Fiscal Year 2009, were based on actual claims paid in cash, and an estimate of current and future claims and losses, using actual prior year results and a loss-growth factor provided by the claims administrator and an actuarial firm. The City establishes loss reserves for each fiscal year based on trend and case development information. The case and claims information is provided by the administrator and confirmed by an actuarial evaluation. The risk management program is on page 61 of these financial statements.

### **Awards and Acknowledgements**

The Government Finance Officers' Association (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lauderhill for its Comprehensive Annual Financial Report (CAFR) for fiscal years ended September 30, 2008. This is the twenty-first consecutive year (fiscal year ended September 30, 1988-2008) that the City has achieved this prestigious national award. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Comprehensive Annual Financial Report. These reports satisfied both generally accepted accounting principles in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of

Achievement Program's requirements and the City is submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of Karen Pottinger, Assistant Comptroller, Sean Henderson, Assistant Finance Director, and C. Borders–Byrd, CPA's, Contracted Internal Auditor, as well as the entire staff of the Finance and Support Services Department. Karen Pottinger has the primary responsibility for maintaining the integrity of the accounting records during the year and overseeing the preparation of this Annual Report. The Finance staff also recognizes the City Commission and the City Manager for their interest in and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

*Kennie Hobbs, Jr.*

Kennie Hobbs, Jr.

Director of Finance and Support Services

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Lauderhill  
Florida

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



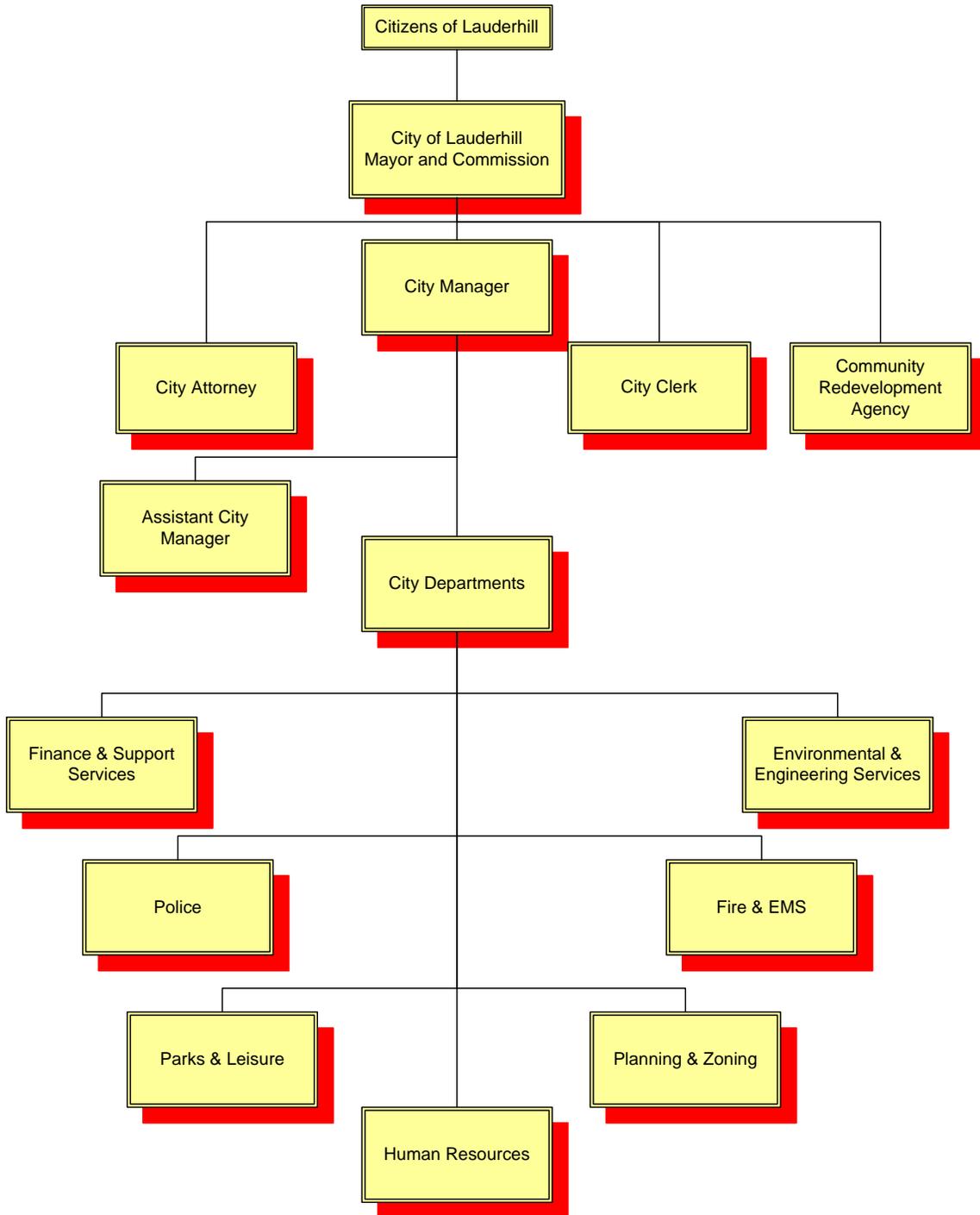
A handwritten signature in black ink, appearing to be "H.R.", written in a cursive style.

President

A handwritten signature in black ink, reading "Jeffrey R. Enos" in a cursive style.

Executive Director

# City of Lauderdale, Florida



# City of Lauderhill

## Commission/Manager Form of Government



Mayor  
Richard J. Kaplan

Vice Mayor – Dale V.C. Holness  
Commissioner – M. Margaret Bates  
Commissioner – Hayward J. Benson, Jr.  
Commissioner – Howard Berger

## City of Lauderhill Appointed City Officials

City Manager	<i>Charles Faranda</i>
Assistant City Manager	<i>Desorae Giles-Smith</i>
City Attorney	<i>W. Earl Hall</i>
City Clerk	<i>Andrea Anderson</i>
Planning and Redevelopment Director	<i>Donald Giancoli</i>
Department of Environmental & Engineering Services Director	<i>Charlie Cuyler</i>
Finance & Support Services Director	<i>Kennie Hobbs, Jr.</i>
Fire Chief	<i>Edward Curran</i>
Human Resources Director	<i>Reylon Fennel</i>
Parks & Leisure Services Director	<i>Irvin Kiffin</i>
Planning & Zoning Director	<i>Earl R. Hahn</i>
Police Chief	<i>Kenneth Pachnek</i>

## Certified Public Accountants &amp; Consultants

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and the  
Board of Commissioners of  
The City of Lauderhill, Florida  
Lauderhill, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Lauderhill, Florida as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of Lauderhill management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Pension Trust funds, which represent 55.9 percent of the net assets of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Lauderhill, Florida, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lauderhill as of September 30, 2009, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2010, on our consideration of the City of Lauderhill's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 15 through 20 and 70 through 73, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally

of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lauderdale's basic financial statements. The introductory section, combining and individual non-major fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Harvey Lovington Thomas, C.P.A.*

Hollywood, Florida  
March 12, 2010

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### CITY OF LAUDERHILL, FLORIDA

We, the management of the City of Lauderhill (the "City"), offer readers of the City's financial statement a narrative representation of the City's financial performance for fiscal year ended September 30, 2009. This discussion and analysis will provide an overview of the City's financial activities when read in conjunction with the transmittal letter on pages 1 through 8 and the City's financial statements, which begin on page 27. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### **FINANCIAL HIGHLIGHTS**

- The assets of the City of Lauderhill exceeded its liabilities at the close of the most recent fiscal year by \$59,908 (net assets). Of this amount, \$15,862 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- During fiscal year 2009, the government's total net assets decreased by \$5,310 to \$59,908. Governmental net assets decreased by \$6,956 or (18 percent), while business-type activity net assets increased by \$1,646 or (5.67 percent).
- During fiscal year 2009, revenues of all Governmental Funds totaled \$53,834 while expenditures (before other financing sources and uses) totaled \$66,099. As a result, Governmental Revenues were \$12,265 less than Governmental Fund Expenditures; as a result, the City realized a decrease in total Governmental Funds Fund Balance (net of other financing sources and uses) of \$5,235 during fiscal year 2009.
- Business-type activities yielded a net operating income of \$3,347 while non-operating activities resulted in a loss of (\$1,701). During fiscal year 2009, operating revenues increased by \$2,931 from fiscal year 2008. During 2009, operating revenues totaled \$18,573 compared to \$15,642 during 2008. The increase in operating revenues is primarily due to higher consumption as a result of modification to the watering restrictions implemented by the South Florida Water Management District. The City continues to demonstrate strong revenues and earnings potential, which should allow for the issuance of additional debt to maintain and improve the current utility system while still maintaining sufficient funds for continued operations.
- The total operating cost for general government and enterprise fund services amounted to \$81,325 or \$5,426 (6.25 percent) less than fiscal year 2008. The decrease is primarily related to reductions in salaries and benefits associated with the retirement of a number of eligible employees. In addition, the City's budget was modified to meet its financial and operational goals. The General Government costs decreased by more than \$6,796 during fiscal year 2009. Several departments

decreased spending, which resulted in an overall reduction in cost to provide efficient and effective services. In addition, the City has completed more than \$34,000 in capital improvements as of September 30, 2009 with funds provide from the \$35,000 General Obligation Bonds that were issued during fiscal year 2005.

- As of the close of the current fiscal year, the General Fund reported an operating deficiency of (\$406) before other financing sources (uses) of \$3,778. As the City braces for the impact of a continued decline of the real estate market, we are prepared to operate with less revenue.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial Statements. This annual report presents a series of financial statements: (1) governmental-wide financial statements (2) fund financial statements and (3) notes to the financial statements. In addition, this report contains other supplementary information to the basic financial statements.

- Governmental-wide financial statements - The governmental-wide financial statements are designed to provide information about the activities of the City as a whole, in a manner similar to a private-sector business. Both long-term and short-term information regarding the City's finances are presented.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Overtime, increases or decreases in net assets may serve as useful indicators of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal period (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business activities). The governmental activities of the City include general government, public safety, public works, culture and recreation, and economic and community development. The business-type activities of the City include Water and Sewer and Stormwater operations.

The government-wide financial statements can be found on pages 27-28 of this report.

- Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds – are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison between *governmental funds* and *governmental activities*.

The City maintains eleven (11) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, community redevelopment agency fund and capital projects fund, which are considered to be major funds. Data from the other eight (8) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 29-32 of this report.

Proprietary funds. The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewer and Stormwater operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the Water and Sewer and Stormwater

operations, both of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 33-35 of this report.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 36-37 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 38-69 of this report.

*Other information.* In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees and budgetary comparison schedules.

Required supplementary information can be found on pages 70-73 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 74-86 of this report.

Our analysis of the financial statements of the City begins below. The Statement of Net Assets and the Statement of Activities report information about the City's activities that will help answer questions about the financial position and result of operation of the City. Both fiscal years 2008 and 2009 are presented for comparison purposes.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Statement of Net Assets

Net assets, over time, serve as a useful indicator of a government's financial position. The table below summarizes City of Lauderhill's net assets for fiscal years 2009 and 2008:

#### City of Lauderhill Net Assets (In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$19,947	\$26,170	\$18,872	\$16,408	\$38,819	\$42,578
Capital assets	79,147	74,551	53,837	47,231	132,984	121,782
Total assets	<u>99,094</u>	<u>100,721</u>	<u>72,709</u>	<u>63,639</u>	<u>171,803</u>	<u>164,360</u>
Long-term debt outstanding	63,917	58,943	41,568	34,838	105,485	93,781
Other liabilities	4,293	3,938	2,117	1,423	6,410	5,361
Total liabilities	<u>68,210</u>	<u>62,881</u>	<u>43,685</u>	<u>36,261</u>	<u>111,895</u>	<u>99,142</u>
Net assets:	<u>\$30,884</u>	<u>\$37,840</u>	<u>\$29,024</u>	<u>\$27,378</u>	<u>\$59,908</u>	<u>\$65,218</u>
Invested in capital assets, net of debt	\$24,156	\$24,797	\$12,292	\$14,087	\$36,448	\$38,884
Restricted	4,398	6,504	3,200	200	7,598	6,704
Unrestricted	2,330	6,539	13,532	13,090	15,862	19,629
Total net assets	<u>\$30,884</u>	<u>\$37,840</u>	<u>\$29,024</u>	<u>\$27,378</u>	<u>\$59,908</u>	<u>\$65,218</u>

The City's combined net assets were \$59,908 for fiscal year 2009, \$30,884 for governmental activities and \$29,024 for business-type activities. This represents a decrease of \$5,310 from fiscal year 2008 net assets with the majority of the decrease derived from the continuing progress of the numerous capital projects undertaken by the City related to the 2005 General Obligation Bond issuance. For governmental activities, Capital assets increased by \$4,596 and restricted assets decreased by \$2,106, while current and other assets decreased by \$6,223 from fiscal year 2008. The considerable decrease in Current and other assets is a result of the City's continued investment in infrastructure and building improvements related to the \$35 million General Obligation bond issuance; additionally, total assets for business-type activities increased by \$9,070 as compared to 2008.

The use of a portion of net assets is restricted and can not be used to meet the ongoing obligations of the City. For fiscal year 2009, restricted net assets equaled \$4,398 for governmental activities and \$3,200 for business-type activities. Unrestricted net assets of governmental activities represent \$2,330 or 7.55 percent of total net assets; while

business-type activities unrestricted net assets are \$13,532 or 46.62 percent of total net assets; which can be used to meet the City's ongoing obligations to citizens and creditors.

Investment in capital assets (such as land, buildings, and equipment) is a significant portion of the restricted assets. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

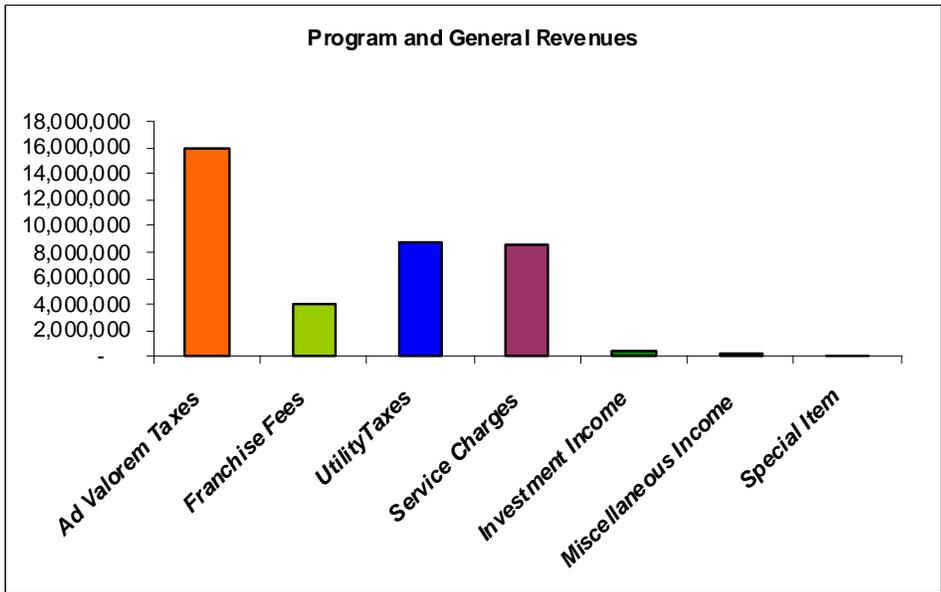
Long-term debt outstanding has increased in the governmental and business type activities as a result of the City issuing debt to continue to finance capital improvements. At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, as it relates to the government as a whole and business-type activities; and two out of three categories relating to governmental activities only. The City had similar balances at the end of fiscal year 2008.

### **Statement of Activities**

Governmental activities for the current fiscal year decreased net assets by \$6,956 due primarily to greater increases in operating expenses relative to the overall increase in operating revenues. During fiscal year 2009 the City received less property tax revenue and charges for services, which resulted from decreased property values and a decline in service revenue. Key elements of the changes in net assets, table below, are described in the following section:

**City of Lauderhill**  
**Change in Net Assets**  
**( In Thousands)**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Government</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Revenues:						
Program revenues:						
Charges for services	\$11,708	\$13,678	\$18,573	\$15,462	\$30,281	29,140
Operating grant	3,238	3,624	-	-	3,238	3,624
General revenues:						
Property taxes	15,955	16,179	-	-	15,955	16,179
Other taxes	12,663	12,521	-	-	12,663	12,521
Other	9,341	11,197	13	316	9,354	11,435
Total revenues	<u>52,905</u>	<u>57,199</u>	<u>18,586</u>	<u>15,778</u>	<u>71,491</u>	<u>72,899</u>
Expenses:						
General government	11,264	11,702	-	-	11,264	11,702
Public safety	32,537	30,617	-	-	32,537	30,617
Public works	6,492	7,185	-	-	6,492	7,185
Recreation and social services	7,089	6,242	-	-	7,089	6,242
Interest on long-term debt	2,479	2,258	-	-	2,479	2,258
Water and sewer	-	-	13,238	12,124	13,238	12,124
Stormwater	-	-	3,702	3,348	3,702	3,348
Total expenses	<u>59,861</u>	<u>58,003</u>	<u>16,940</u>	<u>15,472</u>	<u>76,801</u>	<u>73,475</u>
Increase ( decrease) in net assets	<u>(6,956)</u>	<u>(804)</u>	<u>1,646</u>	<u>306</u>	<u>(5,310)</u>	<u>(498)</u>
Net assets, October 1	<u>37,840</u>	<u>38,644</u>	<u>27,378</u>	<u>27,072</u>	<u>65,218</u>	<u>65,716</u>
Net assets, September 30	<u>\$30,884</u>	<u>\$37,840</u>	<u>\$29,024</u>	<u>\$27,378</u>	<u>\$59,908</u>	<u>65,218</u>



- Property taxes revenue decreased in the general fund by \$224 thousand (1.38 percent) during fiscal year 2009 over fiscal year 2008. Even though the City's millage rate increased from 5.06 mills to 5.96 mills during fiscal year 2009, the City still recognized a net reduction of \$224 thousand in property

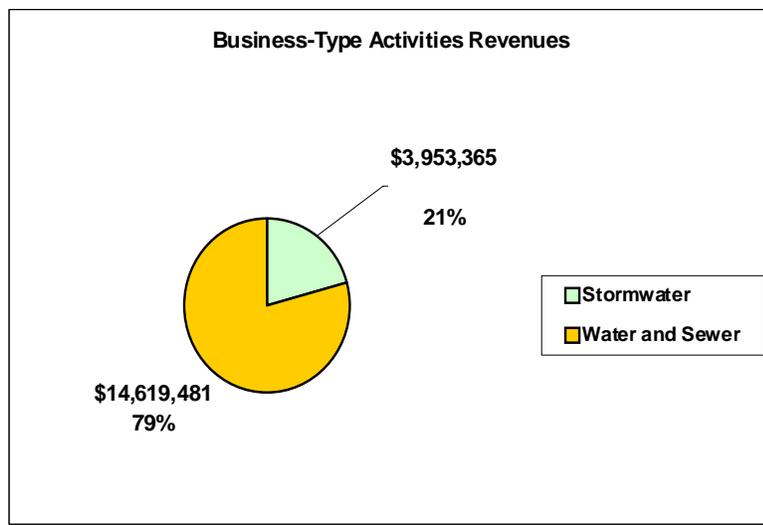
tax revenue. The decrease in revenue is a direct result of depressed property values resulting from an increased number of foreclosures and abandoned properties throughout the City. In addition, sales tax and other intergovernmental revenues also were less than fiscal year 2008.

- Expenses increased most significantly in public safety, which increasing by over \$1 million. The increases were primarily due to additional staff hired due to the annexation of 4,000 new residents on October 1, 2007. In addition, the cost of hiring temporary staff and overtime for public safety staffing to service the new areas and City sponsored special events directly impacted the additional expenses.

