



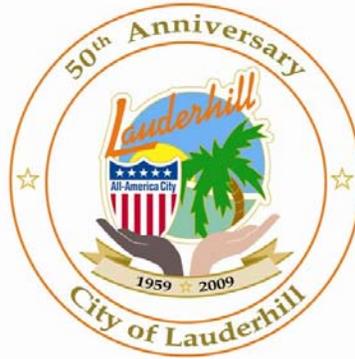
City of Lauderdale, Florida **Comprehensive Annual Financial Report (CAFR)**

For the Year Ending September 30, 2008



Comprehensive Annual Financial Report

City of Lauderdale, Florida



For the Fiscal Year Ended September 30, 2008

Prepared by

City of Lauderdale Finance Department

Kennie Hobbs, Jr.

Director of Finance and Support Services

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Assistant Finance Director

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Assistant Comptroller

TABLE OF CONTENTS

INTRODUCTION	PAGE(S)
▪ Letter of Transmittal	1-8
▪ Certificate of Achievement for Excellence In Financial Reporting	9
▪ Organizational Chart	10
▪ Elected City Officials	11
▪ Appointed City Officials	12
FINANCIAL SECTION	
▪ Independent Auditors' Report	13-14
▪ Management's Discussion & Analysis	15-26
Basic Financial Statements	
▪ Government-wide Financial Statements	
▪ Statement of Net Assets	27
▪ Statement of Activities	28
▪ Fund Financial Statements	
▪ Balance Sheets- Governmental Funds	29
▪ Reconciliation of the Balance Sheet to the Statement of Net Assets- Governmental Funds	30
▪ Statement of Revenues, Expenditures, & Changes In Fund Balances- Governmental Funds	31
▪ Reconciliation of the Statement of Revenues, Expenditures, & Changes in Fund Balances of Governmental Funds to The Statement of Activities	32
▪ Statements of Net Assets- Proprietary Fund	33
▪ Statements of Revenues, Expenses & Changes in Fund Net Assets- Proprietary Funds	34
▪ Statements of Cash Flows- Proprietary Fund Types	35
▪ Statement of Fiduciary Net Assets- Fiduciary Funds	36
▪ Statement of Changes in Fiduciary Net Assets- Fiduciary Funds	37
▪ Notes to the Financial Statements	38-65
▪ Required Supplementary Information	
▪ Budgetary Comparison Schedule- General Fund	66
▪ Budgetary Comparison Schedule- Community Redevelopment Agency	67
▪ Budgetary Comparison Schedule- Capital Projects	68
▪ Notes to Budgetary Comparison Schedule	69
▪ Schedule of Funding Progress- Employee Retirement Systems	70

TABLE OF CONTENTS (Continued)

	PAGE(S)
▪ Combining & Individual Statements and Schedules	
▪ Combining Balance Sheet- Non-major Governmental Funds	71
▪ Combining Statement of Revenues, Expenditures & Changes in Fund Balances - Non-major Governmental Funds	72
▪ Budgetary Comparison Schedule- Debt Service	73
▪ Budgetary Comparison Schedule- Special Revenue Fund State Housing Initiative Program (SHIP)	74
▪ Budgetary Comparison Schedule- Special Revenue Fund Law Enforcement	75
▪ Budgetary Comparison Schedule- Special Revenue Fund Federal Forfeiture	76
▪ Budgetary Comparison Schedule- Special Revenue Fund Community Development Block Grant (CDBG)	77
▪ Budgetary Comparison Schedule- Special Revenue Fund Home Grant	78
▪ Combining Statement of Net Assets- Fiduciary Funds	79
▪ Combining Statement of Changes in Fiduciary Net Assets- Fiduciary Funds	80

STATISTICAL SECTION

▪ Financial Trends	82-86
▪ Revenue Capacity	87-90
▪ Debt Capacity	91-94
▪ Demographic and Economic Information	95-96
▪ Operating Information	97-99
▪ Miscellaneous Statistics	100





January 19, 2009

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, 2008, is hereby submitted as mandated by both local ordinances and state statutes. The CAFR has been prepared in conformity 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's 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.

Independent Audit

The City's financial statements have been audited by Harvey, Covington & Thomas, L.L.C. The goal of the independent auditor was to provide reasonable assurances that the financial statements for fiscal year ended September 30, 2008, 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, 2008, 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.

Introduction to the Report

The Comprehensive Annual Financial Report is divided into three sections:

- **The Introductory Section** contains this letter of transmittal, the Certificate for Excellence in Financial Reporting for the September 30, 2007 CAFR, a list of principal officials as of September 30, 2008, and the City organizational chart.
- **The Financial Section** includes the Independent Auditors' Report, Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the City's financial position and operating results, the Combining Statements of non-major funds and other schedules that provide detailed information relative to the Basic Financial Statements.
- **The Statistical Section** presents tables containing historical financial data, debt statistics, and miscellaneous social and economic data of the City that is of interest to potential bond investors and other readers. This data is generally presented on a multi-year basis.

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. Despite the City being over 95% built out, plans have been submitted to the City's Planning Department for up to 1,500 additional housing units and 400,000 square feet of office and retail space over the next five years. 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 2008 CAFR represents the second full year that data will be included for the three new neighborhoods. In addition, Broward County has completed the construction of a 110 plus acre Regional Park in Lauderhill which includes a multi-use stadium and multiple ball-fields. During the past year, a number of large scale events were held in the new park. For example, the Broward County Caribbean Carnival, Summer Blast that included artist such as Buju Banton and Beres Hammond, MAQ T-20 Cricket tournament, the Curry Fest and the City's annual Fourth of July celebration. As we move forward, the long term goal of the City is to attract additional events such as the state high school football championship, international cricket tournaments, track meets and related events.

The local economy has slowed over the past three years. Property values in the tri-county area have decreased between 10 to 30 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 \$253 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 2009 is approximately \$1,800,000. The estimated loss is based on the July 2008 Broward County Property Appraisers' Annual Valuation Report which reflects a decrease in assessed value from \$3.030 billion to \$2.777 billion (\$253 million or 8.3 %).

Major Initiatives and Capital Projects

In spite of suffering wide-spread damage from Hurricane Wilma, the City continues to move forward with its redevelopment efforts. As mandated by the Citizens, the City commenced phase three of its Great Neighborhood Bond community improvement program during fiscal year 2008. The City has entered the planning and developmental stages on major projects such as park improvements (\$3 million) and the construction of two new community centers, a swimming pool, major renovations to the existing senior community center (\$4.5 million) and demolition and development of the Original City Hall on 47th Avenue. The plan also includes the development 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 Lauderhill Middle School, Veterans Park, the Sports Park and St. Georges Park and roadway and median improvements along State Road 7. In addition, roadway, median and landscaping improvements along North West 55th Avenue are under construction and are scheduled to be completed during the second quarter of fiscal year 2009. As mentioned in previous CAFR's, City Hall suffered substantial damage which caused us to relocate to the Corporate Park in Inverrary. The City will be operating from that site until a New City Hall is constructed at the corner of West Oakland Park Boulevard and Inverrary Boulevard, which based on current developmental plans, is scheduled for completion summer of 2009.

In addition, the City has begun to capitalize on the development opportunities afforded by the new Broward County Regional Park. The City is in the plans review stage for 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; four sales tax revenue bonds, five water and sewer revenue bonds, one Stormwater revenue bond, 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 2007 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 \$16,595 million for the sales tax bonds, \$23,110 million for the water and sewer revenue bonds, \$4,890 million for the Stormwater bonds, \$32,150 million for the General Obligation Bonds and \$7,503 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 \$6,810 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 2008, 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, 2007. This is the twentieth consecutive year (fiscal year ended September 30, 1988-2007) 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, 2007

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.

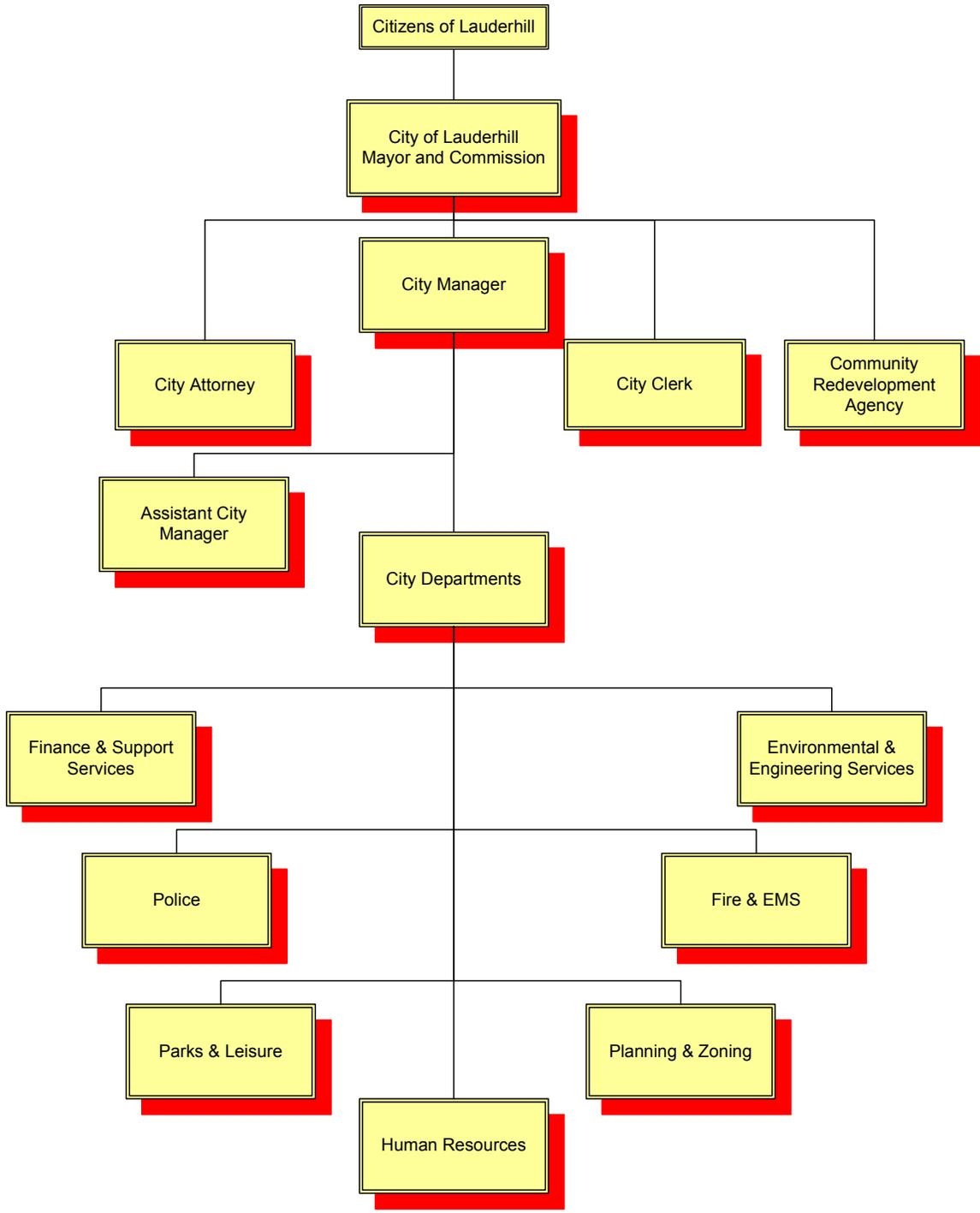


A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Enos".

Executive Director



City of Lauderdale

Commission/Manager Form of Government



Mayor
Richard J. Kaplan

Vice Mayor – Hayward J. Benson, Jr.
Commissioner – M. Margaret Bates
Commissioner – Dale V.C. Holness
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>
Community Redevelopment Agency 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>

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Commission
City of 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 (the "City"), as of and for the fiscal year ended September 30, 2008, 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, Florida's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the Pension Trust Fund for the Firefighters and Police Officers, which represent 95% of the assets of the aggregate remaining fund information. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Fund for the Firefighters and Police Officers, is based solely on the report 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 consideration of internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit, and the reports of other auditors, provides 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, Florida, as of September 30, 2008, and the respective changes in financial position and, where applicable, cash flows 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 a report dated January 19, 2009 on our consideration of the City's internal control over financial reporting and out tests of compliance with certain provisions of laws, regulations, 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 on compliance.

The report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 15 through 26 and 66 through 69, 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 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 Lauderhill, Florida's basic financial statements taken as a whole. The accompanying combining and financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements have been subjected to the auditing procedures applied, and by other auditors, 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, listed in the table of contents, 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, Covington & Thomas, LLC

Harvey, Covington & Thomas, LLC
Hollywood, Florida
January 19, 2009

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, 2008. 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 thousand dollars.

FINANCIAL HIGHLIGHTS

- The assets of the City of Lauderhill exceeded its liabilities at the close of the most recent fiscal year by \$65,141 (net assets). Of this amount, \$19,552 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- During fiscal year 2008, the government's total net assets decreased by \$498 to \$65,141. Governmental net assets decreased by \$804 or (2.08 percent), while business-type activity net assets increased by \$305 or (1.13 percent).
- On September 30, 2008, revenues of all Governmental Funds totaled \$58,642 while expenditures (net of other financing sources and uses) totaled \$72,896. As a result, Governmental Revenues were \$14,253 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 \$11,922 during fiscal year 2008.
- Business-type activities yielded a net operating gain of \$1,787 while non-operating activities yielded a loss of (\$1,481). During fiscal year 2008, operating revenues decreased by \$247 from fiscal year 2007. Moreover, on September 30, 2008, operating revenues totaled \$15,642 compared to \$15,889 on September 30, 2007. The decrease in operating revenues is primarily due to reduced consumption as a result of mandatory watering restrictions implemented by the South Florida Water Management District. Contrary to the most recent reduction in operating revenues for fiscal year 2008, the City continues to demonstrate strong revenues and earnings potential, which will 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 \$86,751 or \$8,702 (11.1 percent) more than fiscal year 2007. As the City entered its first complete year with the three newly annexed communities', personnel costs increased. The increase is primarily related to increases to salaries and benefits associated with hiring additional staff in the areas of public

safety and recreation and social services. Other areas of increase included interest on long-term debt and public works. The General Government costs increased by more than \$8,469 during fiscal year 2008. In addition, the City has completed more than \$27,000 in capital improvements with funds provided from the \$35,000 General Obligation Bonds that were issued during fiscal year 2005. Additionally, some departments had large decreases in spending, which further decreased the overall impact of the cost of providing additional services.

