

THE CITY OF PLANTATION, FLORIDA

BASIC FINANCIAL STATEMENTS
AND OTHER SCHEDULES

September 30, 2006

CITY OF PLANTATION, FLORIDA
 BASIC FINANCIAL STATEMENTS
 AND OTHER SCHEDULES
 FOR THE YEAR ENDED SEPTEMBER 30, 2006

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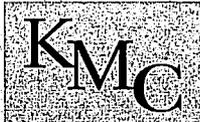
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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Plantation, Florida
Plantation, Florida

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of City of Plantation, Florida (the City), as of and for the year ended September 30, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of City of Plantation, Florida at September 30, 2006, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund and Pledged Revenue Fund, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

City of Plantation, Florida

In accordance with Government Auditing Standards, we have also issued our report dated March 9, 2007, on our consideration of City of Plantation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of City of Plantation, Florida taken as a whole. The accompanying schedule of expenditures of Federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the Florida Single Audit Act, and is not a required part of the basic financial statements. The combining and individual fund statements and schedules and other financial information, as listed in the table of contents, are also presented for purposes of additional analysis and are not a required part of the basic financial statements. All such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

Keefe, McCulloch & Co., LLP
KEEFE, MCCULLOUGH & CO., LLP

Fort Lauderdale, Florida
March 9, 2007

CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2006

As management of the City of Plantation, Florida (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended September 30, 2006. This discussion is to be read in conjunction with the City's financial statements, which immediately follow the discussion.

FINANCIAL HIGHLIGHTS

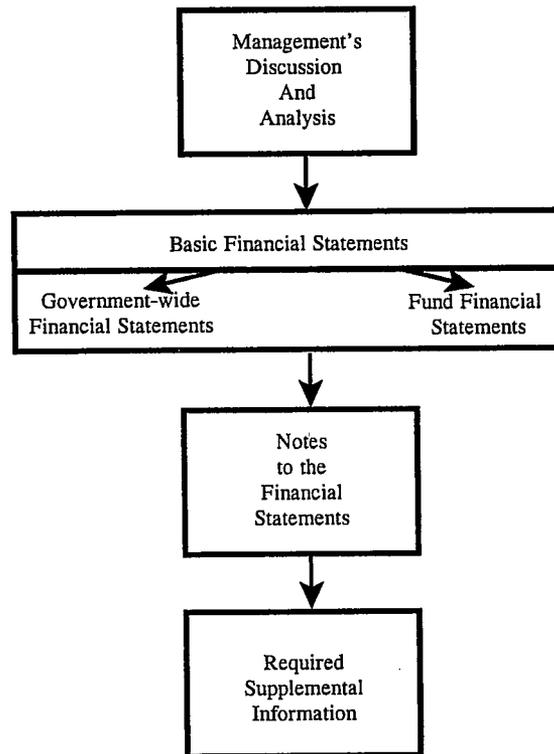
- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$ 212,571,638 (net assets), which is an increase over the prior year of \$ 4,912,541. Of the net asset amount, \$ 63,160,892 is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors. See explanation on pages 7 and 8.
- The governmental activities revenues totaled \$ 110,695,479, or a 41.0% increase over the prior year and expenses totaled \$ 108,173,100, or a 42.1% increase over the prior year. The increase in governmental net assets of \$ 2,522,379 is analyzed on page 9.
- The business-type activities revenues totaled \$ 31,364,529, or a .5% decrease over the prior year and expenses totaled \$ 28,974,367, or an 18.2% increase over the prior year. See detailed explanation on pages 9 and 10.
- During the year, the City's governmental expenditures and financing uses totaled \$ 136,890,313, compared to \$ 132,203,043 generated in revenues and other financing sources for governmental programs.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to financial statements and 4) required supplementary information. Figure 1 shows how the required parts of this annual report are arranged and relate to one another.

**CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(continued)
September 30, 2006**

**Figure 1
Required Components of the
Basic Financial Statements and Other Schedules**



GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements include the first two statements that follow this analysis, the statement of net assets and the statement of activities.

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. The change in net assets over time may be a useful indicator of the City's financial health.

The statement of activities presents information showing how the City's net assets changed during the most recent year. It provides a breakdown of revenues and expenses by functions. 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 periods (e.g., assessment receivables, and earned but unused compensated absences).

CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(continued)
September 30, 2006

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 costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, transportation, physical environment, and culture and recreation. The business-type activities of the City include Water and Wastewater Services, Fire/Rescue Services and a Golf Course.

The government-wide financial statements include not only the City itself (known as the primary government), but also the Plantation Gateway Development District, the Plantation Midtown Development District, both dependent taxing districts and the Community Redevelopment Agency, a legally separate redevelopment agency for which the City is financially accountable. Financial information for these blended component units is reported in the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 14 and 15 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

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 year. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of governmental funds is narrower than that of the government-wide financial statements so 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 the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(continued)
September 30, 2006

The City maintains twenty-five 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, the Pledged Revenue Fund, Designated Capital Improvements and Reserve Fund, and the Community Redevelopment Agency Designated Capital Improvements Fund, all of which are considered to be major funds. Data from the other twenty-one governmental funds are combined into a single, aggregated presentation.

The City adopts an annual appropriated budget for each governmental fund, proprietary fund, and fiduciary fund. Budgetary comparison statements have been provided for the General Fund and the one major special revenue fund to demonstrate compliance with the budget.

The governmental fund financial statements can be found on pages 16 through 25 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 Wastewater Services, Fire/Rescue Services and the Golf Course.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Wastewater Services, Fire/Rescue Services and the Golf Course, all of which are considered to be major funds of the City.

The proprietary fund financial statements can be found on pages 26 through 29 of this report.

FIDUCIARY FUNDS

The City's fiduciary funds consist of three pension plans; General Employees' Retirement Plan, Police Officers' Retirement Plan, and Volunteer Firefighters' Retirement Plan. These funds represent trust responsibilities of the City and are restricted in purpose for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because they do not represent discretionary assets of the City and thus 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 fiduciary fund financial statements can be found on pages 30 and 31 of this report.

NOTES TO 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 financial statements can be found on pages 32 through 61 of this report.

CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(continued)
September 30, 2006

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. This required supplementary information is found on pages 62 through 68 of this report.

The combining statements referred to earlier in connection with non-major governmental funds is found on pages 69 through 76 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$ 212,571,638 at the close of the year.

The table below provides a summary of the City's net assets for the past two fiscal years, as follows:

City of Plantation, Florida
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Current and other assets	\$ 68,129,431	\$ 70,968,697	\$ 45,346,331	\$ 53,754,365	\$ 113,475,762	\$ 124,723,062
Capital assets	<u>81,863,256</u>	<u>75,508,954</u>	<u>106,196,153</u>	<u>101,165,642</u>	<u>188,059,409</u>	<u>176,674,596</u>
Total assets	<u>149,992,687</u>	<u>146,477,651</u>	<u>151,542,484</u>	<u>154,920,007</u>	<u>301,535,171</u>	<u>301,397,658</u>
Other liabilities	14,916,327	11,240,904	7,862,880	11,014,039	22,779,207	22,554,943
Long-term liabilities	<u>54,134,924</u>	<u>56,817,690</u>	<u>12,049,402</u>	<u>14,665,928</u>	<u>66,184,326</u>	<u>71,483,618</u>
Total liabilities	<u>69,051,251</u>	<u>68,058,594</u>	<u>19,912,282</u>	<u>25,679,967</u>	<u>88,963,533</u>	<u>94,038,561</u>
Net assets:						
Invested in capital assets, net of related debt	42,774,278	38,917,889	90,555,026	82,475,904	133,329,304	121,393,793
Restricted	12,206,311	15,572,480	3,875,131	10,388,668	16,081,442	25,961,148
Unrestricted	<u>25,960,847</u>	<u>23,928,688</u>	<u>37,200,045</u>	<u>36,375,468</u>	<u>63,160,892</u>	<u>60,304,156</u>
Total net assets	<u>\$ 80,941,436</u>	<u>\$ 78,419,057</u>	<u>\$ 131,630,202</u>	<u>\$ 129,240,040</u>	<u>\$ 212,571,638</u>	<u>\$ 207,659,097</u>

By far the largest portion of the City's net assets, 62.7% reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements other than buildings, machinery and equipment, infrastructure (purchases since October 1, 2002 only) and library collections, less any related debt used to acquire those assets that is still outstanding. 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.

CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(continued)
September 30, 2006

As depicted on the previous page, approximately 7.6% of the net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$ 63,160,892, may be used to meet the government's ongoing obligations to citizens and creditors as designated at the fund level or by the nature of the fund. While \$ 37,200,045 is shown as unrestricted for the business-type funds, \$ 30,164,812 of that is intended to be used for capital repairs and replacements as deemed necessary for the Water and Wastewater Utilities Fund. The governmental funds had unrestricted fund balances in the amount of \$ 25,960,847. While these funds may be unrestricted on the City-wide statement, they may be designated for the subsequent years expenditures or for some other purpose on the fund level statements.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The City's operations for the past two years are summarized as follows:

City of Plantation, Florida
Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Operations:						
Revenues:						
Program revenues:						
Charges for services	\$ 18,294,807	\$ 16,175,147	\$ 25,887,030	\$ 20,961,880	\$ 44,181,837	\$ 37,137,027
Operating grants and contributions	26,818,121	3,543,778	695,467	260,581	27,513,588	3,804,359
Capital grants and contributions	1,136,563	2,356,746	540,732	2,139,593	1,677,295	4,496,339
General revenues:						
Property taxes	30,806,097	26,393,857	--	--	30,806,097	26,393,857
Other taxes	30,847,721	28,519,307	--	--	30,847,721	28,519,307
Investment earnings	2,828,310	1,531,462	1,871,652	865,328	4,699,962	2,396,790
Other	(36,140)	(32,055)	--	1,418,154	(36,140)	1,386,099
Total revenues	\$ 110,695,479	\$ 78,488,242	\$ 28,994,881	\$ 25,645,536	\$ 139,690,360	\$ 104,133,778
Expenses:						
Program expenses:						
General government	43,642,428	15,802,591	--	--	43,642,428	15,802,591
Public safety	36,441,477	33,917,684	--	--	36,441,477	33,917,684
Transportation	3,843,200	4,847,635	--	--	3,843,200	4,847,635
Physical environment	8,035,854	8,718,311	--	--	8,035,854	8,718,311
Culture and recreation	11,601,232	10,603,407	--	--	11,601,232	10,603,407
Other	190,111	231,845	--	--	190,111	231,845
Interest on long-term debt	2,049,150	2,026,709	--	--	2,049,150	2,026,709
Water and wastewater utilities	--	--	20,450,696	18,630,249	20,450,696	18,630,249
Fire/rescue services	--	--	5,432,106	5,324,664	5,432,106	5,324,664
Golf course	--	--	3,091,565	552,388	3,091,565	552,388
Total expenses	105,803,452	76,148,182	28,974,367	24,507,301	134,777,819	100,655,483
Change in net assets before other items	4,892,027	2,340,060	20,514	1,138,235	4,912,541	3,478,295
Transfers	(2,369,648)	(5,867,095)	2,369,648	5,867,095	--	--
Increase (decrease) in net assets	2,522,379	(3,527,035)	2,390,162	7,005,330	4,912,541	3,478,295
Net assets - beginning	78,419,057	81,946,092	129,240,040	122,234,710	207,659,097	204,180,802
Net assets - ending	\$ 80,941,436	\$ 78,419,057	\$ 131,630,202	\$ 129,240,040	\$ 212,571,638	\$ 207,659,097

CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(continued)
September 30, 2006

- Governmental activities charges for services revenue increased by \$ 2,119,660 or 13.1%. Of this amount, \$ 1,606,716 was for increased permit revenues as a result of repairs made by residents and businesses after Hurricane Wilma.
- Governmental activities operating grants and contributions revenue increased \$ 23,274,343. This was due to \$ 24,009,770 of recoveries received from Federal and State Emergency Management Agencies.
- Property tax receipts increased \$ 4,412,240 or 16.7% primarily due to a 12.0% increase in the taxable assessed property values and a 8.0% increase in millage from 4.250 to 4.5889 per \$ 1,000 of property value.
- Governmental activities had an increase in other taxes of \$ 2,328,414 or 8.2%. This was the result of \$ 1,054,353 or 18.9% increase in electric utility franchise revenues. These revenues increased due to Florida Power and Light ("FPL") rate increases to cover the rising fuel costs and damage related expenses as a result of Hurricanes Wilma and Katrina. FPL had a rate increase of 22.0% effective January 1, 2006. The balance of the increase in this category was due to a multitude of smaller variances such as utility service taxes increase of \$ 211,974 or 3.8%, Community Redevelopment Agency ("CRA") tax increment increase of \$ 260,931 or 55.8% due to new businesses and improvements done to existing properties in the CRA assessed area, and an increase in sales tax revenue sharing of \$ 432,744 or 6.7%.
- Investment earnings increased \$ 1,296,848 or 84.7% as a direct result of rising interest rates averaging 2.0% at the commencement of the fiscal year to approximately 4.0% at the close of the fiscal year.
- General government program expenses increased \$ 27,839,837 or 176.2%. This increase was due to \$ 29,219,085 being spent for Hurricane Wilma contracted services related to debris removal and related cost of repairs.
- Public safety program expenses increased \$ 2,523,793 or 7.4%. Of this difference, \$ 1,396,041 was the result of the increased cost of employment benefits, mainly due to retirement cost increasing from a required employer contribution of 19.1% in fiscal year ended September 30, 2005 to 23.7% for fiscal year ended September 30, 2006.
- The increase in business-type activities revenues increased \$ 3,349,345 as a result of the following:
 - A water and wastewater rate increase averaging 15% that was effective for the last two months of the fiscal year, resulting in water and wastewater revenues \$ 1,455,631 higher than the previous year.
 - Recovery of Hurricane Wilma related expenses for in-house labor in the amount of \$ 695,467.
 - The golf course commencing operations February 2006, resulting in revenues \$ 1,454,365 higher than the previous year.
 - An increase in investments return of \$ 1,006,324.

CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(continued)
September 30, 2006

- An increase of \$ 639,964 mainly due to the booking of revenue for the Westgate Lake wastewater line special assessment which was substantially complete as of September 30, 2006.
- A decrease in new construction resulting in a decrease in water and wastewater impact fees totaling \$ 1,151,904 or 78.8%.
- A decrease in water and wastewater contributions in aid of construction in the amount of \$ 546,957.
- The increase in business-type activities expenses was \$ 4,467,066 or 18.2% as a result of the following:
 - The golf course being operational for almost eight months this fiscal year produced additional operating expenses of \$ 2,202,033.
 - An increase in current operating expenses of \$ 1,692,918 or 24.9% for the water and wastewater operations. This was the result of the rising cost of providing electricity to the water and wastewater plants in the amount of \$ 772,341 or 34.6% and Hurricane Wilma related labor costs of \$ 432,377.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

At the close of the current fiscal year the City's governmental funds reported a combined ending fund balance of \$ 55,698,245, a decrease of \$ 4,687,270 in comparison with the prior year fund balance. This decrease was made up of net expenditures for Hurricane Wilma on the governmental fund side of \$ 5,077,407, total revenues of \$ 25,823,956 from sources; Federal and State Emergency Management Agency, National Resource and Conservation Service and Florida League of Cities less total expenditures of \$ 30,901,363.

- Approximately \$ 24,378,614 or 43.8% of this total amount, constitutes unreserved, undesignated fund balance. Approximately 11.1% of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to pay debt service, \$ 5,343,419, or 2) for a variety of other restricted purposes, \$ 831,857.

CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(continued)
September 30, 2006

The General Fund is the chief operating fund of the City. At the end of the current year, unreserved, undesignated fund balance of the General Fund was \$ 285,503. The City's previous policy was to transfer any remaining funds in the General Fund to the Designated Capital Improvement and Reserve Fund, but management changed that policy this year to only transfer out excess funds to the extent that it does not create a negative net change in fund balance. At the same time, the Designated Capital Improvement and Reserve Fund will cover any deficit that may occur in the General Fund. The General Fund has a total fund balance of \$ 11,655,223, of which \$ 323,360 or 2.8% is reserved and the remaining \$ 11,046,360 is unreserved but designated. The designations are: \$ 7,046,360 or 60.5% of the total fund balance, for exposure to risks and to provide sufficient fund equity for catastrophic losses and \$ 4,000,000, or 34.3% of the total fund balance, for the rising cost of being self insured for employee medical/dental coverage.

As a measure of the General Fund's liquidity, it is useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 11.0% of the total General Fund expenditures and the total fund balance represents 11.4%.

The General Fund deficiency of revenues and other sources over expenditures and other uses was \$ 0 during the current fiscal year. See the City's policy stated two paragraphs above.

Proprietary Funds

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

City of Plantation, Florida
Changes in Net Assets

	Water and Wastewater Services		Fire/Rescue Services		Golf Course	
	2006	2005	2006	2005	2006	2005
Revenues and other sources	\$ 24,407,886	\$ 22,475,771	\$ 5,648,006	\$ 5,148,702	\$ 3,767,779	\$ 616,285
Expenditures and other uses	<u>22,909,838</u>	<u>20,996,454</u>	<u>5,432,106</u>	<u>5,324,664</u>	<u>3,091,565</u>	<u>240,439</u>
Changes in net assets	\$ <u>1,498,048</u>	\$ <u>1,479,317</u>	\$ <u>215,900</u>	\$ <u>(175,962)</u>	\$ <u>676,214</u>	\$ <u>375,846</u>

The golf course revenues consist of transfers from governmental funds in the amount of \$ 619,225 and wetlands mitigation receipts in the amount of \$ 518,719 as well as receipts of \$ 1,880,357 from approximately seven months of operations. The fire/rescue revenues consist of transfers from governmental funds in the amount of \$ 3,797,100 and \$ 1,733,733 transport fees.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City Council approves all expenditures prior to the releasing of disbursements but is only required to approve budget overages at the fund level. No budgets are physically amended until the fund level results can be reviewed after the combining of the final appropriation amounts. At this point, the expenditures with the largest budget overages are amended. The original budgets did not need to be amended due to the General Fund and one major special revenue fund, Pledged Revenue Fund, not exceeding the budget at the fund level.

CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
 (continued)
 September 30, 2006

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, 2006, amounts to \$ 188,059,409 (net of accumulated depreciation). Approximately 43.5% of this investment is related to governmental activities and includes land, construction in progress, buildings, improvements other than buildings, machinery and equipment, library collections and infrastructure (purchases since October 1, 2002 only). Capital assets held by the City at the end of the current year are summarized as follows:

City of Plantation
 Capital Assets
 (net of accumulated depreciation)

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Land	\$ 23,180,824	\$ 7,915,890	\$ 31,096,714
Construction in progress	11,725,107	6,603,018	18,328,125
Buildings	9,071,999	16,034,369	25,106,368
Improvements other than buildings	27,077,326	70,529,847	97,607,173
Infrastructure	2,937,328	373,476	3,310,804
Machinery and equipment	7,793,362	4,739,553	12,532,915
Library collections	<u>77,310</u>	<u>--</u>	<u>77,310</u>
Total capital assets, net	<u>\$ 81,863,256</u>	<u>\$ 106,196,153</u>	<u>\$ 188,059,409</u>

LONG-TERM DEBT

At the end of the current year, the City had total bonded debt outstanding of \$ 60,200,239. The City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds). Additionally, the City has a \$ 3,240,426 revolving loan with the Florida Department of Environmental Regulation, and a \$ 1,027,976 promissory note payable for a special assessment in which the City is liable in the event of default by the property owners subject to the assessment and a \$ 1,241,280 note payable for the development of the Altman property as part of the Community Redevelopment Agency catalytic investment strategy project and a \$ 471,559 loan used to purchase golf carts and attached GPS system.

The City's total debt of \$ 66,181,480 decreased during the current fiscal year by \$ 6,671,520 or 9.2%. The key factor in this decrease was the obtaining of \$ 525,477 additional loan proceeds for the City's golf cart/GPS system purchase, the increase in accreted value of certain bonded debt in the amount of \$ 354,999 and the annual scheduled payment of principal debt in the amount of \$ 7,452,455, as well as the amortization of original issue premiums and discounts for \$ 99,541.

The City maintains a rating of "Aaa" from Moody's on governmental and business-type bonded debt and currently has a rating of "AAA" from Standard & Poor's for its business-type bonded debt.

CITY OF PLANTATION, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(continued)
September 30, 2006

Additional information on the City's long-term debt and liabilities can be found in Note 9 on pages 48 through 53 of this report.

NEXT YEAR'S BUDGET AND RATES

During the current fiscal year, unreserved fund balance in the General Fund increased \$ 285,503 to \$ 11,331,863. This increase was the result of reducing reserved fund balance for inventories and prepaids by \$ 287,117 and increasing the reserve for cultural arts by \$ 1,614. Of the unreserved fund balance, 97.5% is designated for the rising cost of medical and dental benefits, exposure to risks, and to provide sufficient fund equity for catastrophic losses.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Plantation, Florida's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 400 NW 73rd Avenue, Plantation, Florida, 33317-1678.

BASIC FINANCIAL STATEMENTS

These basic financial statements provide a summary overview of the financial position of all funds, the operating results of all funds and the cash flows of proprietary funds. They also serve as an introduction to the more detailed statements and schedules that follow in the next section.

