

# CITY OF PLANTATION, FLORIDA

## BASIC FINANCIAL STATEMENTS AND OTHER SCHEDULES

Fiscal Year Ended September 30, 2010

Prepared by: Finance Department

CITY OF PLANTATION, FLORIDA  
 BASIC FINANCIAL STATEMENTS  
 AND OTHER SCHEDULES  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

TABLE OF CONTENTS

	<u>PAGE</u>
FINANCIAL SECTION:	
Independent Auditors' Report	1-2
Management's Discussion and Analysis (Not Covered by Independent Auditors' Report)	3-11
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds	14-15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	16
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Pledged Revenue Fund	20
Statement of Net Assets – Proprietary Funds	21
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds	22
Statement of Cash Flows – Proprietary Funds	23-24
Statement of Fiduciary Net Assets – Fiduciary Funds	25
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	26
Notes to the Financial Statements	27-60

CITY OF PLANTATION, FLORIDA  
 BASIC FINANCIAL STATEMENTS  
 AND OTHER SCHEDULES  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

TABLE OF CONTENTS  
 (continued)

	<u>PAGE</u>
<b>REQUIRED SUPPLEMENTARY INFORMATION:</b>	
Pension Trust Funds:	
Schedule of Contributions from the Employer and the State of Florida:	
General Employees' Pension Trust Fund	61
Police Officers' Pension Trust Fund	62
Volunteer Firefighters' Pension Trust Fund	63
Schedule of Funding Progress:	
General Employees' Pension Trust Fund	64
Police Officers' Pension Trust Fund	65
Volunteer Firefighters' Pension Trust Fund	66
Annual Pension Costs – All Pension Trust Funds	67
Other Post-Employment Benefits	68
Combining Financial Statements:	
Combining Balance Sheet – Nonmajor Governmental Funds	69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	70
Combining Balance Sheet – Nonmajor Special Revenue Funds	71
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	72
Combining Balance Sheet – Nonmajor Debt Service Funds	73
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds	74
Combining Balance Sheet – Nonmajor Capital Project Funds	75
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Project Funds	76
<b>OTHER FINANCIAL INFORMATION:</b>	
Capital Assets Used in the Operation of Governmental Funds	
Schedule of Capital Assets by Function and Activity	77
Schedule of Changes in Capital Assets by Function and Activity	78
Schedule of Insurance Coverage	79-80

CITY OF PLANTATION, FLORIDA  
BASIC FINANCIAL STATEMENTS  
AND OTHER SCHEDULES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

TABLE OF CONTENTS  
(continued)

	<u>PAGE</u>
COMPLIANCE SECTION:	
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 <i>Government Auditing Standards</i>	81-82
Independent Auditors' Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Federal Program and State Project and on Internal Control over Compliance in Accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General	83-84
Independent Auditors' Report to City Management	85-86
Schedule of Expenditures of Federal Awards and State Financial Assistance	87-89
Schedule of Findings and Questioned Costs – Federal Programs and State Projects	90-91
Summary Schedule of Prior Audit Findings	92



## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
City of 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 the City of Plantation, Florida (the "City"), as of and for the year ended September 30, 2010, 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. We did not audit the financial statements of the City of Plantation Police Officers' Pension Fund, which represent 41%, 41%, and 40%, respectively, of the assets, net assets and revenues of the Fiduciary Funds. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for City of Plantation Police Officers' Pension Fund, is based on the report of the other auditors. 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 and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of September 30, 2010, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2011 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information on pages 3 through 11 and 61 through 68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The combining and individual nonmajor fund financial statements, and other financial information are presented for purposes of additional analysis and are not a required part of the financial statements. 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 Chapter 10.550, *Rules of the Auditor General*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the information is fairly stated in all material respects in relation to the financial statements as a whole. The other financial information has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Keefe, McCullough & Co., LLP*

KEEFE, MCCULLOUGH & CO., LLP

Fort Lauderdale, Florida  
February 23, 2011

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

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 fiscal year ended September 30, 2010. This discussion is to be read in conjunction with the City's financial statements, which immediately follow this discussion.