- As of the close of the current fiscal year, the General Fund reported an operating surplus of \$1,049 before transfers of \$1,407 for debt service and the receipt of \$1,556 in insurance reimbursements. 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 (3) notes to the financial statements. In addition, this report also 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 nine (9) 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 six (6) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major 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 38-65 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 66-70 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 71-72 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 of the City. Both fiscal years 2007 and 2008 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 2008 and 2007:

City of Lauderhill Net Assets (In Thousands)						
	Governmental Activities		Business-type Activities		Total Government	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Current and other assets	\$26,170	\$39,459	\$16,331	\$17,495	\$42,501	\$56,955
Capital assets	<u>74,551</u>	<u>61,092</u>	<u>47,231</u>	<u>48,052</u>	<u>121,782</u>	<u>109,144</u>
Total assets	<u>100,721</u>	<u>100,551</u>	<u>63,562</u>	<u>65,547</u>	<u>164,283</u>	<u>166,098</u>
Long-term debt outstanding	58,943	56,963	34,838	36,738	93,781	93,701
Other liabilities	<u>3,938</u>	<u>4,944</u>	<u>1,423</u>	<u>1,813</u>	<u>5,361</u>	<u>6,757</u>
Total liabilities	<u>62,881</u>	<u>61,907</u>	<u>36,261</u>	<u>38,551</u>	<u>99,142</u>	<u>98,523</u>
Net assets:	<u>\$37,840</u>	<u>\$38,644</u>	<u>\$27,301</u>	<u>\$26,996</u>	<u>\$65,141</u>	<u>\$65,641</u>
Invested in capital assets, net of debt	\$24,797	\$29,077	\$14,087	\$11,362	\$38,884	\$40,439
Restricted	6,504	3,352	200	3,226	6,705	6,578
Unrestricted	<u>6,539</u>	<u>6,215</u>	<u>13,013</u>	<u>12,408</u>	<u>19,552</u>	<u>18,623</u>
Total net assets	<u>\$37,840</u>	<u>\$38,644</u>	<u>\$27,301</u>	<u>\$26,996</u>	<u>\$65,141</u>	<u>\$65,641</u>

The City's combined net assets were \$65,141 thousand for fiscal year 2008, \$37,840 thousand for governmental activities and \$27,301 thousand for business-type activities. This represents a decrease of \$500 thousand from fiscal year 2007 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 and restricted assets increased by \$13,459 thousand and \$3,152 thousand respectively, while current and other assets decreased by \$13,289 thousand from fiscal year 2007. 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 decreased by \$1,985 thousand as compared to 2007.

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 2008, restricted net assets equaled \$6,504 thousand for governmental activities and \$200 thousand for business-type activities.

Unrestricted net assets of governmental activities represent \$6,539 thousand or 17 percent of total net assets; while business-type activities unrestricted net assets are \$13,013 thousand or 47.68 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.

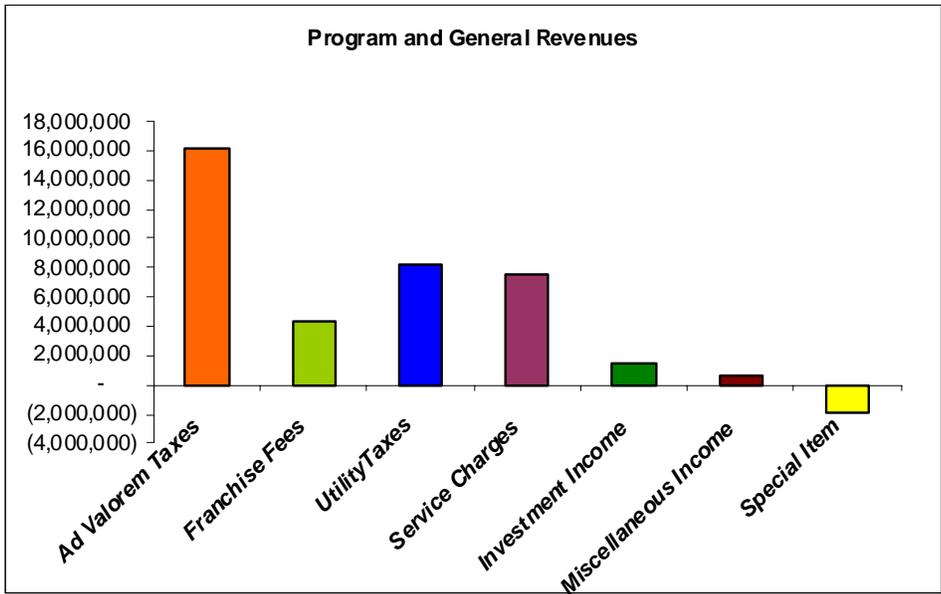
Long-term debt outstanding has decreased in the governmental as we use available funds to pay down existing debt, while long-term debt outstanding has increased in the business-type activities as a result of the City issuing revenue bonds to continue to finance infrastructure improvements. At the end 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 2007.

Statement of Activities

Governmental activities for the current fiscal year decreased net assets by \$804 thousand due primarily to greater increases in operating expenses relative to the overall increase in operating revenues. During fiscal year 2008 the City received less property tax revenue, which resulted from decreased property values. Key elements of the changes in net assets, table below, are described in the following section.

**City of Lauderdale
Changes in Net Assets
(In Thousands)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Government</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues:						
Program revenues:						
Charges for services	\$ 13,678	\$ 10,352	\$ 15,462	\$ 15,889	\$29,140	\$26,241
Operating grant	3,624	4,219	-	-	3,624	4,219
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	16,179	17,100	-	-	16,179	17,100
Other taxes	12,521	12,592	-	-	12,521	12,592
Contributed capital – land	-	-	-	-	-	-
Other	<u>11,197</u>	<u>11,724</u>	<u>316</u>	<u>(196)</u>	<u>11,435</u>	<u>11,528</u>
Total revenues	<u>57,199</u>	<u>55,987</u>	<u>15,778</u>	<u>15,693</u>	<u>72,899</u>	<u>71,680</u>
Expenses:						
General government	11,702	13,041	-	-	11,702	13,041
Public safety	30,617	27,221	-	-	30,617	27,221
Public works	7,185	5,046	-	-	7,185	5,046
Recreation and social services	6,242	7,980	-	-	6,242	7,980
Interest on long-term debt	2,258	2,429	-	-	2,258	2,429
Water and sewer	-	-	12,124	10,592	12,046	10,592
Stormwater	-	-	<u>3,348</u>	<u>3,498</u>	<u>3,348</u>	<u>3,498</u>
Total expenses	<u>58,003</u>	<u>55,717</u>	<u>15,472</u>	<u>14,090</u>	<u>73,398</u>	<u>69,807</u>
Increase (decrease) in net assets	(804)	270	305	1,603	(498)	1,873
Net assets, October 1	<u>38,644</u>	<u>38,374</u>	<u>26,995</u>	<u>25,393</u>	<u>65,639</u>	<u>65,702</u>
Net assets, September 30	<u>\$ 37,840</u>	<u>\$ 38,644</u>	<u>\$ 27,301</u>	<u>\$ 26,995</u>	<u>\$ 65,141</u>	<u>\$ 65,639</u>



- Property taxes revenue decreased in the general fund by \$921 thousand (5.69 percent) during fiscal year 2008 over fiscal year 2007. Even though the City's millage rate increased from 4.73 mills to 5.06 mills during fiscal year 2008, the City still recognized a net reduction of \$1,642 thousand in property

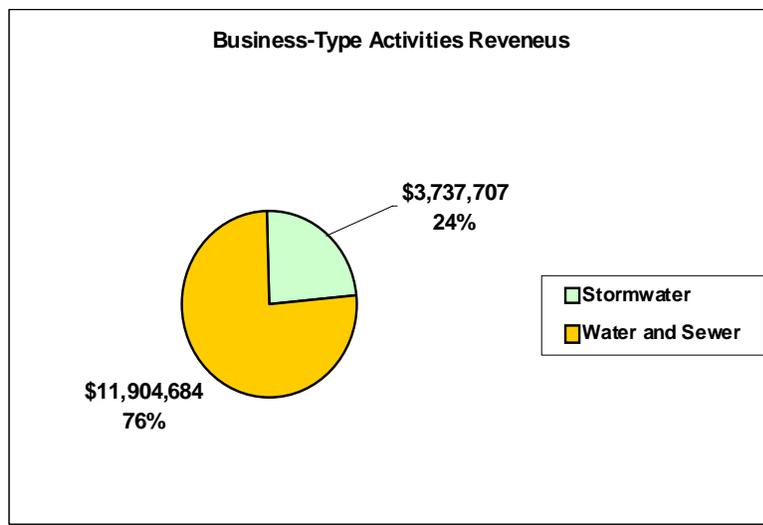
tax revenue. The decrease in revenue is a direct result of depressed property values resulting from an increased number of foreclosures and abandoned properties throughout the City. In addition, sales tax and other inter-governmental revenues also were less than fiscal year 2007.

- Expenses increased most significantly in public safety, which increasing by over \$3 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 \$305 thousand. Key elements of this change are as follows:

- The Stormwater Utility net assets increased by \$521 thousand, as operating revenues exceeded operating expenses by \$802 thousand. 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 decreased net assets by \$215 thousand. In spite of a rate structure change that was made during fiscal year 2007 to address bond coverage compliance concerns, the fund has realized a net reduction in charges for service. This is primarily a result of water restrictions imposed by the states regulatory agency to reduce water consumption statewide. As a result, adjustments have been made to service processes to increase efficiencies, thereby reducing future costs.

Financial Analysis of the Governmental Funds

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

Governmental Funds				
(In thousand)				
	<u>General</u>	<u>Capital Project</u>	<u>Other</u>	<u>Total Governmental</u>
Fund balance, September 30, 2007	\$ 6,665	\$ 18,130	\$ 3,012	\$ 27,807
Revenues	49,973	3,318	5,352	58,643
Expenditures	(48,924)	(16,993)	(6,976)	(72,895)
Other financing sources (uses)	149	(1,465)	3,647	2,331
Fund balance, September 30, 2008	<u>\$ 7,863</u>	<u>\$ 2,988</u>	<u>\$ 5,034</u>	<u>\$ 15,885</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 \$15,885 thousand with general fund representing \$7,863 thousand. Of the \$7,863 thousand in the general fund, \$897 thousand is reserved, leaving a \$6,966 thousand 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 funds had a combined fund balance of \$2,988 thousand at year-end, down from \$18,130 thousand in fiscal year 2007. 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 increase in appropriations of over \$172 thousand. The most significant differences between the Adopted Budget and the Amended Budget are as follows:

- \$674 thousand in additional appropriations in the Department of Engineering and Environmental Services primarily in the Central Garage division for higher fuel cost and infra-structure maintenance.
- \$2 million in additional appropriations in the Police and Fire Departments primarily for overtime related to special investigations, increased security concerns and increased insurance claims.
- An increase of \$1 million in unbudgeted revenue, primarily as a result of an increase in Public Service Taxes.
- A decrease of \$300 thousand in budgeted Licenses and Permits revenues, primarily as a result of reduced collections of Business Tax Receipts due to poor economic conditions and because of fewer permit applications resulting from the sluggish building activity in the City of Lauderhill.

The total expenditure budget additions of \$2,442 thousand, was funded from additional projected revenues. Actual expenditures for the year were approximately \$300 less than the final budget.

The major revenue variances between the final budget and actual budget in the general fund are in business licenses and intergovernmental revenues. The City expects revenues from this source to continue to decrease over the next several fiscal years due to the overall reduction in constructions and opening of new business resulting from the severe world-wide economic downturn.

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, 2008 amounts to \$121,782 thousand (net of accumulated depreciation). This investment in capital assets includes land, buildings, water distribution and sewer collection, storm drainage systems, parks, equipment, and street improvements, which are detailed (net of accumulated depreciation) as follows:

City of Lauderhill						
Capital Assets (net of depreciation)						
(In Thousands)						
	Governmental		Business-type		Total	
	Activities		Activities		Government	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Land	\$ 27,063	\$ 25,924	\$ 349	\$ 349	\$ 27,412	\$ 26,273
Building and structures	13,539	13,441	17,603	18,300	31,142	31,741
Equipment	2,702	3,284	492	749	3,194	4,033
Permanent improvements	14,488	11,168	9,785	9,886	24,273	21,054
Infrastructure	5,791	3,909	18,837	14,261	24,628	18,170
Construction-in-progress	<u>10,968</u>	<u>3,366</u>	<u>165</u>	<u>4,507</u>	<u>11,133</u>	<u>7,873</u>
	<u>\$ 74,551</u>	<u>\$ 61,092</u>	<u>\$ 47,231</u>	<u>\$ 48,052</u>	<u>\$121,782</u>	<u>\$109,144</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 55-57 of this report.

Long-term Debt

At the end of the current fiscal year, the City has a total long-term debt outstanding of \$93,781 thousand. This debt was increased by \$80 thousand 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)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Government</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
General Obligation Bonds	\$32,150	\$33,070	\$ -	\$ -	\$32,150	\$33,070
Revenue Bonds	16,595	16,595	28,000	27,675	44,595	44,270
State Revolving Fund	-	-	6,811	6,920	6,811	6,920
Bank Lines of Credit	<u>7,503</u>	<u>4,865</u>	<u>-</u>	<u>2,094</u>	<u>7,503</u>	<u>6,959</u>
	<u>\$56,248</u>	<u>\$54,530</u>	<u>\$34,811</u>	<u>\$36,689</u>	<u>\$91,059</u>	<u>\$91,219</u>

Additional information on the City's long-term debt can be found in the notes to the financial statements on pages 58-61.

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, 3800 Inverrary Boulevard, Suite 209 Lauderhill, Florida, 33319.