**Business-type Activities**

Business-type activities for the year resulted in an increase in net assets of \$1,646. Key elements of this change are as follows:

- The Stormwater Utility net assets increased by \$264, as operating revenues exceeded operating expenses by \$878. The Stormwater Utility has completed a major upgrade of the City's Stormwater collection infrastructure. Therefore, the fund incurred additional maintenance costs associated with maintaining the new assets. In addition, changes were made to the rate structure to ensure sufficient revenues going forward.



- The Water and Sewer Utility increased net assets by \$1,383. This increase was due to modification on the water restrictions imposed by the states regulatory agency to increase water consumption statewide and a change in rate structure. The fund has realized a net increase in charges for service.

**Financial Analysis of the Governmental Funds**

The City of Lauderhill uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The table below summarizes the changes in the fund balance of the City’s governmental funds.

<b>Governmental Funds</b>				
<b>(In thousand)</b>				
	<u>General</u>	<u>Capital Project</u>	<u>Other Funds</u>	<u>Total Governmental</u>
Fund balance, September 30, 2008	\$7,863	\$2,988	\$5,034	\$15,885
Revenues	48,041	2,749	3,044	53,834
Expenditures	(48,447)	(7,145)	(10,508)	(66,099)
Other financing sources(uses)	106	1450	5,474	7,030
Fund balance, September 30, 2009	<u>\$7,564</u>	<u>\$43</u>	<u>\$3,043</u>	<u>\$10,650</u>

**Governmental Funds**

The purpose of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of available resources relative to the City’s funding requirements. Unreserved fund balances serve as the most useful measure of the City’s net resources available for spending at the end of the fiscal year.

As the City completed the year, its governmental funds reported a combined fund balance of \$10,650 with general fund representing \$7,564. Of the \$7,564 in the general fund, \$1,348 is reserved, leaving a \$6,216 unreserved fund balance at year-end. The increase in the general fund unreserved fund balance was primarily contributed to the City recognizing gains from the transfer of restricted assets to other governmental funds while reducing interest costs through debt refunding and personnel related costs through departmental mergers and staff reductions to increase efficiencies.

The capital project fund had a combined fund balance of \$43 at year-end, down from \$2,988 in fiscal year 2008. A major contributor to the sizeable decrease is the completion of capital projects related to the City’s first general obligation bond for \$35 million. The fund balance in the capital project funds is directly affected by the pace at which capital projects are completed. Funding comes from the issuance of debt and is budgeted, sometimes over multiple fiscal years, for the construction of specific projects.

**Budget Information**

The City Commission approves the original budget (Adopted Budget) in September prior to the beginning of the fiscal year. The final budget (Amended Budget) reflects

divisional changes made administratively and approved by the City Manager and departmental changes and supplemental appropriations approved by the City Commission during the year.

Differences between the original budget and the final amended budget resulted in an overall decrease in appropriations of over \$1.2 million. The most significant differences between the Adopted Budget and the Amended Budget are as follows:

- \$405 in reduction in appropriations in the General Government due to the economic downturn that affects many government entities revenue streams including this City.
- \$778 in reduction in appropriations in the Police and Fire Departments due to a decrease in revenues primarily Intergovernmental Revenue and Property Taxes.
- \$57 in reduction in appropriations in Public Works and Parks and Leisure Services due to a decrease in revenues primarily Intergovernmental Revenue and Property Taxes.

The total expenditure budget reduction of \$1.2 million was a result of restructuring of the budget to meet the City's financial and operational needs. Actual expenditures for the year were approximately \$3 million more than the final budget.

The major revenue variances between the final budget and actual budget in the general fund is in intergovernmental revenues. The City expects revenues from this source to continue to decrease over the next several fiscal years due to the recession.

The major expenditure variances between the final budget and actual budget in the general fund are attributed to the reallocation of our insurance service fund into the general fund. As a result, departments are now being charged directly for all related insurance expenditures based on actual experience.

## Capital Assets and Debt Administration

### Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2009 amounts to \$132,984 (net of accumulated depreciation). This investment in capital assets includes land, buildings, water distribution and sewer collection, storm drainage systems, park improvements, equipment, and street improvements, which are detailed (net of accumulated depreciation) as follows:

<b>City of Lauderhill</b>						
<b>Capital Assets ( net of depreciation)</b>						
<b>( In Thousands)</b>						
	Governmental		Business-type		Total	
	Activities		Activities		Government	
	2009	2008	2009	2008	2009	2008
Land	\$ 27,099	\$ 27,063	\$ 349	\$ 349	\$ 27,448	\$ 27,412
Building and structures	13,088	13,539	17,017	17,603	30,105	31,142
Machinery and equipment	3,581	2,702	245	492	3,826	3,194
Improvements(other than buildings)	14,068	14,488	9,373	9,785	23,441	24,273
Infrastructure	5,250	5,791	18,219	18,837	23,469	24,628
Construction-in-progress	16,061	10,968	8,634	165	24,695	11,133
	<u>\$ 79,147</u>	<u>\$ 74,551</u>	<u>\$ 53,837</u>	<u>\$ 47,231</u>	<u>\$ 132,984</u>	<u>\$ 121,782</u>

The City has developed various capital improvement programs to improve the quality of life of its residents. Major projects included wastewater and storm water improvements, street repaving and landscaping renovations, improvements to parks, the construction of two new community centers and expansion and renovations to existing fire departments and community centers.

Additional information on the City's capital assets can be found in the notes to the financial statements on pages 56-58 of this report.

### Long-term Debt

At the end of the current fiscal year, the City has a total long-term debt outstanding of \$103,299. This debt was increased by \$12,240 during the year. This increase came from the issuance of revenue bonds issued to retire higher interest existing debt and from the City's bank line of credit to provide funding for capital investments for the City's CRA and other related entities.

**City of Lauderhill  
Outstanding Debt  
( In Thousands)**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Government</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
General Obligation Bonds	\$31,200	\$32,150	\$ -	\$ -	\$31,200	\$32,150
Revenue Bonds	22,195	16,595	32,975	28,000	55,170	\$44,595
State Revolving Fund	-	-	8,570	6,811	8,570	\$6,811
Capital Leases	457	-	-	-	457	-
Bank Lines of Credit	7,902	7,503	-	-	7,902	\$7,503
	<u>\$61,754</u>	<u>\$56,248</u>	<u>\$41,545</u>	<u>\$34,811</u>	<u>\$103,299</u>	<u>\$91,059</u>

Additional information on the City's long-term debt can be found in the notes to the financial statements on pages 59-62.

**Requests for Information**

This financial report is designed to provide a general overview of the City of Lauderhill's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Lauderhill, Finance Department, 5581 W. Oakland Park Boulevard, Suite 241 Lauderhill, Florida, 33319.

**CITY OF LAUDERHILL, FLORIDA**  
**STATEMENT OF NET ASSETS**  
September 30, 2009

<b>ASSETS</b>	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
Cash and equity in pooled cash and investments	\$ 3,871,486	\$ 8,614,080	\$ 12,485,566
Accounts receivable - net	4,015,808	3,613,114	7,628,922
Accrued interest receivable	1,390	-	1,390
Due from other governments	3,394,743	-	3,394,743
Internal balances	(4,801,867)	4,801,867	-
Inventories	138,526	43,806	182,332
Restricted assets:			
Equity in pooled cash and investments	2,035,641	999,835	3,035,476
Land held for investment	2,888,575	-	2,888,575
Other assets	3,253,442	207,065	3,460,507
Deferred charges, net	1,089,968	591,939	1,681,907
Due from related entity	4,059,237	-	4,059,237
Non-depreciable assets-			
Land	27,098,913	349,010	27,447,923
Construction in progress	16,060,723	8,633,729	24,694,452
Depreciable assets-net	<u>35,987,294</u>	<u>44,854,411</u>	<u>80,841,705</u>
Total assets	<u>99,093,879</u>	<u>72,708,856</u>	<u>171,802,735</u>
 <b>LIABILITIES</b>			
Accounts payable and accrued expenses	819,257	1,307,591	2,126,848
Accrued interest payable	847,178	725,118	1,572,296
Accrued payroll	402,716	49,478	452,194
Customer deposits	31,545	16,500	48,045
Unearned revenue	1,217,007	-	1,217,007
Compensated absences-current portion	819,584	18,427	838,011
Insurance claims payable:current portion	10,065		10,065
Noncurrent liabilities:			
Net OPEB obligation	146,000	-	146,000
The amount due in one year	2,235,000	1,930,324	4,165,324
The amount due in more than one year	<u>61,681,929</u>	<u>39,637,323</u>	<u>101,319,252</u>
Total Liabilities	<u>68,210,281</u>	<u>43,684,761</u>	<u>111,895,042</u>
 <b>NET ASSETS</b>			
Invested in capital assets, net of related debt	24,156,205	12,292,025	36,448,230
Restricted for:			
Renewal and replacement	-	3,200,000	3,200,000
Social services	1,311,273	-	1,311,273
Law Enforcement	872,258	-	872,258
Debt service	2,213,537	-	2,213,537
Unrestricted	<u>2,330,325</u>	<u>13,532,070</u>	<u>15,862,395</u>
Total Net Assets	<u>\$ 30,883,598</u>	<u>\$ 29,024,095</u>	<u>\$ 59,907,693</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LAUDERHILL, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Total
<b>Functions/programs</b>							
<b>Primary Government:</b>							
Governmental activities:							
General government	\$ 11,264,320	\$ 2,051,614	\$ 1,475,662	\$ -	\$ (7,737,044)	\$ -	\$ (7,737,044)
Public safety	32,537,466	9,373,245	143,188	-	(23,021,033)	-	(23,021,033)
Public works	6,491,970	-	-	-	(6,491,970)	-	(6,491,970)
Recreation and social services	7,089,302	283,526	1,619,500	-	(5,186,276)	-	(5,186,276)
Interest on long-term debt	2,478,666	-	-	-	(2,478,666)	-	(2,478,666)
<b>Total governmental activities</b>	<b>59,861,724</b>	<b>11,708,385</b>	<b>3,238,350</b>	<b>-</b>	<b>(44,914,989)</b>	<b>-</b>	<b>(44,914,989)</b>
<b>Business-type activities:</b>							
Water & Sewer	13,260,962	14,619,481	-	-	-	1,358,519	1,358,519
Stormwater	3,702,211	3,953,365	-	-	-	251,154	251,154
<b>Total business-type activities</b>	<b>16,963,173</b>	<b>18,572,846</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,609,673</b>	<b>1,609,673</b>
<b>Total primary government</b>	<b>\$ 76,824,897</b>	<b>\$ 30,281,231</b>	<b>\$ 3,238,350</b>	<b>\$ -</b>	<b>(44,914,989)</b>	<b>1,609,673</b>	<b>(43,305,316)</b>
<b>General revenues:</b>							
Property taxes, levied for general purpose					15,955,227	-	15,955,227
Franchise taxes					3,968,536	-	3,968,536
Public service taxes					8,694,157	-	8,694,157
Unrestricted intergovernmental					8,581,511	-	8,581,511
Investment Income					459,343	36,658	496,001
Miscellaneous					284,622	-	284,622
Sale of capital assets					15,144	-	15,144
<b>Total general revenues</b>					<b>37,958,540</b>	<b>36,658</b>	<b>37,995,198</b>
Change in net assets					(6,956,449)	1,646,331	(5,310,118)
Net assets, October 1,					37,840,047	27,377,764	65,217,811
Net assets, September 30,					\$ 30,883,598	\$ 29,024,095	\$ 59,907,693

The notes to the financial statements are an integral part of this statement.

**CITY OF LAUDERHILL, FLORIDA**  
 Balance Sheet  
 Governmental Funds  
 September 30, 2009

	<b>MAJOR FUNDS</b>				<b>TOTAL GOVERNMENTAL FUNDS</b>
	<b>General</b>	<b>Community Redevelopment Agency</b>	<b>Capital Projects</b>	<b>Other Nonmajor Governmental Funds</b>	
<b>ASSETS</b>					
Cash and equity in pooled cash and investments	\$ 576,204	\$ 96,761	\$ 879,233	\$ 2,319,288	\$ 3,871,486
Accounts receivable - net	4,013,408	2,400	-	-	4,015,808
Accrued interest receivable	723	-	-	667	1,390
Due from other funds	4,249,876	-	3,000,000	-	7,249,876
Due from other governments	1,472,362	-	448,533	1,473,848	3,394,743
Inventories	138,526	-	-	-	138,526
Restricted assets:					
Equity in pooled cash and investments	-	-	-	2,035,641	2,035,641
Land held for investment	-	2,888,575	-	-	2,888,575
Other assets	2,841,129	3,080	-	290,657	3,134,866
Total assets	<u>\$ 13,292,228</u>	<u>\$ 2,990,816</u>	<u>\$ 4,327,766</u>	<u>\$ 6,120,101</u>	<u>\$ 26,730,911</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued expenses	\$ 507,942	\$ -	\$ 274,240	\$ 37,075	\$ 819,257
Accrued payroll	399,805	1,810	-	1,101	402,716
Accrued compensated absences	805,417	12,044	-	2,123	819,584
Accrued interest payable	-	-	-	847,178	847,178
Due to other funds	3,000,000	3,621,130	-	628,746	7,249,876
Customer deposits	31,545	-	-	-	31,545
Unearned revenue	973,609	-	-	124,822	1,098,431
Insurance claims payable	10,065	-	-	-	10,065
Advances from other funds	-	-	4,010,233	791,634	4,801,867
Total liabilities	<u>5,728,383</u>	<u>3,634,984</u>	<u>4,284,473</u>	<u>2,432,679</u>	<u>16,080,519</u>
Fund balances:					
Reserved for:					
Social services	709,646	-	-	601,627	1,311,273
Law enforcement	-	-	-	872,258	872,258
Debt service	-	-	-	2,213,537	2,213,537
Capital projects	-	-	43,293	-	43,293
Inventories	138,526	-	-	-	138,526
Natural disaster	500,000	-	-	-	500,000
Unreserved	6,215,673	(644,168)	-	-	5,571,505
Total fund balances (deficit)	<u>7,563,845</u>	<u>(644,168)</u>	<u>43,293</u>	<u>3,687,422</u>	<u>10,650,392</u>
Total liabilities and fund balances	<u>\$ 13,292,228</u>	<u>\$ 2,990,816</u>	<u>\$ 4,327,766</u>	<u>\$ 6,120,101</u>	<u>\$ 26,730,911</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LAUDERHILL, FLORIDA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
**SEPTEMBER 30, 2009**

Fund balances - total government funds	\$ 10,650,392
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets, net	79,146,930
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Funds Due From Related Entity	4,059,237
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Deferred charges for issuance cost, net	1,089,968
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

1998 Sales Tax Bonds	(3,445,000)	
2001 Sales Tax Bonds	(4,250,000)	
2003 Sales Tax Bonds	(4,560,000)	
2005 Sales Tax Bonds	(3,440,000)	
2009 Sales Tax Bonds	(6,500,000)	
2005 General Obligation Bonds	(31,200,000)	
Bank Line of Credit	(7,901,470)	
Net OPEB obligation	(146,000)	
Capital Lease	(457,069)	
Compensated absences	(2,163,390)	<u>(64,062,929)</u>

Net assets of governmental activities	\$ <u>30,883,598</u>
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The notes to the financial statements are an integral part of this statement.

**CITY OF LAUDERHILL, FLORIDA**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended September 30, 2009

	<b>MAJOR FUNDS</b>				<b>TOTAL GOVERNMENTAL FUNDS</b>
	<b>General</b>	<b>Community Redevelopment Agency</b>	<b>Capital Projects</b>	<b>Other Nonmajor Governmental Funds</b>	
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ 13,616,266	\$ -	\$ 2,338,961	\$ -	\$ 15,955,227
Franchise taxes	3,968,536	-	-	-	3,968,536
Public service taxes	8,694,157	-	-	-	8,694,157
Charges for services	10,040,958	-	-	-	10,040,958
Administrative charges	3,624,548	-	-	-	3,624,548
Intergovernmental	5,269,458	-	258,456	2,615,583	8,143,497
Licenses and permits	1,916,602	-	-	-	1,916,602
Fines and forfeitures	539,053	-	-	152,683	691,736
Investment income	83,263	101,330	152,075	122,675	459,343
Rental income	255,757	-	-	-	255,757
Miscellaneous	32,338	51,765	-	-	84,103
Total revenues	<u>48,040,936</u>	<u>153,095</u>	<u>2,749,492</u>	<u>2,890,941</u>	<u>53,834,464</u>
<b>EXPENDITURES</b>					
Current:					
General government	9,840,891	1,046,016	-	-	10,886,907
Public safety	29,522,759	-	-	1,521,857	31,044,616
Public works	5,620,699	-	-	-	5,620,699
Recreation and social services	3,462,500	-	-	2,673,733	6,136,233
Debt service:					
Principal retirement	-	-	-	2,124,992	2,124,992
Interest and issuance cost	-	-	-	2,359,299	2,359,299
Capital Outlay:					
Land	-	-	35,928	-	35,928
Buildings	-	-	1,480,273	-	1,480,273
Improvements	-	-	3,297,560	-	3,297,560
Infrastructure	-	-	899,125	-	899,125
Machinery & equipment	-	-	1,431,723	781,879	2,213,602
Total Expenditures	<u>48,446,849</u>	<u>1,046,016</u>	<u>7,144,609</u>	<u>9,461,760</u>	<u>66,099,234</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(405,913)</u>	<u>(892,921)</u>	<u>(4,395,117)</u>	<u>(6,570,819)</u>	<u>(12,264,770)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	3,884,164	1,126,611	545,076	4,486,291	10,042,142
Transfers out	(3,777,675)	(137,383)	(6,127,084)	-	(10,042,142)
Payment to refunded bond escrow agent	-	-	(60,000)	(2,000)	(62,000)
Issuance of debt	-	-	7,054,000	-	7,054,000
Capital leases	-	-	576,841	-	576,841
Transfer to related organization	-	-	(554,000)	-	(554,000)
Sale of capital assets	-	-	15,144	-	15,144
Total Other Financing Sources (Uses)	<u>106,489</u>	<u>989,228</u>	<u>1,449,977</u>	<u>4,484,291</u>	<u>7,029,985</u>
Net change in fund balances	(299,424)	96,307	(2,945,140)	(2,086,528)	(5,234,785)
Fund balances (deficit) - beginning	<u>7,863,269</u>	<u>(740,475)</u>	<u>2,988,433</u>	<u>5,773,950</u>	<u>15,885,177</u>
Fund balances (deficit) - ending	<u>\$ 7,563,845</u>	<u>\$ (644,168)</u>	<u>\$ 43,293</u>	<u>\$ 3,687,422</u>	<u>\$ 10,650,392</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LAUDERHILL, FLORIDA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Changes in fund balances - total government funds

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances	\$	(5,234,785)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital outlays	7,926,488	
Less current year depreciation	(3,330,012)	4,596,476

Transfer to Related Organization		554,000
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The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt issuance	(7,630,841)	
Principal repayments	2,124,992	(5,505,849)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

		(1,366,291)
Change in net assets of governmental activities	\$	<u>(6,956,449)</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LAUDERHILL, FLORIDA**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2009**