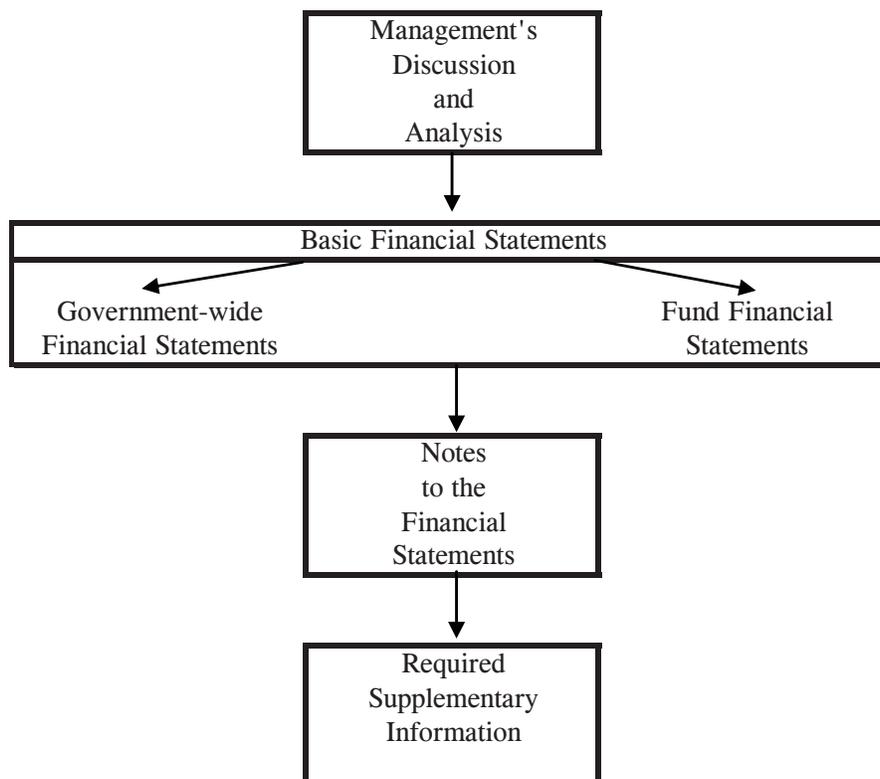
### FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$ 241,991,122 (net assets), which is an increase over the prior year of \$ 1,933,878. Of the net asset amount, \$ 47,293,279 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. See detailed explanation on page 6.
- The governmental activities revenue totaled \$ 84,555,791, or a .6% decrease over the prior year and expense totaled \$ 81,407,511 or a 2.8% decrease over the prior year. The increase in governmental net assets of \$ 3,148,280 is analyzed on pages 7 and 8.
- The business-type activities revenue totaled \$ 34,028,772, or a 6.0% increase over the prior year and expense totaled \$ 35,243,174, or a 4.5% decrease over the prior year. See detailed explanation on page 8.
- During the year, the City's governmental funds' expenditures and financing uses totaled \$ 122,001,983 compared to \$ 114,683,005 generated in revenues and other financing sources for governmental programs.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The City's basic financial statements are presented within the financial section of this Annual Financial Report. As illustrated in the following chart, the financial section has three components: management's discussion and analysis (this section), the basic financial statements, and required supplementary information.

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 an indicator of the City's financial health.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. It provides a breakdown of revenues and expenses by function. 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., special assessment receivables, and earned but unused compensated absences).

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, physical environment, transportation, economic 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 12 and 13 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 fiscal 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.

The City maintains twenty-nine 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, the 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-five 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, Pledged Revenue, to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 14 through 20 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 water and wastewater services, fire/rescue services, and a golf course operation.

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 water and wastewater services, fire/rescue services, and a golf course, all of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 21 through 24 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 statement 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 basic fiduciary fund financial statements can be found on pages 25 and 26 of this report.

## **NOTES TO THE FINANCIAL STATEMENTS**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 through 60 of this report.

## **OTHER INFORMATION**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. This required supplementary information is on pages 61 through 68 of this report.

The combining statements referred to earlier in connection with non-major, governmental funds can be 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 \$ 241,991,122 at the close of the most recent fiscal year.

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

### City of Plantation's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 64,686,564	\$ 71,405,257	\$ 30,496,927	\$ 31,525,090	\$ 95,183,491	\$ 102,930,347
Capital assets	104,792,862	98,309,069	112,203,006	112,954,189	216,995,868	211,263,258
Total assets	169,479,426	169,714,326	142,699,933	144,479,279	312,179,359	314,193,605
Long-term liabilities	35,640,496	38,702,092	15,929,892	15,647,851	51,570,388	54,349,943
Other liabilities	14,120,071	14,441,655	4,497,778	5,344,763	18,617,849	19,786,418
Total liabilities	49,760,567	53,143,747	20,427,670	20,992,614	70,188,237	74,136,361
Net Assets:						
Invested in capital assets, net of related debt	72,840,272	62,647,181	97,072,375	97,632,295	169,912,647	160,279,476
Restricted	22,230,182	25,220,762	2,555,014	3,100,898	24,785,196	28,321,660
Unrestricted	24,648,405	28,702,636	22,644,874	22,753,472	47,293,279	51,456,108
Total net assets	\$ 119,718,859	\$ 116,570,579	\$ 122,272,263	\$ 123,486,665	\$ 241,991,122	\$ 240,057,244

By far the largest portion of the City's net assets, 70.2% reflects its investment in capital assets (e.g., land, intangibles, construction in progress, buildings, improvements other than buildings, infrastructure, library collections, and machinery and equipment, less any related debt used to acquire those assets that are 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.