CITY OF LAUDERHILL, FLORIDA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2008

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Cash and equity in pooled cash and investments	\$ 7,543,786	\$ 11,198,653	\$ 18,742,439
Accounts receivable - net	2,067,237	3,235,560	5,302,797
Accrued interest receivable	42,038	-	42,038
Due from other governments	3,348,697	-	3,348,697
Inventories	3,054,930	34,744	3,089,674
Restricted assets:			
Equity in pooled cash and investments	2,165,313	977,171	3,142,484
Other assets	2,351,754	194,642	2,546,397
Deferred charges, net	1,147,335	690,682	1,838,017
Due from related entity	4,449,671	-	4,449,671
Non-depreciable assets-			
Land	27,062,985	349,010	27,411,995
Construction in progress	10,968,005	164,710	11,132,715
Depreciable assets-net	<u>36,519,664</u>	<u>46,716,895</u>	<u>83,236,559</u>
Total assets	<u>100,721,416</u>	<u>63,562,066</u>	<u>164,283,484</u>
 LIABILITIES			
Accounts payable and accrued expenses	1,606,265	757,089	2,363,355
Accrued interest payable	690,693	616,649	1,307,342
Accrued payroll	296,676	33,431	330,107
Customer deposits	30,245	16,500	46,745
Unearned revenue	517,208	-	517,208
Insurance claims payable:current portion	23,176	-	23,176
Advances from other funds	773,418	-	773,418
Noncurrent liabilities:			
The amount due in one year	2,700,902	1,381,978	4,082,881
The amount due in more than one year	<u>56,242,784</u>	<u>33,455,642</u>	<u>89,698,426</u>
Total Liabilities	<u>62,881,368</u>	<u>36,261,290</u>	<u>99,142,658</u>
 NET ASSETS			
Invested in capital assets, net of related debt	24,796,635	14,087,557	38,884,193
Restricted for:			
Renewal and replacement	-	200,000	200,000
Social services	1,383,826	-	1,383,826
Law Enforcement	3,007,409	-	3,007,409
Debt service	2,113,583	-	2,113,583
Unrestricted	<u>6,538,599</u>	<u>13,013,219</u>	<u>19,551,818</u>
Total Net Assets	<u>\$ 37,840,050</u>	<u>\$ 27,300,776</u>	<u>\$ 65,140,826</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, 2008

	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
Functions/programs							
Primary Government:							
Governmental activities:							
General government	\$ 11,701,546	\$ 1,819,432	\$ 1,118,450	\$ -	\$ (8,763,664)	\$ -	\$ (8,763,664)
Public safety	30,617,084	11,549,938	769,562	-	(18,297,583)	-	(18,297,583)
Public works	7,184,547	-	376,887	-	(6,807,660)	-	(6,807,660)
Recreation and social services	6,242,142	308,439	1,358,662	-	(4,575,041)	-	(4,575,041)
Interest on long-term debt	2,257,723	-	-	-	(2,257,723)	-	(2,257,723)
Total governmental activities	58,003,042	13,677,810	3,623,561	-	(40,701,672)	-	(40,701,672)
Business-type activities:							
Water & Sewer	12,124,864	11,904,684	-	-	-	(220,180)	(220,180)
Stormwater	3,348,091	3,737,707	-	-	-	389,616	389,616
Total business-type activities	15,472,955	15,642,391	-	-	-	169,436	169,436
Total primary government	\$ 73,475,997	\$ 29,320,201	\$ 3,623,561	\$ -	(40,701,672)	169,436	(40,532,237)

General revenues:						
Property taxes, levied for general purpose				16,179,042	-	16,179,042
Franchise taxes				4,281,390	-	4,281,390
Public service taxes				8,239,362	-	8,239,362
Unrestricted intergovernmental				7,554,244	-	7,554,244
Investment Income				1,504,060	136,036	1,640,096
Miscellaneous				583,375	-	583,375
Extraordinary item:						
Insurance Recoveries				1,556,485	-	1,556,485
Total general revenues, special and extraordinary items				39,897,958	136,036	40,033,994
Change in net assets				(803,713)	305,471	(498,242)
Net assets, October 1,				38,643,765	26,995,307	65,639,072
Net assets, September 30				\$ 37,840,050	\$ 27,300,776	\$ 65,140,826

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

CITY OF LAUDERHILL, FLORIDA
 Balance Sheet
 Governmental Funds
 September 30, 2008

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	General	Community Redevelopment Agency	Capital Projects	Other Nonmajor Governmental Funds	
ASSETS					
Cash and equity in pooled cash and investments	\$ 3,032,275	\$ -	\$ 374,650	\$ 4,136,861	\$ 7,543,786
Accounts receivable - net	2,067,237	-	-	-	2,067,237
Accrued interest receivable	1,690	-	35,835	4,512	42,038
Due from other funds	3,621,130	-	3,000,000	-	6,621,130
Due from other governments	2,075,448	-	337,196	936,053	3,348,697
Inventories	166,354	2,888,576	-	-	3,054,930
Restricted assets:					
Equity in pooled cash and investments	-	-	-	2,165,314	2,165,313
Other assets	2,273,383	3,850	-	74,521	2,351,754
Total assets	<u>\$ 13,237,518</u>	<u>\$ 2,892,426</u>	<u>\$ 3,747,681</u>	<u>\$ 7,317,262</u>	<u>\$ 27,194,892</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued expenses	\$ 847,018	\$ -	\$ 759,248	\$ -	\$ 1,606,265
Accrued payroll	293,134	1,809	-	1,733	296,676
Accrued compensated absences	738,481	9,962	-	2,459	750,902
Accrued interest payable	-	-	-	690,693	690,693
Due to other funds	3,000,000	3,621,130	-	-	6,621,130
Customer deposits	30,245	-	-	-	30,245
Unearned revenue	442,196	-	-	75,012	517,208
Insurance claims payable	23,176	-	-	-	23,176
Advances from other funds	-	-	-	773,418	773,418
Total liabilities	<u>5,374,249</u>	<u>3,632,901</u>	<u>759,248</u>	<u>1,543,314</u>	<u>11,309,714</u>
Fund balances:					
Reserved for:					
Social services	730,867	-	-	652,959	1,383,826
Law enforcement	-	-	-	3,007,409	3,007,409
Debt service	-	-	-	2,113,583	2,113,583
Capital projects	-	-	2,988,433	-	2,988,433
Inventories	166,354	-	-	-	166,354
Unreserved	6,966,048	(740,475)	-	-	6,225,573
Total fund balances (deficit)	<u>7,863,269</u>	<u>(740,475)</u>	<u>2,988,433</u>	<u>5,773,949</u>	<u>15,885,178</u>
Total liabilities and fund balances	<u>\$ 13,237,518</u>	<u>\$ 2,892,426</u>	<u>\$ 3,747,681</u>	<u>\$ 7,317,262</u>	<u>\$ 27,194,892</u>

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

CITY OF LAUDERHILL, FLORIDA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2008

Fund balances - total government funds	\$ 15,885,178
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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	74,550,654
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Funds Due From Related Entity	4,449,671
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Deferred charges for issuance cost, net	1,147,335
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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	(3,700,000)	
2001 Sales Tax Bonds	(4,420,000)	
2003 Sales Tax Bonds	(4,710,000)	
2005 Sales Tax Bonds	(3,765,000)	
Bank Line of Credit	(7,503,000)	
2005 General Obligation Bonds	(32,150,000)	
Compensated absences	(1,944,784)	<u>(58,192,784)</u>

Net assets of governmental activities	\$ <u>37,840,050</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, 2008

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	General	Community Redevelopment Agency	Capital Projects	Other Nonmajor Governmental Funds	
REVENUES					
Taxes:					
Property taxes	\$ 13,972,284	\$ -	\$ 2,206,758	\$ -	\$ 16,179,042
Franchise taxes	4,281,390	-	-	-	4,281,390
Public service taxes	8,239,362	-	-	-	8,239,362
Charges for services	8,038,796	-	-	-	8,038,796
Administrative charges	2,051,343	-	-	-	2,051,343
Intergovernmental	10,279,488	376,887	78,702	1,279,960	12,015,037
Licenses and permits	1,740,312	-	-	-	1,740,312
Fines and forfeitures	509,872	-	-	3,392,681	3,902,553
Investment income	170,290	149,496	1,032,071	152,203	1,504,060
Rental income	174,458	-	-	-	174,458
Miscellaneous	515,531	384	-	-	515,915
Total revenues	<u>49,973,125</u>	<u>526,767</u>	<u>3,317,530</u>	<u>4,824,844</u>	<u>58,642,267</u>
EXPENDITURES					
Current:					
General government	10,057,458	1,272,088	-	-	11,329,546
Public safety	28,877,594	-	-	592,490	29,470,084
Public works	6,335,756	-	-	-	6,335,756
Recreation and social services	3,653,508	-	-	1,688,634	5,342,142
Debt service:					
Principal retirement	-	-	-	995,000	995,000
Interest and issuance cost	-	-	-	2,254,223	2,254,223
Capital Outlay:					
Land	-	-	1,139,289	-	1,139,290
Buildings	-	175,297	368,305	-	543,602
Improvements	-	-	5,879,513	-	5,879,513
Infrastructure	-	-	8,933,494	-	8,933,494
Equipment	-	-	672,856	-	672,856
Total Expenditures	<u>48,924,316</u>	<u>1,447,385</u>	<u>16,993,457</u>	<u>5,530,347</u>	<u>72,895,506</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,048,810</u>	<u>(920,618)</u>	<u>(13,675,927)</u>	<u>(705,503)</u>	<u>(14,253,238)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	1,170,006	-	3,116,822	4,286,828
Transfers out	(1,407,309)	(220,164)	(2,243,549)	(415,806)	(4,286,828)
Payment to refunded bond escrow agent	-	-	-	(3,500)	(3,500)
Issuance of debt	-	-	778,071	-	778,071
Insurance recoveries	1,556,485	-	-	-	1,556,485
Total Other Financing Sources (Uses)	<u>149,175</u>	<u>949,842</u>	<u>(1,465,478)</u>	<u>2,697,516</u>	<u>2,331,056</u>
Net change in fund balances	1,197,986	29,223	(15,141,404)	1,992,013	(11,922,181)
Fund balances(deficit)-beginning	<u>6,665,283</u>	<u>(769,698)</u>	<u>18,129,838</u>	<u>3,781,936</u>	<u>27,807,359</u>
Fund balances(deficit) -ending	<u>\$ 7,863,269</u>	<u>\$ (740,475)</u>	<u>\$ 2,988,433</u>	<u>\$ 5,773,949</u>	<u>\$ 15,885,178</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, 2008

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		\$ (11,922,181)
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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	17,168,755	
Less current year depreciation	(3,267,792)	13,900,963

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 for related entity, excluded from fund financial statements	(1,935,000)	
Debt issuance	(778,071)	
Principal repayments	995,000	(1,718,071)

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.		1,934,999
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Some revenues reported in the fund financial statement are not reported in the government-wide statement of activities.		<u>(2,999,423)</u>
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Change in net assets of governmental activities		<u>\$ (803,713)</u>
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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, 2008

ASSETS	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS-MAJOR FUNDS		
	Water & Sewer	Stormwater	Total
Current assets:			
Cash and equity in pooled cash and investments	\$ 9,797,240	\$ 1,401,413	\$ 11,198,653
Accounts receivable - net	3,221,605	13,956	3,235,560
Inventories	34,744	-	34,744
Other assets	83,272	111,371	194,642
Total current assets	13,136,860	1,526,739	14,663,599
Non-current assets:			
Restricted Assets:			
Equity in pooled cash and investments	-	977,171	977,171
Deferred charges, net	690,682	-	690,682
Capital assets:			
Land	349,010	-	349,010
Buildings	28,144,212	-	28,144,212
Improvements other than building	4,253,981	11,279,182	15,533,163
Machinery and equipment	4,385,483	1,055,258	5,440,741
Infrastructure	18,876,918	8,425,782	27,302,701
Construction in progress	49,469	115,241	164,710
Less accumulated depreciation	(25,092,613)	(4,611,309)	(29,703,922)
Total capital assets (net of accumulated depreciation)	30,966,461	16,264,155	47,230,615
Total noncurrent assets	31,657,143	17,241,326	48,898,469
Total assets	44,794,003	18,768,063	63,562,066
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued expenses	709,737	47,353	757,089
Accrued payroll	26,334	7,097	33,431
Accrued interest payable	470,437	146,213	616,649
Bonds payable - current portion	915,000	454,959	1,369,959
Customer deposits	16,500	-	16,500
Compensated absences - current portion	8,945	3,074	12,019
Total current liabilities	2,146,953	658,695	2,805,648
Non-current liabilities:			
Bonds payable - noncurrent	22,195,000	11,245,952	33,440,952
Compensated absences - noncurrent	10,933	3,757	14,690
Total noncurrent liabilities	22,205,933	11,249,709	33,455,642
Total Liabilities	24,352,886	11,908,404	36,261,290
NET ASSETS			
Invested in capital assets, net of related debt	8,547,143	5,540,415	14,087,557
Restricted for:			
Renewal and replacement	200,000	-	200,000
Unrestricted	11,693,974	1,319,244	13,013,219
Total Net Assets	\$ 20,441,117	\$ 6,859,659	\$ 27,300,776

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

CITY OF LAUDERHILL, FLORIDA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS-MAJOR FUNDS		
	<u>Water & Sewer</u>	<u>Stormwater</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 11,724,675	\$ 3,737,707	\$ 15,462,381
Connection fees	180,009	-	180,009
Total Operating Revenues	<u>11,904,684</u>	<u>3,737,707</u>	<u>15,642,391</u>
OPERATING EXPENSES			
Personal services	3,941,020	1,149,617	5,090,637
Administrative expenses	1,306,496	589,743	1,896,240
Contractual services	3,368,410	4,077	3,372,488
Utilities	194,495	285,267	479,762
Repairs and maintenance	258,824	78,367	337,191
Materials and supplies	394,412	220,148	614,560
Insurance claims and expenses	3,951	26,897	30,848
Depreciation and amortization	<u>1,452,369</u>	<u>581,455</u>	<u>2,033,823</u>
Total Operating Expenses	<u>10,919,978</u>	<u>2,935,570</u>	<u>13,855,548</u>
Operating income	<u>984,706</u>	<u>802,135</u>	<u>1,786,843</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	4,888	131,148	136,036
Interest expense and fees	<u>(1,204,886)</u>	<u>(412,521)</u>	<u>(1,617,407)</u>
Total Nonoperating Revenues (Expenses)	<u>(1,199,998)</u>	<u>(281,373)</u>	<u>(1,481,371)</u>
Change in net assets	(215,293)	520,762	305,472
TOTAL NET ASSETS, OCTOBER 1	<u>20,656,410</u>	<u>6,338,897</u>	<u>26,995,307</u>
TOTAL NET ASSETS, SEPTEMBER 30	<u>\$ 20,441,117</u>	<u>\$ 6,859,659</u>	<u>\$ 27,300,776</u>