<b>ASSETS</b>	<b>BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS-MAJOR FUNDS</b>		
	<b>Water &amp; Sewer</b>	<b>Stormwater</b>	<b>Total</b>
<b>Current assets:</b>			
Cash and equity in pooled cash and investments	\$ 5,203,170	\$ 3,410,910	\$ 8,614,080
Accounts receivable - net	3,530,232	82,882	3,613,114
Advances to other funds	4,801,867	-	4,801,867
Inventories	43,806	-	43,806
Prepaid items	117,968	89,097	207,065
<b>Total current assets</b>	<b>13,697,043</b>	<b>3,582,889</b>	<b>17,279,932</b>
<b>Non-current assets:</b>			
Restricted Assets:			
Equity in pooled cash and investments	-	999,835	999,835
Deferred charges	591,939	-	591,939
Capital assets:			
Land	349,010	-	349,010
Buildings	28,253,558	-	28,253,558
Improvements other than building	4,528,848	11,279,182	15,808,030
Machinery and equipment	4,394,063	1,055,258	5,449,321
Infrastructure	18,876,918	8,425,782	27,302,700
Construction in progress	972,024	7,661,705	8,633,729
Less accumulated depreciation	(24,994,039)	(6,965,159)	(31,959,198)
Total capital assets (net of accumulated depreciation)	32,380,382	21,456,769	53,837,151
<b>Total non-current assets</b>	<b>32,972,321</b>	<b>22,456,603</b>	<b>55,428,924</b>
<b>Total Assets</b>	<b>46,669,364</b>	<b>26,039,492</b>	<b>72,708,856</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable and accrued expenses	535,868	771,723	1,307,591
Accrued payroll	34,184	15,294	49,478
Accrued interest payable	453,569	271,549	725,118
Bonds payable - current portion	1,020,000	910,324	1,930,324
Customer deposits	16,500	-	16,500
Compensated absences - current portion	12,839	5,588	18,427
<b>Total current liabilities</b>	<b>2,072,960</b>	<b>1,974,478</b>	<b>4,047,438</b>
<b>Non-current liabilities:</b>			
Bonds payable - noncurrent	21,175,000	18,439,802	39,614,802
Compensated absences - noncurrent	15,692	6,829	22,521
<b>Total noncurrent liabilities</b>	<b>21,190,692</b>	<b>18,446,631</b>	<b>39,637,323</b>
<b>Total Liabilities</b>	<b>23,263,652</b>	<b>20,421,109</b>	<b>43,684,761</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	10,185,382	2,106,643	12,292,025
Restricted for:			
Renewal and replacement	3,200,000	-	3,200,000
Unrestricted	10,020,330	3,511,740	13,532,070
<b>Total Net Assets</b>	<b>\$ 23,405,712</b>	<b>\$ 5,618,383</b>	<b>\$ 29,024,095</b>

**CITY OF LAUDERHILL, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<b>BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS-MAJOR FUNDS</b>		
	<b>Water &amp; Sewer</b>	<b>Stormwater</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 14,015,211	\$ 3,925,079	\$ 17,940,290
Connection fees	118,611	-	118,611
Other income	485,659	28,286	513,945
Total Operating Revenues	<u>14,619,481</u>	<u>3,953,365</u>	<u>18,572,846</u>
<b>OPERATING EXPENSES</b>			
Personal services	3,350,460	1,040,833	4,391,293
Administrative expenses	2,737,113	455,892	3,193,005
Contractual services	3,877,734	8,607	3,886,341
Utilities	183,139	342,038	525,177
Repairs and maintenance	114,272	54,631	168,903
Materials and supplies	482,631	237,612	720,243
Insurance claims and expenses	473	85,134	85,607
Depreciation and amortization	1,404,792	850,484	2,255,276
Total Operating Expenses	<u>12,150,614</u>	<u>3,075,231</u>	<u>15,225,845</u>
Operating income	<u>2,468,867</u>	<u>878,134</u>	<u>3,347,001</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	24,117	12,541	36,658
Interest expense and fees	<u>(1,110,348)</u>	<u>(626,980)</u>	<u>(1,737,328)</u>
Total Nonoperating Revenues (Expenses)	<u>(1,086,231)</u>	<u>(614,439)</u>	<u>(1,700,670)</u>
Change in net assets	1,382,636	263,695	1,646,331
NET ASSETS, OCTOBER 1, AS RESTATED	<u>22,023,076</u>	<u>5,354,688</u>	<u>27,377,764</u>
NET ASSETS, SEPTEMBER 30	<u>\$ 23,405,712</u>	<u>\$ 5,618,383</u>	<u>\$ 29,024,095</u>

**CITY OF LAUDERHILL, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<b>BUSINESS TYPE ACTIVITIES</b>		
	<b>ENTERPRISE FUNDS</b>		
	<u>Water &amp; Sewer</u>	<u>Stormwater</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers, other government and users	\$ 14,310,854	\$ 3,884,438	\$ 18,195,292
Payments for Interfund activities	(7,538,980)	(455,892)	(7,994,872)
Cash paid to suppliers	(4,840,707)	81,482	(4,759,225)
Cash paid to employees	(3,369,127)	(1,089,910)	(4,459,037)
Net Cash Provided by Operating Activities	<u>(1,437,960)</u>	<u>2,420,118</u>	<u>982,158</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Net Cash Provided by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition and construction of capital assets	(1,315,348)	(7,546,464)	(8,861,812)
Proceeds from capital debt	-	8,156,179	8,156,179
Principal retirements of long-term debt	(915,000)	(506,964)	(1,421,964)
Interest paid on long-term debt	(949,879)	(503,249)	(1,453,128)
Net Cash Provided by Capital and Related Financing Activities	<u>(3,180,227)</u>	<u>(400,498)</u>	<u>(3,580,725)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest on investments	24,117	12,541	36,658
Net Cash Provided by Investing Activities	<u>24,117</u>	<u>12,541</u>	<u>36,658</u>
<b>NET INCREASE IN POOLED CASH AND CASH EQUIVALENTS</b>	(4,594,070)	2,032,161	(2,561,909)
<b>POOLED CASH AND CASH EQUIVALENTS, OCTOBER 1</b>	<u>9,797,240</u>	<u>2,378,584</u>	<u>12,175,824</u>
<b>POOLED CASH AND CASH EQUIVALENTS, SEPTEMBER 30</b>	<u>\$ 5,203,170</u>	<u>\$ 4,410,745</u>	<u>\$ 9,613,915</u>
<b>POOLED CASH AND CASH EQUIVALENTS PER STATEMENT OF NET ASSETS</b>			
Unrestricted	\$ 5,203,170	\$ 3,410,910	\$ 8,614,080
Restricted	-	999,835	999,835
TOTAL, SEPTEMBER 30	<u>\$ 5,203,170</u>	<u>\$ 4,410,745</u>	<u>\$ 9,613,915</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating Income	\$ 2,468,867	\$ 878,134	\$ 3,347,001
Adjustments to reconcile operating income to net cash provided by Operating Activities:			
Depreciation and amortization	1,404,792	850,484	2,255,276
Change in Assets and Liabilities:			
(Increase) decrease in accounts receivable-net	(308,627)	(68,927)	(377,554)
(Increase) decrease advances to other funds	(4,801,867)	-	(4,801,867)
(Increase) decrease in prepaid items	(34,696)	22,274	(12,422)
(Increase) decrease in inventories	(9,062)	-	(9,062)
Increase (decrease) in accounts payable and accrued expenses	(173,869)	724,370	550,501
Increase (decrease) in accrued payroll	7,850	8,197	16,047
Increase (decrease) in compensated absences	8,652	5,586	14,238
Total adjustments	<u>(3,906,827)</u>	<u>1,541,984</u>	<u>(2,364,843)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>\$ (1,437,960)</u>	<u>\$ 2,420,118</u>	<u>\$ 982,158</u>

**CITY OF LAUDERHILL, FLORIDA**  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
September 30, 2009

	<u>Pension Trust Funds</u>
<b>ASSETS</b>	
Cash and short-term investments	\$ 3,065,796
Receivables:	
State contribution	459,295
Interest and dividends	242,479
Receivable for securities sold	172,517
Contributions	<u>323,810</u>
Total Receivables	1,198,101
Prepays	2,000
Investments, at fair value	
U.S. Government and agency securities	9,263,629
Corporate bonds and notes	17,882,775
Mutual funds	5,085,988
Common stocks	34,074,620
International equity funds	5,695,733
Real estate funds	<u>3,739,297</u>
Investments, at fair value	<u>75,742,042</u>
<b>Total Assets</b>	<u>80,007,939</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	117,001
Payable for securities purchased	159,519
Deferred revenues/future benefits	2,937,450
DROP payable	579,041
Prepaid city contributions	<u>405,962</u>
<b>Total Liabilities</b>	<u>4,198,973</u>
<b>NET ASSETS</b>	
Held in trust for pension benefits	<u><u>\$ 75,808,966</u></u>

The notes to the financial statements are an integral part of this statement.

**CITY OF LAUDERHILL, FLORIDA**  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Funds  
For the Year Ended September 30, 2009

	<b>Pension Trust Funds</b>
<b>ADDITIONS</b>	
Contributions:	
City	\$ 5,914,169
Plan members	2,838,780
State revenue	809,703
Total contributions	9,562,652
Investment income:	
Net (depreciation) appreciation in fair value of investments	(3,263,703)
Interest and dividend income	2,470,133
Total investment income	(793,570)
Less: Investment expenses	412,763
Deferred retirement option plan	136,143
Net investment income (loss)	(1,342,476)
<b>Total additions</b>	<b>8,220,176</b>
<b>DEDUCTIONS</b>	
Benefits paid	4,786,736
Administrative expenses	426,653
Refunds of contributions	125,111
Other	1,875
<b>Total deductions</b>	<b>5,340,375</b>
CHANGE IN NET ASSETS	2,879,801
NET ASSETS, OCTOBER 1	72,929,165
NET ASSETS, SEPTEMBER 30	\$ 75,808,966

The notes to the financial statements are an integral part of this statement.

**CITY OF LAUDERHILL  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting entity**

The City of Lauderhill, Florida (City), located in Broward County, is a municipal corporation that was incorporated pursuant to the Laws of Florida 59-1487 in 1959. The City is governed by a five-member commission with an elected Mayor. The City Commission is responsible for the appointment of the City Manager, who is charged with overseeing the operations of the City. The City provides the following services pursuant to the City Charter: general government, public safety, public works, parks and recreation, social services, and community development.

The financial statements were prepared in accordance with GASB Statement No. 14, *The Financial Reporting Entity* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units-an amendment of GASB No. 14*, which establishes standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**B. Blended Component Units and Related Organization**

The City is financially accountable for a component unit if it appoints a voting majority of the organization's board and it is able to impose its will on that organization, or there is a potential for the organization to provide specific financial benefits, or impose specific financial burdens on the City. Blended component units, although legally separate entities, are, in substance, part of the government's operations. As of September 30, 2009, the City had two entities, Community Redevelopment Agency and Windermere/Tree Gardens Safe Neighborhood Improvement District, that met the requirements as described above. In addition, the City has a related entity, Lauderhill Housing Authority.

Lauderhill Community Redevelopment Agency

In 2005, the Lauderhill Community Redevelopment Agency (CRA) was created for the purpose of revitalizing and enhancing the City of Lauderhill, through infrastructure improvements and targeted acquisition and rehabilitation of deteriorated properties. The Mayor and City Commissioners are all members of the CRA Board and responsible for approving the budget. Therefore, the City is financially accountable for the CRA. The financial activities of the CRA are reported in the City's financial statements as a *Special Revenue Fund*.

## **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### Windermere/Tree Gardens Safe Neighborhood Improvement District

In 2009, the Windermere/Tree Gardens Safe Neighborhood Improvement Special District was created to promote the health, safety and general welfare of its residents, visitors, property owners and workers. The Mayor and City Commissioners are members of the board of directors and responsible for overseeing the Special District. The financial statements of Windermere/Tree Gardens Safe Neighborhood Improvement District have been included within the City's reporting entity as the Safe Neighborhood Special Revenue Fund.

### Related Organization

The Housing Authority of the City of Lauderhill, was created under the provisions of Chapter 421 of the Florida State Statutes to operate housing projects for the benefit of lower income families. In addition, the City Mayor appoints and the Commission confirms the governing board of the Housing Authority but is not financially accountable for the organization. The City does not have any administrative functions or oversight nor do they benefit, positively or negatively, from the Authorities activities

## **C. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

*The Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and, grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. *General revenues* consist of taxes and other items, not included among program revenues.

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

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### D. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The proprietary fund and fiduciary fund financial statements are reported in the same manner. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash-flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the funding agency have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and therefore, have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and are available only when the City receives cash.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Special Revenue Fund – Community Redevelopment Agency (CRA)* is a component unit blended in the City financial statements. It accounts for the resources accumulated for infrastructure improvement and rehabilitation of deteriorated properties within the City boundary.

The *Capital Projects Fund* accounts for the resources accumulated for the completion of the five-year capital budget.

The City reports the following major proprietary funds:

The *Water and Sewer Fund* accounts for the provision of potable water to residents and the corresponding sewage disposal, which is processed by Broward County. The City operates the water treatment facility, water distribution system, sewage transportation pipelines, and sewage pumping stations.

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The *Stormwater Fund* accounts for the infrastructure and operations of stormwater transportation, which is funded through user charges.

Additionally, the City reports the *Pension Trust Funds* account for the activities of the General Employee Retirement System, the Firefighter Retirement System, the Police Retirement System, and the Confidential and Managerial Retirement System. These funds accumulate resources for pension benefit payments to qualified employees.

Generally, private-sector standards of accounting and financial reporting issued prior to December 1, 1989, are followed in both the government-wide and proprietary fund financial statements, to the extent that those standards do not conflict with or contradict guidance of the Government Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the City.

Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer fund, of the Stormwater enterprise fund, and of the City's internal service fund are charges to customers for sales and services.

The water and sewer fund also recognizes as operating revenue, the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

## **E. New Pronouncement**

The City adopted the provisions of GASB Statement 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" in fiscal year 2009. Implementation of the provisions of this statement did not have a material impact on the financial position or results of operation of the City.

The City adopted the provisions of GASB No. 49. "Accounting and Financial Reporting for Pollution Remediation Obligations". This Statement will enhance comparability of financial statements among governments by requiring all governments to account for pollution remediation obligations in the same manner, including required reporting of pollution remediation obligations that previously may not have been reported. It also will enhance users' ability to assess governments' obligations by requiring more timely and complete reporting of obligations as their components become reasonably estimable. Implementation of the provisions of this statement did not have a material impact on the financial position or results of operation of the City.

The City will be required to adopt the provisions of GASB No. 51, "Accounting and Financial Reporting for Intangible in fiscal year 2010. This statement establishes accounting and financial reporting requirements for intangible assets. The City is currently evaluating the impact, if any, of implementing the provisions of this statement on its financial position and results of operations. Management does not believe the impact will be material on the financial position or results of operation.

The City will be required to adopt the provision of Statement No. 53 "Accounting and Financial Reporting for Derivative Instruments". The objective of this Statement is to enhance the usefulness and comparability of derivative instrument information reported by state and local governments. This Statement provides a comprehensive framework for the measurement, recognition, and disclosure of derivative instrument transactions. The City is currently evaluating the impact, if any, of implementing the provisions of this statement on its financial position and results of operations. Management does not believe the impact will be material on the financial position or results of operation.

GASB issued Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010. The City is currently evaluating the impact, if any, of implementing the provisions of this statement on its financial position and results of operations. Management does not believe the impact will be material on the financial position or results of operation.

## **F. Assets, liabilities and net assets or equity (CONTINUED)**

### **1. Cash and investments**

The City's equity in pooled cash and cash equivalents includes cash on hand, demand deposits, investments with the State Board of Administration (SBA) and short-term investments with original maturities of three months or less from the date of acquisition.

Resources of all funds, with the exception of the pension trust funds, and certain other cash and investment accounts, have been combined into a pooled cash and investment system for the purpose of maximizing earnings. Interest earned on pooled cash and investments is allocated monthly based upon equity of the respective funds.

For the purpose of the statement of cash flows for the proprietary fund types, cash and cash equivalent mean short term, highly liquid investments with an original maturity of three months or less.

State statutes authorize the City to establish its own investment policy by ordinance. The investment ordinance allows up to 100% investment in the following instruments, subject to maturity limitations: local government surplus trust fund (SBA), Securities and Exchange Commission (S.E.C.) registered money market funds with the highest quality rating from a nationally recognized rating company, savings accounts and certificates of deposit in state-certified qualified public depositories, direct obligations of the U.S. Treasury, and securities issued by federal agencies and instrumentalities. Up to 10% may be invested in common stocks, subject to quality restrictions.

All investments are reported at fair value. Fair value is determined by quoted market prices. SBA operates in accordance with appropriate state laws and regulations. The reported value of SBA is the same as fair value of the pool shares.

### **2. Receivables and Payables**

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. Accounts receivable allowances are based on historical trends.

## **F. Assets, liabilities and net assets or equity (CONTINUED)**

### **3. Property Taxes**

Property values are assessed as of January 1, of each year, at which time taxes becomes an enforceable lien on property. Tax bills are mailed for the City, by Broward County, on or about October 1 of each year, and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes.

Assessed values are established by the Broward County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters which provides for limiting the increases in homestead property valuation for Ad Valorem Tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the City. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida. There were no material delinquent property taxes at September 30, 2009.

State statutes permit municipalities to levy property taxes at a rate up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the City is established by the City Commission and the Broward County Property Appraiser incorporated the City's millage into the total tax levy, which includes the County and the County School Board tax requirements. The millage rate assessed by the City for the year ended September 30, 2009 was 5.9574 mills (\$5.9574 per \$1,000 of taxable assessed valuation).

### **4. Inventories and prepaid items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed.

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

### **5. Restricted assets**

Certain proceeds from revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in a separate investment accounts and their use is limited by applicable bond covenants. The "bond reserve account" is a separate brokerage account where securities have been purchased in lieu of surety bonds to subsidize potential deficiencies of revenues pledged for debt service. The "revenue bond renewal and replacement" account is used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements. The various reserve accounts have been recorded on the balance sheets of the applicable funds.

## **F. Assets, liabilities and net assets or equity (CONTINUED)**

When both restricted and unrestricted resources are available for use, it is City policy to use unrestricted resources first, and then restricted resources as needed.

### **6. Capital assets**

Capital assets - property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$750 and an estimated useful life in excess of one year. Purchased or constructed assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized.

Property, plant, and equipment are depreciated using the straight line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	40
Improvements	20
Public domain infrastructure	40
System infrastructure	40
Vehicles	5
Office equipment	5
Computer equipment	5

### **7. Unearned revenue**

Unearned revenues are recorded for governmental fund receivables that are not both measurable and available. In addition, inflows that do not meet the criteria for revenue recognition, such as occupational licenses collected in advance, are recorded as unearned revenue in the government-wide and the fund statements.

### **8. Compensated absences**

It is City policy to permit employees to accumulate earned but unused vacation and sick pay benefits. An employee may, on an annual basis, or upon termination, cash in a portion of these unused benefits at a discount. Vacation and sick pay benefits are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial

## **F. Assets, liabilities and net assets or equity (CONTINUED)**

statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

### **9. Long-term obligations**

In the government-wide financial statements, and proprietary fund types financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

### **10. Fund equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. To ensure that the City has the financial means to address any unforeseen natural disasters, the City has created an account to designate part of fund balance for the accumulation of funds overtime. The City will make periodic transfers to this account when financial possible. Designations of fund balance represent tentative management plans that are subject to change.

The Community Redevelopment Agency and Safe Neighborhood funds had deficit fund balances of \$644,168 and \$30,304 as of September 30, 2009. The funds increased expenditures to acquire real property for sale or redevelopment. The City plans to use the proceeds of the sale and tax revenue to eliminate the deficit.

### **11. Net assets**

Net assets of the government-wide and proprietary funds are categorized as invested in capital assets net of related debt, restricted or unrestricted. The first category represents net assets related to capital assets net of any outstanding debt associated with the capital assets.

In the government-wide and proprietary fund financial statements, restricted net assets are used to indicate the segregation of a portion of net assets equal to certain assets that are restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the related liabilities payable from restricted assets.

## F. Assets, liabilities and net assets or equity (CONTINUED)

### 12. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

### 13. Restatement of Proprietary Funds Net assets

The Funds net assets for fiscal year ended September 30, 2008 were restated to report depreciation expenses in the appropriate funds. The details of the adjustments are as follows:

	Water & Sewer Fund	Stormwater Fund
Ending net asset, as previously stated, Sept. 30, 2008	\$20,441,117	\$6,859,659
Adjustment, depreciation expenses	1,581,959	(1,504,971)
Ending net assets, restated, Sept. 30, 2008	<u>\$22,023,076</u>	<u>\$5,354,688</u>

This restatement did not have a material impact on the Proprietary funds and government-wide financial statements in the aggregate.