As depicted above, approximately 10.2% of the net assets represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$ 47,293,279, 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. The governmental funds had unrestricted fund balances in the amount of \$ 24,648,405. While these funds may be unrestricted on the City-wide statement they may be designated for subsequent year's 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's Changes in Net Assets

Operations	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	\$ 10,578,479	\$ 11,296,061	\$ 31,812,362	\$ 29,651,061	\$ 42,390,841	\$ 40,947,122
Operating grant and contributions	1,827,581	2,853,278	31,310	92,670	1,858,891	2,945,948
Capital grants and contributions	2,168,206	1,794,510	1,838,400	2,315,227	4,006,606	4,109,737
General revenues:						
Property taxes	32,850,052	32,957,383	-	-	32,850,052	32,957,383
Other taxes	28,521,043	29,074,350	-	-	28,521,043	29,074,350
Investment earnings	699,741	389,282	351,365	74,845	1,051,106	464,127
Other	5,714,431	3,967,271	(4,665)	(31,266)	5,709,766	3,936,005
Total revenues	<u>82,359,533</u>	<u>82,332,135</u>	<u>34,028,772</u>	<u>32,102,537</u>	<u>116,388,305</u>	<u>114,434,672</u>
Expenses:						
Program Expenses:						
General government	12,933,895	13,563,576	-	-	12,933,895	13,563,576
Public safety	41,795,993	42,501,676	-	-	41,795,993	42,501,676
Physical environment	7,084,042	7,323,562	-	-	7,084,042	7,323,562
Transportation	3,705,168	4,009,343	-	-	3,705,168	4,009,343
Economic environment	3,121,500	2,689,693	-	-	3,121,500	2,689,693
Culture and recreation	11,187,390	11,925,042	-	-	11,187,390	11,925,042
Interest on long-term debt	1,579,523	1,697,687	-	-	1,579,523	1,697,687
Water and wastewater services	-	-	22,020,320	22,280,103	22,020,320	22,280,103
Fire/rescue services	-	-	6,912,898	7,699,741	6,912,898	7,699,741
Golf course	-	-	4,113,698	4,168,284	4,113,698	4,168,284
Total expenses	<u>81,407,511</u>	<u>83,710,579</u>	<u>33,046,916</u>	<u>34,148,128</u>	<u>114,454,427</u>	<u>117,858,707</u>
Change in net assets before other items	952,022	(1,378,444)	981,856	(2,045,591)	1,933,878	(3,424,035)
Transfers	2,196,258	2,753,849	(2,196,258)	(2,753,849)	-	-
Increase (decrease) in net assets	3,148,280	1,375,405	(1,214,402)	(4,799,440)	1,933,878	(3,424,035)
Net assets-beginning	<u>116,570,579</u>	<u>115,195,174</u>	<u>123,486,665</u>	<u>128,286,105</u>	<u>240,057,244</u>	<u>243,481,279</u>
Net assets-ending	<u>\$ 119,718,859</u>	<u>\$ 116,570,579</u>	<u>\$ 122,272,263</u>	<u>\$ 123,486,665</u>	<u>\$ 241,991,122</u>	<u>\$ 240,057,244</u>

- Governmental activities charges for services revenue decreased by \$ 717,582 or 6.4%. This amount can primarily be explained as follows:
  - Fire protection service revenues and building permits were down \$ 369,083 and \$ 330,143 due to economic conditions.
  - Fines from code violations were down \$ 190,293 due to many cases settled and paid in the prior fiscal year.
  - Recreation program revenues decreased \$ 164,795 due to the outsourcing of the summer program.
  - Recycling fees increased \$ 204,224 due to resource recovery monies paid by Broward County which covered prior period adjustments.

- Operating grants and contributions decreased by \$ 1,025,697 primarily due to hurricane money reimbursement in 2009.
- Other taxes decreased \$ 553,307 because the franchise taxes, utility service taxes, county share of fuel taxes, state shared revenues and incremental taxes all decreased.
- Investment earnings for governmental funds increased \$ 310,459 as a direct result of improved economic conditions.
- General government program expenses decreased \$ 629,681 or 4.6% resulting primarily from a decrease in the workforce due to retirements, voluntary separation, and open positions.
- Public safety program expenses decreased \$ 705,683 or 1.7% consisting mainly of a decrease in pension expense.
- Economic environment program expenses increased by \$ 431,807 or 16.1% resulting from the continued rehabilitation of homes purchased through the Neighborhood Stabilization program for future sale.
- Culture and recreation program expenses decreased \$ 737,652 or 6.2% due to a decrease in payroll and operating expenses. This amount included cost savings from the outsourcing of the City's summer camp program.
- Business-type charges for services increased \$ 2,161,301 or 7.3% due mostly to an increase in the Water and Wastewater Fund of \$ 2,455,365 from sale of water and wastewater; and a decrease in ambulance fee revenues in the Fire/Rescue Fund of \$ 233,202.
- Business-type investment earnings increased \$ 276,520 as a direct result of improved economic conditions.
- Business-type water and wastewater services expenses decreased by \$ 259,783 or 1.2% resulting from reduced operating costs.
- Business-type fire/rescue services expenses decreased by \$ 786,843 or 10.2% due to decreased operating costs.