CITY OF PLANTATION, FLORIDA
STATEMENT OF NET ASSETS
September 30, 2006

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS:			
Cash and equity in pooled cash and investments	\$ 35,562,818	\$ 27,046,518	\$ 62,609,336
Cash and investments with fiscal agent/third party	436,581	2,874,354	3,310,935
Receivables - net of allowances:			
Assessments	295,122	903,367	1,198,489
Water and wastewater	--	2,801,949	2,801,949
Transport fees	--	396,893	396,893
Other	1,816,828	1,669,579	3,486,407
Internal balances	781,402	(781,402)	--
Due from other governments	2,721,749	50,140	2,771,889
Inventories	141,225	592,716	733,941
Prepays	45,685	--	45,685
Restricted assets:			
Cash and equity in pooled cash and investments	14,202,162	6,224,239	20,426,401
Cash and investments with fiscal agent/third party	10,969,975	3,438,246	14,408,221
Due from other governments	368,577	--	368,577
Prepays	8,381	--	8,381
Bond issuance cost, net	778,926	129,732	908,658
Capital assets:			
Non-depreciable	34,905,931	14,518,908	49,424,839
Depreciable (net)	<u>46,957,325</u>	<u>91,677,245</u>	<u>138,634,570</u>
Total assets	<u>149,992,687</u>	<u>151,542,484</u>	<u>301,535,171</u>
LIABILITIES:			
Liabilities:			
Accounts payable and other accrued liabilities	6,792,633	1,967,737	8,760,370
Unearned revenue	1,165,021	--	1,165,021
Payable from restricted assets:			
Accounts payable	1,522,177	416,555	1,938,732
Accrued interest	265,047	63,309	328,356
Deposits	1,218,359	1,833,811	3,052,170
Bonds and loans due within one year	3,343,047	3,473,679	6,816,726
Due within one year:			
Compensated absences	610,043	107,789	717,832
Due in more than one year:			
Compensated absences	3,495,985	712,845	4,208,830
Bonds and loans payable	45,976,988	10,975,986	56,952,974
Note payable	2,051,209	--	2,051,209
Lease payable	--	360,571	360,571
Claims payable	<u>2,610,742</u>	<u>--</u>	<u>2,610,742</u>
Total liabilities	<u>69,051,251</u>	<u>19,912,282</u>	<u>88,963,533</u>
Net assets:			
Invested in capital assets, net of related debt	42,774,278	90,555,026	133,329,304
Restricted for:			
Community development	4,770,635	--	4,770,635
Renewal and replacement	--	600,000	600,000
Transportation	2,028,342	--	2,028,342
Debt service	4,906,838	3,275,131	8,181,969
Police purposes	327,097	--	327,097
Library purposes	173,399	--	173,399
Unrestricted	<u>25,960,847</u>	<u>37,200,045</u>	<u>63,160,892</u>
Total net assets	<u>\$ 80,941,436</u>	<u>\$ 131,630,202</u>	<u>\$ 212,571,638</u>

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2006

FUNCTION/PROGRAM ACTIVITIES:	Program Revenues		Net Revenues (Expenses) and Change in Net Assets	
	Charges for Service, Fees, Fines and Forfeitures		Primary Government Business-Type Activities	
	Expenses	Operating Grants and Contributions	Governmental Activities	Total
Primary Government:				
Governmental activities:				
General government	\$ 43,642,428	\$ 24,102,392	\$ (13,113,150)	\$ (13,113,150)
Public safety	36,441,477	1,002,210	(27,584,173)	(27,584,173)
Transportation	3,843,200	--	(3,657,109)	(3,657,109)
Physical environment	8,035,854	1,706,219	(4,751,778)	(4,751,778)
Culture and recreation	11,601,232	7,300	(8,208,490)	(8,208,490)
Other	190,111	--	(190,111)	(190,111)
Interest on long-term debt	2,049,150	--	(2,049,150)	(2,049,150)
Total governmental activities	<u>105,803,452</u>	<u>26,818,121</u>	<u>(59,553,961)</u>	<u>(59,553,961)</u>
Business-type activities:				
Water and wastewater utility	20,450,696	390,732	1,770,817	1,770,817
Fire/rescue services	5,432,106	--	(3,618,684)	(3,618,684)
Golf course	3,091,565	150,000	(3,271)	(3,271)
Total business-type activities	<u>28,974,367</u>	<u>540,732</u>	<u>(1,851,138)</u>	<u>(1,851,138)</u>
Total primary government	\$ 134,777,819	\$ 27,513,588	\$ (59,553,961)	\$ (61,405,099)
General revenues:				
Taxes:				
Property taxes, levied for general purposes				
	30,806,097		30,806,097	30,806,097
	728,561		728,561	728,561
	5,989,877		5,989,877	5,989,877
	7,408,166		7,408,166	7,408,166
	16,721,117		16,721,117	16,721,117
	2,828,310		2,828,310	2,828,310
	(36,140)		(36,140)	(36,140)
	<u>(2,369,648)</u>		<u>(2,369,648)</u>	<u>(2,369,648)</u>
Total general revenues and transfers				
	62,076,340		62,076,340	62,076,340
Change in net assets				
	2,522,379		2,522,379	2,522,379
NET ASSETS AT BEGINNING OF YEAR	78,419,057		129,240,040	207,659,097
NET ASSETS AT END OF YEAR	\$ 80,941,436		\$ 131,630,202	\$ 212,571,638

The accompanying notes to the financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2006

	General	Pledged Revenue	Designated Capital Improvements and Reserve	Community Redevelopment Agency Designated Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS:						
Cash and equity in pooled cash and investments	\$ 15,291,535	\$ 5,032,325	\$ 15,747,789	\$ 52,231	\$ 13,641,100	\$ 49,764,980
Cash and investments with fiscal agent/third party	--	--	--	1,822,011	9,584,545	11,406,556
Receivables - net of allowances:						
Assessments	32,548	262,574	--	--	--	295,122
Other	718,533	646,295	1,400	--	450,600	1,816,828
Due from other funds	781,402	--	--	--	--	781,402
Due from other governments	2,721,749	--	--	--	368,577	3,090,326
Inventories	141,225	--	--	--	--	141,225
Prepays	45,685	--	--	--	8,381	54,066
Total assets	\$ 19,732,677	\$ 5,941,194	\$ 15,749,189	\$ 1,874,242	\$ 24,053,203	\$ 67,350,505
LIABILITIES AND FUND BALANCES:						
Liabilities:						
Accounts payable and other accrued expenditures	\$ 5,758,511	--	\$ 1,034,122	\$ 56,317	\$ 1,465,860	\$ 8,314,810
Deferred revenue	1,100,584	249,105	134,612	--	634,790	2,119,091
Deposits	1,218,359	--	--	--	--	1,218,359
Total liabilities	\$ 8,077,454	\$ 249,105	\$ 1,168,734	\$ 56,317	\$ 2,100,650	\$ 11,652,260
Fund balances:						
Reserved for:						
Debt service	--	--	--	--	5,343,419	5,343,419
Inventories and prepaid	186,911	--	--	--	8,381	195,292
Cultural arts	136,449	--	--	--	--	136,449
Library purposes	--	--	--	--	173,399	173,399
Special programs	--	--	--	--	326,717	326,717
Unreserved:						
General Fund:						
Designated for medical and dental	4,000,000	--	--	--	--	4,000,000
Designated for risk management	7,046,360	--	--	--	--	7,046,360
Undesignated	285,503	--	--	--	--	285,503
Debt Service Funds:						
Undesignated	--	--	--	--	420,599	420,599
Special Revenue Funds:						
Designated for subsequent year's expenditures	--	238,250	--	--	2,083,000	2,321,250
Undesignated	--	5,453,839	--	--	5,034,693	10,488,532
Capital Projects Funds:						
Designated for subsequent year's expenditures	--	--	6,422,750	600,000	4,559,650	11,582,400
Designated for landscaping	--	--	194,345	--	--	194,345
Undesignated	--	--	7,963,360	1,217,925	4,002,695	13,183,980
Total fund balances	\$ 11,655,223	\$ 5,692,089	\$ 14,580,455	\$ 1,817,925	\$ 21,952,553	\$ 55,698,245
Total liabilities and fund balances	\$ 19,732,677	\$ 5,941,194	\$ 15,749,189	\$ 1,874,242	\$ 24,053,203	\$ 67,350,505

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
September 30, 2006

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS PAGE 16 \$ 55,698,245

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	128,448,464
Less accumulated depreciation	(46,585,208)

Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:

Deferred charge on bond issuance costs (to be amortized over the life of the debt)	1,436,888
Less accumulated amortization	(657,962)
Recoverable non-current workers' compensation liability	1,354,508

Unearned revenue in governmental funds is susceptible to full accrual on the government-wide statements	954,070
---	---------

Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:

Governmental bonds and note payable	(51,134,256)
Bond premium (to be amortized as a reduction of interest expense)	(1,147,854)
Provision for amortization	467,033
Bond discount (to be amortized as interest expense)	418,867
Provision for amortization	(215,780)
Deferred charge on refunding (to be amortized as interest expense)	304,100
Provision for amortization	(63,354)
Claims payable	(3,965,250)
Compensated absences	(4,106,028)
Accrued interest	<u>(265,047)</u>

NET ASSETS OF GOVERNMENTAL ACTIVITIES, PAGE 14 \$ 80,941,436

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended September 30, 2006

	General	Pledged Revenue	Designated Capital Improvements and Reserve	Community Redevelopment Agency Designated Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:						
Property taxes	\$ 30,143,247	\$ --	\$ --	\$ --	\$ 662,850	\$ 30,806,097
Incremental tax receipts	--	--	--	--	728,561	728,561
Intergovernmental	38,618,688	444,753	288,150	--	4,602,653	43,954,244
Utility service taxes	142,425	5,847,452	--	--	--	5,989,877
Franchise taxes	--	7,408,166	--	--	--	7,408,166
Licenses and permits	6,484,193	--	--	--	--	6,484,193
Charges for services	3,294,567	--	--	--	62,724	3,294,567
Fines and forfeitures	923,514	--	--	--	984,126	6,484,193
Investment income	682,349	154,805	632,942	64,456	984,126	2,518,678
Net change in fair value of investments	160,588	31,686	--	--	117,358	2,518,678
Miscellaneous	7,992,654	108,254	350,305	--	226,087	8,677,300
Total revenues	88,442,225	13,995,116	1,271,397	64,456	7,384,359	111,157,553
EXPENDITURES:						
Current operating:						
General government	44,221,574	--	--	--	5,387	44,226,961
Public safety	33,900,388	--	--	--	123,858	34,024,246
Transportation	637,173	--	--	--	2,953,646	3,590,819
Physical environment	5,228,266	--	--	1,258,361	1,364,053	7,850,680
Culture and recreation	9,725,062	--	--	--	22,034	9,747,096
Capital outlay	1,075,482	--	2,084,497	398,306	7,275,902	10,834,187
Debt service:						
Principal payments	--	--	--	--	1,064,353	1,064,353
Interest and other	--	--	--	--	2,136,833	2,136,833
Total expenditures	94,787,945	--	2,084,497	1,656,667	14,946,066	113,475,175
Excess (deficiency) of revenues over (under) expenditures	(6,345,720)	13,995,116	(813,100)	(1,592,211)	(7,561,707)	(2,317,622)
OTHER FINANCING SOURCES (USES):						
Transfers in	14,214,586	179,916	2,044,913	--	4,606,075	21,045,490
Transfers out	(7,868,866)	(12,477,901)	(596,000)	--	(2,472,371)	(23,415,138)
Total other financing sources (uses)	6,345,720	(12,297,985)	1,448,913	--	2,133,704	(2,369,648)
Net change in fund balances	--	1,697,131	635,813	(1,592,211)	(5,428,003)	(4,687,270)
FUND BALANCES AT BEGINNING OF YEAR	11,655,223	3,994,958	13,944,642	3,410,136	27,380,556	60,385,515
FUND BALANCES AT END OF YEAR	\$ 11,655,223	\$ 5,692,089	\$ 14,580,455	\$ 1,817,925	\$ 21,952,553	\$ 55,698,245

The accompany notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2006

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS PAGE 18 \$ (4,687,270)

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

Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the statement of net assets.	10,625,834
Provision for depreciation expense on governmental capital assets is included in the governmental activities in the statement of net assets.	(4,179,630)
Principal payments on long-term debt is reported as an expenditure in governmental funds, but as a reduction of long-term liabilities in the statement of net assets.	1,064,353
Some governmental revenues reported in the governmental funds when measurable and available were previously recognized in the statement of activities when the underlying expenditures were incurred:	
Special assessments revenue	(48,754)
Grant revenues	221,978
Miscellaneous revenue	450,600
In the statement of activities, only the gain on the sale of assets is reported, whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balances by the cost of the assets sold, less accumulated depreciation.	(91,902)
Certain items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:	
Provision for amortization of bond premium	115,306
Provision for amortization of original issue discount	(16,924)
Provision for amortization of bond issuance costs	(121,006)
Provision for amortization of deferred charge on refunding	(20,273)
Change in long-term compensated absences	(641,940)
Change in general liability claims	69,250
Change in medical claims	(323,277)
Change in workers' compensation claims	96,460
Accrued interest expense on long-term debt	9,574

CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (PAGE 15) \$ 2,522,379

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Ad valorem taxes:				
Current	\$ 30,073,550	\$ 30,073,550	\$ 30,115,228	\$ 41,678
Delinquent	<u>100,000</u>	<u>100,000</u>	<u>28,019</u>	<u>(71,981)</u>
	<u>30,173,550</u>	<u>30,173,550</u>	<u>30,143,247</u>	<u>(30,303)</u>
Utility service taxes:				
Gas	<u>114,800</u>	<u>114,800</u>	<u>142,425</u>	<u>27,625</u>
Licenses and permits:				
Occupational - city	924,650	924,650	857,653	(66,997)
Building and engineering	3,149,100	3,149,100	4,936,965	1,787,865
Police	78,500	78,500	147,604	69,104
Fire	<u>418,900</u>	<u>418,900</u>	<u>541,971</u>	<u>123,071</u>
	<u>4,571,150</u>	<u>4,571,150</u>	<u>6,484,193</u>	<u>1,913,043</u>
Intergovernmental:				
State revenue sharing	11,325,000	11,325,000	12,321,485	996,485
Grants	138,100	138,100	25,154,946	25,016,846
County occupational licenses	107,500	107,500	78,052	(29,448)
County bond refund	696,700	696,700	806,735	110,035
Alcoholic beverage licenses	35,000	35,000	33,549	(1,451)
Rebate - municipal vehicle gas tax	34,000	34,000	35,786	1,786
Mobile home licenses	2,700	2,700	12,562	9,862
County 911 fees	<u>197,200</u>	<u>197,200</u>	<u>175,573</u>	<u>(21,627)</u>
	<u>12,536,200</u>	<u>12,536,200</u>	<u>38,618,688</u>	<u>26,082,488</u>
Charges for services:				
City Clerk services	66,100	66,100	67,774	1,674
Recreational fees	1,487,400	1,487,400	1,466,439	(20,961)
Special duty police details	750,000	750,000	794,640	44,640
Planning and development review fees	221,300	221,300	195,798	(25,502)
Recycling fees	491,850	491,850	423,705	(68,145)
Landscape collections	20,900	20,900	26,229	5,329
Sale of maps and publications	22,400	22,400	13,735	(8,665)
Police reports and fees	26,600	26,600	18,129	(8,471)
Court witness jury fees	5,700	5,700	9,003	3,303
Fire inspection services	427,300	427,300	278,425	(148,875)
Library permits and fees	<u>700</u>	<u>700</u>	<u>690</u>	<u>(10)</u>
	<u>3,520,250</u>	<u>3,520,250</u>	<u>3,294,567</u>	<u>(225,683)</u>
Fines and forfeitures:				
Court	721,400	721,400	499,190	(222,210)
Code enforcement	287,800	287,800	194,705	(93,095)
Supplemental	36,500	36,500	22,931	(13,569)
Library	5,500	5,500	5,148	(352)
Alarms	<u>143,900</u>	<u>143,900</u>	<u>201,540</u>	<u>57,640</u>
	<u>1,195,100</u>	<u>1,195,100</u>	<u>923,514</u>	<u>(271,586)</u>
Investment income	<u>300,000</u>	<u>300,000</u>	<u>682,349</u>	<u>382,349</u>
Net change in fair value of investments	<u>--</u>	<u>--</u>	<u>160,588</u>	<u>160,588</u>

CITY OF PLANTATION, FLORIDA
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND

(continued)

For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		Actual	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	Amounts Budgetary Basis	
Miscellaneous revenues:				
General administrative services	1,414,550	1,414,550	1,227,934	(186,616)
Miscellaneous income	1,580,800	1,580,800	1,314,438	(266,362)
Rentals	795,900	795,900	889,004	93,104
Special assessments	43,000	43,000	44,078	1,078
Sale of surplus and scrap	20,000	20,000	53,229	33,229
Compensation proceeds	68,600	68,600	856,839	788,239
Reimbursements from other funds	3,639,950	3,639,950	3,494,325	(145,625)
Maintenance services	81,350	81,350	112,807	31,457
	<u>7,644,150</u>	<u>7,644,150</u>	<u>7,992,654</u>	<u>348,504</u>
Total revenues	<u>60,055,200</u>	<u>60,055,200</u>	<u>88,442,225</u>	<u>28,387,025</u>
EXPENDITURES:				
General government:				
Administrative:				
Personal services	907,050	907,050	872,731	34,319
Operating expenditures	145,950	145,950	148,601	(2,651)
	<u>1,053,000</u>	<u>1,053,000</u>	<u>1,021,332</u>	<u>31,668</u>
City Clerk:				
Personal services	528,050	528,050	502,159	25,891
Operating expenditures	30,800	30,800	25,098	5,702
	<u>558,850</u>	<u>558,850</u>	<u>527,257</u>	<u>31,593</u>
Municipal elections:				
Operating expenditures	100	100	28,358	(28,258)
Legal:				
Operating expenditures	149,200	149,200	129,748	19,452
Employee benefits:				
Personal services	3,540,750	3,540,750	4,217,880	(677,130)
Risk management:				
Personal services	177,200	177,200	177,609	(409)
Operating expenditures	1,787,600	1,787,600	1,037,762	749,838
	<u>1,964,800</u>	<u>1,964,800</u>	<u>1,215,371</u>	<u>749,429</u>
Financial services:				
Personal services	1,107,800	1,107,800	1,072,829	34,971
Operating expenditures	244,450	244,450	162,343	82,107
	<u>1,352,250</u>	<u>1,352,250</u>	<u>1,235,172</u>	<u>117,078</u>
Information services:				
Personal services	951,950	951,950	815,966	135,984
Operating expenditures	490,400	490,400	345,544	144,856
	<u>1,442,350</u>	<u>1,442,350</u>	<u>1,161,510</u>	<u>280,840</u>

CITY OF PLANTATION, FLORIDA
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
(continued)
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Public relations and information:				
Personal services	51,900	51,900	50,034	1,866
Operating expenditure	<u>169,200</u>	<u>169,200</u>	<u>153,232</u>	<u>15,968</u>
	<u>221,100</u>	<u>221,100</u>	<u>203,266</u>	<u>17,834</u>
Planning:				
Personal services	833,650	833,650	803,065	30,585
Operating expenditures	<u>136,500</u>	<u>136,500</u>	<u>55,946</u>	<u>80,554</u>
	<u>970,150</u>	<u>970,150</u>	<u>859,011</u>	<u>111,139</u>
Personnel:				
Personal services	789,800	789,800	752,393	37,407
Operating expenditures	<u>184,500</u>	<u>184,500</u>	<u>541,169</u>	<u>(356,669)</u>
	<u>974,300</u>	<u>974,300</u>	<u>1,293,562</u>	<u>(319,262)</u>
Central services:				
Personal services	1,520,250	1,520,250	1,304,969	215,281
Operating expenditures	<u>330,250</u>	<u>330,250</u>	<u>30,037,442</u>	<u>(29,707,192)</u>
	<u>1,850,500</u>	<u>1,850,500</u>	<u>31,342,411</u>	<u>(29,491,911)</u>
Other general government:				
Operating expenditures	<u>1,197,850</u>	<u>1,197,850</u>	<u>986,696</u>	<u>211,154</u>
Total general government	<u>15,275,200</u>	<u>15,275,200</u>	<u>44,221,574</u>	<u>(28,946,374)</u>
Public safety:				
Police:				
Personal services	27,231,150	27,231,150	26,720,224	510,926
Operating expenditures	<u>2,199,800</u>	<u>2,199,800</u>	<u>1,962,421</u>	<u>237,379</u>
	<u>29,430,950</u>	<u>29,430,950</u>	<u>28,682,645</u>	<u>748,305</u>
Fire:				
Personal services	1,627,450	1,627,450	1,665,579	(38,129)
Operating expenditures	<u>1,329,050</u>	<u>1,329,050</u>	<u>1,313,153</u>	<u>15,897</u>
	<u>2,956,500</u>	<u>2,956,500</u>	<u>2,978,732</u>	<u>(22,232)</u>
Building:				
Personal services	2,315,850	2,315,850	2,045,258	270,592
Operating expenditures	<u>128,550</u>	<u>128,550</u>	<u>193,753</u>	<u>(65,203)</u>
	<u>2,444,400</u>	<u>2,444,400</u>	<u>2,239,011</u>	<u>205,389</u>
Total public safety	<u>34,831,850</u>	<u>34,831,850</u>	<u>33,900,388</u>	<u>931,462</u>
Transportation:				
Engineering:				
Personal services	611,750	611,750	615,749	(3,999)
Operating expenditures	<u>22,100</u>	<u>22,100</u>	<u>21,424</u>	<u>676</u>
	<u>633,850</u>	<u>633,850</u>	<u>637,173</u>	<u>(3,323)</u>
Total transportation	<u>633,850</u>	<u>633,850</u>	<u>637,173</u>	<u>(3,323)</u>