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

CITY OF LAUDERHILL, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	BUSINESS TYPE ACTIVITIES		
	ENTERPRISE FUNDS		
	<u>Water & Sewer</u>	<u>Stormwater</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers, other government and users	\$ 11,815,168	\$ 3,742,470	\$ 15,557,638
Payments for Interfund activities	(1,310,448)	(616,640)	(1,927,088)
Cash paid to suppliers	(4,838,387)	(679,778)	(5,518,165)
Cash paid to employees	(4,017,447)	(1,175,533)	(5,192,980)
Net Cash Provided by Operating Activities	<u>1,648,886</u>	<u>1,270,519</u>	<u>2,919,405</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Subsidy from federal grant	-	-	-
Net Cash Provided by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(779,290)	(435,268)	(1,214,558)
Proceeds from capital debt	325,000	191,613	516,613
Principal retirements of long-term debt	(2,094,735)	(300,590)	(2,395,324)
Interest paid on long-term debt	(1,250,987)	(402,212)	(1,653,199)
Net Cash Provided by Capital and Related Financing Activities	<u>(3,800,012)</u>	<u>(946,457)</u>	<u>(4,746,469)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on investments	4,888	131,148	136,036
Net Cash Provided by Investing Activities	<u>4,888</u>	<u>131,148</u>	<u>136,036</u>
Net increase in equity in pooled cash and investments	(2,146,239)	455,210	(1,691,028)
Equity in pooled cash and investments, OCTOBER 1	<u>11,943,479</u>	<u>1,923,374</u>	<u>13,866,853</u>
Equity in pooled cash and investments, SEPTEMBER 30	<u>\$ 9,797,240</u>	<u>\$ 2,378,584</u>	<u>\$ 12,175,824</u>
Equity in pooled cash and investments per statement of net assets			
Unrestricted	\$ 9,797,240	\$ 1,401,413	\$ 11,198,653
Restricted	-	977,171	977,171
TOTAL, SEPTEMBER 30	<u>\$ 9,797,240</u>	<u>\$ 2,378,584</u>	<u>\$ 12,175,824</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income	\$ 984,707	\$ 802,135	\$ 1,786,842
Adjustments to reconcile operating income to net Cash provided by Operating Activities:			
Depreciation and amortization	1,452,369	581,455	2,033,824
Change in Assets and Liabilities:			
(Increase) decrease in accounts receivable	(350,686)	4,764	(345,921)
(Increase) decrease in due from other funds and governments	261,169	-	261,169
(Increase) decrease in inventories	27,222	-	27,222
(Increase) decrease in other assets	(83,272)	(111,371)	(194,643)
Increase (decrease) in accounts payable	(566,195)	19,453	(546,743)
Increase (decrease) in accrued payroll	(54,675)	(26,003)	(80,678)
Increase (decrease) in compensated absences	(21,753)	87	(21,666)
Total adjustments	<u>664,180</u>	<u>468,385</u>	<u>1,132,565</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 1,648,886</u>	<u>\$ 1,270,519</u>	<u>\$ 2,919,405</u>

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

CITY OF LAUDERHILL, FLORIDA
Statement of Fiduciary Net Assets
Fiduciary Funds
September 30, 2008

	Pension Trust Funds
ASSETS	<u> </u>
Cash and short-term investments	\$ 4,439,300
Investments, at fair value	
U.S. Government and agency securities	8,785,160
Corporate bonds and notes	7,939,590
Mutual funds	8,688,322
Common stocks	35,768,714
International equity funds	5,136,767
Real estate funds	<u>5,171,667</u>
Investments, at fair value	<u>71,490,220</u>
Receivables:	
State contribution	60,369
Interest and dividends	244,727
Receivable for securities sold	418,674
Due from broker	99,895
Contributions	<u>590,686</u>
Total Receivables	<u>1,414,351</u>
Total Assets	<u>77,343,871</u>
LIABILITIES	
Accounts payable and accrued expenses	65,584
Payable for securities purchased	1,103,259
Deferred revenues/future benefits	2,935,924
Prepaid city contributions	<u>309,939</u>
Total Liabilities	<u>4,414,706</u>
NET ASSETS	
Held in trust for pension benefits	<u><u>\$ 72,929,165</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, 2008

	Pension Trust Funds
ADDITIONS	
Contributions:	
City	\$ 6,129,066
Plan members	2,768,081
State revenue	718,796
Total contributions	9,615,943
Investment income:	
Net (depreciation) appreciation in fair value of investments	(13,181,006)
Interest and dividend income	2,892,453
Total investment income	(10,288,553)
Less: Investment expenses	430,026
Deferred retirement option plan	(22,813)
Net investment income (loss)	(10,695,766)
Total additions	(1,079,823)
DEDUCTIONS	
Benefits paid	3,553,861
Administrative expenses	390,350
Refunds of contributions	145,781
Total deductions	4,089,992
CHANGE IN NET ASSETS	(5,169,815)
NET ASSETS, OCTOBER 1	78,098,980
NET ASSETS, SEPTEMBER 30	\$ 72,929,165

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

**CITY OF LAUDERHILL
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2008**

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, 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

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, 2008, the City had one entity that met the requirements as described above. In addition, the city has a related entity, Lauderhill Housing Authority. The city Commission appoints the governing board of the Housing Authority but is not financially accountable for the organization.

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)

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.

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

The city-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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 No. 50, "Pension Disclosures" in fiscal year 2008. This statement amended certain provisions of Statement No. 27, "Accounting for Pensions by State and Local Governments Employers", Implementation of the provisions of this statement expanded the pension disclosure and 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 Statement 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" in fiscal year 2009. The City is currently evaluating the effect of this statement on its financial position and results of operations.

GASB issued Statement No. 51, "Accounting and Financial Reporting for Intangible Assets". This statement establishes accounting and financial reporting requirements for intangible assets. The statement is effective for periods beginning after June 15, 2009. The City is currently evaluating the impact, if any, of implementing the provisions of this statement on its financial position and results of operations. It does not believe the impact will be material.

F. Assets, liabilities and net assets or equity

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 un-collectibles. 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, 2008.

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, 2008 was 4.7340 mills (\$4.7340 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 costs applicable to future accounting periods and are recorded as prepaid items in both 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 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.

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

9. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund 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. Designations of fund balance represent tentative management plans that are subject to change.

The Community Redevelopment Agency Fund had a deficit fund balance of \$740,475 as of September 30, 2008. The fund increased expenditures to acquire real property for sale or redevelopment. The City plans to use the proceeds of the sale 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.

3. 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 \$5,186,206 including petty cash on hand of \$ 3,610 as of September 30, 2008; 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, 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:

	<u>Maximum % Portfolio</u>
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%

3. DEPOSITS AND INVESTMENTS (CONTINUED)

As of September 30, 2008, the City had the following investments and maturities:

	<u>Credit Quality</u>		<u>Weighted Avg.</u>
	<u>Ratings</u>	<u>Fair Value</u>	<u>Maturity (Years)</u>
Money Market Funds	Not Rated	\$ 2,073,512	-
SBA	Not Rated	39,924	-
US Treasury Securities	N/A	1,430,785	0.08
Callable US Govt. Securities	Aaa/AAA	4,986,550	0.04
US Government Securities	Aaa/AAA	<u>8,171,556</u>	<u>1.60</u>
		<u>\$ 16,702,327</u>	<u>1.72</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:

<u>Issuer</u>	<u>Investment</u>	<u>Reported</u>	
	<u>Type</u>	<u>Amount</u>	<u>%</u>
FHLB	Federal Agency Securities	\$ 4,337,435	28%
FFCB	Federal Agency Securities	3,986,240	26%
FNMA	Federal Agency Securities	1,456,705	9%
US Treasury	Treasury Bonds/Notes/Strips	1,430,785	9%

3. DEPOSITS AND INVESTMENTS (CONTINUED)

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, Regional bank, Fiduciary Trust and Amsouth 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	2,173	4,758	-	1,855
Corporate bonds and notes	1,890	4,551	6,127	1,498
Mutual funds	2,561	-	-	-
International equities	-	2,941	1,013	1,182
Common stocks	5,470	16,746	9,044	4,509
Mortgage	850	-	-	-
Real estate fund	-	4,322	-	-
	<u>\$ 12,944</u>	<u>\$ 33,318</u>	<u>\$ 16,184</u>	<u>\$ 9,044</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.

<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	\$ 820				
U.S. Government securities	2,173				
Corporate bonds and notes	1,890				
Sub-total	<u>4,883</u>	<u>828</u>	<u>1,492</u>	<u>1,956</u>	<u>607</u>
Mortgage	850				
Common stocks	5,470				
Mutual funds	<u>2,561</u>				
	<u>\$ 13,764</u>				

3. DEPOSITS AND INVESTMENTS (CONTINUED)

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, 2008, the fixed income portfolio's weighted average was 7.42 years.

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

Credit Risk Rating

Fixed income securities	Aa3/AA-
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As of September 30, 2008, 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, 2008.

Firefighter Retirement System (FRS)

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

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.

3. DEPOSITS AND INVESTMENTS (CONTINUED)

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, 2008:

<u>Investment type</u>	Amounts in Thousands				
	<u>Fair Value</u>	<u>Less than 1 Year</u>	<u>Investment Maturities (in Years)</u>		
			<u>1-5 Years</u>	<u>6-10 Years</u>	
U.S. Treasury bonds and notes	\$ 352	\$ -	\$ -	\$ -	\$ 352
U.S. Government securities	4,406	-	-	855	3,550
Corporate bonds and notes	4,551	-	1,684	827	2,041
Total	<u>\$ 9,309</u>	<u>\$ -</u>	<u>\$ 1,684</u>	<u>\$ 1,682</u>	<u>\$ 5,943</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.

The following table discloses credit ratings by investment type, at September 30, 2008, as applicable:

	<u>Fair Value In Thousands</u>	<u>Percentage of Portfolio</u>
US Government guaranteed*	<u>\$ 4,758</u>	<u>51.11%</u>
Quality rating of credit risk debt securities		
AAA	1,207	12.96%
AA+	91	0.98%
AA	359	3.85%
AA-	500	5.38%
A+	521	5.60%
A	902	9.69%
A-	436	4.68%
BBB+	99	1.06%
BBB	30	0.32%
Not rated	<u>407</u>	<u>4.37%</u>
Total credit risk debt securities	<u>4,551</u>	<u>48.89%</u>
Total fixed income securities	<u>\$ 9,309</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, 2008.

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.

3. DEPOSITS AND INVESTMENTS (CONTINUED)

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 65% (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 6% of the value of the portfolio at cost; (b) the corporate fixed income portfolio shall be comprised of securities rated not less than "BBB" or "Baa" by a major rating service with no more than 38% of the Plan's total asset value. In the event that there is a downgrade in the quality below the "BBB" rating, the security must be sold at the earliest beneficial opportunity; (c) investment in collateralized mortgage obligation should be limited to 15% of the market value of the portfolio and limited to rating of "AAA".

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, 2008:

<u>Investment type</u>	Amounts in Thousands				
	<u>Fair Value</u>	<u>Less than 1 Year</u>	<u>Investment Maturities (in Years)</u>		
			<u>1-5 Years</u>	<u>6-10 Years</u>	
U.S. Government securities	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds and notes	6,127	-	3,735	2,392	-
Total	<u>\$ 6,127</u>	<u>\$ -</u>	<u>\$ 3,735</u>	<u>\$ 2,392</u>	<u>\$ -</u>

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, 2008 as applicable:

	<u>Fair Value</u>	<u>Portfolio</u>
US Government guaranteed*	\$ -	-
Quality rating of credit risk debt securities		
AAA	-	-
AA	3,734	60.90%
A+	2,393	39.10%
A	-	-
BBB	-	-
BB	-	-
B	-	-
Total credit risk debt securities	<u>\$ 6,127</u>	<u>100.00%</u>

3. DEPOSITS AND INVESTMENTS (CONTINUED)

*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 assets at September 30, 2008.

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.

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, 2008, the Plan had the following investment and maturities in its portfolio:

<u>Investment type</u>	Amounts in Thousands				
	<u>Fair Value</u>	<u>Less than 1 Year</u>	<u>Investment Maturities (in Years)</u>		
			<u>1-5 Years</u>	<u>6-10 Years</u>	<u>More than 10 Years</u>
U.S. Treasury bonds and notes	\$ 155	\$ -	\$ -	\$ -	\$ 155
U.S. Government securities	1,700	-	300	225	1,174
Corporate bonds and notes	1,497	105	654	669	70
Total	<u>\$ 3,352</u>	<u>\$ 105</u>	<u>\$ 954</u>	<u>\$ 894</u>	<u>\$ 1,399</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.

3. DEPOSITS AND INVESTMENTS (CONTINUED)

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, 2008, the value of each position held by the Plan portfolio comprised less than 5% of the Plan assets.

4. 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:

	Accounts	<u>Due from other Government</u>	Net
Governmental activities			
General	\$ 2,122,163	\$ 2,075,448	\$ 4,197,611
Capital Projects	35,835	337,196	373,031
Other Non-Major Government	4,512	936,053	940,565
	<u>2,162,510</u>	<u>3,348,697</u>	<u>5,511,207</u>
Allowance	(53,235)	-	(53,235)
	<u>2,109,275</u>	<u>3,348,697</u>	<u>5,457,972</u>
Business-type activities			
Water and Sewer	3,245,331	-	3,245,331
Stormwater	13,956	-	13,956
	<u>3,259,286</u>	<u>-</u>	<u>3,259,286</u>
Allowance	(23,726)	-	(23,726)
	<u>3,235,560</u>	<u>-</u>	<u>3,235,560</u>
Pension trust funds	1,414,351	-	1,414,351
TOTAL	<u>\$ 6,759,185</u>	<u>\$ 3,348,697</u>	<u>\$ 10,107,882</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, 2008, unearned revenue in the governmental funds amounted to \$517,208.