## 2. DEPOSITS AND INVESTMENTS

The City, for accounting and investment purposes, maintains a cash and investment pool for use by all City funds. This gives the City the ability to invest large amount of idle cash for short periods of time and to maximize earning potential. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and equity in pooled cash and investments. Income earned on pooled cash and investments is allocated to the respective funds based on average daily balances.

### Cash Deposits

The carrying amounts of the City's cash deposits were \$5,660,553 including petty cash on hand of \$ 3,760 as of September 30, 2009; the total of which is collateralized or insured with securities held by the City or by its agent in the name of the City as discussed below.

*Custodial Credit Risk.* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. All of the City's deposits are entirely insured by federal depository insurance or collateralized by the multiple financial institution collateral pool pursuant to Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act". Under this Act,

## 2. DEPOSITS AND INVESTMENTS (CONTINUED)

all qualified public depositories are required to pledge eligible collateral. Public deposits are protected by deposit insurance, sale of securities pledged as collateral, and assessments made to other public depositories when needed to guarantee no loss will be incurred by the public depositor.

### Investments

Under the provisions of the City's investment policy, and in accordance with Florida Statutes, the following investments were authorized:

	Maximum % Portfolio
State Board of Administration	100%
Money Market Funds	100%
Certificate of Deposits	100%
U.S. Treasury Securities	100%
U.S. Government Obligations and Instrumentalities	100%
Lauderhill Loan Consortium	\$60,000
Commercial Papers by any U.S. Corporation	10%
Option Contracts	10%

As of September 30, 2009, the City had the following investments and maturities:

	<u>Ratings</u>	<u>Fair Value</u>	<u>Maturity (Years)</u>
Money Market Funds	Not Rated	\$ 5,427,560	-
SBA	Not Rated	542,164	-
US Treasury Securities	N/A	1,484,299	3.49
US Government Securities	Aaa/AAA	<u>2,406,467</u>	<u>9.26</u>
		<u>\$ 9,860,489</u>	<u>2.93</u>

Interest Rate Risk In accordance with its investment policy, the City manages its exposure to decline in fair value by limiting its investment portfolio to less than four (4) years.

Credit Risk Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State limits investments in commercial papers and corporate bonds to the highest credit rating from a nationally recognized rating agency. It is the City's policy to keep ninety (90) percent of the total portfolio in low risk investments such as US Treasury obligations that are diversified by purchase date and maturity dates while remaining ten (10) percent may be invested to high risk investments such as common stocks rated in one (1) of the top three (3) investment categories by major rating service.

Concentration of Credit Risk. The investment policy of the City contains no limitation on the amount that can be invested in any one issuer beyond that stated above. Investments in any one issuer that represents 5% or more of the total City investments are as follows:

## 2. DEPOSITS AND INVESTMENTS (CONTINUED)

<u>Issuer</u>	<u>Type</u>	<u>Amount</u>	<u>%</u>
FNMA	Federal Agency Securities	973,445	28%
US Treasury	Treasury Bonds/Notes/Strips	1,484,299	43%

*Custodial Credit Risk.* Custodial credit risk for investment is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City's investment policy provided that securities may be held in street name in an account under the name of the City at the primary dealer where the securities was purchased provided that the total value of the account is insured and a monthly account statement evidencing all holdings is sent to the City by the dealer.

The Employee Pension Plan investments are held separately from those of other City funds. As described by the plan documents, the plan administrator is authorized to invest plan assets in obligations of the U.S. Government and various mutual and money market funds, which are held by the plan administrators and not in the City's name. The plan investments are held by Fifth Third Bank, Regions Bank and Fiduciary Trust which consisted of the following:

<u>Investment type</u>	Amounts in Thousands			
	<u>General Employees Retirement System</u>	<u>Firefighter Retirement System</u>	<u>Police Officer Retirement System</u>	<u>Confidential and Managerial Retirement Plan</u>
US Treasury bonds and notes	\$ -	\$ -	\$ -	\$ -
US Government securities	2,048	6,332	-	884
Corporate bonds and notes	2,536	4,843	8,059	2,444
Mutual funds	3,742	-	1,344	-
International equities	-	3,027	1,381	1,288
Common stocks	4,153	17,171	8,067	4,683
Mortgage	850	-	-	-
Real estate fund	-	2,889	-	-
	<u>\$ 13,329</u>	<u>\$ 34,262</u>	<u>\$ 18,851</u>	<u>\$ 9,299</u>

### General Employee Retirement System (GERS)

The Board of Trustees has developed certain investment guidelines and has retained investment managers. The investment managers are expected to maximize return on the investment portfolio and may make transactions consistent with that expectation within the Board's guidelines. The investment managers are compensated based on a percentage of their portfolio's market value.

## 2. DEPOSITS AND INVESTMENTS (CONTINUED)

<u>Investment type</u>	Amounts in Thousands				
	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>More than 10 Years</u>
Money market	\$ 669				
U.S. Government securities	2,048				
Mutual bond funds	2,376				
Corporate bonds and notes	2,536				
Total	<u>\$ 7,629</u>	<u>\$ 957</u>	<u>\$ 2,478</u>	<u>\$ 2,843</u>	<u>\$ 1,351</u>

*Interest rate risk.* As a mean of limiting its exposure to fair value losses arising from rising interest rates, the plan's investment policy limits the duration of its fixed income portfolio to less than 135% of the duration of the market index. The market index is defined as the Lehman Aggregate Bond Index. As of September 30, 2009, the fixed income portfolio's weighted average was 6.95 years.

*Credit risk.* The plan limits its credit risk by establishing the following investment guidelines:

### Credit Risk Rating

Fixed income securities

Aa3/AA-

As of September 30, 2009, the plan was in compliance with the established guidelines.

*Concentration of credit risk.* The plan's investment policy places investment limitations and provides target allocations to its investment managers to limit credit risk due to concentration. The following are the established target allocations for the plan:

	<u>Target Allocation</u>
Domestic equity securities	45%
Foreign equity securities	20%
Fixed income securities	35%

Equity and fixed income securities are also limited to no more than 5% in one single issuer. There were no single investments greater than 5% of net assets as of September 30, 2009.

### Firefighter Retirement System (FRS)

The plan's investment as determined by the Board of Trustees provided for the following

## 2. DEPOSITS AND INVESTMENTS (CONTINUED)

guidelines: (a) investment in all equity securities shall be limited to those listed on a major U.S. stock exchange and limited to no more than 85% of the Plan's total asset value, (b) no more than 5% of the portfolio may be invested in the shares of a single corporate issuer at cost, (c) the target allocation for investment in stocks of foreign companies is 10% of the value of the portfolio, (d) fixed income portfolio shall be comprised of securities rated not less than "A" rating by a major rating service and limited to no more than 40% of the Plan's total asset value, and (e) in the event that there is a downgrade in the quality below the "BAA" rating, the security must be liquidated immediately or in a manner not to be detrimental to the performance of the plan. As of September 30, 2009, International Equity Funds amounted to \$3,027,468.

*Interest rate risk.* As a mean of limiting its exposure to interest rate risk, the plan diversifies its investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair value of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the plan's investment by maturity as of September 30, 2009:

<u>Investment type</u>	Amounts in Thousands				
	<u>Fair Value</u>	<u>Investment Maturities ( in Years)</u>			
		<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>More than 10 Years</u>
U.S. Treasuries	\$ 480	\$ -	\$ -	\$ -	\$ 480
U.S. agencies	5,852	-	617	2,153	3,081
Corporate bonds	4,843	-	1,832	1,116	1,895
Total	<u>\$ 11,175</u>	<u>\$ -</u>	<u>\$ 2,449</u>	<u>\$ 3,269</u>	<u>\$ 5,456</u>

*Credit risk.* The plan's investment policy utilizes portfolio diversification in order to control this risk. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization.

## 2. DEPOSITS AND INVESTMENTS (CONTINUED)

The following table discloses credit ratings by investment type, at September 30, 2009, as applicable:

	<u>Fair Value In Thousands</u>	<u>Percentage of Portfolio</u>
US Government guaranteed*	\$ 6,332	56.66%
Quality rating of credit risk		
debt securities		
AAA	591	5.28%
AA+	119	1.07%
AA	373	3.34%
AA-	297	2.66%
A+	520	4.65%
A	1,591	14.24%
A-	815	7.30%
BBB+	110	0.98%
BBB	22	0.20%
BB	9	0.08%
B-	48	0.43%
CCC	81	0.73%
Not rated	266	2.38%
Total credit risk debt securities	<u>4,843</u>	<u>43.34%</u>
Total fixed income securities	<u>\$ 11,175</u>	<u>100.00%</u>

\*Obligation of the US government or obligations explicitly guaranteed by the US government are not considered to have credit risk and do not have purchase limitations.

*Concentration of credit risk.* The investment policy of the plan contains limitation on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more of combined plan net assets at September 30, 2009.

*Custodial credit risk.* Consistent with the plan's investment policy, the investments are held by plan's custodial bank and registered in the plan's name.

### Police Retirement System (PRS)

The Plan's investment policy is determined by the Board of Trustees. The investment policy provided for the following guidelines: (a) investment in all equity securities shall be limited to those listed on a major US stock exchange and limited to no more than 75% (at market) of the Plan's total asset value. No more than 5% of the portfolio may be invested in the shares of a single corporate issuer at cost. Investment in stocks of foreign companies shall be limited to 25% of the value of the portfolio at cost; (b) the corporate fixed income portfolio shall be comprised of securities rated not less than "BBB" by a major rating service with no more than 40% of the Plan's total asset value. In the event that there is a downgrade in the quality below the "BBB" rating, the security

## 2. DEPOSITS AND INVESTMENTS (CONTINUED)

must be sold at the earliest beneficial opportunity; (c) investment in collateralized 2. mortgage obligation should be limited to 15% of the market value of the portfolio and limited to rating of "BBB".

*Interest rate risk.* As a mean of limiting its exposure to interest rate risk, the Plan diversifies its investment by security type and institution, and limits holdings in anyone type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's investment to market interest rate fluctuations is provided by the following table that shows the distribution of the plan's investment by maturity at September 30, 2009:

Investment type	Amounts in Thousands				
	Fair Value	Investment Maturities (in Years)			More than 10 Years
		Less than 1 Year	1-5 Years	6-10 Years	
Bond funds	8,059	-	-	8,059	-
Total	\$ 8,059	\$ -	\$ -	\$ 8,059	\$ -

*Credit risk.* The Plan's investment policy utilizes diversification in order to control this risk. The following table discloses credit ratings by investment type at September 30, 2009 as applicable:

	Fair Value	Portfolio
US Government guaranteed*	\$ -	-
Quality rating of credit risk debt securities		
AA	4,415	54.80%
A+	-	-
A	3,644	45.20%
Total credit risk debt securities	\$ 8,059	100.00%

\*Obligation of the US government or obligations explicitly guaranteed by the US government are not considered to have credit risk and do not have purchase limitations.

*Concentration of credit risk.* The investment policy of the plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more of combined plan net assts at September 30, 2009.

*Custodial credit risk.* Consistent with the plan's investment policy, the investment are held by plan's custodial bank and registered in the plan's name.

## 2. DEPOSITS AND INVESTMENTS (CONTINUED)

### Confidential and Managerial Employee Retirement Plan

The Plan maintains a Master Custodial Agreement, whereby the investment securities are held in the Plan's name by a financial institution acting as the Plan's agent. Included in investments are money market mutual funds, which are classified as short-term investments.

As of September 30, 2009, the Plan had the following investment and maturities in its portfolio:

<u>Investment type</u>	Amounts in Thousands				
	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>More than 10 Years</u>
U.S. Treasury bonds and notes	\$ 131	\$ -	\$ -	\$ -	\$ 131
U.S. Government securities	753	-	257	-	497
Corporate bonds and notes	2,444	89	1,031	653	670
Total	<u>\$ 3,328</u>	<u>\$ 89</u>	<u>\$ 1,288</u>	<u>\$ 653</u>	<u>\$ 1,298</u>

*Interest rate risk.* The Plan does not have a formal investment policy that limits investment maturities as a mean of managing its exposure to market value losses arising from increasing interest rates.

*Credit risk.* State law and Plan's investment policy limits investments in bonds, stocks, or other evidence of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia, provided the corporation is listed on any one or more of the recognized national stock exchange or on the National Market System of the NASDAQ Stock Market and in the case of bonds only, holds a rating in one of the three highest classifications by a major rating service. The Plan's investment policy limits fixed income investments to a rating no lower than Standard & Poor's BBB or Moody's Baa. The Plan's corporate bonds and agency bonds were all ranked "Baa" or better under Moody's ratings.

*Concentration of credit risk.* The Plan's investment policy stipulates various investment restrictions for equity and fixed income securities of any one issuing company or agency. As of September 30, 2009, the value of each position held by the Plan portfolio comprised less than 5% of the Plan assets.

### 3. RECEIVABLES AND PAYABLES

Receivables as of year-end for the City's individual major funds and non-major funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	<u>Receivable, net</u>	<u>Due from other Governments</u>	<u>Total</u>
<b>Governmental activities</b>			
General	\$ 4,093,431	\$ 1,472,362	\$ 5,565,793
Community Redevelopment Agency	2,400	-	2,400
Capital Projects	-	448,533	448,533
Other Non-Major Government	667	1,473,848	1,474,515
	<u>4,096,498</u>	<u>3,394,743</u>	<u>7,491,241</u>
Allowance for uncollectibles	(79,300)	-	(79,300)
	<u>4,017,198</u>	<u>3,394,743</u>	<u>7,411,941</u>
<b>Business-type activities</b>			
Water and Sewer	3,555,611	-	3,555,611
Stormwater	82,882	-	82,882
	<u>3,638,493</u>	<u>-</u>	<u>3,638,493</u>
Allowance for uncollectibles	(25,379)	-	(25,379)
	<u>3,613,114</u>	<u>-</u>	<u>3,613,114</u>
<b>Pension trust funds</b>	1,198,101	-	1,198,101
<b>TOTAL</b>	<u>\$ 8,828,412</u>	<u>\$ 3,394,743</u>	<u>\$ 12,223,155</u>

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition on revenues received but not yet earned. On September 30, 2009, unearned revenue in the governmental funds and government wide statements amounted to \$1,098,431 and \$1,217,007 respectively. The difference between the unearned revenue reported on the governmental fund balance sheet and the government-wide statement is due to the unavailability of the resources in the near future.

### 3. RECEIVABLES AND PAYABLES (CONTINUED)

Payables at September 30, 2009 were as follows:

	<u>Vendor</u>
Governmental activities:	
General	\$ 507,942
Capital Project	274,240
Nonmajor Governmental funds	37,075
	<u>819,257</u>
Business-type activities:	
Water and sewer	535,868
Stormwater	771,723
	<u>1,307,591</u>
Fiduary Funds:	
Pension trust funds	4,198,973
Total	<u>\$ 6,325,821</u>

### 4. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 27,063	\$ 36	\$ -	\$ 27,099
Construction in progress	<u>10,968</u>	<u>5,633</u>	<u>540</u>	<u>16,061</u>
Total capital assets not being depreciated	<u>38,031</u>	<u>5,669</u>	<u>540</u>	<u>43,160</u>
Capital assets being depreciated:				
Building	18,626	15	-	18,641
Improvements (other than building)	23,821	569	-	24,390
Machinery and equipment	15,096	2,213	171	17,138
Infrastructure	<u>15,784</u>	<u>-</u>	<u>-</u>	<u>15,784</u>
Total capital assets being depreciated	<u>73,327</u>	<u>2,797</u>	<u>171</u>	<u>75,953</u>
Less: accumulated depreciation for:				
Building	(5,087)	(466)	-	(5,553)
Improvements (other than building)	(9,333)	(989)	-	(10,322)
Machinery and equipment	(12,394)	(1,334)	171	(13,557)
Infrastructure	<u>(9,993)</u>	<u>(541)</u>	<u>-</u>	<u>(10,534)</u>
Total accumulated depreciation	<u>(36,807)</u>	<u>(3,330)</u>	<u>171</u>	<u>(39,966)</u>
Total capital assets, being depreciated, net	<u>36,520</u>	<u>(533)</u>	<u>-</u>	<u>35,987</u>
Governmental activities capital assets, net	<u>\$ 74,551</u>	<u>\$ 5,136</u>	<u>\$ 540</u>	<u>\$ 79,147</u>

#### 4. CAPITAL ASSETS (CONTINUED)

##### Business-type activities:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 349	\$ -	\$ -	\$ 349
Construction in progress	165	8,469	-	8,634
Total capital assets not being depreciated	<u>514</u>	<u>8,469</u>	<u>-</u>	<u>8,983</u>
Capital assets being depreciated:				
Building	28,144	110	-	28,254
Improvements (other than building)	15,533	275	-	15,808
Machinery and equipment	5,440	9	-	5,449
Infrastructure	27,303	-	-	27,303
Total capital assets being depreciated	<u>76,420</u>	<u>394</u>	<u>-</u>	<u>76,814</u>
Less: accumulated depreciation for:				
Building	(10,541)	(696)	-	(11,237)
Improvements (other than building)	(5,748)	(687)	-	(6,435)
Machinery and equipment	(4,948)	(256)	-	(5,204)
Infrastructure	(8,466)	(618)	-	(9,084)
Total accumulated depreciation	<u>(29,703)</u>	<u>(2,257)</u>	<u>-</u>	<u>(31,960)</u>
Total capital assets, being depreciated, net	<u>46,717</u>	<u>(1,863)</u>	<u>-</u>	<u>44,854</u>
Business-type activities capital assets, net	<u>\$ 47,231</u>	<u>\$ 6,606</u>	<u>\$ -</u>	<u>\$ 53,837</u>

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

##### Governmental activities

General government	\$ 306
Public safety	1,286
Public works	830
Recreation and social services	908
Total depreciation expense - governmental activities	<u>\$ 3,330</u>

##### Business-type activities

Water and sewer	\$ 1,405
Stormwater	852
Total depreciation expense - business-type activities	<u>\$ 2,257</u>

#### 4. CAPITAL ASSETS (CONTINUED)

##### Construction commitments

The City of Lauderhill has active construction projects as of September 30, 2009:

<u>Project Title</u>	<u>In Thousands</u>	
	<u>Construction Cost-to-Date</u>	<u>Remaining Commitment</u>
Greenway	\$ 1,067	\$ 29
Road Improvement	13,479	258
Recreational Improvement	3,818	7,012
Water and Sewer Projects	231	4,221
Storm Water Projects	2,055	402
City Building	4,045	-
Total	<u>\$ 24,695</u>	<u>\$ 11,922</u>

The commitment for sewer line and inflow mitigation and stormwater projects are being financed by water and sewer revenue and storm water bonds. The commitment for greenway, road improvement, recreational improvement, and city building are being financed by the resources from the proceeds of general obligation bonds.

#### 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of inter-fund balances as of September 30, 2009, is as follows:

##### Due to / from other funds

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	\$ 4,249,876	Community Redevelopment Agency	\$ 3,621,130
Capital Projects	3,000,000	General	3,000,000
		Nonmajor governmental funds	628,746
Total	<u>\$ 7,249,876</u>	Total	<u>\$ 7,249,876</u>

The outstanding balances between funds mainly resulted from time log between the dates that (a) inter-fund goods and services are provided or reimbursable expenditures occur, (b) transactions are recorded in the accounting system, and (c) payments between funds are made.

## 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

### Inter-fund transfer

<u>Fund</u>	<u>Transfer in</u>	<u>Transfer out</u>
General	\$ 3,884,164	\$3,777,675
Community Redevelopment Agency	1,126,611	137,383
Capital Projects	545,076	6,127,084
Nonmajor Governmental Funds	4,486,291	-
	<u>\$ 10,042,142</u>	<u>\$ 10,042,142</u>

Transfers were used to move revenues from the fund with collection authorization, to the debt service fund, as debt service principal and interest payment became due and to cover contractual expenses in other funds.