CITY OF PLANTATION, FLORIDA
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
(continued)
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		Actual	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	Amounts Budgetary Basis	
Physical environment:				
Landscaping:				
Personal services	1,251,450	1,251,450	1,162,238	89,212
Operating expenditures	<u>71,950</u>	<u>71,950</u>	<u>124,477</u>	<u>(52,527)</u>
	<u>1,323,400</u>	<u>1,323,400</u>	<u>1,286,715</u>	<u>36,685</u>
Stormwater drainage:				
Operating expenditures	<u>76,950</u>	<u>76,950</u>	<u>62,890</u>	<u>14,060</u>
Public works:				
Personal services	3,480,250	3,480,250	3,053,962	426,288
Operating expenditures	<u>261,000</u>	<u>261,000</u>	<u>282,765</u>	<u>(21,765)</u>
	<u>3,741,250</u>	<u>3,741,250</u>	<u>3,336,727</u>	<u>404,523</u>
Resource recovery:				
Personal services	9,600	9,600	9,960	(360)
Operating expenditures	<u>494,350</u>	<u>494,350</u>	<u>531,974</u>	<u>(37,624)</u>
	<u>503,950</u>	<u>503,950</u>	<u>541,934</u>	<u>(37,984)</u>
Total physical environment	<u>5,645,550</u>	<u>5,645,550</u>	<u>5,228,266</u>	<u>417,284</u>
Culture and recreation:				
Library:				
Personal services	668,950	668,950	621,051	47,899
Operating expenditures	<u>52,300</u>	<u>52,300</u>	<u>66,567</u>	<u>(14,267)</u>
	<u>721,250</u>	<u>721,250</u>	<u>687,618</u>	<u>33,632</u>
Historical museum:				
Personal services	44,750	44,750	43,428	1,322
Operating expenditures	<u>9,150</u>	<u>9,150</u>	<u>10,153</u>	<u>(1,003)</u>
	<u>53,900</u>	<u>53,900</u>	<u>53,581</u>	<u>319</u>
Parks and recreation:				
Personal services	5,854,050	5,854,050	5,504,916	349,134
Operating expenditures	<u>1,936,700</u>	<u>1,936,700</u>	<u>2,049,575</u>	<u>(112,875)</u>
	<u>7,790,750</u>	<u>7,790,750</u>	<u>7,554,491</u>	<u>236,259</u>
Central park:				
Personal services	1,099,850	1,099,850	1,112,752	(12,902)
Operating expenditures	<u>362,400</u>	<u>362,400</u>	<u>316,620</u>	<u>45,780</u>
	<u>1,462,250</u>	<u>1,462,250</u>	<u>1,429,372</u>	<u>32,878</u>
Total culture and recreation	<u>10,028,150</u>	<u>10,028,150</u>	<u>9,725,062</u>	<u>303,088</u>

CITY OF PLANTATION, FLORIDA
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND
(continued)
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance
	Original	Final		
Capital outlay:				
Risk management	50,000	50,000	46,297	3,703
Financial services	17,000	17,000	--	17,000
Information services	484,100	484,100	56,148	427,952
Planning	--	--	3,072	(3,072)
Central services	51,500	51,500	47,551	3,949
Police	529,250	529,250	399,985	129,265
Fire	198,200	198,200	164,272	33,928
Engineering	2,900	2,900	--	2,900
Landscaping	92,000	92,000	15,110	76,890
Public works	216,450	216,450	68,552	147,898
Library	66,000	66,000	55,766	10,234
Parks and recreation	355,600	355,600	188,774	166,826
Central park	56,500	56,500	29,955	26,545
Total capital outlay	2,119,500	2,119,500	1,075,482	1,044,018
Total expenditures	68,534,100	68,534,100	94,787,945	(26,253,845)
Deficiency of revenue over expenditures	(8,478,900)	(8,478,900)	(6,345,720)	2,133,180
OTHER FINANCING SOURCES (USES):				
Transfers in:				
Plantation Midtown				
Development District Fund	140,600	140,600	60,000	(80,600)
Pledged Revenue Fund	12,267,600	12,267,600	12,267,600	--
CRA Escrow Fund	303,850	303,850	431,986	128,136
Water and Wastewater Services Fund	1,455,000	1,455,000	1,455,000	--
Transfers out:				
Road and Traffic Control Fund	--	--	(90,261)	(90,261)
Community Development Block Grant Fund	--	--	(3,567)	(3,567)
2003 Bond Sinking Fund	(1,891,050)	(1,891,050)	(1,794,156)	96,894
2005 Community Redevelopment Agency Note Fund	--	--	(137,887)	(137,887)
Designated Capital Improvements and Reserve Fund	--	--	(2,044,913)	(2,044,913)
2002 Bond Construction Fund	--	--	(982)	(982)
Fire/Rescue Services Fund	(3,797,100)	(3,797,100)	(3,797,100)	--
Total other financing sources (uses)	8,478,900	8,478,900	6,345,720	(2,133,180)
Deficiency of revenue and other financing sources over expenditures and other financing uses \$	--	\$ --	\$ --	\$ --

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - PLEDGED REVENUE FUND
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 444,800	\$ 444,800	\$ 444,753	\$ (47)
Utility service taxes	5,575,000	5,575,000	5,847,452	272,452
Franchise taxes	6,330,500	6,330,500	7,408,166	1,077,666
Special assessments	84,000	84,000	76,106	(7,894)
Investment income	27,400	27,400	154,805	127,405
Net change in fair value of investments	--	--	31,686	31,686
Miscellaneous	<u>25,000</u>	<u>25,000</u>	<u>32,148</u>	<u>7,148</u>
Total revenues	<u>12,486,700</u>	<u>12,486,700</u>	<u>13,995,116</u>	<u>1,508,416</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in	--	--	179,916	179,916
Operating transfers out	<u>(12,461,700)</u>	<u>(12,461,700)</u>	<u>(12,477,901)</u>	<u>(16,201)</u>
Excess of revenues over other financing uses	<u>\$ 25,000</u>	<u>\$ 25,000</u>	<u>\$ 1,697,131</u>	<u>\$ 1,672,131</u>

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2006

	Business-Type Activities - Enterprise Funds			
	Water and Wastewater Services	Fire/Rescue Services	Golf Course	Total
ASSETS:				
Current Assets:				
Cash and equity in pooled cash and investments	\$ 26,004,159	\$ 1,040,459	\$ 1,900	\$ 27,046,518
Cash and investments with fiscal agent/third party	2,805,935	--	68,419	2,874,354
Receivables - net of allowances:				
Assessments	903,367	--	--	903,367
Water and wastewater	2,801,949	--	--	2,801,949
Transport fees	--	396,893	--	396,893
Other	156,154	150	1,513,275	1,669,579
Due from other governments	--	--	50,140	50,140
Inventories	532,586	--	60,130	592,716
Total current assets	33,204,150	1,437,502	1,693,864	36,335,516
Noncurrent Assets:				
Restricted Assets				
Cash and equity in pooled cash and investments	6,224,239	--	--	6,224,239
Cash and investments with fiscal agent/third party	2,745,510	--	692,736	3,438,246
Bond issuance costs, net	18,710	--	111,022	129,732
Capital assets, net	82,988,577	816,563	22,391,013	106,196,153
Total noncurrent assets	91,977,036	816,563	23,194,771	115,988,370
Total assets	\$ 125,181,186	\$ 2,254,065	\$ 24,888,635	\$ 152,323,886
LIABILITIES:				
Current Liabilities:				
Accounts payable and other accrued expenses	\$ 854,922	\$ 175,560	\$ 1,045,044	\$ 2,075,526
Due to other funds	5,729	8,091	767,582	781,402
Total current liabilities	860,651	183,651	1,812,626	2,856,928
Payable from restricted assets:				
Accounts payable	416,555	--	--	416,555
Accrued interest	11,182	--	52,127	63,309
Bonds and loans due within one year	3,362,691	--	110,988	3,473,679
Deposits	1,833,811	--	--	1,833,811
Total payable from restricted assets	5,624,239	--	163,115	5,787,354
Long-term liabilities:				
Compensated absences	493,491	219,354	--	712,845
Bonds payable	--	--	8,494,762	8,494,762
Lease payable	--	--	360,571	360,571
Loan payable	2,481,224	--	--	2,481,224
Total long-term liabilities	2,974,715	219,354	8,855,333	12,049,402
Total liabilities	9,459,605	403,005	10,831,074	20,693,684
NET ASSETS:				
Invested in capital assets, net of related debt	77,163,372	816,563	12,575,091	90,555,026
Restricted for:				
Debt service	2,745,510	--	529,621	3,275,131
Renewal and replacement	600,000	--	--	600,000
Unrestricted	35,212,699	1,034,497	952,849	37,200,045
Total net assets	115,721,581	1,851,060	14,057,561	131,630,202
Total liabilities and net assets	\$ 125,181,186	\$ 2,254,065	\$ 24,888,635	\$ 152,323,886

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
For the Year Ended September 30, 2006

	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Water and Wastewater Services</u>	<u>Fire/Rescue Services</u>	<u>Golf Course</u>	<u>Total</u>
OPERATING REVENUES:				
Water and wastewater	\$ 20,180,804	\$ --	\$ --	\$ 20,180,804
Meter installation fees	80,757	--	--	80,757
Charges for services	--	1,733,733	2,359,267	4,093,000
Other	<u>286,853</u>	<u>1,590</u>	<u>541,984</u>	<u>830,427</u>
Total operating revenues	<u>20,548,414</u>	<u>1,735,323</u>	<u>2,901,251</u>	<u>25,184,988</u>
OPERATING EXPENSES:				
Personal services	6,069,773	4,341,562	--	10,411,335
Current expenses	8,494,255	965,957	2,237,279	11,697,491
Provision for depreciation	<u>5,311,579</u>	<u>124,587</u>	<u>502,150</u>	<u>5,938,316</u>
Total operating expenses	<u>19,875,607</u>	<u>5,432,106</u>	<u>2,739,429</u>	<u>28,047,142</u>
Operating income (loss)	<u>672,807</u>	<u>(3,696,783)</u>	<u>161,822</u>	<u>(2,862,154)</u>
NONOPERATING REVENUES (EXPENSES):				
Intergovernmental	580,325	78,099	187,043	845,467
Interest income	1,445,782	30,605	60,260	1,536,647
Net change in fair value of investments	328,126	6,879	--	335,005
Impact fees	309,737	--	--	309,737
Special assessments	702,042	--	--	702,042
Interest expense	(562,248)	--	(352,136)	(914,384)
Other	<u>(12,841)</u>	<u>--</u>	<u>--</u>	<u>(12,841)</u>
Total nonoperating revenues (expenses)	<u>2,790,923</u>	<u>115,583</u>	<u>(104,833)</u>	<u>2,801,673</u>
Income (loss) before capital contributions and transfers	3,463,730	(3,581,200)	56,989	(60,481)
Capital contributions	80,995	--	--	80,995
TRANSFERS IN (OUT):				
Transfers in	412,465	3,797,100	619,225	4,828,790
Transfers out	<u>(2,459,142)</u>	<u>--</u>	<u>--</u>	<u>(2,459,142)</u>
Total other financing sources (uses)	<u>(2,046,677)</u>	<u>3,797,100</u>	<u>619,225</u>	<u>2,369,648</u>
Change in net assets	1,498,048	215,900	676,214	2,390,162
NET ASSETS AT BEGINNING OF YEAR	<u>114,223,533</u>	<u>1,635,160</u>	<u>13,381,347</u>	<u>129,240,040</u>
NET ASSETS AT END OF YEAR	<u>\$ 115,721,581</u>	<u>\$ 1,851,060</u>	<u>\$ 14,057,561</u>	<u>\$ 131,630,202</u>

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2006

	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Water and Wastewater Services</u>	<u>Fire/Rescue Services</u>	<u>Golf Course</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 19,765,830	\$ 1,381,995	\$ 2,259,072	\$ 23,406,897
Cash payments to suppliers for goods and services	(10,533,172)	(667,043)	(2,254,277)	(13,454,492)
Cash payments to employees for services	(4,208,236)	(4,298,168)	--	(8,506,404)
Internal activities - receipts from other funds	<u>(5,610)</u>	<u>(2,372)</u>	<u>767,582</u>	<u>759,600</u>
Net cash provided by (used in) operating activities	<u>5,018,812</u>	<u>(3,585,588)</u>	<u>772,377</u>	<u>2,205,601</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(6,411,964)	--	(4,692,792)	(11,104,756)
Principal paid on debt	(2,336,118)	--	--	(2,336,118)
Interest paid	(4,170,405)	--	(242,220)	(4,412,625)
Capital contribution from, developers property owners, other funds and governments	<u>707,761</u>	<u>--</u>	<u>310,431</u>	<u>1,018,192</u>
Net cash provided by (used in) capital and related financing activities	<u>(12,210,726)</u>	<u>--</u>	<u>(4,624,581)</u>	<u>(16,835,307)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating grants	580,324	78,099	187,043	845,466
Transfers in	412,465	3,797,100	619,226	4,828,791
Transfers out	<u>(2,459,141)</u>	<u>--</u>	<u>--</u>	<u>(2,459,141)</u>
Net cash provided by (used in) noncapital financing activities	<u>(1,466,352)</u>	<u>3,875,199</u>	<u>806,269</u>	<u>3,215,116</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	1,432,941	30,605	60,260	1,523,806
Net change in fair value of investments	328,126	6,879	--	335,005
Net increase from purchases, sales and activities of restricted investments	<u>4,669,252</u>	<u>--</u>	<u>51,634</u>	<u>4,720,886</u>
Net cash provided by (used in) investing activities	<u>6,430,319</u>	<u>37,484</u>	<u>111,894</u>	<u>6,579,697</u>
Net increase (decrease) in cash and cash equivalents	(2,227,947)	327,095	(2,934,041)	(4,834,893)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>34,456,345</u>	<u>713,364</u>	<u>2,941,353</u>	<u>38,111,062</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ <u>32,228,398</u>	\$ <u>1,040,459</u>	\$ <u>7,312</u>	\$ <u>33,276,169</u>
CLASSIFIED AS:				
Unrestricted	\$ 26,004,159	\$ 1,040,459	\$ 7,312	\$ 27,051,930
Restricted	<u>6,224,239</u>	<u>--</u>	<u>--</u>	<u>6,224,239</u>
	\$ <u>32,228,398</u>	\$ <u>1,040,459</u>	\$ <u>7,312</u>	\$ <u>33,276,169</u>

CITY OF PLANTATION, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
(continued)
For the Year Ended September 30, 2006

	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Water and Wastewater Services</u>	<u>Fire/Rescue Services</u>	<u>Golf Course</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 672,807	\$ (3,696,783)	\$ 161,822	\$ (2,862,154)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Provision for depreciation	5,311,579	124,587	502,150	5,938,316
Provision for bad debt	394	305,744	--	306,138
Changes in assets and liabilities:				
Accounts receivable	(766,971)	(353,658)	(463,910)	(1,584,539)
Due from other governments		330	--	330
Inventories	(131,724)	--	(54,060)	(185,784)
Accounts payable and other accrued expenses	(66,605)	36,564	(141,207)	(171,248)
Due to other funds	(5,610)	(2,372)	767,582	759,600
Deposits	4,942	--	--	4,942
Total adjustments	<u>4,346,005</u>	<u>111,195</u>	<u>610,555</u>	<u>5,067,755</u>
Net cash provided by (used in) operating activities	\$ <u>5,018,812</u>	\$ <u>(3,585,588)</u>	\$ <u>772,377</u>	\$ <u>2,205,601</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Accreted interest on bonds	\$ <u>354,999</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>354,999</u>
Provision for amortization of bond discount (premium)	\$ <u>--</u>	\$ <u>--</u>	\$ <u>(21,433)</u>	\$ <u>(21,433)</u>
Provision for amortization of bond issuance costs	\$ <u>37,421</u>	\$ <u>--</u>	\$ <u>13,616</u>	\$ <u>51,037</u>

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
STATEMENT OF FIDUCIARY NET ASSETS
PENSION FUNDS
September 30, 2006

	<u>General Employees' Pension</u>	<u>Police Officers' Pension</u>	<u>Volunteer Firefighters' Pension</u>	<u>Total</u>
ASSETS:				
Cash and investments with fiscal agent/third party	\$ 80,862,030	\$ 67,111,090	\$ 8,643,835	\$ 156,616,955
Receivables - other	145,572	--	--	145,572
Due from other governments	<u>--</u>	<u>--</u>	<u>225,951</u>	<u>225,951</u>
Total assets	<u>81,007,602</u>	<u>67,111,090</u>	<u>8,869,786</u>	<u>156,988,478</u>
LIABILITIES:				
Accounts payable and other accrued expenses	<u>581,426</u>	<u>1,193,753</u>	<u>25,406</u>	<u>1,800,585</u>
Total liabilities	<u>581,426</u>	<u>1,193,753</u>	<u>25,406</u>	<u>1,800,585</u>
NET ASSETS:				
Held in trust for employees' pension benefits	\$ <u>80,426,176</u>	\$ <u>65,917,337</u>	\$ <u>8,844,380</u>	\$ <u>155,187,893</u>

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION FUNDS
For the Year Ended September 30, 2006

	<u>General Employees' Pension</u>	<u>Police Officers' Pension</u>	<u>Volunteer Firefighters' Pension</u>	<u>Total</u>
ADDITIONS:				
Contributions:				
City	\$ 3,112,143	\$ 2,591,080	\$ --	\$ 5,703,223
Members	1,945,352	996,967	--	2,942,319
State	<u>--</u>	<u>615,796</u>	<u>602,489</u>	<u>1,218,285</u>
Total contributions	<u>5,057,495</u>	<u>4,203,843</u>	<u>602,489</u>	<u>9,863,827</u>
Investment income:				
Interest and dividends	2,212,419	966,413	97,288	3,276,120
Net change in fair value of investments	<u>4,427,631</u>	<u>4,468,468</u>	<u>561,963</u>	<u>9,458,062</u>
Total investment income	<u>6,640,050</u>	<u>5,434,881</u>	<u>659,251</u>	<u>12,734,182</u>
Total additions	<u>11,697,545</u>	<u>9,638,724</u>	<u>1,261,740</u>	<u>22,598,009</u>
DEDUCTIONS:				
Benefit payments	3,437,418	2,945,422	138,680	6,521,520
Termination refunds	660,599	71,634	--	732,233
Administrative	<u>387,509</u>	<u>470,426</u>	<u>80,753</u>	<u>938,688</u>
Total deductions	<u>4,485,526</u>	<u>3,487,482</u>	<u>219,433</u>	<u>8,192,441</u>
Changes in net assets	7,212,019	6,151,242	1,042,307	14,405,568
NET ASSETS HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS AT BEGINNING OF YEAR				
	<u>73,214,157</u>	<u>59,766,095</u>	<u>7,802,073</u>	<u>140,782,325</u>
NET ASSETS HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS AT END OF YEAR				
	\$ <u>80,426,176</u>	\$ <u>65,917,337</u>	\$ <u>8,844,380</u>	\$ <u>155,187,893</u>

The accompanying notes to financial statements are an integral part of these statements.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 1 - GENERAL DESCRIPTION OF THE CITY

The City of Plantation, Florida (the "City") was incorporated in 1953. It is located in the western portion of Broward County, Florida and has a population of 84,891 residents. The City operates under a Mayor/Council form of government and provides the following services: general government, public safety, physical environment, transportation, and culture and recreation. The City also operates three enterprise funds which provide water and wastewater services, emergency medical services and a municipal golf course.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) - Reporting Entity

The financial statements of the City of Plantation, Florida (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Generally accepted accounting principles (GAAP) include all relevant required Governmental Accounting Standards Board (GASB) pronouncements. This report includes all departments, agencies, boards, funds and account groups that are under the direct oversight responsibility of or dependent on the City. In evaluating whether oversight responsibility or dependence exists with respect to other entities, management evaluated such factors as the Council's ability to select or appoint management or key employees, the ability to significantly influence operations, the scope of services provided by the entities to the City's citizens and financial interdependency. The most significant of these factors considered was financial interdependence, which if present, would be characterized by the responsibilities for approval of budgets, funding deficits and guarantees of debts.

The operations of Plantation Gateway Development District, the Plantation Midtown Development District and the Community Redevelopment Agency (CRA), are reported within the Special Revenue Fund types using the blended method. Capital outlays related to these funds are accounted for in Capital Projects Funds. The CRA also has an escrow fund created for repayment of fiscal advances from the Series 2002 and 2003 Bond proceeds. The Broward County Board of County Commissioners delegated authority to the Governing Body of Plantation, Florida to create a Community Redevelopment Agency (CRA) for the rehabilitation, conservation, or redevelopment of a certain blighted area within the municipal jurisdiction. The elected officers of the City of Plantation are the members of the Board of Commissioners of the Plantation Community Redevelopment Agency. Although it is legally separate from the City, the CRA is reported as part of the primary government because its sole purpose is to finance and redevelop the City's designated redevelopment areas. Separate financial information for the Plantation Gateway Development District, Plantation Midtown Development District and the CRA can be obtained from the City's Finance Department. The City of Plantation Public Health Authority, a dependent special authority, has not been included because it has had no transactions for the period. The Authority has both outstanding and defeased bonds which are not included in these financial statements since the City is not obligated in any manner.

There were no other entities meeting the criterion that were excluded from the accompanying financial statements.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) - Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) 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 are offset by program revenues. Direct expenses are those expenses that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and fines and forfeitures and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate 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 enterprise funds are reported as separate columns in the fund financial statements.

(c) - Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider 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. Property taxes and charges for services are considered available when collected in the current year or within sixty days subsequent to year end; provided that amounts received pertain to billings through the fiscal year just ended. Intergovernmental revenues, franchise fees, and utility service taxes are recorded in accordance with their legal or contractual requirements if collected in the current period or within 60 days after year end. Investment income is recorded when earned. Permits, fines and forfeitures, and miscellaneous revenue are recorded as revenue when received in cash because they are generally not measurable until actually received.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Occupational license revenue collected in advance of periods to which they relate is recorded as unearned revenue. Due to the somewhat unusual circumstances concerning Federal Emergency Management Agency reimbursements, the City uses an availability period of six months for recognition of this revenue.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include (1) interest on long-term debt which is recognized when due and (2) the long-term portion of compensated absences as well as the corresponding fringe benefits for employees of the governmental funds.