4. **RECEIVABLES AND PAYABLES (CONTINUED)**

Payables at September 30, 2008 were as follows:

	<u>Vendor</u>
Governmental activities:	
General	\$ 847,018
Capital Project	<u>759,248</u>
	<u>1,606,265</u>
Business-type activities:	
Water and sewer	709,737
Stormwater	<u>47,353</u>
	<u>757,089</u>
Fiduary Funds:	
Pension trust funds	<u>65,584</u>
Total	<u>\$ 2,428,940</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2008 was as follows
(Amounts in Thousands):

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 25,924	\$ 1,139	\$ -	\$ 27,063
Construction in progress	<u>3,366</u>	<u>8,795</u>	<u>1,193</u>	<u>10,968</u>
Total capital assets not being depreciated	<u>29,290</u>	<u>9,934</u>	<u>1,193</u>	<u>38,031</u>
Capital assets being depreciated:				
Building	18,064	562	-	18,626
Improvements (other than building)	19,625	4,196	-	23,821
Machinery and equipment	14,638	756	298	15,096
Infrastructure	<u>13,312</u>	<u>2,472</u>	<u>-</u>	<u>15,784</u>
Total capital assets being depreciated	<u>65,639</u>	<u>7,986</u>	<u>298</u>	<u>73,327</u>
Less: accumulated depreciation for:				
Building	(4,623)	(464)	-	(5,087)
Improvements (other than building)	(8,457)	(876)	-	(9,333)
Machinery and equipment	(11,354)	(1,338)	298	(12,394)
Infrastructure	<u>(9,403)</u>	<u>(590)</u>	<u>-</u>	<u>(9,993)</u>
Total accumulated depreciation	<u>(33,837)</u>	<u>(3,268)</u>	<u>298</u>	<u>(36,807)</u>
Total capital assets, being depreciated, net	<u>31,802</u>	<u>4,718</u>	<u>-</u>	<u>36,520</u>
Governmental activities capital assets, net	<u>\$ 61,092</u>	<u>\$ 14,652</u>	<u>\$ 1,193</u>	<u>\$ 74,551</u>

5. CAPITAL ASSETS (CONTINUED)

Land	\$ 349	\$ -	\$ -	\$ 349
Construction in progress	<u>4,507</u>	<u>165</u>	<u>4,507</u>	<u>165</u>
Total capital assets not being depreciated	<u>4,856</u>	<u>165</u>	<u>4,507</u>	<u>514</u>
Capital assets being depreciated:				
Building	28,144	-	-	28,144
Improvements (other than building)	15,214	319	-	15,533
Machinery and equipment	5,394	46	-	5,440
Infrastructure	<u>22,111</u>	<u>5,192</u>	-	<u>27,303</u>
Total capital assets being depreciated	<u>70,863</u>	<u>5,557</u>	-	<u>76,420</u>
Less: accumulated depreciation for:				
Building	(9,845)	(696)	-	(10,541)
Improvements (other than building)	(5,338)	(410)	-	(5,748)
Machinery and equipment	(4,635)	(313)	-	(4,948)
Infrastructure	<u>(7,581)</u>	<u>(615)</u>	-	<u>(8,466)</u>
Total accumulated depreciation	<u>(27,669)</u>	<u>(2,034)</u>	-	<u>(29,703)</u>
Total capital assets, being depreciated, net	<u>43,194</u>	<u>3,523</u>	-	<u>46,717</u>
Business-type activities capital assets, net	<u>\$ 48,052</u>	<u>\$ 3,686</u>	<u>\$ 4,507</u>	<u>\$ 47,231</u>

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

	(In Thousands)
<u>Governmental activities</u>	
General government	\$ 372
Public safety	1,147
Public works	849
Recreation and social services	<u>900</u>
Total depreciation expense - governmental activities	<u>\$ 3,268</u>
<u>Business-type activities</u>	
Water and sewer	\$ 1,452
Stormwater	<u>582</u>
Total depreciation expense - business-type activities	<u>\$ 2,034</u>

5. CAPITAL ASSETS (CONTINUED)

Construction commitments

The City of Lauderhill has active construction projects as of September 30, 2008.

<u>Project Title</u>	<u>In Thousands</u>	
	<u>Construction Cost-to- Date</u>	<u>Remaining Commitment</u>
Greenway	\$ 628	\$ 350
Road Improvement	8,830	2,600
Recreational Improvement	1,510	7,372
New City Hall	165	2,435
Total	<u>\$ 11,133</u>	<u>\$ 12,757</u>

The commitment for sewer line and inflow mitigation is being financed by water and sewer revenue bonds. The commitment for roadway improvements, privacy walls and Regional Park and cultural center are being financed by the resources from the proceeds of general obligation bonds.

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of inter-fund balances as of September 30, 2008, is as follows:

Due to / from other funds:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General	\$ 3,621,130	Community Redevelopment Agency	\$ 3,621,130
Capital Projects	3,000,000	General Fund	3,000,000
	<u>\$ 6,621,130</u>		<u>\$ 6,621,130</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.

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Inter-fund transfer

<u>Fund</u>	<u>Transfer in</u>	<u>Transfer out</u>
General	\$ -	\$1,407,309
Community Redevelopment Agency	1,170,006	220,164
Capital Projects	-	2,243,549
Nonmajor Governmental Funds	3,116,822	415,806
	<u>\$ 4,286,828</u>	<u>\$ 4,286,828</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.

7. 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 \$8,165,000 were issued to finance various capital projects and to refund previously issued revenue bonds. Revenue bonds outstanding as at September 30, 2008 were as follows:

	<u>Interest Rates</u>	<u>Maturity</u>	<u>Payment</u>		<u>Amount</u>	<u>Balance</u>
Governmental activities:						
1998 Half-cent sales tax	3.80% - 4.30%	2018	336	\$	5,000	\$ 3,700
2001 Half-cent sales tax	4.30% - 4.95%	2021	276		5,000	4,420
2003 Half-cent sales tax	4.00% - 4.45%	2025	262		5,000	4,710
2005 Half-cent sales tax - refunding	2.75% - 4.15%	2017	377		4,385	<u>3,765</u>
						<u>16,595</u>
Business-type activities:						
Water and Sewer						
1999 Water and sewer	4.40% - 5.10%	2008	180		5,000	180
2000 Water and sewer	4.88% - 5.50%	2010	100		4,800	300
2001 Water and sewer - refunding	3.70% - 4.00%	2011	326		3,035	1,305
2005A Water and sewer	3.00% - 4.50%	2026	278		5,000	5,000
2005B Water and sewer - refunding	2.75% - 4.13%	2016	351		3,850	3,160
2006 Water and sewer	4.13% - 4.25%	2031	556		5,000	5,000
2007 Water and sewer	3.40% - 4.25%	2022	383		8,165	8,165
2004 Stormwater	4.00% - 5.00%	2028	233		5,000	<u>4,890</u>
						<u>28,000</u>
Total Revenue Bonds						<u>\$ 44,595</u>

7. 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	1,150	32,150

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 \$8,575,713 and approximately \$6,810,911 is outstanding in the Stormwater Fund as of September 30, 2008. This loan requires annual payment of approximately \$340,000 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, 2008, the outstanding balance is \$7,503,000 and is reflected in both the Governmental and Business-type Activities.

E. Advance and current refundings

In fiscal year 2008, the City issued \$8,165,000 of Water and Sewer Revenue Bonds – Series 2007 to defease Series 1999 Bonds outstanding in the aggregate principal amount of \$3,740,000 and Series 2000 Bonds in the aggregate principal amount of \$4,100,000. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the Water and Sewer Utility Fund's financial statements. This advance refunding was undertaken to realize present value debt service savings.

7. LONG-TERM DEBTS (CONTINUED)

F. Debt service requirements

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

Year Ended	Revenue		General Obligation		Economic Development		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
30-Sep								
2009	900	675	950	1,301	100	373	1,950	2,349
2010	925	642	980	1,269	100	368	2,005	2,279
2011	955	607	1,015	1,236	7,303	288	9,273	2,131
2012	985	571	1,050	1,199	-	-	2,035	1,770
2013	1,015	532	1,085	1,162	-	-	2,100	1,694
2014-2018	5,680	2,000	6,090	5,148	-	-	11,770	7,148
2019-2023	4,315	884	7,460	3,787	-	-	11,775	4,671
2024-2028	1,820	103	9,220	2,019	-	-	11,040	2,122
2029-2033	-	-	4,300	196	-	-	4,300	196
	<u>\$ 16,595</u>	<u>\$ 6,014</u>	<u>\$ 32,150</u>	<u>\$ 17,317</u>	<u>\$ 7,503</u>	<u>\$ 1,029</u>	<u>\$ 56,248</u>	<u>\$ 24,360</u>

Year Ended	Business-type Activities					
	Water & Sewer		Stormwater		Total	
30-Sep	Principal	Interest	Principal	Interest	Principal	Interest
2009	915	924	698	437	1,613	1,361
2010	1,020	889	475	396	1,495	1,285
2011	1,050	558	497	380	1,547	938
2012	1,075	696	509	363	1,584	1,059
2013	1,100	771	531	346	1,631	1,117
2014-2018	5,945	3,164	2,920	1,452	8,865	4,616
2019-2023	5,245	1,968	3,216	928	8,461	2,896
2024-2028	2,410	1,198	2,379	378	4,789	1,576
2029-2033	4,350	379	475	12	4,825	391
	<u>\$ 23,110</u>	<u>\$ 10,549</u>	<u>\$ 11,700</u>	<u>\$ 4,693</u>	<u>\$ 34,810</u>	<u>\$ 15,242</u>

G. Changes in long-term liabilities

Long-term liability activity (in thousands) for the year ended September 30, 2008 is listed below:

	Beginning Balance	Additions	Reductions	Ending Balance	Due With One Year
Governmental activities:					
Bonds payable					
Revenue bonds	\$ 16,595	\$ -	\$ -	\$ 16,595	\$ 900
General obligation bonds	33,070	-	920	32,150	950
Bank Lines of Credit	4,865	2,713	75	7,503	100
Total bonds payable	<u>54,530</u>	<u>2,713</u>	<u>995</u>	<u>56,248</u>	<u>1,950</u>
Compensated absences	<u>2,433</u>	<u>2,083</u>	<u>1,821</u>	<u>2,695</u>	<u>751</u>
Governmental activity					
Long-term liabilities	<u>\$ 56,963</u>	<u>\$ 4,796</u>	<u>\$ 2,816</u>	<u>\$ 58,943</u>	<u>\$ 2,701</u>
Business-type activities					
Bonds payable					
Revenue bonds	\$ 27,675	\$ 325	\$ -	\$ 28,000	\$ 1,025
State revolving fund loan	6,920	192	301	6,811	354
Bank Lines of Credit	2,094	-	2,094	-	-
Compensated absences	<u>49</u>	<u>10</u>	<u>32</u>	<u>27</u>	<u>12</u>
Business-type activity					
Long-term liabilities	<u>\$ 36,738</u>	<u>\$ 527</u>	<u>\$ 2,427</u>	<u>\$ 34,838</u>	<u>\$ 1,381</u>

7. LONG-TERM DEBTS (CONTINUED)

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

8. 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 is 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. An actuarial report provided claims liability of \$492,556 for the fiscal year ended September 30, 2008, of which \$23,176 is currently due and payable. This independent actuarial report is performed every three to five years. GASB 10 further requires a liability for claims to be reported if information prior to the issuance of the financial statements 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:

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.

8. OTHER INFORMATION (CONTINUED)

C. On behalf payment of fringe benefits and salaries

In 2008, 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 \$360,239.13 and \$298,188.49, 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 enterprise funds are as follows:

Revenue bond reserve	\$ 977,171
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9. 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 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.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

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, 2007, 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	89	46	12	21
Current employees:				
Fully Vested	48	33	64	48
Non- Vested	69	48	52	32
Total	206	127	128	101

A. General Employees Retirement System (GERS)

Annual Pension Cost. For 2008, the City's annual pension cost of \$814,864 equaled its required and actual contribution. The required contribution was determined by the October 1, 2007 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, 2008.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

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, 2008	\$ 814,864	100%	N/A
September 30, 2007	695,661	100%	N/A
September 30, 2006	588,553	100%	N/A

B. Firefighter Retirement System (FRS)

Annual Pension Cost. For 2008, the City's annual pension cost of \$2,534,923 equaled its required and actual contribution. The required contribution was determined by the October 1, 2007 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 \$420,608 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 four years remained in the amortization period at September 30, 2008.

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, 2008	\$ 2,534,923	100%	N/A
September 30, 2007	2,320,002	100%	N/A
September 30, 2006	1,613,426	100%	N/A

C. Police Retirement System (PRS)

Annual Pension Cost. For 2008, the City's annual pension cost of \$2,095,909 equaled its required and actual contribution. The required contribution of 10% was determined by the October 1, 2007 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 \$ 298,188 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, 2008.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

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, 2008	\$ 2,095,909	100%	N/A
September 30, 2007	\$ 1,782,115	100%	N/A
September 30, 2006	\$ 1,415,977	100%	N/A

D. Confidential and Managerial Retirement System (CMRS)

Annual Pension Cost. For 2008, the City's annual pension cost of \$1,151,671 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-three years remained in the amortization period at September 30, 2008.

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, 2008	\$ 1,151,671	100%	N/A
September 30, 2007	\$ 1,009,804	130%	N/A
September 30, 2006	\$ 762,751	109%	N/A

Funded Status and Funding Progress

The funded status of the Plan as of October 1, 2007, the date of the most recent actuarial valuation date is as follows:

	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)</u>	<u>Funded Ratio (2)/(3)</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll (4)/(6)</u>
GERS	10/1/2007	\$ 13,995,710	\$ 18,116,654	\$ 4,120,944	77.3%	\$ 4,226,389	97.5%
FRS	10/1/2007	\$ 34,195,441	\$ 47,658,828	\$ 13,463,387	71.8%	\$ 5,906,804	227.9%
PRS	10/1/2007	\$ 16,348,000	\$ 21,747,000	\$ 5,399,000	75.2%	\$ 8,103,000	66.6%
CMRS	10/1/2007	\$ 10,542,000	\$ 15,372,000	\$ 4,830,000	68.6%	\$ 4,520,000	106.9%

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.