## 6. LONG-TERM DEBTS

### A. Revenue Bonds

The City issues bonds where it pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds have been issued for both the governmental and business-type activities. The original amount of revenue bonds issued in prior years was \$44,270,000 and during the year, revenue bonds totaling \$12,500,000 were issued to finance various capital projects and to refund previously issued revenue bonds. Revenue bonds outstanding as at September 30, 2009 were as follows:

	<u>Amounts in Thousands</u>				
	<u>Interest Rates</u>	<u>Maturity</u>	<u>Average Semi-annual Payment</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>
Governmental activities:					
1998 Half-cent sales tax	3.80% - 4.30%	2018	\$345	\$5,000	\$3,445
2001 Half-cent sales tax	4.30% - 4.95%	2021	283	5,000	4,250
2003 Half-cent sales tax	4.00% - 4.45%	2025	268	5,000	4,560
2005 Half-cent sales tax - refunding	2.75% - 4.15%	2017	382	4,385	3,440
2009 Half-cent sales tax	4.67%	2024	433	6,500	6,500
					<u>22,195</u>
Business-type activities:					
Water and Sewer					
2000 Water and sewer	4.88% - 5.50%	2010	100	4,800	200
2001 Water and sewer - refunding	3.70% - 4.00%	2011	326	3,035	980
2005A Water and sewer	3.00% - 4.50%	2026	278	5,000	5,000
2005B Water and sewer - refunding	2.75% - 4.13%	2016	364	3,850	2,910
2006 Water and sewer	4.13% - 4.25%	2031	556	5,000	5,000
2007 Water and sewer	3.40% - 4.25%	2022	579	8,165	8,105
2004 Stormwater	4.00% - 5.00%	2028	239	5,000	4,780
2009 Stormwater	4.92%	2024	400	6,000	6,000
					<u>32,975</u>
Total Revenue Bonds					<u>\$55,170</u>

**6. LONG-TERM DEBTS (CONTINUED)**

**B. General obligation**

In 2005, the City issued \$35 million general obligation bond to provide funds for the acquisition and construction of major capital projects within a five year period. General obligation bonds are direct obligations and pledge of full faith and credit of the government. General obligation bonds outstanding at year-end are as follows:

	<u>Interest Rates</u>	<u>Maturity</u>	<u>Payment</u>	<u>Amount</u>
2005 General Obligation	3.25% - 4.50%	2030	\$950	\$31,200

**C. State revolving fund loan**

The City entered into State Revolving Loan Funding Agreement with the Florida Department of Environmental Protection (DEP) to finance various projects for stormwater improvements. The loans were made available on a reimbursement basis at below market interest rates. The total funding from this agreement aggregated to \$10,732,763 and approximately \$8,570,126 is outstanding in the Stormwater Fund as of September 30, 2009. This loan requires annual payment of approximately \$701,396 and interest rate ranging from 2.86% to 3.52%.

**D. Bank Loans**

The City has established a bank revolving loan line of credit. These funds were used to fund capital purchase needs of the Community Redevelopment Agency and a related organization. As of September 30, 2009, the outstanding balance is \$7,901,470 and is reflected in the Governmental Activities.

**E. Advance and refundings**

In prior years, the City defeased certain water and sewer bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At September 30, 2009, \$4,100,000 of bonds outstanding are considered defeased.

**F. Debt service requirements**

Debt service requirements (in thousands) for these revenue and general obligations and state revolving fund loan are listed below:

## 6. LONG-TERM DEBTS (CONTINUED)

### Government Activities

Year Ended	Revenue		General Obligation		Economic Development		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
30-Sep								
2010	\$ 925	\$ 817	\$ 980	\$ 1,269	\$ 100	\$ 393	\$ 2,005	\$ 2,479
2011	1,025	909	1,015	1,236	7,802	308	9,842	2,452
2012	1,060	869	1,050	1,199	-	-	2,110	2,069
2013	1,105	827	1,085	1,162	-	-	2,190	1,989
2014	1,150	782	1,125	1,122	-	-	2,275	1,904
2015-2019	6,495	3,133	6,335	4,904	-	-	12,830	8,037
2020-2024	8,105	821	7,780	3,469	-	-	15,885	4,290
2025-2029	2,330	41	9,630	1,605	-	-	11,960	1,647
2030-2034	-	-	2,200	50	-	-	2,200	50
	<u>\$ 22,195</u>	<u>\$ 8,199</u>	<u>\$ 31,200</u>	<u>\$ 16,016</u>	<u>\$ 7,902</u>	<u>\$ 701</u>	<u>\$ 61,297</u>	<u>\$ 24,916</u>

### Business-type Activities

Year Ended	Water & Sewer		Stormwater		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
30-Sep						
2010	\$ 1,020	\$ 889	\$ 911	\$ 724	\$ 1,931	\$ 1,613
2011	1,050	852	874	703	1,924	1,554
2012	1,075	812	908	670	1,983	1,483
2013	1,100	771	937	636	2,037	1,408
2014	1,150	729	977	602	2,127	1,331
2015-2019	5,940	2,921	5,448	2,431	11,388	5,352
2020-2024	4,535	1,764	6,366	1,319	10,901	3,083
2025-2029	2,995	1,080	2,928	309	5,923	1,389
2030-2034	3,330	216	-	-	3,330	216
	<u>\$ 22,195</u>	<u>\$ 10,034</u>	<u>\$ 19,350</u>	<u>\$ 7,394</u>	<u>\$ 41,545</u>	<u>\$ 17,428</u>

## G. Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2009 is listed below:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable					
Revenue bonds	\$ 16,595	\$ 6,500	\$ 900	\$ 22,195	\$ 925
General obligation bonds	32,150	-	950	31,200	980
Capital lease	-	577	120	457	230
Bank Lines of Credit	7,503	554	155	7,902	100
Total bonds payable	56,248	7,631	2,125	61,754	2,235
Compensated absences	2,695	2,195	1,907	2,983	819
Governmental activity Long-term liabilities	<u>\$ 58,943</u>	<u>\$ 9,826</u>	<u>\$ 4,032</u>	<u>\$ 64,737</u>	<u>\$ 3,054</u>
<b>Business-type activities</b>					
Bonds payable					
Revenue bonds	\$ 28,000	\$ 6,000	\$ 1,025	\$ 32,975	\$ 1,440
State revolving fund loan	6,811	2,156	397	8,570	490
Compensated absences	27	49	35	41	18
Business-type activity Long-term liabilities	<u>\$ 34,838</u>	<u>\$ 8,205</u>	<u>\$ 1,457</u>	<u>\$ 41,586</u>	<u>\$ 1,938</u>

For the governmental activities, compensated absences are generally liquidated by the general fund.

## 6. LONG-TERM DEBTS (CONTINUED)

### H. Capital lease

In fiscal year 2009, the City entered into lease purchase agreements with Old National Bank and Banc of America Public Corp (BAPCC) as lessees for financing the acquisition of equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore have been recorded at the present value of future lease payments as of the inception dates. The leases carry interest rates of 4.79% and 4.81% with annual payments of \$45,932 and \$137,900, respectively.

The future (minimum) lease obligations and the net present value of capital lease payments as of September 30, 2009 are as follows:

Year Ending September 30	
2010	\$229,765
2011	183,832
2012	45,932
2013	45,932
Total Lease Payment	<u>505,461</u>
Less: Amount of Interest	<u>(48,392)</u>
Present Value of Lease Payment	<u><u>\$457,069</u></u>

## 7. OTHER INFORMATION

### A. Risk Management

The City is exposed to various risks of loss related to tort, theft, and destruction of assets, error and omission, injury to employees, and disasters. The Self-Insurance Program is accounted for in the General Fund. Under this Program, individual claims up to \$75,000 are paid. Commercial insurance has been purchased for individual claims in excess of \$75,000, and for total claims that exceed \$1,000,000 in a single year. Specialized insurance is purchased for boiler and machinery, sports accident, and fidelity bonds. Claims did not exceed the excess coverage of \$1,500,000 per claim for property and liability, or \$1,000,000 per claim for workers compensation in any of the past three years.

The City reviews and submits all claims to a claims administration firm. The firm reviews the claims and investigates as needed. A recommendation is then made for the City to pay the claim or to negotiate or litigate. The General and Proprietary Funds participate in the Program and pay their fair share based on submitted claims. The estimated claims payable as of September 30, 2009 amounted to \$612,289, of which \$10,065 is currently due and payable. GASB 10 further requires a liability for claims to be reported if information prior to the issuance of the financial statements

## 7. OTHER INFORMATION (CONTINUED)

indicates probability that a liability that was incurred at the date of the financial statements can be reasonably estimated. Current year claims are based on estimates from a third party administrator. Changes to claims liability balances during the past two years are:

	<u>Year ended 09/30/09</u>	<u>Year ended 09/30/08</u>
Unpaid claims, beginning	\$ 492,556	\$ 458,336
New Claims	425,631	312,314
Claim payments	<u>(305,898)</u>	<u>(278,094)</u>
Unpaid claims, ending	<u>\$ 612,289</u>	<u>\$ 492,556</u>

### B. Contingent liabilities

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

The City is a defendant in various lawsuits. The outcome of these lawsuits cannot presently be determined. In the opinion of the City Attorney, the resolution of these matters will not have a material adverse impact to the financial condition of the City.

### C. On behalf payment of fringe benefits and salaries

In 2009, the City's financial statements include revenue and expenditures from contributions received from State Department of Revenues and Division of Retirement on behalf of its Firefighter and Police Officers Retirement Systems amounting to \$459,295 and \$350,408, respectively. The monies were deposited within 5 days from their receipt in accordance with the provisions of the law.

### D. Restricted assets

The balance of the restricted asset accounts in the governmental and enterprise funds are as follows:

Equity in pool cash and investments	\$2,035,641
Revenue bond reserve	999,835

## 8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

The City maintains four separate single-employer, defined benefit pension plans – The General Employee Retirement System, The Firefighter Retirement System, The Police Retirement System, and the Confidential and Managerial Retirement System. All employees are eligible to make voluntary contributions to a 457 defined benefit plan (457 plan). Some managerial employees participate in a previously available 401- (A) money purchase plan. With the exception of the City Manager and Department

## 8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Directors, all other full-time employees hired after September 30, 2002 are required to participate in one of the defined benefit pension plans based on their job classification.

### Summary of significant accounting policies

#### Basis of accounting:

All four defined benefit plans present their financial statements using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due, and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

#### Valuation of investments

All plan investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price on the balance sheet date. Securities without an established market are reported at estimated fair value.

#### Plan descriptions

A separate five-member board of trustees administers each plan. All full-time employees are covered by one of the aforementioned plans. The plans provide retirement, disability, and death benefits to plan members and their beneficiaries. Plan provisions are amended through the collective bargaining process and must be approved by the City of Lauderhill, City Commission. A separately issued financial report, that includes the applicable financial statements and required supplementary information for each plan, may be obtained from the Plan Administrator in City Hall.

#### Plans' Membership Information

At October 1, 2008, the date of the latest actuarial valuation, the Plans' membership consisted of:

	General Employees Retirement System	Firefighter Retirement System	Police Retirement System	Confidential and Managerial Retirement System
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits, but not yet receiving them	103	52	17	37
Current employees:				
Fully Vested	36	29	66	32
Non-Vested	69	48	46	32
	<u>208</u>	<u>129</u>	<u>129</u>	<u>101</u>

## 8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

### A. General Employees Retirement System (GERS)

*Annual Pension Cost.* For 2009, the City's annual pension cost of \$809,482 equaled its required and actual contribution. The required contribution was determined by the October 1, 2008 actuarial valuation using the entry age normal actuarial cost method. Actuarial assumptions are 8% investment return and 7% projected salary increases. Chapter 112, Part VII, Florida Statutes requires amortization for unfunded liabilities being amortized over 30 years. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. GERS unfunded actuarial accrued liability is being amortized on an open level dollar basis. Twenty years remained in the amortization period at September 30, 2009.

#### Three-Year Trend Information for GERS

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2009	\$ 809,482	100%	N/A
September 30, 2008	814,864	100%	N/A
September 30, 2007	695,661	100%	N/A

### B. Firefighter Retirement System (FRS)

*Annual Pension Cost.* For 2009, the City's annual pension cost of \$2,448,774 equaled its required and actual contribution. The required contribution was determined by the October 1, 2008 actuarial valuation using the entry age normal actuarial cost method. Actuarial assumptions are 8% investment return and 7% projected salary increases. In addition, contributions in the amount of \$459,295 were received from the State of Florida from fire and casualty insurance premium taxes. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. FRS unfunded actuarial accrued liability is being amortized on a closed level dollar basis. Twenty three years remained in the amortization period at September 30, 2009.

#### Three-Year Trend Information for FRS

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2009	\$ 2,448,774	100%	N/A
September 30, 2008	2,534,923	100%	N/A
September 30, 2007	2,320,002	100%	N/A

**8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

**C. Police Retirement System (PRS)**

*Annual Pension Cost.* For 2009, the City's annual pension cost of \$2,076,113 equaled its required and actual contribution. The required contribution of 10% was determined by the October 1, 2008 actuarial valuation, using the entry age normal actuarial cost method. Actuarial assumptions are 8% investment return and 7% projected salary increases. In addition, contributions in the amount of \$350,408 were received from the State of Florida from fire and casualty insurance premium taxes. The actuarial value of assets was determined using the market value of investments. PRS unfunded actuarial accrued liability is being amortized on a closed level dollar basis. Thirty years remained in the amortization period at September 30, 2009.

Three-Year Trend Information for PRS

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2009	\$ 2,076,113	100%	N/A
September 30, 2008	\$ 2,095,909	100%	N/A
September 30, 2007	\$ 1,782,115	100%	N/A

**D. Confidential and Managerial Retirement System (CMRS)**

*Annual Pension Cost.* For 2009, the City's annual pension cost of \$1,225,500 equaled its required and actual contribution. Actuarial assumptions are 8% investment return and 7% projected salary increases. The actuarial value of assets was determined using the market value of investments. CMRS unfunded actuarial accrued liability is being amortized on a closed level dollar basis. Twenty-one years remained in the amortization period at September 30, 2009.

Three-Year Trend Information for CMRS

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2009	\$ 1,225,500	100%	N/A
September 30, 2008	\$ 1,151,671	100%	N/A
September 30, 2007	\$ 1,009,804	130%	N/A

Funded Status and Funding Progress

The funded status of the Pension as of October 1, 2008, the date of the most recent actuarial valuation date is as follows:

## 8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

	Actuarial Valuation <u>Date</u>	Actuarial Value of <u>Assets</u>	Actuarial Accrued Liability <u>(AAL) Entry Age</u>	Unfunded Actuarial Accrued Liability <u>(UAAL) (3)-(2)</u>	Funded <u>Ratio (2)/(3)</u>	Covered <u>Payroll</u>	UAAL as % of Covered <u>Payroll (4)/(6)</u>
GERS	10/1/2008	\$ 15,083,377	\$ 19,427,959	\$ 4,344,582	77.6%	\$ 3,931,828	110.5%
FRS	10/1/2008	\$ 37,424,773	\$ 51,851,436	\$ 14,426,663	72.2%	\$ 5,581,017	258.5%
PRS	10/1/2008	\$ 19,775,168	\$ 25,152,517	\$ 5,377,349	78.6%	\$ 7,677,961	70.0%
CMRS	10/1/2008	\$ 11,534,000	\$ 17,401,000	\$ 5,867,000	66.3%	\$ 3,493,000	168.0%

The schedule of funding progress, presented as Required Supplemental Information (RSI) following the Notes to the Basic Financial Statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits. The projection for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

## 9. Other Post Employment Benefits

The City of Lauderhill Other Postemployment Employment Benefits (OPEB) is presented in accordance with GASB Statement 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions". The provisions of this pronouncement were implemented prospectively with the actuarially determined liability of \$454,000 at the October 1, 2007 date of transition being amortized over 10 years. For financial statement purposes, this liability was not reported at the transition date. In addition, pursuant to Florida Statutes Section 112.0801, employees who retired from the City may continue their participation in a City sponsored health and /or dental insurance plan at the same premiums applicable to active employees.

### Benefit Description and Funding Policy

The City provides a single employer optional post-employment healthcare insurance coverage to eligible individuals, as well as dental and vision insurance coverage. Eligible individuals include all regular employees of the City of Lauderhill who retired from active service and are eligible for retirement or disability benefits under the general, managerial and confidential, police or firefighter pension plan sponsored by the City. Under certain conditions, eligible individuals for healthcare coverage also include spouses and dependent children. Eligible individuals may choose healthcare coverage under a health maintenance organization (HMO) plan or under a preferred provider organization (PPO) plan. The benefit continues until retiree dies or terminate the benefit and is funded as a pay-as-you-go basis. Retirees contribute an amount equal to the actual premium for health insurance that is charged by the carrier. The premium varies depending on whether the retiree elects coverage under the HMO or PPO plan and whether the retiree elects single or family coverage. With respect to dental and vision coverage, we have assumed that the premium charged for retirees is not influenced by

## 9. Other Post Employment Benefits (CONTINUED)

the fact that there are active employees who covered by the same insurance, since the cost of dental and vision is not presumed to increase with age. However, there is an implied subsidy in the healthcare insurance premium for retirees because the premium charged for these retirees is the same as the premium charged for active employees, who are younger than retirees on average.

Benefit provisions and City contribution requirements are established and may be amended by the City Commission through collective bargaining. As of September 30, 2009, there were fifteen employees participating in the OPEB retirement benefit with a total of 435 employees eligible for participation in the future. Payment totaled \$0 for the year and retiree implicit subsidies amounted to \$23,000. The plan does not issue a stand-alone financial report.

### Annual OPEB Cost and Net OPEB Obligation.

The City's annual other post employment benefit ( OPEB) cost is calculated based in annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities ( or funding excess) over a period not to exceed ten years.