## **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 fiscal year.

- As of the close of the current fiscal year the City's governmental funds reported a combined ending fund balance of \$ 49,357,230, a decrease of \$ 7,318,978 in comparison with the prior year fund balance.
- Approximately \$ 10,626,160 or 21.5% of the fund balance is reserved by third parties for particular purposes. Approximately \$ 31,220,938 or 63.3% of the unreserved fund balance is designated by management for a particular purpose. Approximately \$ 7,510,132 or 15.2% is unreserved and undesignated, but it is not available for new spending because it has already been committed 1) to pay debt service, \$ 2,042,588, 2) for capital improvement, \$ 843,114, or 3) for a variety of other restricted purposes, \$ 4,624,430.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was zero. In accordance with established policy, excess funds in the General Fund were transferred to the Designated Capital Improvements and Reserve Fund to the extent that it did not create a negative net change in fund balance. At the same time, the Designated Capital and Reserve Fund will cover any deficit that may occur in the General Fund. The General Fund has a total fund balance of \$ 16,418,218, which \$ 657,982 or 4.0% is reserved and \$ 15,760,236 is unreserved but designated. The designations are: \$ 3,018,107 or 18.4% of the total fund balance is designated for subsequent year's expenditures, \$ 7,041,888, or 42.9% for exposure to risks and to provide sufficient fund equity for catastrophic losses, \$ 3,990,719, or 24.3% of the total fund balance, for the rising cost of employee medical/dental coverage, \$ 1,650,000, or 10.0% designated for Other Post-Employment Benefits (OPEB), and \$ 59,522, or .4% designated for Building Department technology.

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 20.7% of the total General Fund expenditures, including transfers, and the total fund balance represents 21.5%.

## 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's Change in Net Assets

	Water and Wastewater Services		Fire/Rescue Services		Golf Course	
	2010	2009	2010	2009	2010	2009
Revenues and other sources	\$ 27,874,073	\$ 31,960,137	\$ 6,988,058	\$ 6,781,876	\$ 3,901,294	\$ 3,962,382
Expenditures and other uses	<u>28,946,566</u>	<u>35,561,275</u>	<u>6,912,898</u>	<u>7,743,010</u>	<u>4,118,363</u>	<u>4,199,550</u>
Increases (decreases) in net assets	\$ <u>(1,072,493)</u>	\$ <u>(3,601,138)</u>	\$ <u>75,160</u>	\$ <u>(961,134)</u>	\$ <u>(217,069)</u>	\$ <u>(237,168)</u>

The Water and Wastewater Services Fund is operating at a \$ 1,072,493 deficit due to lower earnings on investment reserves and transfers to support bonded debt service of the governmental funds. City Council approved rate increases based on a utility rate study implemented in August 2009. The Fire/Rescue Services Fund revenues and other sources consist of transfers from governmental funds in the amount of \$ 4,606,400, which is an increase of \$ 438,478 from the previous year and \$ 2,362,316 in transport fees or a decrease of \$ 250,168 from the previous year. Total operating expenses for the Fire/Rescue Services Fund decreased by \$ 786,843. The Golf Course Fund is operating on a near breakeven basis with a slight decrease in revenues and a slight decrease in expenses. Revenues were primarily from charges for golf fees and restaurant operations. Total operating expenses of \$ 3,750,765 for the golf course decreased \$ 53,941 from the previous year.

## 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 numbers. At this point, the expenditures with the largest budget overages are amended. No budgets were amended for the General Fund or the Pledged Revenue Fund.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### CAPITAL ASSETS

The City's investment in capital assets for its governmental and business type activities at the end of the fiscal year amounts to \$ 216,995,868 (net of accumulated depreciation). Approximately 48.3% of this investment is related to governmental activities and includes land, intangibles, construction in progress, buildings, improvements other than buildings, infrastructure, machinery and equipment, and library collections. Capital assets held by the City at the end of the current fiscal year are summarized as follows:

#### City of Plantation's Capital Assets (net of accumulated depreciation)

	Governmental Activities	Business-type Activities	Total
Land	\$ 26,314,321	\$ 7,916,765	\$ 34,231,086
Intangibles	1,703,220	-	1,703,220
Construction in progress	4,739,886	4,152,648	8,892,534
Buildings	17,349,703	13,067,920	30,417,623
Improvements other than buildings	29,196,389	71,376,905	100,573,294
Infrastructure	9,089,810	6,392,946	15,482,756
Library collections	234,320	-	234,320
Machinery and equipment	16,165,213	9,295,822	25,461,035
	<u>\$ 104,792,862</u>	<u>\$ 112,203,006</u>	<u>\$ 216,995,868</u>

### LONG-TERM DEBT

At the end of the current fiscal year, the City had total bonded debt outstanding of \$ 36,318,256. The City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds). Additionally, the City has a \$ 367,769 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, a \$ 973,305 note payable for the development of the Altman property as part of the Community Redevelopment Agency catalytic investment strategy project, a 2007 promissory note for \$ 5,862,445 for installing automatic meter readers, as well as the related cash receipting software, a \$ 431,278 Acres IV Special Assessment Note for a Plantation Acres Roadway Improvement Project, a 2009 note for \$ 2,683,024 used for a land acquisition, and a 2009 outstanding loan amount to date of \$ 789,515 used to fund the Water Main Replacement, Plantation Park Phase E contract.