CITY OF LAUDERHILL, FLORIDA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2008

	<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>
REVENUES				
Taxes:				
Property taxes	\$ 14,100,405	\$ 13,998,927	\$ 13,972,284	\$ (26,643)
Franchise taxes	4,212,500	4,137,500	4,281,390	143,890
Public service taxes	7,550,000	8,800,100	8,239,362	(560,738)
Charges for services	7,950,259	8,267,759	8,038,796	(228,963)
Administrative charges	2,925,000	3,291,343	2,051,343	(1,240,000)
Intergovernmental	8,652,879	7,622,157	10,279,488	2,657,331
Licenses and permits	2,860,500	2,554,500	1,740,312	(814,188)
Fines and forfeitures	711,955	516,355	509,872	(6,483)
Investment income	360,000	360,000	170,290	(189,710)
Rental income	-	155,800	174,458	18,658
Miscellaneous	461,143	252,800	515,531	262,731
Total revenues	<u>49,784,641</u>	<u>49,957,241</u>	<u>49,973,126</u>	<u>15,885</u>
EXPENDITURES				
Current:				
General government:				
City Clerk	553,589	526,889	515,624	11,265
City Commission	626,920	667,920	666,116	1,804
Administration	3,554,510	3,893,045	3,652,449	240,596
Finance	2,151,798	2,387,446	2,159,069	228,377
Legal	499,500	499,500	591,558	(92,058)
Human resources	2,881,993	1,929,303	1,914,221	15,082
Planning and Zoning	611,850	574,850	558,420	16,430
Total general government	<u>10,880,160</u>	<u>10,478,953</u>	<u>10,057,458</u>	<u>421,495</u>
Public safety:				
Police	13,466,326	14,194,701	14,715,733	(521,032)
Fire and Rescue	13,153,223	14,424,795	14,161,861	262,934
Total public safety	<u>26,619,549</u>	<u>28,619,496</u>	<u>28,877,594</u>	<u>(258,098)</u>
Public works:				
Fleet maintenance	1,476,124	2,229,824	1,892,924	336,900
Facility maintenance	1,493,483	1,476,943	1,687,158	(210,215)
Infrastructure maintenance	2,684,125	2,621,010	2,755,674	(134,664)
Total public works	<u>5,653,732</u>	<u>6,327,777</u>	<u>6,335,756</u>	<u>(7,979)</u>
Parks and leisure services:				
Recreation and social services	3,590,200	3,759,895	3,653,508	106,387
Total parks and leisure services	<u>3,590,200</u>	<u>3,759,895</u>	<u>3,653,508</u>	<u>106,387</u>
Total Expenditures	<u>46,743,641</u>	<u>49,186,121</u>	<u>48,924,316</u>	<u>261,805</u>
Excess (Deficiency) of Revenue over Expenditures	3,041,000	771,120	1,048,810	277,690
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	1,556,485	1,556,485
Transfers out	(2,664,859)	(1,815,519)	(1,407,309)	408,210
Total other financing sources (uses)	<u>(2,664,859)</u>	<u>(1,815,519)</u>	<u>149,176</u>	<u>1,964,696</u>
Net change in fund balances	376,141	(1,044,399)	1,197,986	2,242,385
Fund balances - beginning	6,665,283	6,665,283	6,665,283	-
Fund balances - ending	<u>\$ 7,041,424</u>	<u>\$ 5,620,884</u>	<u>\$ 7,863,269</u>	<u>\$ 2,242,385</u>

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

CITY OF LAUDERHILL, FLORIDA
Community Redevelopment Agency
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2008

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Investment Income	\$ -	\$ 264,000	\$ 149,496	\$ (114,504)
Intergovernmental	-	-	376,887	376,887
Miscellaneous	-	-	384	384
Total revenues	<u>-</u>	<u>264,000</u>	<u>526,767</u>	<u>262,767</u>
EXPENDITURES				
General government:				
Administrative expense	1,167,958	1,127,458	1,272,088	(144,630)
Capital Outlay:				
Buildings	<u>190,000</u>	<u>210,500</u>	<u>175,297</u>	<u>35,203</u>
Total expenditures	<u>1,357,958</u>	<u>1,337,958</u>	<u>1,447,385</u>	<u>(109,427)</u>
Excess (Deficiency) of Revenue over Expenditures	(1,357,958)	(1,073,958)	(920,618)	153,340
Other Financing Sources (Uses)				
Operating transfers in	-	1,093,958	1,170,006	76,048
Operating transfer out	<u>-</u>	<u>(20,000)</u>	<u>(220,164)</u>	<u>(200,164)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,073,958</u>	<u>949,842</u>	<u>(124,116)</u>
Net change in fund balances	(1,357,958)	-	29,223	29,223
Fund balances - beginning	<u>(769,698)</u>	<u>(769,698)</u>	<u>(769,698)</u>	<u>-</u>
Fund balances - ending	<u>\$ (2,127,656)</u>	<u>\$ (769,698)</u>	<u>\$ (740,475)</u>	<u>\$ 29,223</u>

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

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, 2008

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Property taxes	\$ 2,250,355	\$ 2,250,355	\$ 2,206,758	\$ (43,597)
Investment income	1,000,000	1,000,000	1,032,071	32,071
Intergovernmental	-	-	78,702	78,702
Total revenues	<u>3,250,355</u>	<u>3,250,355</u>	<u>3,317,530</u>	<u>67,175</u>
EXPENDITURES				
Capital Outlay:				
Land	-	800,000	1,139,289	(339,289)
Buildings	-	4,158,875	368,305	3,790,570
Improvements	1,500	18,792,571	5,879,513	12,913,058
Infrastructure	-	4,000,000	8,933,494	(4,933,494)
Equipment	165,748	368,217	672,856	(304,639)
Total expenditures	<u>167,248</u>	<u>28,119,663</u>	<u>16,993,457</u>	<u>11,126,206</u>
Excess (Deficiency) of Revenue over Expenditures	3,083,107	(24,869,308)	(13,675,927)	11,193,381
OTHER FINANCING SOURCES (USES)				
Transfer in	26,705,248	26,906,133	-	(26,906,133)
Transfers out	-	(2,250,355)	(2,243,549)	6,806
Issuance of debt	-	-	778,071	778,071
Total other financing sources and uses	<u>-</u>	<u>24,655,778</u>	<u>(1,465,478)</u>	<u>(26,121,256)</u>
Net change in fund balances	29,788,355	(213,530)	(15,141,404)	(14,927,874)
Fund balances - beginning	<u>19,397,877</u>	<u>19,397,877</u>	<u>18,129,838</u>	<u>(1,268,039)</u>
Fund balances - ending	<u>\$ 49,186,232</u>	<u>\$ 19,184,347</u>	<u>\$ 2,988,433</u>	<u>\$ (16,195,914)</u>

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

CITY OF LAUDERHILL, FLORIDA
NOTES TO THE BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2008

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, 2008 expenditures exceeded appropriations in the following departments:

Department	Excess Expenditures over Budget
Public Works	\$ 7,979
Police	521,032
Legal services	92,058
Community Redevelopment Agency	109,427

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)
10/1/2007	\$ 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%
10/1/2005	10,541,989	13,218,538	2,676,549	79.8%	4,581,654	58.4%

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)
10/1/2007	\$ 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%
10/1/2005	25,949,266	35,316,854	9,367,588	73.5%	4,408,687	212.5%

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)
10/1/2007	\$ 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%
10/1/2005	8,660,725	12,330,939	3,670,214	70.2%	6,518,591	56.3%

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)
10/1/2007	\$ 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%
10/1/2005	6,902,752	11,925,806	5,023,054	57.9%	3,329,207	150.9%

CITY OF LAUDERHILL, FLORIDA
 Combining Balance Sheet
 Nonmajor Governmental funds
 September 30, 2008

	Special Revenue					Total
	Debt Service	SHIP	Law Enforcement	Federal Forfeiture	CDBG	
ASSETS						
Equity in pooled cash and investments	\$ 690,691	\$ 440,257	\$ 85,185	\$ 2,920,728	\$ -	\$ 4,136,861
Accrued interest receivable	459	2,559	42	1,452	-	4,512
Due from other governments	-	-	-	-	670,961	265,092
Restricted assets:						
Equity in pooled cash and investments	2,113,124	52,190	-	-	-	2,165,314
Other assets	-	72,027	-	-	2,494	74,521
Total assets	\$ 2,804,275	\$ 567,033	\$ 85,228	\$ 2,922,180	\$ 673,455	\$ 265,092
						\$ 7,317,262
LIABILITIES						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	346	-	-	1,387	1,733
Accrued compensated absences	-	-	-	-	2,459	2,459
Accrued interest payable	690,693	-	-	-	-	690,693
Unearned revenues	-	75,012	-	-	-	75,012
Advances from other funds	-	-	-	-	508,326	265,092
Total liabilities	690,693	75,358	-	-	512,172	265,092
						1,543,314
FUND BALANCES						
Reserved for:						
Social Services	-	491,676	-	-	161,283	652,959
Law enforcement	-	-	85,228	2,922,180	-	3,007,409
Debt service	2,113,583	-	-	-	-	2,113,583
Total fund balances	2,113,583	491,676	85,228	2,922,180	161,283	5,773,949
Total liabilities and fund balances	\$ 2,804,275	\$ 567,033	\$ 85,228	\$ 2,922,180	\$ 673,455	\$ 265,092
						\$ 7,317,262

CITY OF LAUDERHILL, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2008

	Special Revenue						Total
	Debt Service	SHIP	Law Enforcement	Federal Forfeitures	CDBG	Home Grant	
REVENUES							
Intergovernmental	\$ -	\$ 500,050	\$ -	\$ -	\$ 779,910	\$ -	\$ 1,279,960
Fines and forfeitures	-	-	148,467	3,244,214	-	-	3,392,681
Investment income	125,975	8,567	890	16,771	-	-	152,203
Total revenues	125,975	508,617	149,356	3,260,985	779,910	-	4,824,844
EXPENDITURES							
Current:							
Public safety	-	-	113,110	479,380	-	-	592,490
Social services	-	572,443	-	-	745,162	371,029	1,688,634
Debt Service:							
Principal retirement	995,000	-	-	-	-	-	995,000
Interest	2,254,223	-	-	-	-	-	2,254,223
Total Expenditures	3,249,223	572,443	113,110	479,380	745,162	371,029	5,530,347
Excess (deficiency) of revenue over (under) expenditures	(3,123,248)	(63,826)	36,246	2,781,605	34,748	(371,029)	(705,503)
OTHER FINANCING SOURCES (USES)							
Transfers in	3,116,822	-	-	-	-	-	3,116,822
Transfers out	(415,806)	-	-	-	-	-	(415,806)
Payment to refunded bond escrow agent	(3,500)	-	-	-	-	-	(3,500)
Total other financing sources and (uses)	2,697,516	-	-	-	-	-	2,697,516
Net change in fund balances	(425,732)	(63,826)	36,247	2,781,605	34,748	(371,029)	1,992,013
Fund balances-beginning	2,539,315	555,502	48,981	140,575	126,535	371,029	3,781,936
Fund balances-ending	\$ 2,113,583	\$ 491,676	\$ 85,228	\$ 2,922,180	\$ 161,283	\$ -	\$ 5,773,949

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, 2008

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Investment Income	\$ -	\$ -	\$ 125,975	\$ 125,975
Total revenues	-	-	125,975	125,975
EXPENDITURES				
Debt service:				
Principal retirement	1,760,000	1,760,000	995,000	765,000
Interest	4,261,831	4,261,831	2,254,223	2,007,608
Total expenditures	6,021,831	6,021,831	3,249,223	2,772,608
Excess (Deficiency) of Revenue over Expenditures	(6,021,831)	(6,021,831)	(3,123,248)	2,898,583
Other Financing Sources (Uses)				
Operating transfers in	4,021,831	4,021,831	3,116,822	(905,009)
Operating transfer out	-	-	(415,806)	(415,806)
Payment to refunded bond escrow agent	-	-	(3,500)	(3,500)
Total Other Financing Sources (Uses)	4,021,831	4,021,831	2,697,516	(1,324,315)
Net change in fund balances	(2,000,000)	(2,000,000)	(425,732)	1,574,268
Fund balances - beginning	2,539,315	2,539,315	2,539,315	-
Fund balances - ending	\$ 539,315	\$ 539,315	\$ 2,113,583	\$ 1,574,268

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, 2008

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 567,402	\$ 567,402	\$ 500,050	\$ (67,352)
Investment income	<u>500</u>	<u>500</u>	<u>8,567</u>	<u>8,067</u>
Total revenues	<u>567,902</u>	<u>567,902</u>	<u>508,617</u>	<u>(59,285)</u>
EXPENDITURES				
Social services	<u>567,902</u>	<u>567,902</u>	<u>572,443</u>	<u>(4,541)</u>
Total expenditures	<u>567,902</u>	<u>567,902</u>	<u>572,443</u>	<u>(4,541)</u>
Net change in fund balances	-	-	(63,826)	(63,826)
Fund balances - beginning	<u>555,502</u>	<u>555,502</u>	<u>555,502</u>	<u>-</u>
Fund balances - ending	<u>\$ 555,502</u>	<u>\$ 555,502</u>	<u>\$ 491,676</u>	<u>\$ (63,826)</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, 2008

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Fines and forfeitures	\$ 114,100	\$ 114,100	\$ 148,467	\$ 34,367
Investment income	-	-	890	890
Total revenues	<u>114,100</u>	<u>114,100</u>	<u>149,357</u>	<u>35,257</u>
EXPENDITURES				
Public safety	<u>114,100</u>	<u>114,100</u>	<u>113,110</u>	<u>990</u>
Total expenditures	<u>114,100</u>	<u>114,100</u>	<u>113,110</u>	<u>990</u>
Net change in fund balances	-	-	36,247	36,247
Fund balances - beginning	<u>48,981</u>	<u>48,981</u>	<u>48,981</u>	<u>-</u>
Fund balances - ending	<u>\$ 48,981</u>	<u>\$ 48,981</u>	<u>\$ 85,228</u>	<u>\$ 36,247</u>