The following table shows the components of the City's annual OPEB cost for the year ended September 30, 2009, the amount actually contributed and the changes in the City's net OPEB obligation:

Annual required contributions	<u>\$ 72,000</u>
Annual OPEB Cost	72,000
Contribution made	-
Increase in Net OPEB obligation	<u>72,000</u>
Net OPEB obligation at beginning of the year	74,000
Net OPEB obligation at end of the year	<u><u>\$ 146,000</u></u>

### Funded Status and Funding Progress

As of October 1, 2007, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$454,000, and actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$454,000. The covered payroll (annual payroll of active employees) was \$17,420,000 and the ratio of the unfunded actuarial liability to the covered payroll was 2.5%.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed and the net OPEB obligation as of September 30, 2009 follow:

**9. Other Post Employment Benefits (CONTINUED)**

Fiscal year Ended In:	<u>AOC</u>	<u>Contribution</u>	<u>Percent Contributed</u>	<u>Net OPEB Obligation</u>
2009	\$72,000	-	0%	\$146,000

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about the future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents the current year information about whether the actuarial value of plan asset is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Method and Assumptions. Projection of benefits for financial reporting purposes are based on the substantive plan( the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan member to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Following are the actuarial methods and significant actuarial assumptions used to determine annual required contributions for the current year:

Valuation date	October 1, 2007
Actuarial cost method	Projected unit credit
Amortization method	Level dollar payment
Remaining amortization period	10 years
Investment rate of return	5%
Projected salary increases	4%
Medical Trend Rate of inflation	5.5%

One year historical trend information is presented in a supplementary schedule following these notes (see page 73)

**CITY OF LAUDERHILL, FLORIDA**  
Required Supplementary Information  
General Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2009

	<u>Budgeted Amounts</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>Original</u>	<u>Final</u>		<u>FINAL BUDGET</u>
				<u>Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Property taxes	\$ 13,767,456	\$ 13,744,206	\$ 13,616,266	\$ (127,940)
Franchise taxes	4,396,899	4,233,304	3,968,536	(264,768)
Public service taxes	7,084,557	8,347,467	8,694,157	346,690
Charges for services	9,731,805	10,286,805	10,040,958	(245,847)
Administrative charges	3,050,000	3,612,387	3,624,548	12,161
Intergovernmental	7,952,845	6,555,695	5,269,458	(1,286,237)
Licenses and permits	2,639,289	1,898,506	1,916,602	18,096
Fines and forfeitures	518,550	556,250	539,053	(17,197)
Investment income	360,000	360,000	83,263	(276,737)
Rental income	-	242,300	255,757	13,457
Miscellaneous	732,637	170,250	32,338	(137,912)
Total revenues	<u>50,234,038</u>	<u>50,007,170</u>	<u>48,040,936</u>	<u>(1,966,234)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
City Clerk	570,557	539,157	527,615	11,542
City Commission	734,079	703,867	672,377	31,490
Administration	3,321,630	3,145,834	3,522,120	(376,286)
Finance	2,231,872	2,168,053	2,399,874	(231,821)
Legal	500,000	475,000	551,126	(76,126)
Human resources	1,936,532	1,876,532	1,640,669	235,863
Planning and Zoning	613,608	594,757	527,110	67,647
Total general government	<u>9,908,278</u>	<u>9,503,200</u>	<u>9,840,891</u>	<u>(337,691)</u>
Public safety:				
Police	14,414,069	13,891,639	15,630,082	(1,738,443)
Fire and Rescue	13,415,501	13,159,596	13,892,677	(733,081)
Total public safety	<u>27,829,570</u>	<u>27,051,235</u>	<u>29,522,759</u>	<u>(2,471,524)</u>
Public works:				
Fleet maintenance	1,507,030	1,525,949	1,589,771	(63,822)
Facility maintenance	1,483,196	1,483,196	1,668,022	(184,826)
Infrastructure maintenance	2,416,420	2,353,141	2,362,906	(9,765)
Total public works	<u>5,406,646</u>	<u>5,362,286</u>	<u>5,620,699</u>	<u>(258,413)</u>
Parks and leisure services:				
Recreation and social services	3,542,016	3,529,725	3,462,500	67,225
Total parks and leisure services	<u>3,542,016</u>	<u>3,529,725</u>	<u>3,462,500</u>	<u>67,225</u>
Total Expenditures	<u>46,686,510</u>	<u>45,446,446</u>	<u>48,446,849</u>	<u>(3,000,403)</u>
Excess (Deficiency) of Revenue over Expenditures	3,547,528	4,560,724	(405,913)	(4,966,637)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in			3,884,164	
Transfers out	(3,561,943)	(3,585,723)	(3,777,675)	(191,952)
Total other financing sources (uses)	<u>(3,561,943)</u>	<u>(3,585,723)</u>	<u>106,489</u>	<u>3,692,212</u>
Net change in fund balances	(14,415)	975,001	(299,424)	(1,274,425)
Fund balances - beginning	7,863,269	7,863,269	7,863,269	-
Fund balances - ending	<u>\$ 7,848,854</u>	<u>\$ 8,838,270</u>	<u>\$ 7,563,845</u>	<u>\$ (1,274,425)</u>

The notes to the bugetary comparison schedule are an integral part of this schedule.

**CITY OF LAUDERHILL, FLORIDA**  
 Required Supplementary Information  
 Community Redevelopment Agency  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended September 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment Income	\$ -	\$ 126,000	\$ 101,330	\$ (24,670)
Miscellaneous	-	-	51,765	51,765
Total revenues	<u>-</u>	<u>126,000</u>	<u>153,095</u>	<u>27,095</u>
<b>EXPENDITURES</b>				
General government:				
Administrative expense	1,289,579	1,252,611	1,046,016	206,595
Total expenditures	<u>1,289,579</u>	<u>1,252,611</u>	<u>1,046,016</u>	<u>206,595</u>
Excess (Deficiency) of Revenue over Expenditures	(1,289,579)	(1,126,611)	(892,921)	233,690
Other Financing Sources (Uses)				
Operating transfers in	1,289,579	1,126,611	1,126,611	-
Operating transfer out	-	-	(137,383)	(137,383)
Total Other Financing Sources (Uses)	<u>1,289,579</u>	<u>1,126,611</u>	<u>989,228</u>	<u>(137,383)</u>
Net change in fund balances	-	-	96,307	96,307
Fund balances - beginning	(740,475)	(740,475)	(740,475)	-
Fund balances - ending	<u>\$ (740,475)</u>	<u>\$ (740,475)</u>	<u>\$ (644,168)</u>	<u>\$ 96,307</u>

The notes to the budgetary comparison schedule are an integral part of this schedule.

**CITY OF LAUDERHILL, FLORIDA**  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO THE BUDGETARY COMPARISON SCHEDULES  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

**Budgetary information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Annual appropriations lapse at fiscal year end.

The City follows Chapter 80-274 of the state of Florida Statutes and its charter in establishing the budgetary data reflected in the financial statements. The budget process is as follows:

1. Prior to August 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an appropriation ordinance.
4. The appropriated budget is prepared and adopted by fund, function, and department. Budgets are monitored within each department at the account level by the respective department head and the Finance Director. The City's department heads may make transfers of appropriations within a department with approval of the City Manager and Finance Director. Transfers of appropriations between departments require the additional approval of the Commission. The legal level of budgetary control (i.e. the level at which expenditures may not exceed appropriations) is the department level. The Commission made several supplemental budgetary appropriations throughout the year.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g. purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

**Excess of expenditures over appropriations**

For the year ended September 30, 2009 expenditures exceeded appropriations in the following departments:

Department	Excess Expenditures over Budget
Public Works	\$ 258,413
Public safety	2,471,524
Legal services	76,126
Finance	231,821
Administration	376,286

These over expenditures were funded by a combination of greater than anticipated revenues and available fund balance.

**Required Supplementary Information  
Lauderhill Retirement Systems  
Schedule of Funding Progress**

**GERS**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL as % of Covered Payroll (4)/(6)
10/1/2008	\$ 15,083,377	\$ 19,427,959	\$ 4,344,582	77.6%	\$ 3,931,828	110.5%
10/1/2007	13,995,710	18,116,654	4,120,944	77.3%	4,226,389	97.5%
10/1/2006	12,148,566	15,693,097	3,544,531	77.4%	4,581,654	77.4%

**FRS**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL as % of Covered Payroll (4)/(6)
10/1/2008	\$ 37,424,773	\$ 51,851,436	\$ 14,426,663	72.2%	\$ 5,581,017	258.5%
10/1/2007	34,195,441	47,658,828	13,463,387	71.8%	5,906,804	227.9%
10/1/2006	29,298,559	42,957,015	13,658,456	68.2%	5,208,562	262.2%

**PRS**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL as % of Covered Payroll (4)/(6)
10/1/2008	\$ 19,775,168	\$ 25,152,517	\$ 5,377,349	78.6%	\$ 7,677,961	70.0%
10/1/2007	16,348,000	21,747,000	5,399,000	75.2%	8,103,000	66.6%
10/1/2006	11,939,547	17,766,881	5,827,334	67.2%	7,098,797	82.1%

**CMRS**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL as % of Covered Payroll (4)/(6)
10/1/2008	\$ 11,534,000	\$ 17,401,000	\$ 5,867,000	66.3%	\$ 3,493,000	168.0%
10/1/2007	10,542,000	15,372,000	4,830,000	68.6%	4,520,000	106.9%
10/1/2006	8,170,000	14,331,000	6,161,000	57.0%	3,896,000	158.1%

**OPEB**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL as % of Covered Payroll (4)/(6)
10/1/2007	\$ -	\$ 454,000	\$ 454,000	0.00%	\$ 17,420,000	2.6%

**CITY OF LAUDERHILL, FLORIDA**  
 Combining Balance Sheet  
 Nonmajor Governmental funds  
 September 30, 2009

**Special Revenue**

	Debt Service	SHIP	Law Enforcement	Federal Forfeiture	Safe Neighborhood	N.S.P Fund	CDBG	Home Grant	Total
<b>ASSETS</b>									
Equity in pooled cash and investments	\$ 1,025,074	\$ 422,405	\$ 135,197	\$ 736,612	-	-	\$ -	-	\$ 2,319,288
Accrued interest receivable	-	218	70	379	-	-	-	-	667
Due from other governments	-	-	-	-	-	-	667,542	806,306	1,473,848
Restricted assets:									
Equity in pooled cash and investments	2,035,641	-	-	-	-	-	-	-	2,035,641
Other assets	-	122,809	-	-	-	165,852	1,996	-	290,657
<b>Total assets</b>	<b>\$ 3,060,715</b>	<b>\$ 545,432</b>	<b>\$ 135,267</b>	<b>\$ 736,991</b>	<b>\$ -</b>	<b>\$ 165,852</b>	<b>\$ 669,538</b>	<b>\$ 806,306</b>	<b>\$ 6,120,101</b>
<b>LIABILITIES</b>									
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,075	\$ -	\$ 37,075
Accrued payroll	-	220	-	-	-	-	881	-	1,101
Accrued compensated absences	-	-	-	-	-	-	2,123	-	2,123
Accrued interest payable	847,178	-	-	-	-	-	-	-	847,178
Due to other funds	-	-	-	-	30,304	130,266	468,176	-	628,746
Unearned revenues	-	124,822	-	-	-	-	-	-	124,822
Advances from other funds	-	-	-	-	-	-	-	791,634	791,634
<b>Total liabilities</b>	<b>847,178</b>	<b>125,042</b>	<b>-</b>	<b>-</b>	<b>30,304</b>	<b>130,266</b>	<b>508,255</b>	<b>791,634</b>	<b>2,432,679</b>
<b>FUND BALANCES</b>									
Reserved for:									
Social Services	-	420,390	-	-	(30,304)	35,586	161,283	14,672	601,627
Law enforcement	-	-	135,267	736,991	-	-	-	-	872,258
Debt service	2,213,537	-	-	-	-	-	-	-	2,213,537
<b>Total fund balances</b>	<b>2,213,537</b>	<b>420,390</b>	<b>135,267</b>	<b>736,991</b>	<b>(30,304)</b>	<b>35,586</b>	<b>161,283</b>	<b>14,672</b>	<b>3,687,422</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,060,715</b>	<b>\$ 545,432</b>	<b>\$ 135,267</b>	<b>\$ 736,991</b>	<b>\$ -</b>	<b>\$ 165,852</b>	<b>\$ 669,538</b>	<b>\$ 806,306</b>	<b>\$ 6,120,101</b>

**CITY OF LAUDERHILL, FLORIDA**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended September 30, 2009

	Special Revenue							Total	
	Debt Service	SHIP	Law Enforcement	Federal Forfeitures	Safe Neighborhood	N.S.P Fund	CDBG		Home Grant
<b>REVENUES</b>									
Intergovernmental	\$ -	\$ 506,441	\$ -	\$ -	\$ -	\$ 129,285	\$ 999,955	\$ 979,902	\$ 2,615,583
Fines and forfeitures	-	-	68,502	84,181	-	-	-	-	152,683
Investment income	99,954	6,818	793	15,110	-	-	-	-	122,675
Total revenues	99,954	513,259	69,295	99,291	-	129,285	999,955	979,902	2,890,941
<b>EXPENDITURES</b>									
Current:									
Public safety	-	-	14,430	1,507,427	-	-	-	-	1,521,857
Social services	-	584,545	-	-	30,304	93,699	999,955	965,230	2,673,733
Debt Service:									
Principal retirement	2,124,992	-	-	-	-	-	-	-	2,124,992
Interest	2,359,299	-	-	-	-	-	-	-	2,359,299
Capital Outlay:									
Equipment	-	-	4,826	777,053	-	-	-	-	781,879
Total Expenditures	4,484,291	584,545	19,256	2,284,480	30,304	93,699	999,955	965,230	9,461,760
Excess (deficiency) of revenue over (under) expenditures	(4,384,337)	(71,286)	50,039	(2,185,189)	(30,304)	35,586	-	14,672	(6,570,819)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	4,486,291	-	-	-	-	-	-	-	4,486,291
Payment to refunded bond escrow agent	(2,000)	-	-	-	-	-	-	-	(2,000)
Total other financing sources and (uses)	4,484,291	-	-	-	-	-	-	-	4,484,291
Net change in fund balances	99,954	(71,286)	50,039	(2,185,189)	(30,304)	35,586	-	14,672	(2,086,528)
Fund balances-beginning	2,113,583	491,676	85,228	2,922,180	-	-	161,283	-	5,773,950
Fund balances-ending	\$ 2,213,537	\$ 420,390	\$ 135,267	\$ 736,991	\$ (30,304)	\$ 35,586	\$ 161,283	\$ 14,672	\$ 3,687,422

**CITY OF LAUDERHILL, FLORIDA**  
 Capital Project Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended September 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Property taxes	\$ 2,231,905	\$ 2,250,555	\$ 2,338,961	\$ 88,406
Intergovernmental	-	-	258,456	258,456
Investment income	1,300,000	1,300,000	152,075	(1,147,925)
Miscellaneous	-	-	-	-
Total revenues	<u>3,531,905</u>	<u>3,550,555</u>	<u>2,749,492</u>	<u>(801,063)</u>
<b>EXPENDITURES</b>				
Capital Outlay:				
Land	-	-	35,928	(35,928)
Buildings	58,000	58,000	1,480,273	(1,422,273)
Improvements	11,542,000	11,542,000	3,297,560	8,244,440
Infrastructure	2,000,000	2,000,000	899,125	1,100,875
Machinery & equipment	571,083	681,337	1,431,723	(750,386)
Total expenditures	<u>14,171,083</u>	<u>14,281,337</u>	<u>7,144,609</u>	<u>7,136,728</u>
Excess (Deficiency) of Revenue over Expenditures	(10,639,178)	(10,730,782)	(4,395,117)	6,335,665
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	12,871,083	12,981,337	545,076	(12,436,261)
Transfers out	(2,250,555)	(2,250,555)	(6,127,084)	(3,876,529)
Payment to refunded bond escrow agent	-	-	(60,000)	(60,000)
Issuance of debt	-	-	7,054,000	7,054,000
Capital leases	-	-	576,841	576,841
Advance	-	-	(554,000)	(554,000)
Sale of capital assets	-	-	15,144	15,144
Total other financing sources and uses	<u>10,730,782</u>	<u>10,730,782</u>	<u>1,449,977</u>	<u>(9,280,805)</u>
Net change in fund balances	(18,650)	-	(2,945,140)	(2,945,140)
Fund balances - beginning	<u>2,988,433</u>	<u>2,988,433</u>	<u>2,988,433</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,969,783</u>	<u>\$ 2,988,433</u>	<u>\$ 43,293</u>	<u>\$ (2,945,140)</u>

**CITY OF LAUDERHILL, FLORIDA**  
Debt Service Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment Income	\$ -	\$ -	\$ 99,954	\$ 99,954
Total revenues	-	-	99,954	99,954
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	1,760,000	1,760,000	2,124,992	(364,992)
Interest	4,261,831	4,261,831	2,359,299	1,902,532
Total expenditures	6,021,831	6,021,831	4,484,291	1,537,540
Excess (Deficiency) of Revenue over Expenditures	(6,021,831)	(6,021,831)	(4,384,337)	1,637,494
Other Financing Sources (Uses)				
Operating transfers in	6,021,831	6,021,831	4,486,291	(1,535,540)
Payment to refunded bond escrow agent	-	-	(2,000)	(2,000)
Total Other Financing Sources (Uses)	6,021,831	6,021,831	4,484,291	(1,537,540)
Net change in fund balances	-	-	99,954	99,954
Fund balances - beginning	2,113,583	2,113,583	2,113,583	-
Fund balances - ending	\$ 2,113,583	\$ 2,113,583	\$ 2,213,537	\$ 99,954

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - State Housing Initiative Program (SHIP)  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 567,130	\$ 923,491	\$ 506,441	\$ (417,050)
Investment income	<u>500</u>	<u>500</u>	<u>6,818</u>	<u>6,318</u>
Total revenues	<u>567,630</u>	<u>923,991</u>	<u>513,259</u>	<u>(410,732)</u>
<b>EXPENDITURES</b>				
Social services	<u>567,630</u>	<u>923,991</u>	<u>584,545</u>	<u>339,446</u>
Total expenditures	<u>567,630</u>	<u>923,991</u>	<u>584,545</u>	<u>339,446</u>
Net change in fund balances	-	-	(71,286)	(71,286)
Fund balances - begining	<u>491,676</u>	<u>491,676</u>	<u>491,676</u>	<u>-</u>
Fund balances - ending	<u>\$ 491,676</u>	<u>\$ 491,676</u>	<u>\$ 420,390</u>	<u>\$ (71,286)</u>

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Law Enforcement  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2009

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL AMOUNT</b>	<b>VARIANCE WITH FINAL BUDGET</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Fines and forfeitures	\$ -	\$ 14,924	\$ 68,502	\$ 53,579
Investment income	-	-	793	793
Total revenues	-	14,924	69,295	54,371
<b>EXPENDITURES</b>				
Public safety	-	14,924	19,256	(4,332)
Total expenditures	-	14,924	19,256	(4,332)
Net change in fund balances	-	-	50,039	50,039
Fund balances - beginning	85,228	85,228	85,228	-
Fund balances - ending	\$ 85,228	\$ 85,228	\$ 135,267	\$ 50,039

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Federal Forfeitures  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Fines and forfeitures	\$ -	\$ 851,411	\$ 84,181	\$ (767,230)
Investment income	-	-	15,110	15,110
Total revenues	-	851,411	99,291	(752,120)
<b>EXPENDITURES</b>				
Public safety	-	851,411	2,284,480	(1,433,069)
Total expenditures	-	851,411	2,284,480	(1,433,069)
Change in fund balance	-	-	(2,185,189)	(2,185,189)
Fund balances - beginning	2,922,180	2,922,180	2,922,180	-
Fund balances - ending	<u>\$ 2,922,180</u>	<u>\$ 2,922,180</u>	<u>\$ 736,991</u>	<u>\$ (2,185,189)</u>

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Safe Neighborhood  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET Positive (Negative)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Social services	-	-	30,304	(30,304)
Total expenditures	-	-	30,304	(30,304)
Change in fund balance	-	-	(30,304)	(30,304)
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (30,304)</u>	<u>\$ (30,304)</u>

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - N.S.P.  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 129,285	\$ 129,285
Investment income	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>129,285</u>	<u>129,285</u>
<b>EXPENDITURES</b>				
Social services	-	-	93,699	(93,699)
Total expenditures	<u>-</u>	<u>-</u>	<u>93,699</u>	<u>(93,699)</u>
Change in fund balance	-	-	35,586	35,586
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,586</u>	<u>\$ 35,586</u>

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Community Development Block Grant  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	<u>\$ 807,337</u>	<u>\$ 1,942,906</u>	<u>\$ 999,955</u>	<u>\$ (942,951)</u>
Total revenues	<u>807,337</u>	<u>1,942,906</u>	<u>999,955</u>	<u>(942,951)</u>
<b>EXPENDITURES</b>				
Social services	<u>807,337</u>	<u>1,942,906</u>	<u>999,955</u>	<u>942,951</u>
Total expenditures	<u>807,337</u>	<u>1,942,906</u>	<u>999,955</u>	<u>942,951</u>
Net change in fund balances	-	-	-	-
Fund balances - begining	<u>161,283</u>	<u>161,283</u>	<u>161,283</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 161,283</u></u>	<u><u>\$ 161,283</u></u>	<u><u>\$ 161,283</u></u>	<u><u>\$ -</u></u>

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Home Grant  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2009

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL AMOUNT</b>	<b>VARIANCE WITH FINAL BUDGET</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Intergovernmental	\$ 272,023	\$ 1,304,127	\$ 979,902	\$ (324,225)
Total revenues	<u>272,023</u>	<u>1,304,127</u>	<u>979,902</u>	<u>(324,225)</u>
<b>EXPENDITURES</b>				
Social services	<u>272,023</u>	<u>1,304,127</u>	<u>965,230</u>	<u>338,897</u>
Total expenditures	<u>272,023</u>	<u>1,304,127</u>	<u>965,230</u>	<u>338,897</u>
<b>Net change in fund balances</b>	-	-	14,672	14,672
Fund balances - begining	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,672</u>	<u>\$ 14,672</u>