The Proprietary and Pension Trust Funds recognize revenue when earned and expenses when incurred including a provision for depreciation of their capital assets. Earned but unbilled services receivable have been accrued in the Enterprise Funds.

The City reports the following major governmental funds:

The General Fund is the primary operating fund of the City. It accounts for all financial resources of the general government except those required to be accounted for in a separate fund, due to legal or other requirements.

The Pledged Revenue Fund accounts for the receipt of all revenues that are pledged to the City's various bond issues.

The Designated Capital Improvements and Reserve Fund is funded by any remaining surplus in the General Fund at fiscal year end. It accounts for all capital projects that are not specific to another Capital Projects Fund.

The Community Redevelopment Agency Designated Capital Improvements Fund is funded by any remaining surplus in the Community Redevelopment Agency Special Revenue Fund. These funds are used to pay for specific redevelopment plan projects that will be completed within a three-year period.

The City reports the following major proprietary funds:

Water and Wastewater Services Fund – accounts for water and wastewater services provided to the residents of the City.

Fire/Rescue Services Fund – accounts for the operations of the City provided emergency medical services.

Golf Course Fund – accounts for the operations of the municipal golf course.

Additionally, the City reports the following fund types:

Pension Trust Funds account for the activities of the General Employees' Pension Trust, Police Officers' Pension Trust and the Volunteer Firefighters' Pension Trust that accumulate resources for pension benefit payments to qualifying City employees.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally 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 Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business-type activities, subject to the same limitation. The City has elected not to follow subsequent private sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and charges between the City's enterprise funds and the General Fund as well as cost reimbursement transactions between the enterprise funds and various other functions of City government. Elimination of these charges would distort the direct costs and program revenues reported for those sectors.

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 enterprise funds are charges to customers for sales and services. The Water and Wastewater Services Fund also recognizes as operating revenue the portion of the tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses that do not meet this definition are reported as non-operating revenue and expenses.

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

(d) - Budget Process and Calendar

Each year, annual operating budgets are established for each governmental fund, proprietary fund, and pension trust fund. All budgets are prepared on a basis consistent with generally accepted accounting principles. In all cases the budget was amended at the fund level to increase appropriations to meet or exceed expenditures where necessary. Appropriations, which lapse at year end, are legally controlled at the total fund appropriation level. Unused budget balances lapse at year end.

The procedures for establishing the budgetary data reflected in the financial statements are as follows:

- Prior to September 1, the Mayor submits to the City Council a proposed operating budget for the year commencing the following October 1. The operating budget includes proposed expenditures/expenses and the means of financing them.
- Public hearings as required by State statute are conducted to obtain taxpayer comments.
- Prior to October 1, the budget is legally enacted through passage of a Resolution.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) - Cash and Cash Equivalents

The City considers cash on hand, cash with fiscal agents, demand deposits and bank repurchase agreements as cash and cash equivalents. In addition, each fund's equity in the City's investment pool has been treated as a cash equivalent since cash may be deposited or withdrawn from the pool at any time without prior notice or penalty.

(f) - Investments

All investments are stated at their fair value as of September 30, 2006. The City has entered into investment agreements in connection with the \$ 36,800,000 Non-Ad Valorem Revenue Bonds, Series 2003. These investments are segregated and invested separately from the pooled investment funds. All other cash and investments of each fund, except Debt Service Funds and Pension Trust Funds are accounted for in pooled cash and investment accounts with each fund maintaining its proportionate equity in the pooled accounts. Income earned from the pooling of investments is allocated to the respective funds based upon average daily proportionate equity. The investments of Pension Trust Funds are managed by boards of trustees and are maintained in separate accounts. Net change in fair value of investments is comprised of the change in net unrealized gain (loss) and net realized gain (loss) based upon sales within these funds applied on a first-in, first-out basis and are reflected in current operations.

(g) - Inventories

Inventories are valued at the lower of cost (first-in, first-out) or market. The City uses the consumption method wherein all inventories are maintained by perpetual records, expensed when used and adjusted by an annual physical count. These amounts are reserved in governmental fund financial statements. The golf course inventory for the pro shop is based upon perpetual records. The inventories for the golf course restaurant and fuel are based upon a monthly physical count.

(h) - Prepaid Expenses/Expenditures

Prepaid expenses/expenditures are recorded as assets when the initial payment is made. Each asset is then charged off against operations in the period benefitted. These amounts are reserved in the governmental fund financial statements.

(i) - Capital Assets

Capital assets, which include land, construction-in-progress, improvements other than buildings, buildings, infrastructure, machinery and equipment and library collections, etc., are reported in the applicable governmental or business-type activities column in the government-wide financial statements. All capital assets are valued at historical cost or estimated cost if actual historical cost is not available. Donated and confiscated capital assets are valued at their estimated fair value on the date donated or when awarded by the courts. A \$ 1,000 capitalization threshold has been established for machinery and equipment type capital assets and \$ 100,000 for infrastructure. All land, improvements other than buildings and buildings, are capitalized. The composite method is used to capitalize the cost of library collections and infrastructure. Depreciation on all capital assets, except library collections and infrastructure, is charged to operations using the straight-line method over the assets' estimated service lives, ranging from 3 to 30 years. The composite method of depreciation applies a rate to the total composite value which is increased by additions or improvements and decreased by disposals. Interest is capitalized on projects during the construction period in proprietary funds.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

GASB Statement No. 34 requires the City to report and depreciate new infrastructure assets effective October 1, 2002. Infrastructure assets include roads, bridges, underground pipe (other than those related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and is first effective for fiscal years ending in 2007. The City will implement the retroactive infrastructure provisions by the fiscal year ending September 30, 2007.

(j) - Bond Premium, Discount and Issuance Costs

Bond premium, discount and issuance costs are amortized over the lives of the bond issues using the straight-line method, or the effective interest method. Remaining bond discount or premium and issuance cost is amortized over the lesser of the remaining life of the refunded bonds or the life of the refunding bonds.

(k) - Self-Insurance

The City is self-insured for portions of group health insurance, workers' compensation, property, general and automobile liability. The General Fund bills the other funds to cover insurance premiums and claims. In the government-wide financial statements, the accrued liability for estimated claims represents an estimate of the eventual loss on claims arising prior to year-end, including claims incurred and not yet reported.

(l) - Compensated Absences

City employees are granted vacation pay and sick leave in varying amounts based on length of service. Vested sick leave in excess of 240 hours earned while not exceeding 480 hours, and vested unused vacation not exceeding 240 hours are paid upon an employee's termination. Accumulated compensated absences, along with the corresponding FICA taxes, are recorded as expenses in the government-wide and proprietary fund financial statements when earned. Expenditures for accumulated compensated absences and corresponding FICA taxes have been recorded in the governmental funds to the extent that such amounts will be paid from expendable available resources.

(m) - Equity Classifications

Government-wide statements

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, loans, capital leases or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- b. Restricted net assets – Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Fund statements

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.

(n) – Property Taxes

Under Florida law, the assessments of all properties and the collection of all county, municipal and school board property taxes are consolidated in the Offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide. All property is reassessed according to its fair market value on January 1 of each year. The assessed value of property within the corporate limits of the City at January 1, 2005, upon which the 2005-06 levy was based, was approximately \$ 6.90 billion. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the assessment rolls meet all of the appropriate requirements of State law.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The tax levy of the City is established by the City Council prior to October 1 of each year and the Broward County Property Appraiser incorporates 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, 2006 was 4.5889 mills (\$ 4.5889 per \$ 1,000 of taxable assessed valuation).

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount. Tax collections for the year ended September 30, 2006 were 96.02% of the tax levy, net of discounts allowed.

Certificates are sold by the County on or prior to June 1 following the tax year, for all delinquent taxes on real property. After they are sold, tax certificates bear interest at 18% per year or at any lower rate bid by the buyer. The certificate holder may make an application for a tax deed on any unredeemed tax certificates after a period of two years. The County holds unsold certificates. Delinquent taxes on personal property also bear interest at 18% per year until the tax is satisfied either by seizure and sale of the property or by the five year statute of limitations.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City does not accrue property tax receivables based on the County's allocation of the City's portion of County-held certificates for prior years because they are immaterial.

(o) – Retirement Systems

The City sponsors and administers three retirement systems covering substantially all full-time general employees, police officers and volunteer firefighters. Annual costs of the pension plans are actuarially computed and the City funds annual pension costs as incurred. Investments for each of the systems are stated at their fair value.

(p) – Internal Balances

Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the government-wide governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

(q) – Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 3 – DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds to facilitate the cash management and investment process. Each fund's portion of this pool is included on the statement of net assets as "cash and equity in pooled cash and investments" and "restricted assets cash and equity in pooled cash and investments." A fiscal agent holds the City's debt service funds of \$ 11,650,606 separate from the other City funds. Third parties hold separately \$ 6,608,549 of unspent proceeds of the 2003 Non-Ad Valorem Bond issue. The Pension Trust Funds also maintain their investments with a fiscal agent.

(a) – Primary Government - Investments

As of September 30, 2006, the City had the following aggregate investments and maturities at fair value:

Investment Maturities (In Years)

Investment Type	Fair Value	Less Than 1
Repurchase Agreement	\$ 8,050,411	\$ 8,050,411
Federal Home Loan Bank*	52,969,560	52,969,560
Federal Home Loan Mortgage Corp	2,994,150	2,994,150
Federal National Mortgage Association*	4,880,641	4,880,641
Federal Farm Credit Bank*	1,996,880	1,996,880
Guaranteed Investment Contract	4,969,200	4,969,200
Commercial Paper	2,235,926	2,235,926
2a-7-like pool	<u>15,422,527</u>	<u>15,422,527</u>
	<u>\$ 93,519,295</u>	<u>\$ 93,519,295</u>

* These securities have call features. The callable date was used in determining the interest rate risk. These securities being short-term possess only a moderate exposure for fair value losses due to the securities being called before maturity.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

Interest rate risk

To mitigate its exposure to losses in fair value resulting from rising interest rates, the City's investment policy focuses on investing its operating funds primarily in shorter term securities, purchasing securities that periodically adjust the coupon rate to the market and by structuring the portfolio so that the City's cash demands are met without having to sell securities prior to maturity. Unless matched to specific cash flow, the City will not directly invest in securities maturing beyond three years. All the securities previously listed in the table comply with this requirement.

Credit risk

The City has an investment policy that limits investments to the safest types of securities. This policy requires a diversified portfolio to minimize the potential loss on individual securities. The City can only conduct business with financial institutions that are on the approved list of the Florida Public Depository. The investments in the Federal Home Loan Bank, the Federal Home Loan Mortgage Corp, the Federal National Mortgage Association, and the Federal Farm Credit Bank were all rated AAA by Moody's Investment Services or NA for one security with a market value of \$ 2,905,641 maturing within three months of this fiscal year end. State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). As of September 30, 2006, the City's investments in commercial paper was rated P1 by Standard and Poors Investment Services. This is the highest rating possible for commercial paper. The MBIA Guaranteed Investment Contracts (GIC) is rated AAA by Moody's.

Custodial credit risk - investments

For an investment, custodial credit risk is the risk that, in the event of a failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Securities purchased, excluding the repurchase agreement, from any bank or dealer including appropriate collateral (as defined by State law) shall be placed with an independent third party for custodial safekeeping. These securities are not in the City's name. The repurchase agreement is backed by United States government securities held by the Federal Reserve for a third party as trustee of the City.

Concentration of credit risk

Disclosure is required if investments of 5% or more of the portfolio is with any one issuer. This does not apply to United States Government or obligations explicitly guaranteed by the United States Government, investments in mutual funds or external investment pools. The City does not own any securities that would require disclosure under the requirements of concentration credit risk.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

(b) - Primary Government - Deposits

As of September 30, 2006, the City had deposits in an uninsured and uncollateralized money market fund in the amount of \$ 6,406,798 out of a total balance of the same. The remaining cash and equity in pooled cash consisted of:

Cash on hand	\$	13,645
Interest accrued		<u>815,155</u>
	\$	<u><u>828,800</u></u>

Custodial credit risk - deposits

Custodial credit risk, as it applies to deposits, is the risk that in the event of a bank failure the City's deposits may not be recoverable. These assets are invested in a SunTrust Money Market Fund, but only as the trustee for the City of Plantation. They are not included with bank assets, but are the assets of the City of Plantation.

(c) - Fiduciary Funds

Fiduciary Funds consist of three retirement plans for Police Officers', General Employees' and Firefighters'. As of September 30, 2006, the City had the following aggregate investments and maturities at fair value in these three funds:

	Fair Value	<u>Investment Maturities (In Years)</u>		
		<u>1 to 5</u>	<u>5 to 10</u>	<u>More Than 10</u>
United States Treasury notes or bonds \$	18,120,170	\$ 11,590,445	\$ 4,570,206	\$ 1,959,519
Federal Home Loan Mortgage Corp	7,149,955	--	1,497,994	5,651,961
Federal National Mortgage Association	598,226	--	--	598,226
Corporate Bonds	<u>3,664,044</u>	<u>558,594</u>	<u>2,460,173</u>	<u>645,277</u>
	\$ <u><u>29,532,396</u></u>	\$ <u><u>12,149,039</u></u>	\$ <u><u>8,528,373</u></u>	\$ <u><u>8,854,983</u></u>

Interest rate risk

To mitigate its exposure to losses in fair value resulting from rising interest rates, the City's General Employees' and Firefighters' Pension Plans' Investment Policies focus on investing its pension funds in a well diversified and balanced portfolio of real estate and equity, fixed-income and money market securities. The Police Officers' Pension Plans's primary objective is the protection and preservation of the invested assets while seeking the highest possible return. The Board of Trustees for each of the three Pension Plans may also invest Plan assets in mutual funds. The Boards determine the total expected annual rate of return for the current year, each of the next several years and for the longer term thereafter. The investment policies do not put direct restrictions on the length of time a security can be held as long as Plan objectives are met.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

Credit risk

The City's General Employees' and Firefighters' Pension Plans Investment Policies require its fixed-income portfolio to be invested in bonds with a rating of Baa/BBB or higher. As of September 30, 2006, the City is in compliance with this policy. The Police Officers' Pension Plan requires debt securities to be invested in United States Government and United States Government Agency bonds and/or bonds issued by United States corporations that are rated A or better by Moody's or Standard and Poors' rating services. The types of investments in the Police Officer's Pension Plan as of September 30, 2006 are exempt from requiring a credit risk rating.

Concentration of credit risk

Disclosure is required if investments of 5% or more of the portfolio is placed with any one issuer. This does not apply to United States Government or obligations explicitly guaranteed by the United States Government, investments in mutual funds or external investment pools. All investments that exceeded 5% are exempt from disclosure.

The City's concentration of investments is in compliance with the guidelines established by the Statement of Investment Policy Goals and Guidelines for the Plantation General Employees' Retirement System as determined by Merrill Lynch Consulting Services. There were no investments exceeding 5% of the total Plan assets for the Plantation General Employees' Retirement System.

Foreign currency risk

The General Employees' Pension Plan Investment Policy limits investments in equity securities issued by companies that are domiciled outside the United States to no more than 20%. The General Employees' Pension Plan has 6.4% of the total Plan value invested in one foreign mutual fund, American Euro-Pacific and Templeton Foreign Equity Series. The Firefighters' Pension Plan Investment Policy allows 10% and 20% of the total Plan assets to be invested in foreign equity securities and fixed-income securities, respectively. This Plan had 9.9% of the total Plan value invested in foreign investments as of September 30, 2006. The Police Officers' Pension Plan Investment Policy allows investments in foreign securities at the discretion of the Board. The Board approved 10% of the total Plan assets to be invested in various international mutual funds as of September 30, 2006.

NOTE 4 – RECEIVABLES

Receivables at September 30, 2006 consist of the following:

	<u>General</u>	<u>Pledged Revenue</u>	<u>Designated Capital Improvements and Reserve</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Activities</u>
Governmental activities:					
Accounts	\$ 5,508,014	\$ --	\$ 40	\$ 2,254	\$ 5,510,308
Intergovernmental	2,743,808	--	--	368,577	3,112,385
Assessments	32,548	262,574	--	--	295,122
Other	<u>601,298</u>	<u>646,295</u>	<u>1,400</u>	<u>450,600</u>	<u>1,699,593</u>
Gross receivables	8,885,668	908,869	1,440	821,431	10,617,408
Less: allowance for uncollectibles	<u>5,412,838</u>	<u>--</u>	<u>40</u>	<u>2,254</u>	<u>5,415,132</u>
Total receivables, net \$	<u><u>3,472,830</u></u>	<u><u>\$ 908,869</u></u>	<u><u>\$ 1,400</u></u>	<u><u>\$ 819,177</u></u>	<u><u>\$ 5,202,276</u></u>

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 4 – RECEIVABLES (continued)

	<u>Water and Wastewater Services</u>	<u>Fire/ Rescue Services</u>	<u>Golf Course</u>	<u>Total Business- Type Activities</u>
Business-type activities:				
Accounts	\$ 1,392,872	\$ 2,088,565	\$ --	\$ 3,481,437
Unbilled revenue	1,657,749	--	--	1,657,749
Intergovernmental	--	--	50,140	50,140
Assessments	903,367	--	--	903,367
Other	<u>155,528</u>	<u>--</u>	<u>1,513,275</u>	<u>1,668,803</u>
Gross receivables	4,109,516	2,088,565	1,563,415	7,761,496
Less allowance for uncollectibles	<u>248,046</u>	<u>1,691,522</u>	<u>--</u>	<u>1,939,568</u>
Total receivables, net	<u>\$ 3,861,470</u>	<u>\$ 397,043</u>	<u>\$ 1,563,415</u>	<u>\$ 5,821,928</u>

Receivables are presented in the statement of net assets as follows:

Governmental activities:	
Assessments	\$ 295,122
Other	1,816,828
Due from other governments	2,721,749
Restricted assets, due from other governments	<u>368,577</u>
Total	<u>\$ 5,202,276</u>
Business-type activities:	
Assessments	\$ 903,367
Water and wastewater	2,801,949
Transport fees	396,893
Other	1,669,579
Due from other governments	<u>50,140</u>
Total	<u>\$ 5,821,928</u>

NOTE 5 - PAYABLES

Payables as September 30, 2006, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Other</u>	<u>Total</u>
Governmental activities:				
General Fund	\$ 4,996,478	\$ 1,333,881	\$ 36,505	\$ 6,366,864
Designated Capital Improvements and Reserve Fund	1,034,122	--	--	1,034,122
Community Redevelopment Agency				
Designated Capital Improvements Fund	56,317	--	--	56,317
Nonmajor Special Revenue Funds	1,180,330	6,357	--	1,186,687
Nonmajor Capital Projects Funds	<u>280,863</u>	<u>--</u>	<u>--</u>	<u>280,863</u>
Total governmental activities	<u>\$ 7,548,110</u>	<u>\$ 1,340,238</u>	<u>\$ 36,505</u>	<u>\$ 8,924,853</u>
Business-type activities:				
Water and Wastewater Services Fund	\$ 1,057,914	\$ 151,812	\$ 61,751	\$ 1,271,477
Fire/Rescue Services Fund	26,494	149,066	--	175,560
Golf Course Fund	<u>1,009,213</u>	<u>--</u>	<u>35,831</u>	<u>1,045,044</u>
Total business-type activities	<u>\$ 2,093,621</u>	<u>\$ 300,878</u>	<u>\$ 97,582</u>	<u>\$ 2,492,081</u>

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 5 – PAYABLES (continued)

Payables are presented in the statement of net assets as follows:

Governmental activities:	
Accounts payable and other accrued liabilities	\$ 6,792,633
Accounts payable from restricted assets	1,522,177
Compensated absences due within one year	<u>610,043</u>
Total	\$ <u>8,924,853</u>
Business-type activities:	
Accounts payable and other accrued liabilities	\$ 1,967,737
Accounts payable from restricted assets	416,555
Compensated absences due within one year	<u>107,789</u>
Total	\$ <u>2,492,081</u>

NOTE 6 - INTERFUND BALANCES AND TRANSFERS

Interfund balances as of and for the year ended September 30, 2006, consisted of the following:

Receivable Fund	Payable Fund	Amount
General Fund	Water and Water Services Fund	\$ 5,729
General Fund	Fire Rescue Fund	8,091
General Fund	Golf Fund	767,582

Interfund transfers as of and for the year ended September 30, 2006, consisted of the following:

	Transfers In	Transfers Out
General Fund	\$ 14,214,586	\$ 7,868,866
Pledged Revenue Fund	179,916	12,477,901
Designated Capital Improvements and Reserve Fund	2,044,913	596,000
Nonmajor Governmental Funds	4,606,075	2,472,371
Water and Wastewater Services Fund	412,465	2,459,142
Fire/Rescue Services Fund	3,797,100	--
Golf Course Fund	<u>619,225</u>	<u>--</u>
Total	\$ <u>25,874,280</u>	\$ <u>25,874,280</u>

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 6 - INTERFUND BALANCES AND TRANSFERS (continued)

Transfers are used to (1) move revenues from a fund that statute, budget, City ordinance or bond covenant requires to collect them, to a fund that statute, budget, City ordinance or bond covenant requires to expend them, (2) move receipts restricted for debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2006, was as follows:

	Balance October 1, 2005	Additions	Deletions	Transfers	Balance September 30, 2006
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 23,180,824	\$ --	\$ --	\$ --	\$ 23,180,824
Construction in progress	<u>3,432,956</u>	<u>8,428,021</u>	<u>--</u>	<u>(135,870)</u>	<u>11,725,107</u>
Total capital assets, not being depreciated	<u>26,613,780</u>	<u>8,428,021</u>	<u>--</u>	<u>(135,870)</u>	<u>34,905,931</u>
Capital assets, being depreciated:					
Buildings	20,706,076	51,622	(66,888)	--	20,690,810
Improvements other than buildings	43,566,736	372,662	(101,196)	--	43,838,202
Infrastructure	3,536,733	--	--	--	3,536,733
Library collections	1,679,608	59,325	--	--	1,738,933
Machinery and equipment	<u>22,425,188</u>	<u>1,714,204</u>	<u>(537,407)</u>	<u>135,870</u>	<u>23,737,855</u>
Total capital assets, being depreciated	<u>91,914,341</u>	<u>2,197,813</u>	<u>(705,491)</u>	<u>135,870</u>	<u>93,542,533</u>
Total capital assets	<u>118,528,121</u>	<u>10,625,834</u>	<u>(705,491)</u>	<u>--</u>	<u>128,448,464</u>
Less accumulated depreciation for:					
Buildings	11,065,935	614,586	(61,710)	--	11,618,811
Improvements other than buildings	15,338,295	1,450,716	(28,135)	--	16,760,876
Infrastructure	387,416	211,989	--	--	599,405
Library collections	1,433,258	228,365	--	--	1,661,623
Machinery and equipment	<u>14,794,263</u>	<u>1,673,974</u>	<u>(523,744)</u>	<u>--</u>	<u>15,944,493</u>
Total accumulated depreciation	<u>43,019,167</u>	<u>4,179,630</u>	<u>(613,589)</u>	<u>--</u>	<u>46,585,208</u>
Total capital assets, being depreciated, net	<u>48,895,174</u>	<u>(1,981,817)</u>	<u>(91,902)</u>	<u>135,870</u>	<u>46,957,325</u>
Governmental, activities capital assets, net	<u>\$ 75,508,954</u>	<u>\$ 6,446,204</u>	<u>\$ (91,902)</u>	<u>\$ --</u>	<u>\$ 81,863,256</u>

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 7 - CAPITAL ASSETS (continued)

A provision for depreciation was charged to functions as follows:

Governmental activities:	
General government	\$ 329,215
Public safety	1,509,845
Public works	148,921
Transportation	342,616
Physical environment	76,009
Culture and recreation	<u>1,773,024</u>
Total	\$ <u>4,179,630</u>

	Balance October 1, 2005	Additions	Deletions	Transfers	Balance September 30, 2006
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 7,915,890	\$ --	\$ --	\$ --	\$ 7,915,890
Construction in progress	<u>12,378,590</u>	<u>8,462,691</u>	<u>--</u>	<u>(14,238,263)</u>	<u>6,603,018</u>
Total capital assets, not being depreciated	<u>20,294,480</u>	<u>8,462,691</u>	<u>--</u>	<u>(14,238,263)</u>	<u>14,518,908</u>
Capital assets, being depreciated:					
Buildings	18,801,367	3,869	--	3,746,490	22,551,726
Improvements other than buildings	132,503,388	367,016	(69,877)	10,491,773	143,292,300
Infrastructure	155,658	296,572	--	--	452,230
Machinery and equipment	<u>7,376,983</u>	<u>1,908,556</u>	<u>(9,262)</u>	<u>--</u>	<u>9,276,277</u>
Total capital assets, being depreciated	<u>158,837,396</u>	<u>2,576,013</u>	<u>(79,139)</u>	<u>14,238,263</u>	<u>175,572,533</u>
Total capital assets	<u>179,131,876</u>	<u>11,038,704</u>	<u>(79,139)</u>	<u>--</u>	<u>190,091,441</u>
Less accumulated depreciation for:					
Buildings	5,731,720	785,637	--	--	6,517,357
Improvements other than buildings	68,263,031	4,499,422	--	--	72,762,453
Infrastructure	14,176	64,578	--	--	78,754
Machinery and equipment	<u>3,957,307</u>	<u>588,679</u>	<u>(9,262)</u>	<u>--</u>	<u>4,536,724</u>
Total accumulated depreciation	<u>77,966,234</u>	<u>5,938,316</u>	<u>(9,262)</u>	<u>--</u>	<u>83,895,288</u>
Total capital assets, being depreciated, net	<u>80,871,162</u>	<u>(3,362,303)</u>	<u>(69,877)</u>	<u>14,238,263</u>	<u>91,677,245</u>
Business-type activities, capital assets, net	<u>\$ 101,165,642</u>	<u>\$ 5,100,388</u>	<u>\$ (69,877)</u>	<u>\$ --</u>	<u>\$ 106,196,153</u>

A provision for depreciation was charged to various functions as follows:

Business-type activities:	
Water and Wastewater Services Fund	\$ 5,311,579
Golf Course	502,150
Emergency Medical Services	<u>124,587</u>
Total	\$ <u>5,938,316</u>

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 7 - CAPITAL ASSETS (continued)

Construction-in-progress in the governmental activities relates to the City's final phase of the Police Department expansion, the Police Department renovation, the redevelopment of the Plantation Midtown and Plantation Gateway Districts, multiple park, drainage, streetscape and neighborhood improvements, library expansion, technological enhancements in numerous departments, East Tropical Way culvert replacement and the City-wide telephone system upgrade. Construction-in-progress in the business-type activities relates to the City's various water and wastewater line replacement projects, security enhancements and water plant modifications.

NOTE 8 - PROPRIETARY FUNDS' RESTRICTED ASSETS, LIABILITIES PAYABLE FROM RESTRICTED ASSETS AND RESTRICTED NET ASSETS

Restricted assets and liabilities of the Water and Wastewater Services Fund at September 30, 2006 represent bond and loan proceeds restricted for debt service; maintenance and improvements under the terms of outstanding bond and revolving loan agreements; capacity charges for capital expansion; and customer deposits. Assets restricted for these purposes represent cash, investments, and equity in pooled cash and investments totaling \$ 8,969,749. Liabilities payable from restricted assets of the Water and Wastewater Services Fund include the current portion of long-term debt of \$ 3,373,873, which includes \$ 3,362,691 in current maturities of principal for the revenue bonds and revolving loan and \$ 11,182 for accrued interest payable on the revolving loan; customer deposits of \$ 1,833,811 and accounts payable and other accrued expenses of \$ 416,555. For certain assets restricted under bond and loan agreements and other contractual arrangements, a reserve is established by charging net assets, less and related liabilities. When the restricted assets are expended, the reserves are restored. The Golf Course Fund has restricted assets of \$ 692,736 and liabilities payable from restricted assets of \$ 52,127 for accrued interest payable on the 2003 Non-Ad Valorem Revenue Bonds and \$ 110,988 for the current portion of a capital lease liability. There were no liabilities payable from restricted assets for the Fire/Rescue Services Fund.

The following is a summary of restricted assets, liabilities payable from restricted assets and restricted net assets at September 30, 2006:

	<u>Restricted Assets</u>	<u>Liabilities Payable from Restricted Assets</u>	<u>Restricted Net Assets</u>
Debt service	\$ 6,812,119	\$ 3,536,988	\$ 3,275,131
Renewal and replacement	1,016,555	416,555	600,000
Customer deposits	<u>1,833,811</u>	<u>1,833,811</u>	<u>--</u>
Total	\$ <u>9,662,485</u>	\$ <u>5,787,354</u>	\$ <u>3,875,131</u>

Water and wastewater debt service and renewal and replacement assets are restricted for the current and future payment of revenue bond indebtedness and interest (Note 9).

Capital expansion funds are accumulated contributions (capacity charges) from developers and can be used for construction costs or for the repayment of debt service on revenue bonds issued for the expansion of capacity related capital improvements. Included in restricted assets is investment income on assets restricted for these purposes. All capital expansion funds had been expended as of September 30, 2006.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 9 - LONG-TERM DEBT AND LIABILITIES

(a) - Summary of Long-Term Debt of Business-type Activities

Long-term debt of the Enterprise Fund Types at September 30, 2006 is comprised of the following:

\$ 17,636,726 Water and Sewer Revenue Capital Appreciation Bonds, Series 1989:		
Principal		\$ 715,633
Accreted value of interest		<u>1,887,856</u>
		<u>2,603,489</u>
Florida Department of Environmental Regulation Revolving Loan		<u>3,240,426</u>
\$ 8,320,000 Non-Ad Valorem Revenue Bonds, Series 2003:		
Principal		8,320,000
Unamortized premium		<u>174,762</u>
		<u>8,494,762</u>
\$ 525,477 Capital lease:		
Principal		<u>471,559</u>
Total debt		14,810,236
Less current maturities included in payable from restricted assets		<u>3,473,679</u>
Total business-type activities long-term debt		\$ <u>11,336,557</u>

The following is a summary of changes in Enterprise Fund long-term debt for the year ended September 30, 2006:

	<u>Series 1989</u>	<u>FDER Loan</u>	<u>Series 2003</u>	<u>Lease Capital</u>	<u>Total</u>
Balance, October 1, 2005	\$ 7,855,065	\$ 3,968,035	\$ 8,516,195	\$ --	\$ 20,339,295
Additions	--	--	--	525,477	525,477
Increases in accreted values of Capital Appreciation Bonds	354,999	--	--	--	354,999
Redemptions	(5,606,575)	(727,609)	--	(53,918)	(6,388,102)
Reduction of unamortized discount (premium)	--	--	(21,433)	--	(21,433)
Balance, September 30, 2006	\$ <u>2,603,489</u>	\$ <u>3,240,426</u>	\$ <u>8,494,762</u>	\$ <u>471,559</u>	\$ <u>14,810,236</u>

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 9 - LONG-TERM DEBT AND LIABILITIES (continued)

(b) - Summary of Significant Bond Terms of Business-type Activities

\$ 17,636,726 Water and Sewer Revenue Capital Appreciation Bonds, Series 1989 - The City previously issued Capital Appreciation Bonds in the amounts of \$ 11,729,089 which were due in the year 2003 and \$ 5,907,637 which are due in 2007 at a price to yield 7.45% and 7.50%, respectively.

The City's Bond resolutions and agreements contain certain limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, and minimum amounts to be maintained in the Sinking Fund, the Reserve Fund and the Renewal and Replacement Fund.

The Resolution provides that the gross revenue of the water and wastewater system will be deposited, as received, in the Operation and Maintenance Fund. Moneys remaining in the Operation and Maintenance Fund in excess of current expenses are transferred to the following funds or accounts in the order specified:

- To the Sinking Fund on or before the fifteenth day of each month an amount equal to the sum of (i) one-sixth (1/6) of the interest payable on all the outstanding bonds on the next ensuing interest payment date including amounts sufficient to pay the fees and charges of the paying agent; and (ii) an amount equal to one-sixth (1/6) of the next maturing installment of principal of all series of bonds.
- To the Reserve Fund an amount sufficient to maintain a balance equal to the maximum annual principal and interest requirements for the current or any succeeding year. These funds may be used only for the purpose of curing deficiencies in the Sinking Fund when funds in the Renewal and Replacement Fund are insufficient for this purpose.
- To the Renewal and Replacement Fund (i) an amount necessary to maintain a sum equal to \$ 600,000; (ii) such greater amount as the City determines is necessary; or (iii) such greater or lesser amount, if any, which an independent consultant retained for such purpose in its latest written report prepared pursuant to the Resolution shall have recommended. These funds may be used only to (a) cure deficiencies in the Sinking Fund and Reserve Fund, and (b) upon the authorization of the City Council and the independent consultants only after all deficiencies in (a) have been cured, to pay the cost of extensions, enlargements and additions to, and replacement of, capital assets and repairs of the water and wastewater system.

Security for the bonds consists of a lien on certain franchise taxes, 30% of the electric utility service taxes, and the guaranteed entitlement received from the State of Florida, including balances on deposit in the Sinking Fund, Reserve Fund and the Renewal and Replacement Fund.

Florida Department of Environmental Regulation Revolving Loan - The City previously entered into a loan agreement with the State of Florida Department of Environmental Regulation to finance the expansion of its regional wastewater plant and certain modifications to an existing pump station. This initial agreement authorized available funds in the amount of \$ 5,500,000. Subsequent amendments increased the total available loan amount to \$ 12,077,791.

CITY OF PLANTATION, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2006

NOTE 9 - LONG-TERM DEBT AND LIABILITIES (continued)

The amended agreement provides for repayments of \$ 899,947 including both principal and interest, due on September 1 of each year. The interest rate on the initial \$ 5,500,000 principal borrowings is fixed at 4.08%, while the rate on the additional borrowings is 4.56%, which may be adjusted downward pursuant to Chapter 17-503, Florida Administrative Code. As of September 30, 2006, the City's outstanding borrowings were \$ 3,240,426. Included in payable from restricted assets is \$ 759,022, which represents current maturities of principal and \$ 11,182, which represents accrued interest payable on the loan at September 30, 2006.

The loan agreement requires the City to deposit one-twelfth (1/12) of the annual loan payment into an escrow account each month until the payment due date. In addition, the City must keep a reserve account equal to 15% of the annual loan payment.

The net revenue derived from the operation of the City's water and wastewater system, after providing for the debt service requirements under the Enterprise Fund bond issues, has been pledged as collateral for this indebtedness.

\$ 8,320,000 Non-Ad Valorem Revenue Bonds, Series 2003— In June 2003, the City issued \$ 8,320,000 of serial bonds maturing from 2004 to 2024. The 2003 Bonds were issued to provide for the development of a golf course and park elements on land acquired at the golf course site.

This bond issue provides for the establishment of a Reserve Account in an amount, which is, as of any date of calculation, the lesser of (i) the maximum annual debt service on Series 2002 and 2003 Bonds; (ii) one hundred twenty-five percent (125%) of annual average principal and interest requirements on Series 2002 and 2003 Bonds; (iii) ten percent (10%) of the proceeds of Series 2002 and 2003 Bonds; or (iv) the sum of the initial Reserve Account requirements applicable to each Series 2002 and 2003 Bonds then outstanding.

The City has complied with all significant bond and loan covenants and restrictions.

(c) - Summary of All Future Debt Service Requirements for Business-type Activities

The annual requirements to amortize all outstanding debt of the business-type activities as of September 30, 2006, including interest payments, are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 3,473,679	\$ 602,493	\$ 4,076,172
2008	907,496	483,676	1,391,172
2009	946,408	444,764	1,391,172
2010	987,891	402,942	1,390,833
2011	--	363,048	363,048
2012-2016	1,285,000	1,741,218	3,026,218
2017-2021	3,590,000	1,346,500	4,936,500
2022-2024	<u>3,445,000</u>	<u>284,100</u>	<u>3,729,100</u>
	14,635,474	\$ <u>5,668,741</u>	\$ <u>20,304,215</u>
Unamortized premium	<u>174,762</u>		
	\$ <u>14,810,236</u>		

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 9 - LONG-TERM DEBT AND LIABILITIES (continued)

(d) - Summary of Defeased Bonded Debt Outstanding for Business-type Activities

A summary of defeased bonded debt of the Water and Wastewater Services Fund at September 30, 2006, for which the trust accounts' assets and related liabilities are not included in the City's financial statements, is as follows:

Series	Issue	Balance Outstanding
1978	Water and Sewer Revenue	\$ 8,400,000

(e) - Summary of Long-Term Debt of Governmental Activities

Long-term debt and liabilities of the governmental activities at September 30, 2006 is comprised of the following bond issues, notes and accrued compensated absences:

\$ 28,480,000 Non-Ad Valorem Revenue Bonds, Series 2003; due in annual installments commencing 2004 through 2024; interest payable semi-annually at 1.00% to 5.00%.	\$ 26,505,000
\$ 22,360,000 Non-Ad Valorem Revenue Bonds, Series 2002; due in annual installments commencing 2007 through 2011; interest payable semi-annually at 3.750% to 5.375%.	22,360,000
\$ 1,323,883 Promissory Note, Dredging Series 2002A; non-revolving line of credit; principal installments commencing 2005 through 2012; interest payable annually at 3.69%.	1,027,976
\$ 1,300,000 Plantation Community Redevelopment Agency Tax Increment Revenue Note, Series 2005; principal installments commencing 2006 through 2020; interest payable annually at 5.34%.	1,241,280
Unamortized premiums (discounts):	
Series 2002 Non-Ad Valorem Revenue Bonds	146,902
Series 2003 Non-Ad Valorem Revenue Bonds	533,919
Series 1993 Electric Franchise Fee Revenue Bonds	(203,087)
Refunding of Series 1993 Electric Franchise Fee Revenue Bonds	(240,746)
Total debt	51,371,244
Less current maturities	3,343,047
Total governmental activities long-term debt	\$ 48,028,197

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 9 - LONG-TERM DEBT AND LIABILITIES (continued)

The following is a summary of changes in governmental activities long-term debt and liabilities for the year ended September 30, 2006:

	Balance October 1, 2005	Additions	Deletions	Balance September 30, 2006	Due Within One Year
Non-Ad Valorem Revenue Bonds, Series 2003	\$ 27,360,000	\$ --	\$ 855,000	\$ 26,505,000	\$ 975,000
Non-Ad Valorem Revenue Bonds, Series 2002	22,360,000	--	--	22,360,000	2,150,000
Promissory Note, Dredging Series 2002A	1,178,609	--	150,633	1,027,976	156,192
Community Redevelopment Agency Tax Increment Revenue Note 2005	1,300,000	--	58,720	1,241,280	61,855
Unamortized Original Issue Premiums	796,126	--	115,305	680,821	--
Unamortized Original Issue Discounts	(220,011)	--	(16,924)	(203,087)	--
Unamortized Refunding Premium	(261,019)	--	(20,273)	(240,746)	--
	<u>\$ 52,513,705</u>	<u>\$ --</u>	<u>\$ 1,142,461</u>	<u>\$ 51,371,244</u>	<u>\$ 3,343,047</u>

(f) - **Summary of Significant Debt Terms of Governmental Activities**

\$ 28,480,000 Non-Ad Valorem Revenue Bonds, Series 2003 - In June 2003, the City issued \$ 28,480,000 of serial bonds maturing from 2004 to 2024. The 2003 Bonds were issued to provide for the refunding of the City's Electric Franchise Fee Revenue Bonds, Series 1993, pay the costs of issuing and insuring the Series 2003 Bonds, fund a debt service Reserve Account for the Series 2003 Bonds and pay a portion of the costs for one or more of the following: (a) planning and building a Plantation Midtown Development District Transit Greenway Project, (b) renovations to the Kennedy Community Center, (c) a City building expansion project, and (d) an economic development project.

This bond issue provides for the establishment of a Reserve Account in an amount which is, as of any date of calculation, the lesser of (i) the maximum annual debt service on Series 2002 and 2003 Bonds; (ii) one hundred twenty-five percent (125%) of annual average principal and interest requirements on Series 2002 and 2003 Bonds; (iii) ten percent (10%) of the proceeds of Series 2002 and 2003 Bonds; or (iv) the sum of the initial Reserve Account requirements applicable to the Series 2002 and 2003 Bonds then outstanding.

\$ 22,360,000 Non-Ad Valorem Revenue Bonds, Series 2002 - In April 2002, the City issued \$ 22,360,000 of serial bonds maturing from 2007 to 2011. The 2002 Bonds were issued to provide for the acquisition, construction and equipping of certain capital improvements including: (1) park development, (2) recreation and cultural facilities, (3) purchase of real property and interests therein, (4) police and fire equipment and facilities, (5) purchase and upgrading of electronic or information technologies, (6) installation, construction, and relocation of roadway and utilities infrastructure, and (7) other City facilities and equipment.

This bond issue provides for the establishment of a Reserve Account in an amount which is, as of any date of calculation, the lesser of (i) the maximum average principal and interest requirements on Series 2002 and 2003 Bonds; (ii) ten percent annual debt service on Series 2002 and 2003 Bonds; (iii) one hundred twenty-five percent (125%) of annual (10%) of the proceeds of Series 2002 and 2003 Bonds; or (iv) the sum of the initial Reserve Account requirements applicable to the Series 2002 and 2003 Bonds then outstanding.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 9 - LONG-TERM DEBT AND LIABILITIES (continued)

\$ 1,323,883 Dredging Series 2002A Promissory Note - In August 2002, the City secured a line of credit/term note for the purpose of financing dredging and dredging improvements for certain canals in the City. Repayment of this obligation will be made primarily from special assessments levied against the 474 benefitted parcels of property.

Interest on the note balance is payable annually on August 12, at a fixed rate of 3.69%. The note balance is due in equal payments of principal and interest beginning in August 2005, and annually thereafter through August 2012. The note payable is secured only by the City's covenant to budget and appropriate available non-ad valorem revenues sufficient to meet future debt service requirements. The note may be subject to a prepayment premium if prepaid prior to maturity.

As of September 30, 2006, the balance of the note was \$ 1,027,976.

\$ 1,300,000 Plantation Community Redevelopment Agency Note - In August 2005, the City closed on a note for the purpose of providing financing for the Community Redevelopment Agency's portion of a grant payable to the developer of the Altman Property. The note will mature fifteen years from closing. The note balance is due in equal payments of principal and interest beginning in August 2006 and annually thereafter through August 2020. The note will be secured by a covenant to budget and appropriate from all legally available non-ad valorem revenues. Interest is payable annually at 5.34%.

The annual debt service requirements for the Series 2002 and 2003 Non-Ad Valorem Revenue Bonds, Dredging Series 2002A Promissory Note, and the Community Redevelopment Agency Tax Increment Revenue Note, Series 2005 consist of:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 3,343,047	\$ 2,104,539	\$ 5,447,586
2008	5,967,114	1,995,347	7,962,461
2009	6,196,570	1,764,331	7,960,901
2010	6,426,431	1,531,424	7,957,855
2011	6,686,717	1,279,088	7,965,805
2012-2016	8,843,566	4,209,427	13,052,993
2017-2021	8,620,811	2,257,934	10,878,745
2022-2024	<u>5,050,000</u>	<u>415,963</u>	<u>5,465,963</u>
	51,134,256	\$ <u>15,558,053</u>	\$ <u>66,692,309</u>
Net unamortized premium/discount	<u>236,988</u>		
	<u>\$ 51,371,244</u>		

(g) - Summary of Defeased Bonded Debt Outstanding for Governmental Activities

At September 30, 2006, there is no outstanding defeased bonded debt of the City's governmental funds.