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, 2008

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Fines and forfeitures	\$ 689,884	\$ 689,884	\$ 3,244,214	\$ 2,554,330
Investment income	-	-	16,771	16,771
Total revenues	<u>689,884</u>	<u>689,884</u>	<u>3,260,985</u>	<u>2,571,101</u>
EXPENDITURES				
Public safety	<u>689,884</u>	<u>689,884</u>	<u>479,380</u>	<u>210,503</u>
Total expenditures	<u>689,884</u>	<u>689,884</u>	<u>479,380</u>	<u>210,503</u>
Change in fund balance	-	-	2,781,605	2,781,605
Fund balances - beginning	<u>140,575</u>	<u>140,575</u>	<u>140,575</u>	<u>-</u>
Fund balances - ending	<u>\$ 140,575</u>	<u>\$ 140,575</u>	<u>\$ 2,922,180</u>	<u>\$ 2,781,605</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, 2008

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 838,701	\$ 838,701	\$ 779,910	\$ (58,791)
Total revenues	<u>838,701</u>	<u>838,701</u>	<u>779,910</u>	<u>(58,791)</u>
EXPENDITURES				
Social services	<u>841,882</u>	<u>1,661,465</u>	<u>745,162</u>	<u>916,303</u>
Total expenditures	<u>841,882</u>	<u>1,661,465</u>	<u>745,162</u>	<u>916,303</u>
Net change in fund balances	(3,181)	(822,764)	34,748	857,512
Fund balances - beginning	<u>126,535</u>	<u>126,535</u>	<u>126,535</u>	<u>-</u>
Fund balances - ending	<u>\$ 123,354</u>	<u>\$ (696,229)</u>	<u>\$ 161,283</u>	<u>\$ 857,512</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, 2008

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 272,023	\$ 127,775	\$ -	\$ (127,775)
Total revenues	<u>272,023</u>	<u>127,775</u>	<u>-</u>	<u>(127,775)</u>
EXPENDITURES				
Social services	<u>272,023</u>	<u>272,023</u>	<u>371,029</u>	<u>(99,006)</u>
Total expenditures	<u>272,023</u>	<u>272,023</u>	<u>371,029</u>	<u>(99,006)</u>
Net change in fund balances	-	(144,248)	(371,029)	(226,781)
Fund balances - begining	<u>371,029</u>	<u>371,029</u>	<u>371,029</u>	<u>-</u>
Fund balances - ending	<u>\$ 371,029</u>	<u>\$ 226,781</u>	<u>\$ -</u>	<u>\$ (226,781)</u>

CITY OF LAUDERHILL, FLORIDA

Combining Statement of Fiduciary Net Assets
Pension Trust Funds
September 30, 2008

	PENSION TRUST FUNDS					TOTAL
	General Employees Retirement	Firefighters Retirement	Police Retirement	Confidential and Managerial		
ASSETS						
Cash and short-term investments	\$ 841,205	\$ 2,991,700	\$ 6,481	\$ 599,914	\$ 4,439,300	
Receivables:						
State contribution	-	60,369	-	-	60,369	
Interest and dividends	72,920	80,038	34,387	57,382	244,727	
Receivable for securities sold	-	370,898	-	47,776	418,674	
Due from broker	-	-	99,895	-	99,895	
Contributions	48,240	272,627	85,919	183,900	590,686	
Total Receivables	121,160	783,932	220,201	289,058	1,414,351	
Investments, at fair value						
U.S. Government and agency securities	2,172,682	4,757,993	-	1,854,485	8,785,160	
Corporate bonds and notes	1,890,377	4,551,230	-	1,497,983	7,939,590	
Mutual funds	2,561,480	-	6,126,842	-	8,688,322	
Common stocks	5,469,557	16,746,045	9,044,015	4,509,097	35,768,714	
International equity funds	-	2,941,232	1,013,569	1,181,966	5,136,767	
Real estate funds	850,000	4,321,667	-	-	5,171,667	
Investments, at fair value	12,944,096	33,318,167	16,184,426	9,043,531	71,490,220	
Total Assets	\$ 13,906,461	\$ 37,093,799	\$ 16,411,108	\$ 9,932,503	\$ 77,343,871	
LIABILITIES						
Accounts payable and accrued expenses	\$ 5,063	\$ 48,695	\$ 7,045	\$ 4,781	\$ 65,584	
Deferred revenues/future benefits	275,823	2,058,538	-	601,563	2,935,924	
Payable for securities purchased	-	1,018,536	51,967	32,756	1,103,259	
Prepaid city contributions	-	207,473	102,466	-	309,939	
Total Liabilities	280,886	3,333,242	161,478	639,100	4,414,706	
NET ASSETS						
Held in trust for pension benefits	13,625,575	33,760,557	16,249,630	9,293,403	72,929,165	
Total net assets and liabilities	\$ 13,906,461	\$ 37,093,799	\$ 16,411,108	\$ 9,932,503	\$ 77,343,871	

CITY OF LAUDERHILL, FLORIDA
 Combining Statements of Changes in Fiduciary Net Assets
 Pension Trust Funds
 For the Year Ended September 30, 2008

	PENSION TRUST FUNDS			
	General Employees Retirement	Firefighters Retirement	Police Retirement	Confidential and Managerial
				TOTAL
ADDITIONS				
Contributions:				
City	\$ 812,112	\$ 2,367,562	\$ 1,797,721	\$ 1,151,671
Plan members	492,699	815,967	909,416	549,999
State revenue	-	420,608	298,188	-
Total contributions	1,304,811	3,604,137	3,005,325	1,701,670
Investment income:				
Net (depreciation) appreciation in fair value of investments	(2,623,316)	(6,155,798)	(2,825,696)	(1,576,196)
Interest and dividend income	770,146	965,243	715,578	441,486
Total investment income	(1,853,170)	(5,190,555)	(2,110,118)	(1,134,710)
Less: Investment expenses	72,924	219,464	71,088	66,550
Deferred retirement option plan	-	1,575	-	(24,388)
Net investment income (loss)	(1,926,094)	(5,411,594)	(2,181,206)	(1,176,872)
Total additions	(621,283)	(1,807,457)	824,119	524,798
DEDUCTIONS				
Benefits paid	831,426	1,963,979	146,620	611,836
Administrative expenses	58,243	153,181	88,058	90,868
Refunds of contributions	62,795	-	80,045	2,941
Total deductions	952,464	2,117,160	314,723	705,645
CHANGE IN NET ASSETS	(1,573,747)	(3,924,617)	509,396	(180,847)
NET ASSETS, OCTOBER 1	15,199,322	37,685,174	15,740,234	9,474,250
NET ASSETS, SEPTEMBER 30	\$ 13,625,575	\$ 33,760,557	\$ 16,249,630	\$ 9,293,403

CITY OF LAUDERHILL, FLORIDA
 STATISTICAL SECTION
 FISCAL YEAR ENDED SEPTEMBER 30, 2008

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: Page

FINANCIAL TRENDS.....82-86

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.....87-90

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

DEBT CAPACITY.....91-94

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..... 95-96

These schedules offer demographic and economic indicators to help the reader understand the environment within the City’s financial activities take place.

OPERATING INFORMATION..... 97-99

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.....100

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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$ 33,750,444	\$ 31,458,503	\$ 40,245,122	\$ 31,011,883	24,796,635
Restricted	5,100,808	4,643,969	3,224,852	3,352,740	6,504,816
Unrestricted	<u>1,323,133</u>	<u>1,826,652</u>	<u>(2,063,112)</u>	<u>6,214,805</u>	<u>6,538,599</u>
	<u>40,174,385</u>	<u>37,929,124</u>	<u>41,406,862</u>	<u>40,579,428</u>	<u>37,840,050</u>
Business Activities					
Invested in Capital Assets, Net of Related Debt	16,603,233	15,313,066	9,229,731	11,361,249	14,087,557
Restricted	1,826,060	2,565,696	2,063,261	3,225,904	200,000
Unrestricted	<u>5,023,062</u>	<u>6,986,447</u>	<u>14,100,843</u>	<u>12,408,154</u>	<u>13,013,219</u>
	<u>\$ 23,452,355</u>	<u>\$ 24,865,209</u>	<u>\$ 25,393,835</u>	<u>\$ 26,995,307</u>	<u>\$ 27,300,776</u>

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
EXPENSES					
Governmental Activities					
General Government	\$ 7,188,906	\$ 7,825,228	\$ 10,437,902	\$ 13,106,473	\$ 11,701,546
Public Safety	19,318,700	21,043,096	26,085,909	27,220,653	30,617,084
Public Works	3,143,153	3,539,765	11,268,896	5,045,729	7,184,547
Recreation and Social Services	5,484,553	8,341,193	5,144,089	7,980,172	6,242,142
Economic and Community Development	1,389,479	41,624	-	-	-
Interest on long-term debt	785,795	1,112,503	2,369,854	2,429,421	2,257,723
Total Governmental Activities Expenses	<u>37,310,586</u>	<u>41,903,409</u>	<u>55,306,650</u>	<u>55,782,448</u>	<u>58,003,042</u>
Business-type Activities					
Water and Sewer	10,793,198	11,855,081	12,027,074	11,928,642	12,124,864
Stormwater	1,695,166	2,567,637	3,223,739	3,498,582	3,348,091
Total Business-type Activities Expenses	<u>12,488,364</u>	<u>14,422,718</u>	<u>15,250,813</u>	<u>15,427,224</u>	<u>15,472,955</u>
Total Primary Government Expenses	<u>49,798,950</u>	<u>56,326,127</u>	<u>70,557,463</u>	<u>71,209,673</u>	<u>73,475,997</u>
PROGRAM REVENUES					
Governmental Activities					
Charges for Services					
General Government	\$ 4,423,194	\$ 3,782,796	\$ 3,718,244	\$ 3,011,098	1,819,432
Public Safety	3,880,522	6,370,334	6,766,565	6,818,193	11,549,938
Recreation and Social Services	548,822	366,858	270,278	523,069	308,439
Operating Grants/ Contributions	3,003,761	2,794,438	9,898,002	4,219,394	3,623,561
Capital Grants/Contributions	1,617,367	668,563	81,743	-	-
Total Governmental Activities Program Revenues	<u>13,473,666</u>	<u>13,982,989</u>	<u>20,734,832</u>	<u>14,571,754</u>	<u>17,301,371</u>
Business-type Activities					
Water and Sewer	11,392,655	11,626,887	12,406,872	12,227,142	11,904,684
Stormwater	2,060,614	2,825,060	2,919,077	3,662,059	3,737,707
Operating Grants/ Contributions		75,000	-	-	-
Capital Grants/Contributions	633,264	1,166,970	-	-	-
Total Business-type Activities Program Revenues	<u>14,086,533</u>	<u>15,693,917</u>	<u>15,325,949</u>	<u>15,889,201</u>	<u>15,642,391</u>
Total Primary Government Program Revenues	<u>\$ 27,560,199</u>	<u>\$ 29,676,906</u>	<u>\$ 36,060,781</u>	<u>\$ 30,460,955</u>	<u>\$ 32,943,762</u>
NET (EXPENSE) REVENUE					
Governmental Activities	\$ (23,836,920)	\$ (27,920,420)	\$ (34,571,818)	\$ (41,210,694)	\$ (40,701,672)
Business-type Activities	1,598,169	1,271,199	75,136	461,977	169,436
Total Primary Government Net Revenue	<u>\$ (22,238,751)</u>	<u>\$ (26,649,221)</u>	<u>\$ (34,496,682)</u>	<u>\$ (40,748,718)</u>	<u>\$ (40,532,237)</u>

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

	2004	2005	2006	2007	2008
GENERAL REVENUES AND TRANSFERS					
Governmental Activities					
Property Taxes	\$ 8,999,663	\$ 10,326,553	\$ 14,027,917	\$17,100,159	\$ 16,179,042
Other Taxes	7,817,926	9,231,595	12,581,463	12,591,796	12,520,752
Investment Earnings	172,533	311,228	1,599,334	2,098,581	1,504,060
Other	6,263,204	6,996,304	9,063,657	9,690,510	8,137,619
Gain (Loss) on sale of Fixed Assets	11,894	(92,736)	-	-	-
Contribution Capital-Land	1,218,000	-	-	-	-
Net Realized Value of land Investment	-	(1,097,785)	-	-	-
Insurance Recoveries	-	-	-	-	1,556,485
Transfers	-	-	(320,600)	-	-
Total Governmental Activities Revenues	<u>24,483,220</u>	<u>25,675,159</u>	<u>36,951,771</u>	<u>41,481,046</u>	<u>39,897,958</u>
Business-type Activities					
Investment Earnings	\$ 138,666	\$ 141,655	\$ 132,890	\$ 217,841	\$ 136,036
Miscellaneous	-	-	-	921,652	-
Transfers	-	-	320,600	-	-
Total Business-type Activities Revenues	<u>138,666</u>	<u>141,655</u>	<u>453,490</u>	<u>1,139,493</u>	<u>136,036</u>
Total Primary Government Revenues	<u>24,621,886</u>	<u>25,816,814</u>	<u>37,405,261</u>	<u>42,620,540</u>	<u>40,033,994</u>
NET (EXPENSE) REVENUE					
Governmental Activities	646,300	(2,245,261)	2,379,953	270,352	(803,713)
Business-type Activities	1,736,835	1,412,854	528,626	1,601,470	305,471
Total Primary Government	<u>\$ 2,383,135</u>	<u>\$ (832,407)</u>	<u>\$ 2,908,579</u>	<u>\$ 1,871,822</u>	<u>\$ (498,242)</u>

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$ 72,637	\$ 43,787	\$ 62,264	\$ 49,141	\$ 2,406,942	\$ 2,250,692	\$ 91,597	\$ 61,805	\$ 707,160	\$ 897,221
Unreserved	5,227,992	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
	<u>\$ 5,300,629</u>	<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>
All Other Governmental Funds										
Reserved	\$ 2,429,796	\$ 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
Reserved Reported In	-	-	-	-	-	-	-	(173,784)	2,994,178	(740,475)
Special Revenue	-	-	-	-	-	-	-	-	19,397,877	2,988,433
Capital Project	<u>\$ 2,429,796</u>	<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>