**CITY OF LAUDERHILL, FLORIDA**  
Combining Statement of Fiduciary Net Assets  
Pension Trust Funds  
September 30, 2009

	<b>PENSION TRUST FUNDS</b>				<b>TOTAL</b>
	<b>General Employees Retirement</b>	<b>Firefighters Retirement</b>	<b>Police Retirement</b>	<b>Confidential and Managerial</b>	
<b>ASSETS</b>					
Cash and short-term investments	\$ 689,912	\$ 1,219,996	\$ 521,038	\$ 634,850	\$ 3,065,796
Receivables:					
State contribution	-	459,295	-	-	459,295
Interest and dividends	52,940	119,714	29,730	40,095	242,479
Receivable for securities sold	-	172,517	-	-	172,517
Contributions	16,660	32,318	35,890	238,942	323,810
Total Receivables	<u>69,600</u>	<u>783,844</u>	<u>65,620</u>	<u>279,037</u>	<u>1,198,101</u>
Prepays	2,000	-	-	-	2,000
Investments, at fair value					
U.S. Government and agency securities	2,047,850	6,331,500	-	884,279	9,263,629
Corporate bonds and notes	2,536,456	4,843,023	8,059,290	2,444,006	17,882,775
Mutual funds	3,741,861	-	1,344,127	-	5,085,988
Common stocks	4,153,150	17,171,123	8,066,970	4,683,377	34,074,620
International equity funds	-	3,027,468	1,380,828	1,287,437	5,695,733
Real estate funds	850,000	2,889,297	-	-	3,739,297
Investments, at fair value	<u>13,329,317</u>	<u>34,262,411</u>	<u>18,851,215</u>	<u>9,299,099</u>	<u>75,742,042</u>
<b>Total Assets</b>	<b><u>\$ 14,090,829</u></b>	<b><u>\$ 36,266,251</u></b>	<b><u>\$ 19,437,873</u></b>	<b><u>\$ 10,212,986</u></b>	<b><u>\$ 80,007,939</u></b>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 4,958	\$ 59,565	\$ 32,001	\$ 20,477	\$ 117,001
Deferred revenues/future benefits	579,041	2,622,059	-	315,391	\$ 3,516,491
Payable for securities purchased	-	159,519	-	-	159,519
Prepaid city contributions	30,422	228,397	147,143	-	405,962
<b>Total Liabilities</b>	<b><u>614,421</u></b>	<b><u>3,069,540</u></b>	<b><u>179,144</u></b>	<b><u>335,868</u></b>	<b><u>4,198,973</u></b>
<b>NET ASSETS</b>					
Held in trust for pension benefits	<u>13,476,408</u>	<u>33,196,711</u>	<u>19,258,729</u>	<u>9,877,118</u>	<u>75,808,966</u>
Total net assets and liabilities	<b><u>\$ 14,090,829</u></b>	<b><u>\$ 36,266,251</u></b>	<b><u>\$ 19,437,873</u></b>	<b><u>\$ 10,212,986</u></b>	<b><u>\$ 80,007,939</u></b>

**CITY OF LAUDERHILL, FLORIDA**  
Combining Statements of Changes in Fiduciary Net Assets  
Pension Trust Funds  
For the Year Ended September 30, 2009

	<b>PENSION TRUST FUNDS</b>				<b>TOTAL</b>
	<b>General Employees Retirement</b>	<b>Firefighters Retirement</b>	<b>Police Retirement</b>	<b>Confidential and Managerial</b>	
<b>ADDITIONS</b>					
<b>Contributions:</b>					
City	\$ 681,538	\$ 2,281,413	\$ 1,725,705	\$ 1,225,513	\$ 5,914,169
Plan members	476,065	874,156	1,016,638	471,921	2,838,780
State revenue	-	459,295	350,408	-	809,703
Total contributions	<u>1,157,603</u>	<u>3,614,864</u>	<u>3,092,751</u>	<u>1,697,434</u>	<u>9,562,652</u>
<b>Investment income:</b>					
Net (depreciation) appreciation in fair value of investments	(567,862)	(2,258,673)	(229,436)	(207,732)	(3,263,703)
Interest and dividend income	538,791	908,393	656,053	366,896	2,470,133
Total investment income	(29,071)	(1,350,280)	426,617	159,164	(793,570)
Less: Investment expenses	57,124	211,356	78,032	66,251	412,763
Deferred retirement option plan	-	120,103	-	16,040	136,143
Net investment income (loss)	<u>(86,195)</u>	<u>(1,681,739)</u>	<u>348,585</u>	<u>76,873</u>	<u>(1,342,476)</u>
Total additions	<u>1,071,408</u>	<u>1,933,125</u>	<u>3,441,336</u>	<u>1,774,307</u>	<u>8,220,176</u>
<b>DEDUCTIONS</b>					
Benefits paid	1,110,405	2,359,216	252,181	1,064,934	4,786,736
Administrative expenses	63,128	137,755	100,112	125,658	426,653
Refunds of contributions	45,167	-	79,944	-	125,111
Other	1,875	-	-	-	1,875
Total deductions	<u>1,220,575</u>	<u>2,496,971</u>	<u>432,237</u>	<u>1,190,592</u>	<u>5,340,375</u>
CHANGE IN NET ASSETS	(149,167)	(563,846)	3,009,099	583,715	2,879,801
NET ASSETS, OCTOBER 1	<u>13,625,575</u>	<u>33,760,557</u>	<u>16,249,630</u>	<u>9,293,403</u>	<u>72,929,165</u>
NET ASSETS, SEPTEMBER 30	<u>\$ 13,476,408</u>	<u>\$ 33,196,711</u>	<u>\$ 19,258,729</u>	<u>\$ 9,877,118</u>	<u>\$ 75,808,966</u>

CITY OF LAUDERHILL, FLORIDA  
 STATISTICAL SECTION  
 FISCAL YEAR ENDED SEPTEMBER 30, 2009

This part of the City of Lauderhill’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information about the City’s financial standing.

CONTENTS:	<u>Page</u>
FINANCIAL TRENDS.....	88-92

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over the time.

REVENUE CAPACITY.....	93-96
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These schedules contain information to help assess the City’s most significant local revenue source, the property tax.

DEBT CAPACITY.....	97-100
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These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION.....	101-102
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These schedules offer demographic and economic indicators to help the reader understand the environment within the City’s financial activities take place.

OPERATING INFORMATION.....	103-105
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These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report related to the services the City provides and the activities it performs

MISCELLANEOUS STATISTICS.....	106
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**CITY OF LAUDERHILL, FLORIDA**  
**NET ASSETS BY COMPONENT**  
**LAST FIVE FISCAL YEAR**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$ 31,458,503	\$ 40,245,122	\$ 31,011,883	\$ 24,796,635	\$ 24,156,205
Restricted	4,643,969	3,224,852	3,352,740	6,504,816	4,397,068
Unrestricted	<u>1,826,652</u>	<u>(2,063,112)</u>	<u>6,214,805</u>	<u>6,538,599</u>	<u>2,330,325</u>
	<u>37,929,124</u>	<u>41,406,862</u>	<u>40,579,428</u>	<u>37,840,050</u>	<u>30,883,598</u>
Business Activities					
Invested in Capital Assets, Net of Related Debt	15,313,066	9,229,731	11,361,249	14,087,557	12,292,025
Restricted	2,565,696	2,063,261	3,225,904	200,000	3,200,000
Unrestricted	<u>6,986,447</u>	<u>14,100,843</u>	<u>12,408,154</u>	<u>13,013,219</u>	<u>13,532,070</u>
	<u>\$ 24,865,209</u>	<u>\$ 25,393,835</u>	<u>\$ 26,995,307</u>	<u>\$ 27,300,776</u>	<u>\$ 29,024,095</u>

**CITY OF LAUDERHILL, FLORIDA**  
**CHANGES IN NET ASSETS**  
**LAST FIVE FISCAL YEAR**

	2005	2006	2007	2008	2009
<b>EXPENSES</b>					
Governmental Activities					
General Government	\$ 7,825,228	\$ 10,437,902	\$ 13,106,473	\$ 11,701,546	\$ 11,264,320
Public Safety	21,043,096	26,085,909	27,220,653	30,617,084	32,537,466
Public Works	3,539,765	11,268,896	5,045,729	7,184,547	6,491,970
Recreation and Social Services	8,341,193	5,144,089	7,980,172	6,242,142	7,089,302
Economic and Community Development	41,624	-	-	-	-
Interest on long-term debt	1,112,503	2,369,854	2,429,421	2,257,723	2,478,666
Total Governmental Activities Expenses	<u>41,903,409</u>	<u>55,306,650</u>	<u>55,782,448</u>	<u>58,003,042</u>	<u>59,861,724</u>
Business-type Activities					
Water and Sewer	11,855,081	12,027,074	11,928,642	12,124,864	13,260,962
Stormwater	2,567,637	3,223,739	3,498,582	3,348,091	3,702,211
Total Business-type Activities Expenses	<u>14,422,718</u>	<u>15,250,813</u>	<u>15,427,224</u>	<u>15,472,955</u>	<u>16,963,173</u>
Total Primary Government Expenses	<u>56,326,127</u>	<u>70,557,463</u>	<u>71,209,673</u>	<u>73,475,997</u>	<u>76,824,897</u>
<b>PROGRAM REVENUES</b>					
Governmental Activities					
Charges for Services					
General Government	\$ 3,782,796	\$ 3,718,244	\$ 3,011,098	1,819,432	2,051,614
Public Safety	6,370,334	6,766,565	6,818,193	11,549,938	9,373,245
Recreation and Social Services	366,858	270,278	523,069	308,439	283,526
Operating Grants/ Contributions	2,794,438	9,898,002	4,219,394	3,623,561	3,238,350
Capital Grants/Contributions	668,563	81,743	-	-	-
Total Governmental Activities Program Revenues	<u>13,982,989</u>	<u>20,734,832</u>	<u>14,571,754</u>	<u>17,301,371</u>	<u>14,946,735</u>
Business-type Activities					
Water and Sewer	11,626,887	12,406,872	12,227,142	11,904,684	14,643,598
Stormwater	2,825,060	2,919,077	3,662,059	3,737,707	3,965,906
Operating Grants/ Contributions	75,000	-	-	-	-
Capital Grants/Contributions	1,166,970	-	-	-	-
Total Business-type Activities Program Revenues	<u>15,693,917</u>	<u>15,325,949</u>	<u>15,889,201</u>	<u>15,642,391</u>	<u>18,609,504</u>
Total Primary Government Program Revenues	<u>\$ 29,676,906</u>	<u>\$ 36,060,781</u>	<u>\$ 30,460,955</u>	<u>\$ 32,943,762</u>	<u>\$ 33,556,239</u>
<b>NET (EXPENSE) REVENUE</b>					
Governmental Activities	\$ (27,920,420)	\$ (34,571,818)	\$ (41,210,694)	\$ (40,701,672)	\$ (44,914,989)
Business-type Activities	1,271,199	75,136	461,977	169,436	1,646,331
Total Primary Government Net Revenue	<u>\$ (26,649,221)</u>	<u>\$ (34,496,682)</u>	<u>\$ (40,748,718)</u>	<u>\$ (40,532,236)</u>	<u>\$ (43,268,658)</u>

**CITY OF LAUDERHILL, FLORIDA**  
**CHANGES IN NET ASSETS**  
**LAST FIVE FISCAL YEAR**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>GENERAL REVENUES AND TRANSFERS</b>					
Governmental Activities					
Property Taxes	\$ 10,326,553	\$ 14,027,917	\$17,100,159	\$ 16,179,042	\$ 15,955,227
Other Taxes	9,231,595	12,581,463	12,591,796	12,520,752	12,662,694
Investment Earnings	311,228	1,599,334	2,098,581	1,504,060	459,343
Other	6,996,304	9,063,657	9,690,510	8,137,619	8,866,132
Gain (Loss) on sale of Fixed Assets	(92,736)	-	-	-	-
Contribution Capital-Land	-	-	-	-	-
Net Realized Value of land Investment	(1,097,785)	-	-	-	-
Insurance Recoveries	-	-	-	1,556,485	-
Sale of capital assets	-	-	-	-	15,144
Transfers	-	(320,600)	-	-	-
Total Governmental Activities Revenues	<u>25,675,159</u>	<u>36,951,771</u>	<u>41,481,046</u>	<u>39,897,958</u>	<u>37,958,540</u>
Business-type Activities					
Investment Earnings	\$ 141,655	\$ 132,890	\$ 217,841	\$ 136,036	\$ 36,658
Miscellaneous	-	-	921,652	-	-
Transfers	-	320,600	-	-	-
Total Business-type Activities Revenues	<u>141,655</u>	<u>453,490</u>	<u>1,139,493</u>	<u>136,036</u>	<u>36,658</u>
Total Primary Government Revenues	<u>\$ 25,816,814</u>	<u>\$ 37,405,261</u>	<u>\$42,620,540</u>	<u>\$ 40,033,994</u>	<u>\$ 37,995,198</u>
<b>NET (EXPENSE) REVENUE</b>					
Governmental Activities	\$ (2,245,261)	\$ 2,379,953	\$ 270,352	\$ (803,713)	\$ (6,956,449)
Business-type Activities	1,412,854	528,626	1,601,470	305,471	1,646,331
Total Primary Government	<u>\$ (832,407)</u>	<u>\$ 2,908,579</u>	<u>\$ 1,871,822</u>	<u>\$ (498,242)</u>	<u>\$ (5,310,118)</u>

**CITY OF LAUDERHILL, FLORIDA**  
**FUND BALANCES-GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEAR**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 43,787	\$ 62,264	\$ 49,141	\$ 2,406,942	\$ 2,250,692	\$ 91,597	\$ 61,805	\$ 707,160	\$ 897,221	\$ 1,348,172
Unreserved	1,851,342	3,482,167	4,050,539	1,023,533	(71,241)	3,665,104	5,932,960	5,958,123	6,966,048	6,215,673
	<u>\$ 1,895,129</u>	<u>\$ 3,544,431</u>	<u>\$ 4,099,680</u>	<u>\$ 3,430,475</u>	<u>\$ 2,179,451</u>	<u>\$ 3,756,701</u>	<u>\$ 5,994,765</u>	<u>\$ 6,665,283</u>	<u>\$ 7,863,269</u>	<u>\$ 7,563,845</u>
All Other Governmental Funds										
Reserved	\$ 2,470,495	\$ 5,716,205	\$ 6,045,188	\$ 6,798,634	\$ 5,100,808	\$ 35,745,189	\$ 29,803,423	\$ 3,781,937	\$ 5,773,949	\$ 3,687,422
Reserved Reported In	-	-	-	-	-	-	(173,784)	2,994,178	(740,475)	(644,168)
Special Revenue	-	-	-	-	-	-	-	19,397,877	2,988,433	43,293
Capital Project	<u>\$ 2,470,495</u>	<u>\$ 5,716,205</u>	<u>\$ 6,045,188</u>	<u>\$ 6,798,634</u>	<u>\$ 5,100,808</u>	<u>\$ 35,745,189</u>	<u>\$ 29,629,639</u>	<u>\$ 26,173,992</u>	<u>\$ 8,021,907</u>	<u>\$ 3,086,547</u>

**CITY OF LAUDERHILL, FLORIDA**  
**CHANGES IN FUND BALANCES-GOVERNMENT FUNDS**  
**LAST TEN FISCAL YEAR**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>REVENUES</b>										
Property Taxes	\$ 6,673,691	\$ 7,200,386	\$ 7,312,101	\$ 8,211,732	\$ 8,999,663	\$ 10,326,553	\$ 14,051,334	\$ 17,100,159	\$ 16,179,042	\$ 15,955,227
Franchise Taxes	2,883,076	3,202,324	2,918,563	3,249,974	3,070,607	3,217,681	4,707,818	4,420,174	4,281,390	3,968,536
Public Service Taxes	3,724,231	3,779,849	4,637,131	4,482,374	4,747,318	6,013,914	7,873,646	8,171,622	8,239,362	8,694,157
Charges for services	1,423,603	4,203,687	4,331,731	4,590,000	4,857,986	6,534,347	6,939,511	7,280,089	8,038,796	10,040,958
Administrative Charges	1,201,625	1,304,775	1,500,000	1,599,900	1,850,000	2,005,000	2,325,000	3,131,312	2,051,343	3,624,548
Intergovernmental	6,584,201	5,923,610	6,282,393	8,628,123	10,832,411	10,184,677	16,446,296	9,494,549	12,015,037	8,143,497
License and Permits	1,075,743	1,488,847	1,519,903	1,335,454	1,511,768	1,617,864	3,076,720	2,848,814	1,740,312	1,916,602
Fines and Forfeiture	340,621	260,552	277,978	405,533	418,392	362,777	450,644	617,224	3,902,553	691,736
Investment Income	269,877	391,880	324,737	273,982	172,533	311,227	1,599,334	2,098,581	1,504,060	459,343
Rental Income										
Other	184,182	48,164	112,742	3,669,149	279,108	302,359	559,816	133,142	174,458	255,757
<b>Total Revenue</b>	<b>24,360,850</b>	<b>27,804,074</b>	<b>29,217,279</b>	<b>36,446,221</b>	<b>36,739,786</b>	<b>40,876,399</b>	<b>58,030,120</b>	<b>55,922,198</b>	<b>58,642,267</b>	<b>53,834,464</b>
<b>EXPENDITURE</b>										
Current:										
General Government	4,331,477	4,284,148	4,586,602	4,894,085	5,834,909	6,790,734	9,141,469	12,265,063	11,329,546	10,886,907
Public Safety	13,946,803	14,632,990	16,277,070	17,738,335	19,571,142	20,599,328	25,567,512	26,088,653	29,470,084	31,044,616
Public Work	1,237,511	1,232,154	1,242,756	2,450,599	2,517,134	2,942,429	9,345,822	4,334,729	6,335,756	5,620,699
Recreation and social services	3,514,510	3,782,589	4,364,084	5,058,841	5,160,267	7,386,723	6,688,051	6,984,153	5,342,142	6,136,233
Miscellaneous										
Economic and Community Development				1,013,257	1,390,506	41,624				
Debt Service:										
Principal retirement				415,000			1,880,000	1,807,500	995,000	2,124,992
Interest and issuance cost				691,142			2,393,270	2,429,420	2,254,223	2,359,299
Capital Outlay:				4,835,525	8,837,988	4,336,755	6,570,880	10,516,800	17,168,754	7,926,487
<b>Total Expenditures</b>	<b>24,994,750</b>	<b>25,254,772</b>	<b>26,970,272</b>	<b>37,096,784</b>	<b>43,311,946</b>	<b>42,097,593</b>	<b>61,587,004</b>	<b>64,426,317</b>	<b>72,895,506</b>	<b>66,099,234</b>
Excess Revenue Over (Under Expenditures	(633,900)	2,549,302	2,247,007	(650,563)	(6,572,160)	(1,221,194)	(3,556,884)	(8,504,119)	(14,253,238)	(12,264,770)
<b>OTHER FINANCING SOURCE (USES)</b>										
Transfer In										
Transfer Out										
Payment to refunded bond escrow agent		(900,000)	(1,691,758)	(1,106,142)	(1,376,690)	(2,441,061)	(4,168,808)	(8,424,175)	(4,286,828)	10,042,142
Issuance of debt								4,864,619	(3,500)	(62,000)
Capital leases									778,071	7,054,000
Advance										576,841
Sale of capital assets										(594,000)
Total Other Financing Sources (Uses)	(2,771,600)	(900,000)	(1,691,758)	(1,106,142)	(1,376,690)	(2,441,061)	(320,600)	(2,220,237)	2,331,056	15,144
Net Change in Fund Balance	<b>\$ (3,405,500)</b>	<b>\$ 1,649,302</b>	<b>\$ 555,249</b>	<b>\$ (1,756,705)</b>	<b>\$ (7,943,850)</b>	<b>\$ (3,662,255)</b>	<b>\$ (3,877,484)</b>	<b>\$ (5,859,739)</b>	<b>\$ (11,922,181)</b>	<b>\$ (5,234,765)</b>
Debt Service as a Percentage of Non-capital Expenditures	n/a	n/a	n/a	3.43%	n/a	n/a	7.77%	7.86%	5.83%	7.71%