CITY OF PLANTATION, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2006

NOTE 10 - RETIREMENT PLANS

(a) - Plan Descriptions

The City of Plantation administers three separate single-employer defined benefit retirement plans covering substantially all full-time employees and volunteer firefighters. A separate board of trustees administers each retirement system. These systems are General Employees' Retirement Plan, Police Officers' Retirement Plan and Volunteer Firefighters' Retirement Plan. The plans use the accrual basis of accounting and separate funds have been established, although no separate audit report is prepared. State statutes and City ordinances regulate the plans. Participants in all plans vest after ten years of credited service.

The City has instituted a "Deferred Retirement Option Plan" (D.R.O.P.) as part of the General Employees' Retirement Plan and the Police Officer's Retirement Plan. Under the provision of the D.R.O.P., an employee discontinues their participation in the system and an amount equal to their monthly pension payment is escrowed with the proportionate share of earnings until actual retirement, at which time the individual may elect payment in the entirety or payment options. A liability equal to the escrow amount including accrued earnings is recorded for each Plan. As of September 30, 2006, in the Police Officers' Retirement Plan, one employee entered the D.R.O.P. and seven participants continued in the Plan with a total escrowed amount of \$ 914,366. One retiree no longer participates in the D.R.O.P. but has a balance remaining as of September 30, 2006 in the escrow of \$ 174,927. As of September 30, 2006, in the General Employees' Retirement Plan, nine employees entered the D.R.O.P. and three employees continued to participate in the D.R.O.P. with a total escrowed amount of \$ 302,894 and one retiree no longer participates in the D.R.O.P. but has a balance remaining as of September 30, 2006 in the escrow of \$ 70,967. In the Police Officers' Retirement Plan, one D.R.O.P. participant retired, receiving a lump sum payout of \$ 199,141 for the period ended September 30, 2006. There were no other Police Officer's D.R.O.P. Plan payouts during the year. Two of the General Employees' Retirement Plan D.R.O.P. participants retired from the D.R.O.P. this year. Both current year retirees and one retiree from previous years received lump-sum distributions aggregating \$ 76,102. One previous year's D.R.O.P. retiree is receiving quarterly payments in the amount of \$ 2,500.

Plan members' contributions are recognized in the period in which the contributions are due. Employer contributions to each Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Open-end mutual funds and commingled trust funds are valued by the fund's share price as of the last trade date of the year.

The composition of the membership of each of the Plans as of October 1, 2005 was as follows:

	General Employees'	Police Officers'	Volunteer Firefighters'
Retirees, beneficiaries and D.R.O.P. participants receiving benefits	179	66	20
Terminated plan members entitled to but not yet receiving benefits	35	2	12
Active plan members	<u>569</u>	<u>179</u>	<u>261</u>
Total	<u><u>783</u></u>	<u><u>247</u></u>	<u><u>293</u></u>

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 10 - RETIREMENT PLANS (continued)

The City charges each operating department a fee for fringe benefits of which the pension contribution is a component. There are no short-term differences or net pension obligation that are recorded in the funds.

The Police Officers' Retirement Plan received revisions in benefits as follows:

- Monthly supplemental benefit increased from \$ 200 to \$ 300 at age 55 for all members separating from active employment or leaving the D.R.O.P. after October 1, 2005.
- The definition of pensionable compensation was amended to include assignment pay, shift differential, and annual sell-back of unused leave.
- The reduction factor for early retirement was changed from 5% per year to 3% per year.
- The normal form of benefit would be changed from a life annuity to a 10-year certain and life thereafter annuity.
- Eligibility for early retirement at age 50 with ten years of service. In addition, eligibility at age 45 with 15 years of service.

There were no changes in assumptions since the last actuarial valuation. There was a net actuarial loss of \$ 1,944,607 for the year, which means that actual experience was less favorable than expected. Most of the loss is due to investment earnings below the assumed rate of 8%. While the rate of return on market was 9.9%, the recognized return under the asset smoothing method was 5.5%. The remainder of the loss is due to larger than expected salary increases. The actual loss has caused an increase in annual employer contributions of 2.62% of covered payroll.

The General Employees' Retirement Plan received revisions in benefits since the last actuarial valuation as follows:

- Employee contributions increased from 7.5% to 8.5%.
- The benefit multiplier increased from 2.75% to 3.00% for employees who have greater than 15 years of service at retirement.
- The supplemental benefit for future retirees increased from \$ 200 per month to \$ 300 per month.

There were no changes in assumptions since the last actuarial valuation. There was a net actuarial gain of \$ 900,158 for the year. This means that the actual experience was more favorable than expected. The gain is due mainly to an actual investment return of 8.5% as compared to an assumed return of 8.0% and actual salary increases of 5.8% as compared to assumed of 6.0%. The actuarial gain translates into a decrease in annual employer contributions of .04% of covered payroll.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 10 - RETIREMENT PLANS (continued)

The Volunteer Firefighters' Retirement Plan, received revision in benefits since the last actuarial valuation as follows:

- A non-duty disability benefit equal to the accrued pension was provided for all firefighters with at least ten years of service at time of disability.

This change had no actuarial impact on the plan.

The Volunteer Firefighters' Retirement Plan had no changes in assumptions since the last valuation. There was a net actuarial gain of \$ 229,536 for the year, which means that actual experience was more favorable than expected. This gain is due to larger contributions than the actuarially required amount.

The Boards administering the Plans approve changes to the actuarial assumptions, while changes in benefits must be approved by the City Council.

(b) - Actuarially Determined Contribution Requirements and Contributions Made

The City's funding policy provides for periodic employer contributions paid at least quarterly at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. In addition, the participants are required to contribute a percentage of their salary as follows: General Employees, 8.5%; Police Officers, 9%; and Volunteer Firefighters, 1%. Contributions include provisions for normal costs, administrative expenses and amortization of past service costs over a thirty year period. The employer contribution is based upon the actuarial valuation as of October 1, 2005 for each plan.

For the year ending September 30, 2005, the contribution information is as follows:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Volunteer Firefighters'</u>
Annual required contributions	\$ 2,723,481	\$ 2,333,978	\$ 187,503
Interest on pension obligations (NPO)	(1,186)	(19,795)	(207,329)
Adjustments to annual required contributions	<u>2,186</u>	<u>33,040</u>	<u>257,270</u>
Annual pension costs (APC)	2,724,481	2,347,223	237,444
Contributions made	<u>(2,723,481)</u>	<u>(2,513,800)</u>	<u>(458,411)</u>
Increase (decrease) in net pension obligations (NPO)	1,000	(166,577)	(220,967)
Net pension obligations (NPO) at beginning of year	<u>(14,822)</u>	<u>(247,441)</u>	<u>(2,591,607)</u>
Net pension obligations (NPO) at end of year	\$ <u>(13,822)</u>	\$ <u>(414,018)</u>	\$ <u>(2,812,574)</u>

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 10 - RETIREMENT PLANS (continued)

(c) - Trend Information

<u>Year ending</u>	<u>Annual Pension Cost (APC)</u>	<u>% of APC Contributed</u>	<u>Net Pension Obligation (NPO)</u>
General Employees'			
9/30/03	\$ 879,528	99.9	\$ (15,879)
9/30/04	2,442,796	100.0	(14,822)
9/30/05	2,724,481	100.0	(13,822)
Police Officers'			
9/30/03	\$ 1,018,918	98.7	\$ (260,643)
9/30/04	1,426,782	99.1	(247,441)
9/30/05	2,347,223	107.1	(414,018)
Volunteer Firefighters'			
9/30/03	\$ 42,388	1,006.6	\$ (2,214,709)
9/30/04	81,513	562.4	(2,591,607)
9/30/05	237,444	193.1	(2,812,574)

(d) - Investments

The pension plan investments are in commingled trust funds whose fair value is determined by the fund's share price on September 30, 2006.

(e) - Post-Retirement Benefits

The City provides four Council-approved types of post-retirement benefits for those who otherwise qualify for retirement benefits; one type for elected officials, one type for department directors, one type for police officers who meet the disability requirements of the State Alu/O'Hara Act, and another for all other employees. The original plan for participants of the currently dissolved Elected Officials Retirement Plan started with the commencement of retirement payments. The participants (who had at least eight years of service) along with any dependents, receive full coverage at no cost for any life, health, accident or annuity insurance that the City is currently offering its general employees during the life of that Elected Official with a guaranteed minimum benefit period of ten years.

With the dissolution of the Elected Officials Retirement Plan in June 1995, the City Council made a contractual offer to participants of the Plan who were in the Plan prior to December 1994 to continue to provide these outlined benefits with the City paying the cost from its General Fund on a pay-as-you-go basis.

Four retired elected officials and one active participant are eligible. These benefits are not included in any pension benefit obligations as of September 30, 2006, nor has the City determined what its financial obligation under these post-retirement benefits are and, accordingly, the obligation has not been recorded or funded as of September 30, 2006. The current cost of this obligation was \$ 77,649 for the year ending September 30, 2006.

The second post-retirement benefit offered provides post retirement health insurance coverage to department directors and their spouses based upon longevity of service to the City and length of time in the senior executive position. Directors in the senior executive position for ten years receive 100% coverage. Directors in the senior executive position for less than ten years but with the City of at least twenty years may receive a reduced benefit ranging from 50 to 100%, if their last five years was in the senior executive position.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 10 - RETIREMENT PLANS (continued)

Four directors are currently receiving this post retirement benefit. The current cost of this obligation was \$ 38,914 for the year ended September 30, 2006. The City has not determined what its obligations under this post-retirement benefit are and, accordingly, the obligation has not been recorded or funded as of September 30, 2006.

The third post-retirement benefit provides for additional medical and dental insurance benefits for certain Law Enforcement Officers who are service disability retirees in accordance with the State enacted "Alu/O'Hara Public Safety Act" and their dependents. The current cost of this obligation was \$ 27,989 for the year ended September 30, 2006. The City has not determined what its obligations under this post-retirement benefit is and, accordingly, the obligation has not been recorded or funded as of September 30, 2006.

The fourth post retirement benefit offered is for all qualified full-time General Employees' Retirement Plan members and Police Officers' Retirement Plan members with a retirement date prior to December 1, 2000. On a year-to-year basis, the City Council determines by Resolution whether to offer a reduction of the health insurance premium for the retirees presently receiving benefits. Presently the City is offering a 40% reduction in the cost for the single person coverage of its health insurance plans. Participants who elect the coverage pay the remaining 60% of the single person coverage plus 100% of dependent health insurance, if selected. Reduced life insurance coverage is also offered with 100% of the cost being paid by the participant.

As of September 30, 2006, forty-two qualified participants elected to purchase the health insurance which presently costs the City approximately \$ 107,290 per year for all participants, which is funded on a pay-as-you-go basis. The City has not determined what its obligations under this post-retirement benefit are and, accordingly, the obligation has not been recorded or funded as of September 30, 2006.

(f) - Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Code Section 457. The Plan, available to all full-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City has no liability or fiduciary responsibility for the Plan and it is not included in the City's financial statements.

NOTE 11 - RISK MANAGEMENT

Subject to Florida Law under sovereign immunity, the City has exposure to risks of loss to torts; theft of, damage to and destruction of assets, natural disasters, pollution, errors and omissions; illnesses of and injuries to employees.

The City accounts for and finances both uninsured and insured risks of loss in addition to financing certain other employee benefits in the General Fund. All insurance premiums and claims, except for the City's portion of minor property damage, are charged to the General Fund. All operating funds of the City participate in the program and make payments to the General Fund based on estimates of their proportionate share of insurance premiums, payment of prior and current claims, and to provide sufficient fund equity for catastrophic losses.

The City maintains insurance policies for boiler and machinery, public employee dishonesty, pollution liability, emergency medical services, pension fiduciary, certain state statute-required employee accident and death coverage, and flood insurance on contents and building up to \$ 500,000 depending on the type and usage of the building. The City purchases excess insurance up to \$ 5,000,000 over its self-insured retention of \$ 200,000 for general and professional liability and automobile liability.

CITY OF PLANTATION, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2006

NOTE 11 - RISK MANAGEMENT (continued)

Real and personal property have excess insurance coverage over \$ 100,000 self-insured retention with the policy limits of \$ 100,000,000. Coverage of physical damage on vehicles having a value over \$ 25,000 has a \$ 1,000 deductible. Workers' Compensation has a \$ 5,000,000 excess policy with a \$175,000 self-insured retention. In addition, the City has self-funded medical, dental and life insurance plans for all full-time employees and some retirees which is only partially funded by participants. The City purchases excess individual medical coverage over \$ 100,000 and with an aggregate attachment point of \$ 100,000. The City has no insured coverage for land use and zoning issues, most civil rights violations and criminal acts. Some insurance is purchased through a pool that provides participant credits, but no additional liability based upon the experience of the municipal insurance trust. In the last three years, all workers' compensation claims were within policy limits. There were no workers' compensation claims, whereas the incident incurred within the past three years, exceeding the self-insured retention. There were no significant reductions in coverage during this fiscal year compared to the prior year. Liabilities are recorded when a claim/loss has been reported. Liability reserves include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated based on the effects of recent claim settlement trends including the frequency and amount of payouts and other economic factors. Claims are not discounted nor has the City entered into any significant contracts for extended payment of settlements.

Changes in the balances of claims liabilities during the past year are summarized as follows:

	<u>General Insurance Program</u>	<u>Health Insurance Program</u>	<u>Workers' Compensation Program</u>	<u>Total Non-current Claims Payable</u>
Estimated insurance claims payable October 1, 2005	\$ 1,904,250	\$ 904,786	\$ 656,168	\$ 3,465,204
Incurred claims (including IBNR)	194,765	5,892,105	540,286	6,627,156
Claim payments, net of refunds and reimbursements received	<u>(264,015)</u>	<u>(6,473,614)</u>	<u>(743,989)</u>	<u>(7,481,618)</u>
Estimated insurance claims payable September 30, 2006	\$ <u>1,835,000</u>	\$ <u>323,277</u>	\$ <u>452,465</u>	\$ <u>2,610,742</u>

The health insurance program liability is included in payables on pages 43 and 44.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

The city is engaged in litigation in which a former owner of a golf club (Golf Club of Plantation, Inc.) seeks damages based on allegations that the City of Plantation, Florida inversely condemned its property by adopting a Comprehensive Plan Policy which stated at the time of adoption "golf courses in the City, designated commercial recreation, are principal open spaces and shall not be converted to other uses," and by denying applications for a change in the City's Comprehensive Plan for the property to permit residential development, and by denying requests to light a portion of the course (the driving range and first nine (9) holes) for night play. This is a regulatory takings case. The lawsuit was filed in 1994, and has been the subject of two (2) appeals prior to 2005.

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 12 - COMMITMENTS AND CONTINGENCIES (continued)

On September 14, 2005, the City obtained a partial summary judgment in its favor, which precludes the plaintiff from pursuing a regulatory takings claim against the City associated with the City's refusal to permit residential development on the golf course because the court determined that the plaintiff did not have a constitutionally protected property right to residential development.

The plaintiff's claim after such September 14, 2005 ruling related principally to the alleged loss of revenue associated with the potential use of the driving range and the first nine (9) holes for night play, and a loss of a reasonable rate of return on the property - all as a result of the alleged regulatory taking. With respect to the plaintiff's claims for damages associated with a taking of some commercial value, during the pendency of the litigation, the property was sold three times as a commercial golf course for significant value. This fact makes it unlikely that the plaintiff will ever sustain its claim for a regulatory taking as to commercial value. Based on the discovery conducted, and viewing the evidence in a light most favorable to the plaintiff, the City previously believed that the remaining claimed damages would be in the range of approximately \$ 0 to \$ 2.3 million.

On March 9, 2007, the court granted summary judgment concerning the plaintiff's remaining claims in the City's favor, essentially determining after reviewing all of the evidence that the Golf Club of Plantation, Inc. failed as a matter of law to demonstrate that a regulatory taking had occurred. This ruling has not been reduced to writing; however, a written ruling is expected soon.

The plaintiff will likely pursue judicial review of the September 14, 2005 and March 9, 2007 decisions by appeal. While the likelihood that the plaintiff may prevail in its appeal is uncertain, if the City is unsuccessful, it has the ability to raise revenue to pay a judgment in the range of \$ 0 to \$ 2.3 million to the extent reserves at the time may be insufficient. However, the City continues to defend this case aggressively and believes it will be successful on appeal.

NOTE 13 - INTERLOCAL AGREEMENTS

The City of Plantation and the Plantation Community Redevelopment Agency entered into two 2003/2004 First Interlocal Agreements, pertaining to the repayment of fiscal advances from (1) the City's Non-Ad Valorem Revenue Bonds, Series 2002 Bond Construction Fund and (2) the City's Non-Ad Valorem Revenue Bonds, Series 2003 Bond Construction Fund. These Interlocal Agreements between the City and the Agency are intended to formalize the obligations of the Agency to repay the aforesaid advances.

These City advances for financing redevelopment in the community redevelopment area, are to be repaid by the Agency to the City. The City shall charge, and the Agency agrees to pay, simple interest on the outstanding principal for the period October 1, 2003 through August 15, 2029. The rates set forth on the First 2002 Bond Debt Service range from 3.75% to 5.375%. The rates set forth on the First 2003 Bond Debt Service range from 1.00% to 4.125%.

The Agency, for the benefit of the City, irrevocably pledges and creates a first lien on, pledge of, and security interest in the monies received and to be received by the Agency from the taxing authorities paid increment, which is to be deposited into the CRA Special Revenue Fund, and all monies deposited in the CRA Designated Capital and Improvements Fund (into which the advance has been deposited).

CITY OF PLANTATION, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2006

NOTE 14 - SUBSEQUENT EVENTS

Governor Charlie Crist has requested the state legislatures to consider property tax reform in the current legislative session. He has proposed to increase the homestead exemption for ad valorem taxation from \$ 25,000 to \$ 50,000 and extending the exemption to more residents. He also proposed making some form of the state's "Save Our Homes" property assessment cap "portable" so that homestead property owners take a portion of their exemption as they relocate.

The Governor's suggestion has generated different legislative reaction to his proposals. At this point, it is uncertain whether any tax reform legislation will become effective, much less what will become effective.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF PLANTATION, FLORIDA
SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER
GENERAL EMPLOYEES' PENSION TRUST FUND
 For the Last Six Years

<u>Year Ended September 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2001	\$ 65,662	100.0
2002	472,765	100.0
2003	878,407	100.0
2004	2,441,739	100.0
2005	2,723,481	100.0
2006	3,112,143	100.0

CITY OF PLANTATION, FLORIDA
SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER
POLICE OFFICERS' PENSION TRUST FUND
 For the Last Six Years

<u>Year Ended September 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2001	\$ 927,753	100.0
2002	912,561	100.0
2003	1,005,925	100.0
2004	1,413,580	110.0
2005	2,333,978	108.8
2006	3,129,193	102.5

CITY OF PLANTATION, FLORIDA
 SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER
 VOLUNTEER FIREFIGHTERS' PENSION TRUST FUND
 For the Last Six Years

<u>Year Ended September 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2001	\$ --	N/A
2002	--	N/A
2003	7,115	5,996.7
2004	38,835	1,287.2
2005	187,503	282.2
2006	181,944	331.1

CITY OF PLANTATION, FLORIDA
SCHEDULE OF FUNDING PROGRESS
GENERAL EMPLOYEES' PENSION TRUST FUND
For the Last Six Years

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability at Entry Age</u>	<u>Unfunded Actuarial Accrued Liability (Overfunded)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
10/01/00	\$ 53,758,722	\$ 46,385,838	\$ (7,372,884)	115.9%	\$ 16,929,486	(43.6)
10/01/01	55,419,236	55,018,316	(400,920)	100.7%	18,059,949	(2.2)
10/01/02	55,158,979	64,111,663	8,952,684	86.0%	19,451,750	46.0
10/01/03	58,910,214	69,286,544	10,376,330	85.0%	20,539,070	50.5
10/01/04	64,718,388	80,739,310	16,020,922	80.2%	21,253,162	75.4
10/01/05	71,882,352	87,437,105	15,554,753	82.2%	22,118,286	70.3

* The UAAL will be amortized over the next 30 years and payments will be made through an increase in the required employer contribution as a percentage of payroll.

CITY OF PLANTATION, FLORIDA
SCHEDULE OF FUNDING PROGRESS
POLICE OFFICERS' PENSION TRUST FUND
For the Last Six Years

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability at Entry Age</u>	<u>Unfunded Actuarial Accrued Liability (Overfunded)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
10/01/00	\$ 44,878,806	\$ 43,923,604	\$ (955,202)	102.2%	\$ 7,975,837	(12.0)
10/01/01	48,099,256	49,826,905	1,727,649	96.5%	8,376,862	20.6
10/01/02	46,275,764	50,014,447	3,738,683	92.5%	8,989,495	41.6
10/01/03	47,576,263	58,630,796	11,054,533	81.1%	9,715,192	113.8
10/01/04	49,607,889	65,950,148	16,342,259	75.2%	10,628,185	153.8
10/01/05	51,514,839	70,477,167	18,962,328	73.1%	11,061,190	171.4

* The UAAL will be amortized over the next 3 to 30 years and payments will be made through an increase in the required employer contribution as a percentage of payroll.