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

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
REVENUES											
Property Taxes	5,164,218	5,664,670	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
Franchise Taxes	3,048,017	3,094,514	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
Public Service Taxes	3,522,317	3,630,615	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
Charges for services	1,689,182	1,762,993	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
Administrative Charges	1,200,000	1,200,425	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
Intergovernmental	5,780,071	5,746,872	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
License and Permits	1,112,465	979,227	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
Fines and Forfeiture	284,868	383,770	340,621	260,552	277,978	405,533	418,392	362,727	450,644	617,224	3,902,553
Investment Income	571,409	184,705	269,877	391,880	324,737	273,982	172,533	311,227	1,599,334	2,098,581	1,504,060
Rental Income										133,142	174,458
Other	178,209	150,239	184,182	48,164	112,742	3,669,149	279,108	302,359	559,816	626,531	515,915
Total Revenue	22,550,756	22,798,030	24,360,850	27,804,074	29,217,279	36,446,221	36,739,786	40,876,399	58,030,120	55,922,198	58,642,267
EXPENDITURE											
Current:											
General Government	3,891,166	3,793,696	4,331,477	4,284,148	4,596,602	4,894,085	5,834,909	6,790,734	9,141,469	12,265,063	11,329,546
Public Safety	11,644,246	13,143,104	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
Public Work	1,043,943	1,178,462	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
Recreation and social services	3,158,320	3,267,359	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
Miscellaneous											
Economic and Community Development						1,013,257	1,390,506	41,624			
Debt Service:											
Principal retirement						415,000			1,880,000	1,907,500	995,000
Interest and issuance cost						691,142			2,393,270	2,429,420	2,254,223
Capital Outlay:	1,143,933	1,063,244	1,964,449	1,322,891	489,760	4,835,625	8,837,988	4,336,755	6,570,880	10,516,800	17,168,754
Total Expenditures	20,881,608	22,445,855	24,994,750	25,254,772	26,970,272	37,096,784	43,311,946	42,087,593	61,587,004	64,426,317	72,895,506
Excess Revenue Over (Under	1,669,148	352,175	(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)
Expenditures											
OTHER FINANCING SOURCE (USES)											
Transfer In									3,848,208	8,424,175	4,286,828
Transfer Out	1,087,250	(1,252,428)	(2,771,600)	(900,000)	(1,691,758)	(1,106,142)	(1,376,690)	(2,441,061)	(4,168,808)	(8,424,175)	(4,286,828)
Payment to refunded bond escrow agent										4,864,619	(3,500)
Issuance of debt											778,071
Sale of capital assets											
Insurance recoveries										(2,220,237)	
Total Other Financing Sources (Uses	1,087,250	(1,252,428)	(2,771,600)	(900,000)	(1,691,758)	(1,106,142)	(1,376,690)	(2,441,061)	(320,600)	2,644,382	2,331,056
Net Change in Fund Balance	2,756,398	(900,253)	(3,405,500)	1,649,302	555,249	(1,756,705)	(7,948,850)	(3,662,255)	(3,877,484)	(5,859,739)	(11,922,181)

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

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		Florida		North		Total Tax Rate
				Government	Schools	Childrens Services	Water Management District	Inland Navigational District	Hospital District	Hospital District			
1999	1998	4.8000		7.8380	9.9745	-	0.6970	0.0470	2.5000	2.5000	25.8565		
2000	1999	5.6000		7.5710	9.7256	-	0.6970	0.0410	2.4803	2.4803	26.1149		
2001	2000	5.6000		7.5710	8.9553	-	0.6970	0.0385	2.4803	2.4803	25.3421		
2002	2001	5.6000		7.4005	8.7541	-	0.6970	0.0385	2.4803	2.4803	24.9704		
2003	2002	5.8200		7.1880	8.4176	0.3055	0.6970	0.0385	2.4803	2.4803	24.9469		
2004	2003	5.8200		7.0230	8.8096	0.3316	0.6970	0.0385	2.5000	2.5000	25.2197		
2005	2004	6.0200	0.6310	7.0230	8.2695	0.3920	0.6970	0.0385	2.4803	2.4803	25.5513		
2006	2005	6.0200	0.6310	6.7830	8.0623	0.4231	0.6970	0.0385	2.1746	2.1746	24.8295		
2007	2006	4.7340	0.7500	5.2868	7.6484	0.3572	0.6240	0.0345	1.6255	1.6255	21.0604		
2008	2007	5.0646	0.8700	5.3145	7.4170	0.3754	0.6240	0.0345	1.7059	1.7059	21.4059		

Source: Broward County Property Appraiser

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

TAXPAYER	TYPE OF BUSINESS	2008				1999			
		TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE		
Landings of Inverrary (Apartments)	Real Estate	\$ 23,556,000	1	1.6%	\$ 13,330,800	2	0.9%		
Westbrooke of Inverrary (Retirement Home)	Service	21,824,360	2	1.5%	9,529,580	4	0.7%		
Inverrary Gardens (Apartments)	Real Estate	21,133,570	3	1.5%	14,620,600	1	1.0%		
Target Corporation (Shopping Center)	Retail	18,460,680	4	1.3%	-	-	0.0%		
Rossland Real Estate (Lauderhill Mall)	Retail	14,266,500	5	1.0%	6,326,390	3	0.4%		
Kimco Development (Shopping Center)	Retail	12,969,850	6	0.9%	-	-	0.0%		
Inverrary 441 Trust (Apartments)	Real Estate	10,007,960	7	0.7%	-	-	0.0%		
Inverrary Apartments LLC (Apartments)	Real Estate	7,094,950	8	0.5%	-	-	0.0%		

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

FISCAL YEAR	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTION WITHIN THE FISCAL YEAR OF THE LEVY		PERCENTAGE OF LEVY	COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTION TO DATE	
		AMOUNT	PERCENTAGE OF LEVY			AMOUNT	PERCENTAGE OF LEVY
1999	5,935,538	5,793,742	97.61	94,018	5,887,760	99.20%	
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%	

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 per Capita)

FISCAL YEAR	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES			TOTAL PRIMARY GOVERNMENT	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		
1999	-	11,315	-	13,536	-	-	24,851	441.75
2000	-	10,680	-	17,555	-	-	28,235	495.32
2001	-	15,000	-	14,035	-	1,795	30,830	532.85
2002	-	14,610	-	16,415	-	1,717	32,742	557.54
2003	-	14,195	-	15,025	-	4,548	33,768	566.51
2004	-	18,650	-	14,320	-	7,191	40,161	663.81
2005	35,000	18,305	-	19,415	5,000	7,584	85,304	1,389.11
2006	33,960	17,465	-	18,615	5,000	7,262	82,302	1,210.32
2007	33,070	16,595	4,865	22,785	4,890	6,920	89,125	1,172.69
2008	32,150	16,595	7,503	23,110	4,890	6,811	91,059	1,347.72

* See Schedule of Demographic and Economic Statistics on page 97 for population data.

CITY OF LAUDERHILL, FLORIDA
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
September 30, 2008

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS SINKING FUND	NET GENERAL BONDED DEBT	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY *	PER CAPITA **
1999	\$ -	\$ -	\$ -	-	\$ -
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

* See Schedule of Assessed Value and Actual value of Taxable Property on page 89 for property value data.
** See Schedule of Demographic and Economic Statistics on page 97 for population data.

City of Lauderhill, Florida - Financial Statistics
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES NET DEBT
September 30, 2008

GOVERNMENTAL UNIT	<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	\$ 54,055,669	1.78%	\$ 963,273
Broward County Commission	575,382,288	1.78%	10,253,324
Other Debt			
Broward County School District Capital Outlay Plan	1,460,917,763	1.78%	26,004,336
Broward County			
Tourist Development Refunding Bonds	13,509,324	1.78%	240,466
Gas Tax Revenue Bonds	13,943,188	1.78%	248,189
Special Obligation Bonds	187,209,055	1.78%	<u>3,332,321</u>
Subtotal Overlapping Debt			41,041,909
City of Lauderhill General Obligation Debt	32,150,000	100.00%	<u>32,150,000</u>
Total Direct and Overlapping Debt			\$ <u><u>73,191,909</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>
1999	\$ 2,484,329	\$ 892,109	2.78
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

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>
1999	\$ -	\$ -	-
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

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>
1998	2,632,057	271,290	9.70
1999	2,729,888	464,041	5.88
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

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 INCOME	UNEMPLOYMENT RATE
1997	50,052	1,522,179	\$ 40,927,624	\$	26,888	5.1%
1998	50,052	1,560,649	44,448,735		28,506	4.5
1999	50,052	1,594,130	46,481,179		29,158	4.2
2000	53,004	1,632,662	50,137,561		30,709	3.8
2001	56,226	1,670,494	52,614,372		31,496	4.2
2002	58,367	1,703,998	54,850,632		32,189	5.6
2003	57,003	1,728,336	55,790,306		32,280	5.4
2004	64,000	1,753,000	59,615,576		34,008	4.4
2005	68,000	1,753,000	59,615,576		34,008	3.5
2006	76,000	1,753,000	59,615,576		34,008	3.1
2007	76,000	1,787,636	59,615,576		33,349	3.1
2008	76,000	1,759,591	59,615,576		33,880	6.3

U.S. Department of Commerce, Bureau of the Census for 1960-2000
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**

**ESTIMATE
NUMBER OF
EMPLOYEES**

EMPLOYER

50-100	Publix
150 - 200	Target
300-400	United Parcel Service
400-500	Broward County Public School District in Lauderhill
500-600	City of Lauderhill

Note: Little reliable data currently exist on employment within the City of Lauderhill.

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

FUNCTION/PROGRAM	2004	2005	2006	2007	2008
General Government					
Commission	5	5	5	5	5
City Manager	5	6	5	5	4
City Clerk	4	4	5	5	4
Redevelopment Agency	0	0	1	2	2
MIS	4	4	4	4	4
Special Events	3	3	3	3	2
Finance	7	7	7	6	5
Purchasing	1	1	1	3	2
Utility Billing	5	5	13	15	11
Management & Budget	0	3	2	7	7
Central Garage	5	4	4	4	4
Resources	4	4	6	5	5
Economic Dev	3	0	0	0	
CDBG Program	4	4	2	2	2
SHIP Program	1	1	1	1	0
Planning/Zoning	6	6	6	6	4
Code Inspections	15	7	10	16	11
Public Work	10	12	9	8	20
Streets & Roads	4	4	2	3	17
Public Safety					
Police - Administration	8	16	9	16	13
Police - Operations	78	84	82	88	91
Police - Community Serv.	0	7	10	20	17
Police - Support Serv.	42	26	42	23	20
Fire/EMS	54	54	54	68	58
Fire - Building	6	6	6	6	5
Fire Inspections	4	4	5	5	5
Fire - Rescue	34	34	35	25	31
Culture and Recreation					
Rec-Admin	4	4	4	3	3
PALS - Aquatics	2	2	2	2	3
PALS - Athletic Programs	4	4	5	3	2
PALS - Grounds Main.	20	20	20	3	
PALS-Sports Park	6	6	5	1	3
PALS - Childrens Programs	2	2	3	1	2
PALS -Municipal Golf Course	2	2	2	0	0
Rec Maintenance	0	0	3	0	
PALS - Community Services	9	9	6	5	6
Business Enterprise					
Utility Admin	10	10	10	8	10
Water	10	10	11	8	8
Stormwater	12	18	17	18	14
Stormwater Construction	0	0	3	4	3
Sewer	29	30	29	24	22
TOTALS	417	423	444	431	425

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

FUNCTION/PROGRAM	2004	2005	2006	2007	2008
Public Safety					
Police					
911 & Non Emergency Calls Received	59,205	64,459	72,793	74,577	76,216
Citations Processed	9,887	8,505	13,214	9,627	13,493
Arrests Processed	1,814	1,754	1,861	1,936	1,702
Fire Rescue					
Total Incidents	10,384	11,974	12,421	12,246	11,764
Total Fire Incidents	277	284	296	265	281
Physical Environmen					
Water Distribution					
Water Main Failures	-	-	-	-	-
New Water Mains Construction (Feet)	-	-	73,920	-	-
Raw Water Treated (Billions of Gallons)	-	-	-	2193.528	-
Water Treatment					
Raw Wastewater Treated (Bilion of Gallons)	-	-	-	-	2.20
Sanitation					
Household Refuse Collected (Tons)	-	-	-	-	-
Recycling Tonnage	-	-	-	-	-
Culture and Recreation					
Parks and Recreation					
Pavilion Rentals	-	-	396	1,244	1,065
Park Attendance	-	-	200,336	325,871	236,932
Pool Attendance	-	-	15,847	18,136	17,510

-Figures were unavailable

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

FUNCTION/PROGRAM	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Public Safety										
Police										
Station	4	4	4	4	4	4	4	4	4	4
Patrol Units										
Fire Stations	3	3	3	3	3	3	3	4	4	4
Highways and Streets										
Streets(miles)	81.27	81.27	81.27	81.27	81.27	97.13	97.13	110	110	110
Streets lights	1500	1500	1500	1550	1550	1550	1580	1620	1620	1620
Culture and recreation										
Parks Acreage	77.15	78.65	78.65	78.65	78.65	78.65	94.37	98.37	105.41	105.91
Parks	10	11	11	11	11	11	13	14	17	18
Tennis Courts	14	14	14	14	14	14	18	18	18	18
Community Centers	2	2	2	2	2	2	4	4	4	4
Aquatic Center	2	2	2	2	2	2	2	2	2	2
Water										
Water Mains (miles)	100	100	105	105	105	105	141	141	141	141
Fire Hydrants	1250	1250	1250	1260	1260	1,270	1,275	1,280	1,300	1,306
Maximum Daily Capacity*	-	-	-	-	-	-	-	-	-	-
(millions of gallons)*	-	-	-	-	-	-	-	-	-	-
Sewer										
Sanitary Sewers(miles)	120	120	121	121	122	122	123.22	123.22	123.22	123.22
Storm Sewers(miles)	35	38	38	38	40	40	45	45	50	50.53
Maximum Daily Capacity*	-	-	-	-	-	-	-	-	-	-
(millions of gallons)*	-	-	-	-	-	-	-	-	-	-

-Figures were unavailable

City of Lauderhill

**Florida Municipal Insurance Trust
Insurance Coverage
October 1, 2007-2008**

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

Comprehensive Municipal Insurance Program
October 1, 2007 to September 30, 2008.

Includes:

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

Deductibles:

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

Florida Municipal Insurance Trust Lines- FMIT Number 0326.

- **Property** limits of 33,083,900 with \$100,000 deductible on all other perils and 33,083,900 with 5% Named Windstorm deductible.
- **Flood** \$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** \$885,593.
- Policy premium is not inclusive of additions or deletions of property or auto after the policy inception date.