The City's total debt of \$ 47,425,592 decreased, during the current fiscal year, by \$ 4,456,310 or 8.6%. The key factors for this change were as follows:

- \$ 862,479 for the DER Loan, \$ 125,412 for the capital lease, \$ 1,030,000 for the Series 2003 Revenue Bonds, \$ 5,150,000 for the Series 2002 Revenue Bonds, \$ 174,128 for the 2002 Dredging Note, and \$ 72,304 for the 2005 CRA Revenue Note,

- Issuance of Enclave note in the amount of \$ 2,750,000, and
- Amortization of original issue premiums and discounts net \$ 44,549.

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.

Additional information on the City’s long-term debt can be found on pages 45 through 51 of this report.

### **NEXT YEAR’S BUDGET AND RATES**

During the current fiscal year, unreserved fund balance in the General Fund increased \$ 518,954 to \$ 15,760,236. This increase was primarily the result of:

- Designated \$ 3,018,107 for subsequent year’s operations or an increase of \$ 761,807 from the prior year,
- Designated \$ 1,650,000 for other post employment benefits or a decrease of \$ 225,000 from the prior year, and
- Designated \$ 3,990,719 for medical benefits or a decrease of \$ 43,381 from the prior year.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City’s finances and to demonstrate the City’s accountability for the money it receives. 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 73<sup>rd</sup> Avenue, Plantation, Florida, 33317-1609.

# BASIC FINANCIAL STATEMENTS

**CITY OF PLANTATION, FLORIDA**  
**STATEMENT OF NET ASSETS**  
September 30, 2010

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS:</b>			
Cash and equity in pooled cash and investments	\$ 31,202,478	\$ 19,363,320	\$ 50,565,798
Receivables - net of allowance for uncollectibles:			
Accounts	3,088,535	4,184,695	7,273,230
Special assessments	451,184	818,158	1,269,342
Due from other governments	754,048	660	754,708
Inventories	184,717	727,789	912,506
Prepays	429,729	33,216	462,945
Net pension assets	5,239,930	-	5,239,930
Restricted assets:			
Cash and equity in pooled cash and investments	15,349,350	3,510,905	18,860,255
Cash and investments with fiscal agent/third party	6,553,443	1,766,478	8,319,921
Receivables-net of allowance for uncollectibles	28,836	-	28,836
Accrued interest	28,538	-	28,538
Due from other governments	979,535	-	979,535
Deferred debt issuance costs	396,241	91,706	487,947
Capital assets:			
Non-depreciable	32,757,427	12,069,413	44,826,840
Depreciable (net of accumulated depreciation)	72,035,435	100,133,593	172,169,028
Total assets	<u>169,479,426</u>	<u>142,699,933</u>	<u>312,179,359</u>
<b>LIABILITIES:</b>			
Accounts payable and other current liabilities	4,519,465	1,162,038	5,681,503
Unearned revenue	1,127,398	76,129	1,203,527
Payable from restricted assets:			
Accounts payable and other liabilities	246,213	590,615	836,828
Accrued interest payable	194,691	81,259	275,950
Deposits	393,970	1,868,092	2,262,062
Compensated absences	19,585	-	19,585
Due within one year:			
Compensated absences	742,688	231,465	974,153
Bonds and loans payable	6,847,079	479,262	7,326,341
Claims payable	28,982	8,918	37,900
Due in more than one year:			
Compensated absences	4,179,649	877,026	5,056,675
Bonds and loans payable	25,501,754	14,597,497	40,099,251
Claims payable	4,623,584	140,231	4,763,815
Other post-employment benefits liability	1,335,509	315,138	1,650,647
Total liabilities	<u>49,760,567</u>	<u>20,427,670</u>	<u>70,188,237</u>
<b>NET ASSETS:</b>			
Invested in capital assets, net of related debt	72,840,272	97,072,375	169,912,647
Restricted for:			
Economic stability	1,952,220	46,004	1,998,224
Community development	2,512,466	-	2,512,466
Capital improvements	7,388,687	476,071	7,864,758
Renewal and replacement	101,106	1,130,215	1,231,321
Transportation	1,060,623	-	1,060,623
Debt service	7,641,432	902,724	8,544,156
Grants and special programs	202,656	-	202,656
Police purposes	1,155,672	-	1,155,672
Library purposes	215,320	-	215,320
Unrestricted	24,648,405	22,644,874	47,293,279
Total net assets	<u>\$ 119,718,859</u>	<u>\$ 122,272,263</u>	<u>\$ 241,991,122</u>