CITY OF PLANTATION, FLORIDA
SCHEDULE OF FUNDING PROGRESS
VOLUNTEER FIREFIGHTERS' PENSION TRUST FUND
For the Last Six Years

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability at Entry Age</u>	<u>Unfunded Actuarial Accrued Liability (Overfunded)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
10/01/00	\$ 4,228,809	\$ 2,612,708	\$ (1,616,101)	161.9%	246	(6,570)
10/01/01	4,713,468	3,197,994	(1,515,474)	147.4%	253	(5,990)
10/01/02	4,949,437	3,681,303	(1,268,134)	134.4%	255	(4,973)
10/01/03	5,494,604	4,605,331	(889,273)	119.3%	263	(3,381)
10/01/04	5,871,506	4,892,910	(978,596)	120.0%	254	(3,853)
10/01/05	6,480,684	5,192,870	(1,287,814)	124.8%	261	(4,934)

CITY OF PLANTATION, FLORIDA
ANNUAL PENSION COSTS - ALL PENSION TRUST FUNDS
September 30, 2006

The City's annual pension costs and related information for each Plan as of the latest actuarial valuation is as follows:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Volunteer Firefighters'</u>
Contribution Rates:			
City and state	14.09%	31.15%	\$ 557.03
Plan members	8.50%	9.00%	1% of compensation
Actuarial valuation date	10/01/05	10/01/05	10/01/05
Actuarial cost method	Entry Age Normal	Frozen Entry Age	Frozen Entry Age
Amortization method	Level % of payroll, closed	Level % of payroll, closed	N/A
Remaining amortization period (years)	30	1 to 30	N/A
Asset valuation method	5-year smoothed market	5-year smoothed market	5-year smoothed market
Actuarial assumptions:			
Investment rate of return - net	8.00%	8.00%	8.00%
Projected salary increases*	6.00%	6.50%	N/A
* includes inflation at	4.00%	4.00%	4.00%
Cost of living adjustments	N/A	N/A	N/A

**NONMAJOR
GOVERNMENTAL FUNDS**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources legally restricted for the financing of particular activities or projects.

Plantation Midtown Development District Special Revenue Fund

To account for receipts and disbursements of additional tax monies from the City's Plantation Midtown Development District.

Community Redevelopment Agency Special Revenue Fund

To account for the redevelopment of a certain blighted area.

Plantation Gateway Development District Special Revenue Fund

To account for receipts and disbursements of additional tax monies from the City's Plantation Gateway Development District.

Road and Traffic Control Fund

To account for the receipt of the City's portion of the State revenue sharing of the gasoline tax and local option gas tax.

State Housing Initiative Partnership (SHIP) Fund

To account for funds provided from the State Housing Initiative Partnership Act (SHIP), for the production, acquisition and rehabilitation of affordable housing for low and moderate income households.

Special Police Trust Fund

To account for revenue generated by police department confiscations and investigative reimbursements.

Community Development Block Grant Fund

To account for the implementation and funding of community development block grant projects.

Special Programs Fund

To account for the receipt of contributions and grant revenue to be used on special programs not specifically identified in another fund.

Library Board Fund

To account for donations to and disbursements for the library.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

NONMAJOR GOVERNMENTAL FUNDS

(continued)

2003 Bond Sinking Fund

To accumulate monies for the payment of the Non-Ad Valorem Revenue Bonds, Series 2003. The 2003 Bonds are payable solely from non-ad valorem revenues.

2003 Bond Reserve Fund

To maintain funds in accordance with the 2003 Bond Reserve Account requirements.

Community Redevelopment Agency Escrow

To accumulate monies for the repayment of fiscal advances from the Series 2002 and 2003 Non-Ad Valorem Revenue Bonds.

2002 Dredging Note

To accumulate monies for the repayment of the 2002 Dredging Note.

2002 Bond Sinking Fund

To accumulate monies for the payment of the 2002 Non-Ad Valorem Revenue Bonds. The 2002 Bonds are payable solely from non-ad valorem revenues.

2002 Bond Reserve Fund

To maintain funds in accordance with 2002 Bond Reserve Account requirements, which is currently ten percent (10%) of the proceeds of all bonds, should the funds in the Sinking Fund be insufficient to pay interest and retire the maturing debt.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for resources to be used for acquisition or construction of major capital projects.

Plantation Gateway Construction Fund

To fund capital improvements in the Plantation Gateway Development District, a dependent taxing district.

2002 Bond Construction Fund

To account for the acquisition, construction and equipping of certain capital improvements including: (1) park development, (2) recreation and cultural facilities, (3) the purchase of real property and interests therein, (4) police and fire equipment and facilities, (5) purchase and upgrading of electronic or information technologies, (6) installation, construction and relocation of roadway and utilities infrastructure, and (7) other City facilities and equipment.

2003 Bond Construction Fund

To account for the use of the 2003 bond proceeds towards the development of the park elements on land acquired with the site of the golf course, renovations to the Kennedy Community Center, a City building expansion project and an economic development project.

NONMAJOR GOVERNMENTAL FUNDS
(continued)

Plantation Isles Project Fund

To fund the dredging of navigable tidal waterways in several residential communities in the Plantation Isles area that provide ocean access to 474 properties and seawall replacement effecting up to 23 properties. A Special Assessment District was created to pay for these improvements by the impacted residents over a 10-year period.

Plantation Midtown Development District Capital Projects Fund

To account for the costs of developing the Plantation Midtown Development District, a dependent taxing district, with the use of Non-Ad Valorem Bond, Series 2003 funds and transfers from the Plantation Midtown Development District Special Revenue Fund.

CITY OF PLANTATION, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2006

	Special Revenue Funds	Debt Service Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS:				
Cash and equity in pooled cash and investments	\$ 8,727,094	\$ 420,599	\$ 4,493,407	\$ 13,641,100
Cash and investments with fiscal agent/third party	--	5,343,419	4,241,126	9,584,545
Receivables - net of allowances:				
Other	450,600	--	--	450,600
Due from other governments	100,152	--	268,425	368,577
Prepays	8,381	--	--	8,381
Total assets	\$ 9,286,227	\$ 5,764,018	\$ 9,002,958	\$ 24,053,203
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable and other accrued expenditures	\$ 1,184,997	\$ --	\$ 280,863	\$ 1,465,860
Unearned revenue	475,040	--	159,750	634,790
Total liabilities	1,660,037	--	440,613	2,100,650
Fund balances:				
Reserved for:				
Debt service	--	5,343,419	--	5,343,419
Prepays	8,381	--	--	8,381
Library	173,399	--	--	173,399
Special programs	326,717	--	--	326,717
Unreserved:				
Debt service funds:				
Undesignated	--	420,599	--	420,599
Special revenue funds:				
Designated for subsequent year's expenditures	2,083,000	--	--	2,083,000
Undesignated	5,034,693	--	--	5,034,693
Capital projects:				
Designated for subsequent year's expenditures	--	--	4,559,650	4,559,650
Undesignated	--	--	4,002,695	4,002,695
Total fund balances	7,626,190	5,764,018	8,562,345	21,952,553
Total liabilities and fund balances	\$ 9,286,227	\$ 5,764,018	\$ 9,002,958	\$ 24,053,203

CITY OF PLANTATION, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2006

	Special Revenue Funds	Debt Service Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES:				
Property taxes	\$ 662,850	\$ --	\$ --	\$ 662,850
Incremental tax receipts	728,561	--	--	728,561
Intergovernmental	4,480,216	--	122,437	4,602,653
Fines and forfeitures	62,724	--	--	62,724
Investment income	381,121	276,684	326,321	984,126
Net change in fair value of investments	85,222	--	32,136	117,358
Miscellaneous	<u>226,087</u>	<u>--</u>	<u>--</u>	<u>226,087</u>
Total revenues	<u>6,626,781</u>	<u>276,684</u>	<u>480,894</u>	<u>7,384,359</u>
EXPENDITURES:				
Current operating:				
General government	5,387	--	--	5,387
Public safety	123,858	--	--	123,858
Transportation	2,953,646	--	--	2,953,646
Physical environment	1,364,053	--	--	1,364,053
Culture and recreation	22,034	--	--	22,034
Capital outlay	3,936,799	--	3,339,103	7,275,902
Debt service:				
Principal payments	--	1,064,353	--	1,064,353
Interest and other	<u>--</u>	<u>2,136,833</u>	<u>--</u>	<u>2,136,833</u>
Total expenditures	<u>8,405,777</u>	<u>3,201,186</u>	<u>3,339,103</u>	<u>14,946,066</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,778,996)</u>	<u>(2,924,502)</u>	<u>(2,858,209)</u>	<u>(7,561,707)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	93,828	3,925,646	586,601	4,606,075
Transfers out	<u>(1,682,021)</u>	<u>(587,209)</u>	<u>(203,141)</u>	<u>(2,472,371)</u>
Total other financing sources (uses)	<u>(1,588,193)</u>	<u>3,338,437</u>	<u>383,460</u>	<u>2,133,704</u>
Net change in fund balances	(3,367,189)	413,935	(2,474,749)	(5,428,003)
FUND BALANCES AT BEGINNING OF YEAR	<u>10,993,379</u>	<u>5,350,083</u>	<u>11,037,094</u>	<u>27,380,556</u>
FUND BALANCES AT END OF YEAR	\$ <u><u>7,626,190</u></u>	\$ <u><u>5,764,018</u></u>	\$ <u><u>8,562,345</u></u>	\$ <u><u>21,952,553</u></u>

CITY OF PLANTATION, FLORIDA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
 September 30, 2006

	Plantation Midtown Development District	Community Redevelopment Agency	Plantation Gateway Development District	Road and Traffic Control	State Housing Initiative Partnership	Special Police Trust	Community Development Block Grant	Special Programs	Library Board	Total
ASSETS:										
Cash and equity in pooled cash and investments	\$ 1,387,284	\$ 1,512	\$ 1,263,566	\$ 3,068,878	\$ 2,131,036	\$ 337,500	\$ 12,506	\$ 351,157	\$ 173,655	\$ 8,727,094
Receivables - net of allowances:										
Other	--	--	--	--	--	--	--	450,600	--	450,600
Due from other governments	--	--	--	100,152	--	--	--	--	--	100,152
Prepays	--	1,000	--	7,381	--	--	--	--	--	8,381
Total assets	<u>\$ 1,387,284</u>	<u>\$ 2,512</u>	<u>\$ 1,263,566</u>	<u>\$ 3,176,411</u>	<u>\$ 2,131,036</u>	<u>\$ 337,500</u>	<u>\$ 12,506</u>	<u>\$ 801,757</u>	<u>\$ 173,655</u>	<u>\$ 9,286,227</u>
LIABILITIES AND FUND BALANCES:										
Liabilities:										
Accounts payable and accrued expenditures	\$ --	\$ 1,512	\$ 4,576	\$ 1,148,069	\$ 7,675	\$ 10,403	\$ 12,506	\$ --	\$ 256	\$ 1,184,997
Unearned revenue	--	--	--	--	--	--	--	475,040	--	475,040
Total liabilities	<u>--</u>	<u>1,512</u>	<u>4,576</u>	<u>1,148,069</u>	<u>7,675</u>	<u>10,403</u>	<u>12,506</u>	<u>475,040</u>	<u>256</u>	<u>1,660,037</u>
Fund balances:										
Reserved for:										
Prepays	--	1,000	--	7,381	--	--	--	--	--	8,381
Library	--	--	--	--	--	--	--	173,399	--	173,399
Special programs	--	--	--	--	--	--	--	326,717	--	326,717
Unreserved:										
Designated for subsequent year's expenditures	575,700	--	44,950	1,462,350	--	--	--	--	--	2,083,000
Undesignated	811,584	--	1,214,040	558,611	2,123,361	327,097	--	--	--	5,034,693
Total fund balances	<u>1,387,284</u>	<u>1,000</u>	<u>1,258,990</u>	<u>2,028,342</u>	<u>2,123,361</u>	<u>327,097</u>	<u>--</u>	<u>326,717</u>	<u>173,399</u>	<u>7,626,190</u>
Total liabilities and fund balances	<u>\$ 1,387,284</u>	<u>\$ 2,512</u>	<u>\$ 1,263,566</u>	<u>\$ 3,176,411</u>	<u>\$ 2,131,036</u>	<u>\$ 337,500</u>	<u>\$ 12,506</u>	<u>\$ 801,757</u>	<u>\$ 173,655</u>	<u>\$ 9,286,227</u>

CITY OF PLANTATION, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2006

		Plantation Midtown Development District	Community Redevelopment Agency	Plantation Gateway Development District	Road and Traffic Control	State Housing Initiative Partnership	Special Police Trust	Community Development Block Grant	Special Programs	Library Board	Total
REVENUES:											
Property taxes	\$	408,547	728,561	254,303	--	--	--	--	--	--	662,850
Incremental tax receipts		--	450	--	2,732,901	1,094,406	--	652,459	--	--	728,561
Intergovernmental		--	--	--	--	--	62,724	--	--	--	62,724
Fines and forfeitures		52,407	9,961	57,202	140,849	67,276	27,411	8,805	11,491	5,719	381,121
Investment income		11,564	2,194	12,700	31,635	15,121	6,161	1,979	2,583	1,285	85,222
Net change in fair value of investments		--	--	--	66,743	270	--	--	127,422	31,652	226,087
Miscellaneous		472,518	741,166	324,205	2,972,128	1,177,073	96,296	663,243	141,496	38,656	6,626,781
Total revenues											
		<u>462,490</u>	<u>622,885</u>	<u>155,237</u>	<u>(2,603,453)</u>	<u>318,937</u>	<u>(1,259,660)</u>	<u>386,134</u>	<u>110,039</u>	<u>28,395</u>	<u>(1,778,990)</u>
EXPENDITURES:											
Current operating:											
General government		--	--	--	--	--	113,119	--	5,387	--	5,387
Public safety		--	--	--	2,953,646	--	--	--	10,739	--	123,858
Transportation		10,028	118,281	168,968	858,136	--	--	208,640	--	--	2,953,646
Physical environment		--	--	--	2,621,935	--	1,242,837	68,469	15,331	6,703	1,364,053
Culture and recreation		--	--	--	--	--	--	--	--	3,558	22,034
Capital outlay		10,028	118,281	168,968	5,575,581	858,136	1,355,956	277,109	31,457	10,261	8,405,771
Total expenditures											
		<u>462,490</u>	<u>622,885</u>	<u>155,237</u>	<u>(2,603,453)</u>	<u>318,937</u>	<u>(1,259,660)</u>	<u>386,134</u>	<u>110,039</u>	<u>28,395</u>	<u>(1,778,990)</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(151,709)</u>	<u>(623,937)</u>	<u>(493,910)</u>	<u>90,261</u>	<u>--</u>	<u>--</u>	<u>3,567</u>	<u>--</u>	<u>--</u>	<u>93,828</u>
OTHER FINANCING SOURCES (USES):											
Transfers in		(151,709)	(623,937)	(493,910)	90,261	--	--	(412,465)	--	--	(1,682,021)
Transfers out		(151,709)	(623,937)	(493,910)	90,261	--	--	(408,898)	--	--	(1,588,193)
Total other financing sources (uses)											
		<u>310,781</u>	<u>(1,052)</u>	<u>(338,673)</u>	<u>(2,513,192)</u>	<u>318,937</u>	<u>(1,259,660)</u>	<u>(22,764)</u>	<u>110,039</u>	<u>28,395</u>	<u>(3,367,189)</u>
FUND BALANCES AT BEGINNING OF YEAR		<u>1,076,503</u>	<u>2,052</u>	<u>1,597,663</u>	<u>4,541,534</u>	<u>1,804,424</u>	<u>1,586,757</u>	<u>22,764</u>	<u>216,678</u>	<u>145,004</u>	<u>10,993,379</u>
FUND BALANCES AT END OF YEAR		<u>\$ 1,387,284</u>	<u>\$ 1,000</u>	<u>\$ 1,258,990</u>	<u>\$ 2,028,342</u>	<u>\$ 2,123,361</u>	<u>\$ 327,097</u>	<u>\$ --</u>	<u>\$ 326,717</u>	<u>\$ 173,399</u>	<u>\$ 7,626,190</u>

CITY OF PLANTATION, FLORIDA
 COMBINING BALANCE SHEET
 DEBT SERVICE FUNDS
 September 30, 2006

	2003 Bond Sinking	2003 Bond Reserve	Community Redevelopment Agency Escrow	2005 Community Redevelopment Agency Note	2002 Dredging Note	2002 Bond Sinking	2002 Bond Reserve	Total
ASSETS:								
Cash and equity in pooled cash and investments	\$ --	\$ --	\$ 388,011	\$ 11,708	\$ 20,880	\$ --	\$ --	\$ 420,599
Cash and investments with fiscal agent/third party	<u>171,113</u>	<u>2,334,143</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>416,470</u>	<u>2,421,693</u>	<u>5,343,419</u>
Total assets	<u>\$ 171,113</u>	<u>\$ 2,334,143</u>	<u>\$ 388,011</u>	<u>\$ 11,708</u>	<u>\$ 20,880</u>	<u>\$ 416,470</u>	<u>\$ 2,421,693</u>	<u>\$ 5,764,018</u>
FUND BALANCES:								
Reserved for:								
Debt service	\$ 171,113	\$ 2,334,143	\$ --	\$ --	\$ --	\$ 416,470	\$ 2,421,693	\$ 5,343,419
Unreserved:								
Undesignated	<u>--</u>	<u>--</u>	<u>388,011</u>	<u>11,708</u>	<u>20,880</u>	<u>--</u>	<u>--</u>	<u>420,599</u>
Total fund balances	<u>171,113</u>	<u>2,334,143</u>	<u>388,011</u>	<u>11,708</u>	<u>20,880</u>	<u>416,470</u>	<u>2,421,693</u>	<u>5,764,018</u>
Total liabilities and fund balances	<u>\$ 171,113</u>	<u>\$ 2,334,143</u>	<u>\$ 388,011</u>	<u>\$ 11,708</u>	<u>\$ 20,880</u>	<u>\$ 416,470</u>	<u>\$ 2,421,693</u>	<u>\$ 5,764,018</u>

CITY OF PLANTATION, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DEBT SERVICE FUNDS
For the Year Ended September 30, 2006

		2003	2003	Community	2002	2002	2002	2002	Total
	\$	Bond	Bond	Redevelopment	Dredging	Bond	Bond	Bond	
		Sinking	Reserve	Agency	Note	Sinking	Reserve	Reserve	
				Estrow	Note				
REVENUES:									
Investment income	\$	25,449	\$ 94,289	\$ 16,900	\$ 1,961	\$ 19,576	\$ 114,817	\$ 114,817	276,684
Total revenues		<u>25,449</u>	<u>94,289</u>	<u>16,900</u>	<u>1,961</u>	<u>19,576</u>	<u>114,817</u>	<u>114,817</u>	<u>276,684</u>
EXPENDITURES:									
Debt service:									
Principal payments		855,000	--	--	58,720	--	--	--	1,064,353
Interest and other		<u>1,030,702</u>	<u>--</u>	<u>--</u>	<u>69,420</u>	<u>993,220</u>	<u>--</u>	<u>--</u>	<u>2,136,833</u>
Total expenditures		<u>1,885,702</u>	<u>--</u>	<u>--</u>	<u>128,140</u>	<u>993,220</u>	<u>--</u>	<u>--</u>	<u>3,201,186</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(1,860,253)</u>	<u>94,289</u>	<u>16,900</u>	<u>(126,179)</u>	<u>(973,644)</u>	<u>114,817</u>	<u>(82,497)</u>	<u>(2,924,502)</u>
OTHER FINANCING SOURCES (USES):									
Transfers in		1,866,882	(72,729)	623,937	137,887	1,086,639	--	--	3,925,646
Transfers out		<u>--</u>	<u>(72,729)</u>	<u>(431,980)</u>	<u>--</u>	<u>--</u>	<u>(82,497)</u>	<u>(82,497)</u>	<u>(587,209)</u>
Total other financing sources (uses)		<u>1,866,882</u>	<u>(72,729)</u>	<u>191,957</u>	<u>137,887</u>	<u>1,086,639</u>	<u>(82,497)</u>	<u>(82,497)</u>	<u>3,338,437</u>
Net change in fund balances		6,629	21,563	208,851	11,708	112,995	32,320	413,935	
FUND BALANCES AT BEGINNING OF YEAR		<u>164,484</u>	<u>2,312,580</u>	<u>179,160</u>	<u>--</u>	<u>303,475</u>	<u>2,389,373</u>	<u>2,389,373</u>	<u>5,350,083</u>
FUND BALANCES AT END OF YEAR	\$	<u>171,113</u>	<u>2,334,143</u>	<u>388,011</u>	<u>11,708</u>	<u>416,470</u>	<u>2,421,693</u>	<u>2,421,693</u>	<u>5,764,018</u>

CITY OF PLANTATION, FLORIDA
COMBINING BALANCE SHEET
CAPITAL PROJECT FUNDS
 September 30, 2006

		<u>Plantation Gateway Construction</u>	<u>2002 Bond Construction</u>	<u>2003 Bond Construction</u>	<u>Plantation Isles Project</u>	<u>Plantation Midtown Development District</u>	<u>Total</u>
ASSETS:							
Cash and equity in pooled cash and investments	\$	29,209	3,918,336	521,571	-	24,291	4,493,407
Cash and investments with fiscal agent/third party due from other governments		--	--	4,241,126 268,425	--	--	4,241,126 268,425
Total assets	\$	<u>29,209</u>	<u>3,918,336</u>	<u>5,031,122</u>	<u>--</u>	<u>24,291</u>	<u>9,002,958</u>
LIABILITIES AND FUND BALANCES:							
Liabilities:							
Accounts payable and other accrued expenditures	\$	29,209	50,877	176,486	-	24,291	280,863
Deferred revenue		--	--	159,750	--	--	159,750
Total liabilities		<u>29,209</u>	<u>50,877</u>	<u>336,236</u>	<u>--</u>	<u>24,291</u>	<u>440,613</u>
Fund balances:							
Reserved for:							
Prepays		--	--	--	--	--	--
Unreserved:							
Designated for subsequent year's expenditures		--	2,023,800	2,535,850	--	--	4,559,650
Undesignated		--	1,843,659	2,159,036	--	--	4,002,695
Total fund balances		<u>--</u>	<u>3,867,459</u>	<u>4,694,886</u>	<u>--</u>	<u>--</u>	<u>8,562,345</u>
Total liabilities and fund balances	\$	<u>29,209</u>	<u>3,918,336</u>	<u>5,031,122</u>	<u>--</u>	<u>24,291</u>	<u>9,002,958</u>