**CITY OF LAUDERHILL, FLORIDA**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN YEARS**

FISCAL YEAR	TAX ROLL YEAR	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	INDUSTRIAL PROPERTY	ALL OTHER PROPERTIES	LESS: EXEMPTIONS					TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
						HOMESTEAD	GOVERNMENTAL	INSTITUTIONAL	SAVE OUR HOMES	OTHER		
2000	1999	n/a	n/a	n/a	n/a	\$ 280,741,800	\$ 29,775,300	\$ 24,749,901	\$ 24,402,670	\$ 1,922,540	\$ 1,342,531,189	5.60
2001	2000	n/a	n/a	n/a	n/a	288,211,300	31,344,500	26,007,194	58,031,510	2,394,160	1,398,799,251	5.60
2002	2001	n/a	n/a	n/a	n/a	292,504,630	40,460,700	29,716,243	141,211,780	2,504,990	1,514,529,312	5.60
2003	2002	n/a	n/a	n/a	n/a	297,192,690	46,732,320	33,721,607	252,186,850	2,797,030	1,680,163,416	5.82
2004	2003	n/a	n/a	n/a	n/a	300,712,550	54,592,070	60,873,772	350,697,790	2,990,880	1,811,412,383	5.82
2005	2004	n/a	n/a	n/a	n/a	354,840,809	64,418,643	71,831,051	413,823,392	3,529,238	2,138,901,131	6.02
2006	2005	n/a	n/a	n/a	n/a	355,994,920	187,710,230	75,452,364	950,577,710	5,887,900	2,675,359,177	6.02
2007	2006	n/a	n/a	n/a	n/a	380,328,250	246,808,100	98,329,092	1,176,566,740	1,013,308	3,035,752,766	4.73
2008	2007	n/a	n/a	n/a	n/a	629,541,380	246,808,100	106,601,588	868,255,460	8,263,680	2,776,843,012	5.06
2009	2008	n/a	n/a	n/a	n/a	591,870,172	269,469,940	207,596,040	407,855,100	7,723,220	2,376,012,968	5.96

**CITY OF LAUDERHILL, FLORIDA**  
**PROPERTY TAX MILLAGE RATES**  
**DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Tax Roll	Operating	Debt Service	Broward County			So. Florida Water Management District	Florida Inland Navigational District	North Broward Hospital District	Total Tax Rate
				Government	Schools	Childrens Services				
2000	1999	5.6000		7.5710	9.7256	-	0.6970	0.0410	2.4803	26.1149
2001	2000	5.6000		7.5710	8.9553	-	0.6970	0.0385	2.4803	25.3421
2002	2001	5.6000		7.4005	8.7541	-	0.6970	0.0385	2.4803	24.9704
2003	2002	5.8200		7.1880	8.4176	0.3055	0.6970	0.0385	2.4803	24.9469
2004	2003	5.8200		7.0230	8.8096	0.3316	0.6970	0.0385	2.5000	25.2197
2005	2004	6.0200	0.6310	7.0230	8.2695	0.3920	0.6970	0.0385	2.4803	25.5513
2006	2005	6.0200	0.6310	6.7830	8.0623	0.4231	0.6970	0.0385	2.1746	24.8295
2007	2006	4.7340	0.7500	5.2868	7.6484	0.3572	0.6240	0.0345	1.6255	21.0604
2008	2007	5.0646	0.8700	5.3145	7.4170	0.3754	0.6240	0.0345	1.7059	21.4059
2009	2008	5.9574	0.9700	5.3889	7.4310	0.4243	0.6240	0.0345	1.7059	22.5360

Source: Broward County Property Appraiser

**CITY OF LAUDERHILL, FLORIDA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	TYPE OF BUSINESS	2009			2000		
		TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE
Westbrooke of Inverrary (Retirement Home)	Sevice	21,824,360	1	0.9%	\$ 9,915,415	4	0.8%
Landings of Inverrary (Apartments)	Real Estate	\$ 21,103,930	2	0.9%	13,585,095	3	1.1%
Inverrary Gardens (Apartments)	Real Estate	19,782,210	3	0.8%	15,120,105	2	1.2%
Target Corporation (Shopping Center)	Retail	19,530,420	4	0.8%	-	8	0.0%
Kimco Development (Shopping Center)	Retail	15,693,510	5	0.7%	8,751,980	5	0.7%
Rossland Real Estate (Lauderhill Mall)	Retail	14,266,500	6	0.6%	18,578,790	1	1.5%
Inverrary Apartments LLC (Apartments)	Real Estate	14,119,460	7	0.6%	6,190,300	6	0.5%
Inverrary 441 Trust (Apartments)	Real Estate	10,007,960	8	0.4%	6,190,300	7	0.5%

**CITY OF LAUDERHILL, FLORIDA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEAR**

FISCAL YEAR	TAXES LEVIED	COLLECTION WITHIN THE	PERCENTAGE OF LEVY	COLLECTIONS	TOTAL COLLECTION TO DATE	
	FOR THE FISCAL YEAR	FISCAL YEAR OF THE LEVY		IN SUBSEQUENT YEARS	AMOUNT	PERCENTAGE OF LEVY
2000	\$ 6,952,125	\$ 6,831,741	98.27	\$ 53,515	\$ 6,885,256	99.04%
2001	7,285,452	7,131,866	97.89	324,560	7,456,426	102.35%
2002	7,621,600	7,531,582	98.82	28,404	7,559,986	99.19%
2003	8,433,180	8,190,378	97.12	21,354	8,211,732	97.37%
2004	9,313,729	8,999,663	96.63	9,221	9,008,884	96.73%
2005	10,740,102	10,326,553	96.15	22,831	10,349,384	96.36%
2006	12,960,022	12,732,731	98.25	96,205	12,828,936	98.99%
2007	16,045,030	15,414,838	96.07	62,570	15,477,407	96.46%
2008	14,403,466	14,294,160	99.24	126,557	14,420,718	100.12%
2009	14,063,408	13,953,535	99.22	148,358	14,101,893	100.27%

Source: Office of Broward County Revenue Collections

**CITY OF LAUDERHILL, FLORIDA**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
(Dollars in Thousands Except Percentage of Personal Income & Per Capita )

FISCAL YEAR	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES				TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA*
	GENERAL OBLIGATION BONDS	HALF-CENT SALES TAX BONDS	ECONOMIC DEVELOPMENT LINE OF CREDIT	WATER & SEWER REVENUE BONDS	STORMWATER REVENUE BONDS	STATE REVOLVING FUND LOANS				
2000	\$ -	\$ 10,680	\$ -	\$ 17,555	\$ -	\$ -	\$ 28,235	0.03	495.32	
2001	-	15,000	-	14,035	-	1,795	30,830	0.04	532.85	
2002	-	14,610	-	16,415	-	1,717	32,742	0.04	557.54	
2003	-	14,195	-	15,025	-	4,548	33,768	0.04	566.51	
2004	-	18,650	-	14,320	-	7,191	40,161	0.05	663.81	
2005	35,000	18,305	-	19,415	5,000	7,584	85,304	0.10	1,389.11	
2006	33,960	17,465	-	18,615	5,000	7,262	82,302	0.10	1,210.32	
2007	33,070	16,595	4,865	22,785	4,890	6,920	89,125	0.11	1,172.69	
2008	32,150	16,595	7,503	23,110	4,890	6,811	91,059	0.11	1,347.72	
2009	31,200	22,195	7,901	22,195	10,780	8,570	102,841	0.12	1,353.17	

\* See Schedule of Demographic and Economic Statistics on page 95 for population data.

CITY OF LAUDERHILL, FLORIDA  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
September 30, 2009

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS SINKING FUND	NET GENERAL BONDED DEBT	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY *	PER CAPITA **
2000	\$ -	\$ -	\$ -	-	-
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	35,000	-	35,000	1.96	570
2006	33,960	-	33,960	1.27	447
2007	33,070	-	33,070	1.09	435
2008	32,150	-	32,150	1.06	423
2009	31,200	-	31,200	1.31	411

\* See Schedule of Assessed Value and Actual value of Taxable Property on page 87 for property value data.

\*\* See Schedule of Demographic and Economic Statistics on page 95 for population data.

**City of Lauderhill, Florida - Financial Statistics**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES NET DEBT**  
September 30, 2009

<b>GOVERNMENTAL UNIT</b>	<u>NET DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>ESTIMATED SHARE OF OVERLAPPING NET DEBT</u>
Debt Repaid with Property Taxes			
Broward County School Board	\$ 489,660,000	1.78%	\$ 8,725,751
Broward County Commission	493,615,000	1.78%	8,796,229
Other Debt			
Broward County			
Tourist Development Refunding Bonds	3,745,000	1.78%	66,661
Gas Tax Revenue Bonds	4,850,000	1.78%	86,330
Special Obligation Bonds	193,890,000	1.78%	<u>3,451,242</u>
Subtotal Overlapping Debt			21,126,213
City of Lauderhill General Obligation Debt	31,200,000	100.00%	<u>31,200,000</u>
Total Direct and Overlapping Debt			\$ <u><u>52,326,213</u></u>

Sources: Assesed value data used to estimate applicable percentages was provided by the Broward County Property Appraiser. Debt outstanding data was provided by each governmental unit.

City of Lauderdale, Florida - Financial Statistics

*Revenue Bond Coverages*

*Last Ten Fiscal Years*

Water and Sewer Revenue Bond Issues

<u>Fiscal Year</u>	<u>Operating Income Before Depreciation and Amortization Plus Interest Income</u>	<u>Debt Service</u>	<u>Times Coverage</u>
2000	\$ 3,783,693	\$ 1,157,328	3.27
2001	4,488,444	1,244,180	3.61
2002	4,204,998	1,452,166	2.90
2003	4,098,741	1,486,369	2.76
2004	2,904,567	1,479,750	1.96
2005	2,235,606	1,758,189	1.27
2006	2,862,425	1,652,829	1.73
2007	3,121,322	1,840,847	1.70
2008	2,441,963	924,006	2.64
2009	3,343,077	907,139	3.69

Stormwater Revenue Bond Issues

<u>Fiscal Year</u>	<u>Operating Income Before Depreciation and Amortization Plus Interest Income</u>	<u>Debt Service</u>	<u>Times Coverage</u>
2000	\$ -	\$ -	-
2001	-	-	-
2002	-	-	-
2003	-	-	-
2004	-	-	-
2005	-	-	-
2006	784,453	217,878	3.60
2007	1,312,936	327,878	4.00
2008	1,514,737	213,478	7.10
2009	1,741,159	209,078	8.33

Capital Improvement Revenue Bond Issues

<u>Fiscal Year</u>	<u>1/2 Cent Sales Tax Revenues</u>	<u>Debt Service</u>	<u>Times Coverage</u>
2000	\$ 2,885,090	\$ 475,703	6.06
2001	3,039,058	573,144	5.30
2002	3,261,040	1,095,618	2.98
2003	3,368,877	1,106,142	3.05
2004	3,366,665	1,376,690	2.45
2005	3,503,740	1,645,000	2.13
2006	2,299,778	1,590,025	1.45
2007	3,902,132	1,591,476	2.45
2008	3,581,018	690,988	5.18
2009	3,258,324	847,178	3.85

*All outstanding city revenue bond issues require a minimum of 1.25 - 1.40 times coverage (revenue divided by debt service).*

**CITY OF LAUDERHILL, FLORIDA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

FISCAL YEAR	CITY OF LAUDERHILL POPULATION	BROWARD COUNTY POPULATION	BROWARD COUNTY PERSONAL INCOME	COUNTY PERSONAL INCOME	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2000	53,004	1,632,662	50,137,561	30,709	30,709	3.8
2001	56,226	1,670,494	52,614,372	31,496	31,496	4.2
2002	58,367	1,703,998	54,850,632	32,189	32,189	5.6
2003	57,003	1,728,336	55,790,306	32,280	32,280	5.4
2004	64,000	1,753,000	59,615,576	34,008	34,008	4.4
2005	68,000	1,753,000	59,615,576	34,008	34,008	3.5
2006	76,000	1,753,000	59,615,576	34,008	34,008	3.1
2007	76,000	1,787,636	73,595,186	41,169	41,169	3.1
2008	76,000	1,759,591	72,440,602	41,169	41,169	6.3
2009	76,000	1,751,234	72,096,553	41,169	41,169	9.8

U.S. Department of Commerce, Bureau of the Census for 1960-2008  
City of Lauderhill Community Development Department for 1985, 1995

\* Estimate based on annexation of un-incorporated area's

**CITY OF LAUDERHILL, FLORIDA**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

EMPLOYER	2009			2000		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
City of Lauderhill	600	1	33.33%	514	1	56.24%
Broward County Public School District in Lauderhill	500	2	27.78%	400	2	43.76%
United Parcel Service	400	3	22.22%			
Target	200	4	11.11%			
Publix	100	5	5.56%			
<b>Total</b>	<b>1800</b>		<b>100.00%</b>	<b>914</b>		<b>100.00%</b>

Source: City of Lauderhill Economic Development Department

**CITY OF LAUDERHILL, FLORIDA**  
**FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST FIVE FISCAL YEARS**

<b>FUNCTION/PROGRAM</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>General Government</b>					
Commission	5	5	5	5	5
City Manager	6	5	5	4	3
City Clerk	4	5	5	4	4
Redevelopment Agency	0	1	2	2	3
MIS	4	4	4	4	3
Special Events	3	3	3	2	3
Finance	7	7	6	5	5
Purchasing	1	1	3	2	2
Utility Billing	5	13	15	11	11
Management & Budget	3	2	7	7	8
Central Garage	4	4	4	4	4
Resources	4	6	5	5	4
Economic Dev	0	0	0	0	0
CDBG Program	4	2	2	2	1
SHIP Program	1	1	1	0	0
Planning/Zoning	6	6	6	4	5
Code Inspections	7	10	16	11	9
Public Work	12	9	8	20	16
Streets & Roads	4	2	3	17	17
<b>Public Safety</b>					
Police - Administration	16	9	16	13	15
Police - Operations	84	82	88	91	90
Police - Community Serv.	7	10	20	17	19
Police - Support Serv.	26	42	23	20	15
Fire/EMS	54	54	68	58	60
Fire - Building	6	6	6	5	5
Fire Inspections	4	5	5	5	5
Fire - Rescue	34	35	25	31	29
<b>Culture and Recreation</b>					
Rec-Admin	4	4	3	3	3
PALS - Aquatics	2	2	2	3	2
PALS - Athletic Programs	4	5	3	2	2
PALS - Grounds Main.	20	20	3	0	0
PALS-Sports Park	6	5	1	3	1
PALS - Childrens Programs	2	3	1	2	1
PALS -Municipal Golf Course	2	2	0	0	0
Rec Maintenance	0	3	0	0	0
PALS - Community Services	9	6	5	6	6
<b>Business Enterprise</b>					
Utility Admin	10	10	8	10	8
Water	10	11	8	8	8
Stormwater	18	17	18	14	17
Stormwater Construction	0	3	4	3	3
Sewer	30	29	24	22	23
<b>TOTALS</b>	<b>423</b>	<b>444</b>	<b>431</b>	<b>425</b>	<b>415</b>

**CITY OF LAUDERHILL, FLORIDA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST FIVE FISCAL YEAR**

<b>FUNCTION/PROGRAM</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Public Safety					
Police					
911 & Non Emergency Calls Received	64,459	72,793	74,577	76,216	77,929
Citations Processed	8,505	13,214	9,627	13,493	9,690
Arrests Processed	1,754	1,861	1,936	1,702	1,716
Fire Rescue					
Total Incidents	11,974	12,421	12,246	11,764	11,892
Total Fire Incidents	284	296	265	281	213
Physical Environment					
Water Distribution					
Water Main Failures	-	-	-	-	-
New Water Mains Construction (Feet)	-	73,920	-	-	5,675
Raw Water Treated (Billions of Gallons)	-	-	2193.528	-	2,913
Water Treatment					
Raw Wastewater Treated (Billion of Gallons)	-	-	-	2.2	2.2
Sanitation					
Household Refuse Collected (Tons)	-	-	-	-	-
Recycling Tonnage	-	-	-	-	-
Culture and Recreation					
Parks and Recreation					
Pavilion Rentals	-	396	1,244	1,065	13,310
Park Attendance	-	200,336	325,871	236,932	171,019
Pool Attendance	-	15,847	18,136	17,510	12,450

-Figures were unavailable

**CITY OF LAUDERHILL, FLORIDA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<b>FUNCTION/PROGRAM</b>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Police										
Station Patrol Units	4	4	4	4	4	4	4	4	4	4
Fire Stations	3	3	3	3	3	3	4	4	4	4
Highways and Streets										
Streets( miles)	81.27	81.27	81.27	81.27	97.13	97.13	110	110	110	111
Streets lights	1500	1500	1550	1550	1550	1580	1620	1620	1620	1620
Culture and recreation										
Parks Acreage	78.65	78.65	78.65	78.65	78.65	94.37	98.37	105.41	105.91	235.76
Parks	11	11	11	11	11	13	14	17	18	20
Tennis Courts	14	14	14	14	14	18	18	18	18	18
Community Centers	2	2	2	2	2	4	4	4	4	4
Aquatic Center	2	2	2	2	2	2	2	2	2	2
Water										
Water Mains (miles)	100	105	105	105	105	141	141	141	141	145
Fire Hydrants	1250	1250	1260	1260	1,270	1,275	1,280	1,300	1,306	1,318
Maximum Daily Capacity* (millions of gallons)*	-	-	-	-	-	-	-	-	-	-
Sewer										
Sanitary Sewers( miles)	120	121	121	122	122	123.22	123.22	123.22	123.22	123.22
Storm Sewers(miles)	38	38	38	40	40	45	45	50	50.53	50.53
Maximum Daily Capacity* (millions of gallons)*	-	-	-	-	-	-	-	-	-	-

-Figures were unavailable

**City of Lauderhill**

**Florida Municipal Insurance Trust  
Insurance Coverage  
October 1, 2008-2009**

**The following information is presented in accordance with the City of Lauderhill's Request:**

Comprehensive Municipal Insurance Program  
October 1, 2008 to September 30, 2009.

**Includes:**

General/Professional Liability	Auto Liability	Auto Physical Damage
Public Officials/Employment	Practices Liability	Law Enforcement
Workers' Compensation	Property	Excess Flood

**Deductibles:**

Property	\$100,000 Deductible
General and Auto Liability	\$100,000 SIR (Self Insured Retention)
Workers' Compensation	\$400,000 SIR (Self Insured Retention)
Public Officials	\$100,000 SIR (Self Insured Retention)

**Florida Municipal Insurance Trust Lines- FMIT Number 0326.**

- **Property** limits of 51,590,295 with \$100,000 deductible on all other perils and 51,590,295 with 5% Named Windstorm deductible.
- **Excess Flood** \$4,500,000 maximum limit over NFIP primary limit, if primary is elected.
- **General Liability/Public Officials Liability/Employee Benefits Liability** limit of 1,000,000 General and Public Officials Liability and \$1,000,000 Employee Benefits Liability. Limit is per occurrence no aggregate applies.
- **Automobile Liability** \$1,000,000 and Auto Physical Damage per schedule.
- **Worker's Compensation and Employer's Liability** limit of \$1,000,000.
- **Law Enforcement** \$1,000,000. All limits exclusive of \$100,000 Self Insured Retention.
- **Annual Policy Premium** \$882,448.
- Policy premium is not inclusive of additions or deletions of property or auto after the policy inception date.



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