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

**CITY OF PLANTATION, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended September 30, 2010

	Program Revenues				Primary Government		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
<b>FUNCTIONS/PROGRAMS:</b>							
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 12,933,895	\$ 884,374	\$ 25,000	\$ 15,020	\$ (12,009,501)	\$ -	\$ (12,009,501)
Public safety	41,795,993	6,196,770	242,230	152,328	(35,204,665)	-	(35,204,665)
Physical environment	7,084,042	1,647,101	312,647	1,327,240	(3,797,054)	-	(3,797,054)
Transportation	3,705,168	336,913	40	7,970	(3,360,245)	-	(3,360,245)
Economic environment	3,121,500	30,699	1,179,943	-	(1,910,858)	-	(1,910,858)
Culture and recreation	11,187,390	1,482,622	67,721	665,648	(8,971,399)	-	(8,971,399)
Interest on long-term debt	1,579,523	-	-	-	(1,579,523)	-	(1,579,523)
Total governmental activities	<u>81,407,511</u>	<u>10,578,479</u>	<u>1,827,581</u>	<u>2,168,206</u>	<u>(66,833,245)</u>	<u>-</u>	<u>(66,833,245)</u>
<b>Business-type activities:</b>							
Water and wastewater services	22,020,320	25,562,022	29,000	1,838,400	-	5,409,102	5,409,102
Fire/rescue services	6,912,898	2,379,282	2,310	-	-	(4,531,306)	(4,531,306)
Golf course	4,113,698	3,871,058	-	-	-	(242,640)	(242,640)
Total business-type activities	<u>33,046,916</u>	<u>31,812,362</u>	<u>31,310</u>	<u>1,838,400</u>	<u>-</u>	<u>635,156</u>	<u>635,156</u>
Total primary government	<u>\$ 114,454,427</u>	<u>\$ 42,390,841</u>	<u>\$ 1,858,891</u>	<u>\$ 4,006,606</u>	<u>(66,833,245)</u>	<u>635,156</u>	<u>(66,198,089)</u>
<b>General revenues:</b>							
<b>Taxes:</b>							
Property taxes, levied for general purposes					32,850,052	-	32,850,052
Property tax increments					1,234,207	-	1,234,207
Utility service taxes					6,252,659	-	6,252,659
Franchise taxes					6,955,889	-	6,955,889
Other taxes					14,078,288	-	14,078,288
Investment income					699,741	351,365	1,051,106
Gain (loss) on sale of capital assets					263,253	(4,665)	258,588
Miscellaneous					3,747,958	-	3,747,958
Donated intangibles					1,703,220	-	1,703,220
Transfers					2,196,258	(2,196,258)	-
Total general revenues and transfers					<u>69,981,525</u>	<u>(1,849,558)</u>	<u>68,131,967</u>
Change in net assets					3,148,280	(1,214,402)	1,933,878
NET ASSETS - BEGINNING					<u>116,570,579</u>	<u>123,486,665</u>	<u>240,057,244</u>
NET ASSETS - ENDING					<u>\$ 119,718,859</u>	<u>\$ 122,272,263</u>	<u>\$ 241,991,122</u>

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

CITY OF PLANTATION, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2010

	General	Pledged Revenue	Designated Capital Improvements and Reserve
<b>ASSETS:</b>			
Cash and equity in pooled cash and investments	\$ 19,460,059	\$ 2,426,784	\$ 11,056,882
Cash and investments with fiscal agent/third party	-	-	-
Receivables - net of allowance for uncollectibles:			
Accounts	606,380	618,229	3,560
Accrued interest	-	-	-
Special assessments	368	106,044	-
Due from other funds	444,665	-	-
Due from other governments:			
Federal	5,784	-	418,750
State	242,488	-	-
Local and other	87,026	-	-
Inventories	184,717	-	-
Prepays	378,380	-	46,349
	<u>\$ 21,409,867</u>	<u>\$ 3,151,057</u>	<u>\$ 11,525,541</u>
Total assets	<u>\$ 21,409,867</u>	<u>\$ 3,151,057</u>	<u>\$ 11,525,541</u>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>Liabilities:</b>			
Accounts payable and other liabilities	3,498,789	-	1,041,835
Due to other funds	-	-	-
Unearned revenue	1,050,387	-	-
Deferred revenue	48,503	95,458	418,750
Deposits	393,970	-	-
	<u>4,991,649</u>	<u>95,458</u>	<u>1,460,585</u>
Total liabilities	<u>4,991,649</u>	<u>95,458</u>	<u>1,460,585</u>
<b>Fund balances:</b>			
<b>Reserved for:</b>			
Economic stability	-	-	3,904,440
Debt service	-	-	-
Inventories and prepaids	563,097	-	-
Cultural arts	94,885	-	-
Library purposes	-	-	-
Special programs	-	-	-
<b>Unreserved:</b>			
<b>General Fund:</b>			
Designated for subsequent year's expenditures	3,018,107	-	-
Designated for medical benefits	3,990,719	-	-
Designated for risk management	7,041,888	-	-
Designated for other post-employment benefits	1,650,000	-	-
Designated for building department technology	59,522	-	-
<b>Special Revenue Funds:</b>			
Designated for subsequent year's expenditures	-	1,834,949	-
Undesignated	-	1,220,650	-
<b>Debt Service Fund:</b>			
Designated for subsequent year's expenditures	-	-	-
Undesignated	-	-	-
<b>Capital Projects Funds:</b>			
Designated for subsequent year's expenditures	-	-	1,708,000
Designated for economic stability	-	-	1,952,220
Designated for emergency preparedness	-	-	1,900,000
Designated for landscaping	-	-	148,804
Designated for information technology	-	-	25,000
Undesignated	-	-	426,492
	<u>16,418,218</u>	<u>3,055,599</u>	<u>10,064,956</u>
Total fund balances	<u>16,418,218</u>	<u>3,055,599</u>	<u>10,064,956</u>
Total liabilities and fund balances	<u>\$ 21,409,867</u>	<u>\$ 3,151,057</u>	<u>\$ 11,525,541</u>