CITY OF PLANTATION, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2006

		<u>Plantation Gateway Construction</u>	<u>2002 Bond Construction</u>	<u>2003 Bond Construction</u>	<u>Plantation Isles Project</u>	<u>Plantation Midtown Development District</u>	<u>Total</u>
REVENUES:							
Intergovernmental	\$	13,762	\$	108,675	\$	--	\$ 122,437
Investment income		--	172,430	149,990	3,901	--	326,321
Net change in fair value of investments		--	19,359	11,900	877	--	32,136
Miscellaneous		--	--	--	--	--	--
Total revenues		<u>13,762</u>	<u>191,789</u>	<u>270,565</u>	<u>4,778</u>	<u>--</u>	<u>480,894</u>
EXPENDITURES:							
Current operating:							
Physical environment		--	1,000,858	1,726,502	--	91,709	3,339,103
Capital outlay		520,034	1,000,858	1,726,502	--	91,709	3,339,103
Total expenditures		<u>520,034</u>	<u>1,000,858</u>	<u>1,726,502</u>	<u>--</u>	<u>91,709</u>	<u>3,339,103</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(506,272)</u>	<u>(809,069)</u>	<u>(1,455,937)</u>	<u>4,778</u>	<u>(91,709)</u>	<u>(2,858,209)</u>
OTHER FINANCING SOURCES (USES):							
Transfers in		493,910	982	(23,225)	(179,910)	91,709	586,601
Transfers out		--	--	--	--	--	(203,141)
Total other financing sources (uses)		<u>493,910</u>	<u>982</u>	<u>(23,225)</u>	<u>(179,910)</u>	<u>91,709</u>	<u>383,460</u>
Net change in fund balances		<u>(12,362)</u>	<u>(808,087)</u>	<u>(1,479,162)</u>	<u>(175,138)</u>	<u>--</u>	<u>(2,474,749)</u>
FUND BALANCES AT BEGINNING OF YEAR		<u>12,362</u>	<u>4,675,546</u>	<u>6,174,048</u>	<u>175,138</u>	<u>--</u>	<u>11,037,094</u>
FUND BALANCES AT END OF YEAR		<u>--</u>	<u>3,867,459</u>	<u>4,694,886</u>	<u>--</u>	<u>--</u>	<u>8,562,345</u>

OTHER FINANCIAL INFORMATION

CITY OF PLANTATION, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY
 September 30, 2006

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Infrastructure	Machinery and Equipment	Subscriptions and Books	Construction in Progress	Total
GENERAL GOVERNMENT	\$ 1,357,852	\$ 2,936,967	\$ 1,521,905	\$ --	\$ 2,195,894	\$ --	\$ 242,318	\$ 8,254,936
PUBLIC SAFETY:								
Police	--	2,603,708	2,753,377	--	8,373,524	--	4,835,407	18,566,016
Fire	602,886	5,107,418	1,403,028	--	5,636,924	--	80,722	12,830,978
Building	--	1,383	20,675	--	678,544	--	114,359	814,961
Engineering	--	--	14,354	--	137,811	--	12,000	164,165
Total public safety	602,886	7,712,509	4,191,434	--	14,826,803	--	5,042,488	32,376,120
PUBLIC WORKS	31,106	1,428,892	435,340	--	1,825,786	--	--	3,721,124
TRANSPORTATION	--	--	560,000	3,264,400	1,189,677	--	2,656,801	7,670,878
PHYSICAL ENVIRONMENT	2,484,499	21,957	650,858	272,333	570,291	--	2,620,412	6,620,350
CULTURE AND RECREATION:								
Library	--	442,970	186,846	--	72,992	1,738,933	310,594	2,752,335
Historical museum	--	174,589	9,553	--	5,000	--	--	189,142
Parks and recreation	18,690,791	5,285,081	26,232,529	--	2,721,288	--	852,495	53,782,184
Central park	13,690	2,687,844	10,049,738	--	330,123	--	--	13,081,395
Total culture and recreation	18,704,481	8,590,484	36,478,666	--	3,129,403	1,738,933	1,163,089	69,805,056
Total capital assets	\$ 23,180,824	\$ 20,690,809	\$ 43,838,203	\$ 3,536,733	\$ 23,737,854	\$ 1,738,933	\$ 11,725,108	\$ 128,448,464

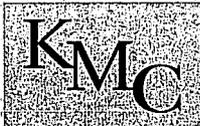
CITY OF PLANTATION, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY
For the Year Ended September 30, 2006

	Capital Assets October 1, 2005	Additions	Deletions	Transfers	Capital Assets September 30, 2006
GENERAL GOVERNMENT:					
Administrative	\$ 112,791	\$ 95,935	\$ (8,076)	\$ --	\$ 200,650
Risk management	20,626	23,149	--	--	43,775
City clerk	59,155	--	(5,470)	--	53,685
Finance	72,936	1,930	(8,549)	--	66,317
Information services	991,575	106,358	(37,283)	--	1,060,650
Planning	67,091	3,497	(5,748)	(3,803)	61,037
Personnel	58,742	25,091	(8,720)	(20,092)	55,021
Central services	<u>6,687,881</u>	<u>51,874</u>	<u>(25,308)</u>	<u>(646)</u>	<u>6,713,801</u>
Total general government	<u>8,070,797</u>	<u>307,834</u>	<u>(99,154)</u>	<u>(24,541)</u>	<u>8,254,936</u>
PUBLIC SAFETY:					
Police	15,366,657	3,499,114	(179,635)	(120,120)	18,566,016
Fire	12,736,030	195,922	(121,066)	20,092	12,830,978
Building	734,198	97,293	(16,530)	--	814,961
Engineering	<u>169,038</u>	<u>12,000</u>	<u>(16,873)</u>	<u>--</u>	<u>164,165</u>
Total public safety	<u>29,005,923</u>	<u>3,804,329</u>	<u>(334,104)</u>	<u>(100,028)</u>	<u>32,376,120</u>
PUBLIC WORKS	<u>3,641,373</u>	<u>68,443</u>	<u>(134,594)</u>	<u>145,902</u>	<u>3,721,124</u>
TRANSPORTATION FACILITIES	<u>5,048,943</u>	<u>2,621,935</u>	<u>--</u>	<u>--</u>	<u>7,670,878</u>
PHYSICAL ENVIRONMENT:					
Plantation Gateway	490,558	923,400	--	--	1,413,958
Plantation Midtown	145,301	497,575	--	--	642,876
Stormwater	1,116,472	--	--	--	1,116,472
Resource recovery	1,657,744	--	--	--	1,657,744
Landscaping	518,526	65,302	(13,380)	3,803	574,251
Community Redevelopment Agency	149,259	385,881	--	--	535,140
CDBG	<u>611,440</u>	<u>68,469</u>	<u>--</u>	<u>--</u>	<u>679,909</u>
Total physical environment	<u>4,689,300</u>	<u>1,940,627</u>	<u>(13,380)</u>	<u>3,803</u>	<u>6,620,350</u>
CULTURE AND RECREATION:					
Library	2,387,201	365,134	--	--	2,752,335
Historical museum	189,142	--	--	--	189,142
Parks and recreation	52,448,563	1,481,657	(122,900)	(25,136)	53,782,184
Central park	<u>13,046,879</u>	<u>35,875</u>	<u>(1,359)</u>	<u>--</u>	<u>13,081,395</u>
Total culture and recreation	<u>68,071,785</u>	<u>1,882,666</u>	<u>(124,259)</u>	<u>(25,136)</u>	<u>69,805,056</u>
Total capital assets	<u>\$ 118,528,121</u>	<u>\$ 10,625,834</u>	<u>\$ (705,492)</u>	<u>\$ --</u>	<u>\$ 128,448,464</u>

CITY OF PLANTATION, FLORIDA
SCHEDULE OF INSURANCE COVERAGE
September 30, 2006

<u>Company</u>	<u>Policy Number</u>	<u>Expiration Date</u>	<u>Coverage</u>	<u>Deductible</u>	<u>Premium</u>	<u>Limits</u>
FL Municipal Self Insurance Fund	FMIT 482	10/01/07	Workers Compensation	\$ 175,000 SIR	\$ 230,493	\$ 5,000,000
FL Municipal Self Insurance Fund	FMIT 482	10/01/07	General Liability including Law Enforcement Professional Liability, Errors and Omissions	200,000 SIR	178,120	5,000,000
FL Municipal Self Insurance Fund	FMIT 482	10/01/07	Automobile Liability	200,000 SIR	111,090	5,000,000
FL Municipal Self Insurance Fund	FMIT 482	10/01/07	Real and Personal Property Includes Computer Equipment	100,000 SIR	823,558	100,000,000
Fidelity and Deposit Co. of Maryland	CPP141072312	04/01/07	Public Employee Blanket Bond Loss Inside and Outside Premises Excess Coverage on Controller	1,000 250	5,062	50,000 5,000 50,000
Hartford Steam Boiler Insurance	FBP9426796	01/01/08	Boiler and Machinery	5,000	29,169	10,000,000
Hartford Accident and Indemnity	ETB12506-5	01/01/09	Accidental Death and Dismemberment Volunteer Fire - Death Benefits Police - Unlawful Death Police - Fresh Pursuit Death Police - Death in the Line of Duty		50,895	50,000 150,000 50,000 125,000
Commerce and Industry Insurance Co.	FPL7509888#4	04/01/07	Third Party Pollution Liability Schedule Tanks	25,000	14,191	1,000,000 each incident 10,000,000 aggregate
Travelers Insurance Company	Multiple Policies Property Locations	09/20/07	Flood	500 per location	42,718	500,000 max per location
Travelers Insurance	023FF103001118BCM	07/01/07	Buildings - Rated per Location Contents - Rated per Location	10,000	25,215	2,000,000
Travelers Insurance Company	103088609	07/01/07	Pension Trust Liability Insurance	1,000	117	50,000
Landmark American Insurance Company	LHM709172	03-11-07	ERISA Bond	5,000	26,000	1,000,000 each claim 3,000,000 aggregate
Unimerica Insurance Company	75476	03/31/07	EMS Professional Liability	100,000 per employee	56.64 per employee per month	1,000,000 lifetime maximum per employee
Employer's Mutual, Inc. (EMI)	CPL	03/31/07	Aggregate Excess Insurance (Stop Loss) (\$100,000 Corridor Level)			
Jefferson Pilot Financial	GL000860050186	05/01/07	Administers Employee Benefits			
Zurich Commercial Insurance	POB7571165	04/01/07	City's Group Life and AD&D Plan		Life - .310 per 1000 AD&D - .060 per 1000	Annual Salary maximum 50,000 maximum
			Public Officials Bond (Treasurer)		100	10,000

OTHER AUDITORS' REPORTS



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Members of the City Council
City of Plantation, Florida
Plantation, Florida

We have audited the accompanying basic financial statements of City of Plantation, Florida (the City), as of and for the year ended September 30, 2006, and have issued our report thereon dated March 9, 2007. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered City of Plantation, Florida's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

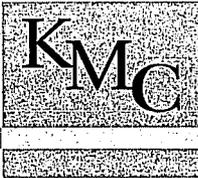
As part of obtaining reasonable assurance about whether City of Plantation, Florida's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

City of Plantation, Florida

This report is intended solely for the information and use of City management, members of the City Council, Federal awarding agencies, the Auditor General of the State of Florida, and other grantor and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Keefe, McCullough & Co., LLP
KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
March 9, 2007



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND
INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH
MAJOR FEDERAL PROGRAM AND STATE PROJECT**

To the Honorable Mayor and Members of the City Council
City of Plantation, Florida
Plantation, Florida

Compliance

We have audited the compliance of City of Plantation, Florida with the types of compliance requirements described in the United States Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, and the requirements described in the Executive Office of the Governor's State Projects Compliance Supplement, that are applicable to its major Federal programs and state projects for the year ended September 30, 2006. City of Plantation, Florida's major Federal programs and state projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs on pages 89 and 90. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major Federal programs and state projects is the responsibility of City of Plantation, Florida's management. Our responsibility is to express an opinion on City of Plantation, Florida's compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133, and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program or state project occurred. An audit includes examining, on a test basis, evidence about City of Plantation, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on City of Plantation, Florida's compliance with those requirements.

In our opinion, City of Plantation, Florida complied, in all material respects, with the requirements referred to above that are applicable to its major Federal programs and state projects for the year ended September 30, 2006.

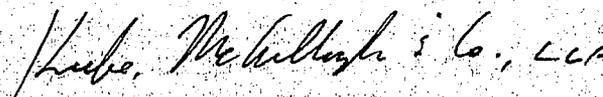
City of Plantation, Florida

Internal Control over Compliance

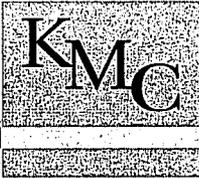
The management of City of Plantation, Florida is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to Federal programs and state projects. In planning and performing our audit, we considered City of Plantation, Florida's internal control over compliance with requirements that could have a direct and material effect on a major Federal program or state project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major Federal program or state project being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of City management, members of the City Council, Federal awarding agencies, the Office of the Auditor General of the State of Florida, and other grantor and pass-through entities, and is not intended and should not be used by anyone other than these specified parties.


KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
March 9, 2007



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BRIAN D. PINNELL, C.P.A. (RETIRED)
KENNETH G. SMITH, C.P.A.
LOUIS R. PROIETTO, C.P.A.
CYNTHIA L. CALVERT, C.P.A.

CHARLES K. RUMPF, C.P.A.
ISRAEL J. GOMEZ, C.P.A.

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INDEPENDENT AUDITORS' REPORT TO CITY MANAGEMENT

To the Honorable Mayor and Members of the City Council
City of Plantation, Florida
Plantation, Florida

We have audited the basic financial statements of City of Plantation, Florida (the "City") as of and for the year ended September 30, 2006, and have issued our report thereon dated March 9, 2007.

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; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, Independent Auditor's Report on Compliance and Internal Control over Compliance Applicable to its major Federal Programs and State Projects and Schedule of Findings and Questioned Costs. Disclosures in those reports, which are dated March 9, 2007, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.554(1)(h)1.) require that we address in the management letter, if not already addressed in the auditors' reports on compliance and internal controls or schedule of findings and questioned costs, whether or not recommendations made in the preceding annual financial audit report have been followed. There were no recommendations made in the preceding annual financial audit report.

As required by the Rules of the Auditor General (Section 10.554(1)(h)2.), the scope of our audit included a review of the provisions of Section 218.415., Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the City complied with Section 218.415, Florida Statutes.

The rules of the Auditor General (Section 10.554(1)(h)3.) require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. The prior year recommendation was implemented and there are no current year recommendations.

City of Plantation, Florida

The Rules of Auditor General (Section 10.554(1)(h)4.) require disclosure in the management letter of the following matters if not already addressed in the auditors' reports on compliance and internal controls or schedule of findings and questioned costs and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the basic financial statements); (4) failure to properly record financial transactions; and (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. Our audit disclosed no matters requiring disclosure in the management letter or the basic financial statements.

The Rules of the Auditor General (Section 10.554(1)(h)5.) also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the basic financial statements. The City of Plantation, Florida was established as authorized in Chapter 29446 of Special Acts of Florida, as amended.

As required by the Rules of the Auditor General (Section 10.554(1)(h)6.a.), a statement must be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

As required by the Rules of the Auditor General (Section 10.554(1)(h)6.b.), we determined that the annual financial report for the City for the fiscal year ended September 30, 2006, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2006.

As required by the Rules of the Auditor General (Section 10.554(h)6.c. and 10.556(7)), we applied financial assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

This management letter is intended solely for the information and use of City management, Members of City Council, Federal Awarding Agencies, the State of Florida Office of the Auditor General and other grantor and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.


KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
March 9, 2007

CITY OF PLANTATION, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL PROGRAMS AND STATE PROJECTS
 For the Year Ended September 30, 2006

<u>Federal/State Agency Pass-through Entity Federal Program/State Project</u>	<u>CFDA/CSFA Number</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
FEDERAL AGENCY NAME:				
Direct Programs:				
United States Department of Agriculture - Emergency Watershed Protection	*10.904	69-4209-6-1616	\$ 948,683	\$ --
United States Department of Housing and Urban Development - Community Development Block Grants/ Entitlement Grants	14.218	B04-MC-12-0037	690,061	--
United States Department of Justice Federal Forfeitures	16.000	--	71,981	--
Bulletproof Vest Partnership Program	16.607	2009777	9,487	--
Indirect Programs:				
United States Department of Homeland Security - Passed through Florida Department of Community Affairs Disaster Grants - Public Assistance	*97.036	06-WL-&K-11-16-02-582	21,505,599	--
United States Department of Interior, National Park Services - Passed through Florida Department of Environmental Protection Outdoor Recreation - Acquisition, Development and Planning	15.916	LW434	108,675	--
United States Department of Agriculture - Passed through Florida Department of Agriculture - Cooperative Forestry Assistance	10.664	10417 8804 9437 9802	54,420 25,000 10,000 7,807	-- -- -- --
United States Department of Justice - Passed through Broward County Sheriff's Office - Edward Byrne Memorial Justice Assistance Grant Program	16.738	2005-DJ-BX-1692	27,123	--

CITY OF PLANTATION, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL PROGRAMS AND STATE PROJECTS

(continued)

For the Year Ended September 30, 2006

<u>Federal/State Agency Pass-through Entity Federal Program/State Project</u>	<u>CFDA/CSFA Number</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
FEDERAL AGENCY NAME:				
Indirect programs (continued):				
United States National Endowment for the Humanities - Passed through Florida Humanities Council Promotion of the Humanities - Federal/State Partnership	45.129	0504-3057-1770	6,053	--
United States Department of Transportation - Passed through Florida Department of Transportation Highway Planning and Construction	20.205	FM No. 230727-1-38/58-01	<u>2,151</u>	--
Total Federal Agency			<u>23,467,040</u>	--
Total Expenditures of Federal Awards			<u>\$ 23,467,040</u>	<u>\$ --</u>
STATE AGENCY NAME:				
Florida Housing Finance Corporation - State Housing Initiatives Partnership Program	*	52.901	\$ 858,135	\$ --
Florida Department of State and Secretary of State - Public Library Construction Program	45.020	05-PLC-05	159,750	--
Florida Department of Environmental Protection - Florida Recreation Development Assistance Program	37.017	F5279	100,000	--
State of Florida Department of Transportation - Passed through Broward County County Incentive Grant Program	55.008	AK340	98,250	--
State of Florida Department of Transportation - Florida Highway Beautification Council Grant	55.003	ANH56	<u>32,709</u>	--
Total State Agency			<u>1,248,844</u>	--
Total Expenditures of State Financial Assistance			<u>\$ 1,248,844</u>	<u>\$ --</u>

* Denotes a major program/project
NOTE: This schedule was prepared on the accrual basis of accounting.

CITY OF PLANTATION, FLORIDA
SCHEDULE OF EXPENDITURES OF LOCAL FINANCIAL ASSISTANCE
For the Year Ended September 30, 2006

<u>Grantor</u>	<u>Number</u>	<u>Expenditures</u>
Broward County Land Preservation - S.W. 45th Avenue Park	CAF#550	\$ 288,150
South Florida Water Management District Water SIP Program	DG060340	50,000
School Board of Broward County School Resource Officer Program	--	69,600
Broward County Broward Beautiful Greenshade Grant	G05-09	7,500
Broward County Broward Cultural Council Education and Community Development	ECD11-2006	<u>7,300</u>
Total Local Agency		<u>422,550</u>
Total Expenditures of Local Financial Assistance		<u>\$ <u>422,550</u></u>

NOTE: This schedule was prepared on the accrual basis of accounting.

CITY OF PLANTATION, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS
For the Year Ended September 30, 2006

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements.
2. No reportable conditions relating to the audit of the basic financial statements are reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
3. No instances of noncompliance material to the basic financial statements of City of Plantation, Florida, were disclosed during the audit.
4. No reportable conditions relating to the audit of the major Federal programs or state projects are reported in the Independent Auditors' Report on Compliance and Internal Control over Compliance Applicable to each Major Federal Program and State Project.
5. The auditors' report on compliance for the major Federal programs and state projects for City of Plantation, Florida expresses an unqualified opinion.
6. No audit findings relative to the major Federal programs or state projects for City of Plantation, Florida are reported in Part C of this schedule.
7. The programs/projects tested as a major program/project are as follows:

Federal Program	Federal CFDA No.
United States Department of Homeland Security, Public Assistance Grant	97.036
United States Department of Agriculture Emergency Watershed Protection	10.904
State Project	State CSFA No.
Florida Housing Finance Corporation - State Housing Initiatives Partnership Program	52.901

8. The threshold for distinguishing Types A and B programs was \$ 300,000 for the major Federal programs and state projects.
9. City of Plantation, Florida was determined to be a low-risk auditee pursuant to OMB Circular A-133.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

NONE

CITY OF PLANTATION, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS
(continued)
For the Year Ended September 30, 2006

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAM AND STATE PROJECT AUDITS

NONE

D. OTHER ISSUES

No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to Federal programs or State projects.

No Corrective Action Plan is required because there were no findings required to be reported under the Federal or Florida Single Audit Acts.