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

Community Redevelopment Agency Designated Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,290,245	\$ 10,317,858	\$ 46,551,828
-	6,553,443	6,553,443
-	516,387	1,744,556
-	28,538	28,538
-	344,772	451,184
-	-	444,665
-	841,592	1,266,126
-	137,943	380,431
-	-	87,026
-	-	184,717
-	5,000	429,729
<u>\$ 3,290,245</u>	<u>\$ 18,745,533</u>	<u>\$ 58,122,243</u>
14,194	239,842	4,794,660
-	444,665	444,665
-	77,011	1,127,398
-	1,441,609	2,004,320
-	-	393,970
<u>14,194</u>	<u>2,203,127</u>	<u>8,765,013</u>
-	-	3,904,440
-	5,116,690	5,116,690
-	5,000	568,097
-	-	94,885
-	193,250	193,250
-	748,798	748,798
-	-	3,018,107
-	-	3,990,719
-	-	7,041,888
-	-	1,650,000
-	-	59,522
-	814,541	2,649,490
-	3,403,780	4,624,430
-	333,000	333,000
-	2,042,588	2,042,588
3,276,051	3,468,137	8,452,188
-	-	1,952,220
-	-	1,900,000
-	-	148,804
-	-	25,000
-	416,622	843,114
<u>3,276,051</u>	<u>16,542,406</u>	<u>49,357,230</u>
<u>\$ 3,290,245</u>	<u>\$ 18,745,533</u>	<u>\$ 58,122,243</u>

CITY OF PLANTATION, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
September 30, 2010

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS, PAGE 15 \$ 49,357,230

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 funds:

Governmental capital assets	191,805,650
Less accumulated depreciation	(87,012,788)

Net pension assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	5,239,930
---	-----------

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

Deferred charge on issuance costs (to be amortized over the life of the debt)	396,241
Recoverable non-current workers' compensation liability	1,372,815

Deferred revenue in governmental funds is susceptible to full accrual on the government-wide statements.	2,004,320
--	-----------

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

Governmental bonds, loans, and note payable	(32,315,376)
Bond premium (to be amortized as a reduction of interest expense), net	(328,501)
Bond discount (to be amortized as interest expense), net	135,391
Deferred charge on refunding (to be amortized as interest expense), net	159,653
Claims liabilities	(4,623,584)
Compensated absences	(4,941,922)
Other post employment benefits liability	(1,335,509)
Accrued interest payable on bonds	(194,691)

NET ASSETS OF GOVERNMENTAL ACTIVITIES, PAGE 12 \$ 119,718,859

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

**CITY OF PLANTATION, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2010**

	General	Pledged Revenue	Designated Capital Improvements and Reserve	Community Redevelopment Agency Designated Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Property taxes	\$ 32,148,157	\$ -	\$ -	\$ -	\$ 701,895	\$ 32,850,052
Utility taxes	133,332	6,119,327	-	-	-	6,252,659
Franchise taxes	46,576	6,909,313	-	-	-	6,955,889
Licenses and permits	3,548,928	-	-	-	-	3,548,928
Intergovernmental	13,108,380	444,753	267,231	7,970	6,872,739	20,701,073
Fines and forfeitures	621,493	-	-	-	90,830	712,323
Charges for services	3,819,064	-	34,604	-	32,086	3,885,754
Special assessments	-	-	-	-	42,039	42,039
Investment income	251,522	40,227	125,271	21,735	260,986	699,741
Miscellaneous	4,344,604	55,344	1,155,339	-	395,571	5,950,858
<b>Total revenues</b>	<b>58,022,056</b>	<b>13,568,964</b>	<b>1,582,445</b>	<b>29,705</b>	<b>8,396,146</b>	<b>81,599,316</b>
<b>EXPENDITURES:</b>						
Current operating:						
General government	12,593,143	-	61,631	-	6,751	12,661,525
Public safety	39,225,258	-	7,839	-	473,549	39,706,646
Physical environment	6,393,274	-	4,427	-	-	6,397,701
Transportation	749,479	-	-	-	2,139,653	2,889,132
Economic environment	705,473	-	-	93,321	2,323,017	3,121,811
Culture and recreation	9,523,373	-	705	-	49,924	9,574,002
Capital outlay	559,321	-	6,111,794	1,691,856	3,040,728	11,403,699
Debt service:						
Principal	-	-	-	-	6,504,330	6,504,330
Interest and other	-	-	-	-	1,605,706	1,605,706
<b>Total expenditures</b>	<b>69,749,321</b>	<b>-</b>	<b>6,186,396</b>	<b>1,785,177</b>	<b>16,143,658</b>	<b>93,864,552</b>
Excess (deficiency) of revenues over (under) expenditures	(11,727,265)	13,568,964	(4,603,951)	(1,755,472)	(7,747,512)	(12,265,236)
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	18,958,154	-	410,698	1,431,443	9,533,394	30,333,689
Transfers out	(6,523,853)	(15,317,150)	(2,254,844)	-	(4,041,584)	(28,137,431)
Proceeds from debt	-	-	2,750,000	-	-	2,750,000
<b>Total other financing sources (uses)</b>	<b>12,434,301</b>	<b>(15,317,150)</b>	<b>905,854</b>	<b>1,431,443</b>	<b>5,491,810</b>	<b>4,946,258</b>
<b>Net change in fund balance</b>	<b>707,036</b>	<b>(1,748,186)</b>	<b>(3,698,097)</b>	<b>(324,029)</b>	<b>(2,255,702)</b>	<b>(7,318,978)</b>
<b>FUND BALANCES - BEGINNING</b>	<b>15,711,182</b>	<b>4,803,785</b>	<b>13,763,053</b>	<b>3,600,080</b>	<b>18,798,108</b>	<b>56,676,208</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 16,418,218</b>	<b>\$ 3,055,599</b>	<b>\$ 10,064,956</b>	<b>\$ 3,276,051</b>	<b>\$ 16,542,406</b>	<b>\$ 49,357,230</b>

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

**CITY OF PLANTATION, FLORIDA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
For the Year Ended September 30, 2010

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

Net change in fund balances - total governmental funds, page 17	\$ (7,318,978)
Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the statement of net assets.	11,349,772
Depreciation expense on governmental capital assets is included in the governmental activities in the statement of net assets.	(5,529,264)
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.	6,504,330
The issuance of long-term debt provides current financial resources to governmental funds, however, it has no effect on net assets.	(2,750,000)
Donated intangibles	1,703,220
Some governmental revenues reported in the governmental funds when measurable and available are reported in the statement of activities when the underlying expenditures were incurred:	
Special assessment revenue	305,013
Grant revenue	(230,156)
Miscellaneous revenue	22,073
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.	(1,039,934)
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	66,138
Provision for amortization of original issue discount	(16,924)
Provision for amortization of bond issuance costs	(73,974)
Provision for amortization of deferred charge on refunding	(20,273)
Change in other post-employment benefits liability	(749,220)
Change in long-term compensated absences	299,878
Change in general liability claims	233,000
Change in workers' compensation claims	(668,654)
Change in net pension assets	1,064,990
Change in accrued interest expense on long-term debt	(2,757)
Change in net assets of governmental activities, page 13	\$ 3,148,280

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

**CITY OF PLANTATION, FLORIDA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**For the Year Ended September 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Property taxes	\$ 32,207,200	\$ 32,207,200	\$ 32,148,157	\$ (59,043)
Utility taxes	128,400	128,400	133,332	4,932
Franchise taxes	-	-	46,576	46,576
Licenses and permits	4,350,100	4,350,100	3,548,928	(801,172)
Intergovernmental	13,021,600	13,021,600	13,108,380	86,780
Fines and forfeitures	635,000	635,000	621,493	(13,507)
Charges for services	3,670,900	3,670,900	3,819,064	148,164
Investment income	600,000	600,000	251,522	(348,478)
Miscellaneous	4,939,500	4,939,500	4,344,604	(594,896)
<b>Total revenues</b>	<u>59,552,700</u>	<u>59,552,700</u>	<u>58,022,056</u>	<u>(1,530,644)</u>
<b>EXPENDITURES:</b>				
Current operating:				
General government	13,212,549	13,212,549	12,593,143	619,406
Public safety	40,288,001	40,288,001	39,225,258	1,062,743
Physical environment	6,591,276	6,591,276	6,393,274	198,002
Transportation	767,500	767,500	749,479	18,021
Economic environment	723,625	723,625	705,473	18,152
Culture and recreation	9,893,949	9,893,949	9,523,373	370,576
Capital outlay	565,100	565,100	559,321	5,779
<b>Total expenditures</b>	<u>72,042,000</u>	<u>72,042,000</u>	<u>69,749,321</u>	<u>2,292,679</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,489,300)</u>	<u>(12,489,300)</u>	<u>(11,727,265)</u>	<u>762,035</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	16,704,650	16,704,650	18,958,154	2,253,504
Transfers out	(6,471,650)	(6,471,650)	(6,523,853)	(52,203)
<b>Total other financing sources (uses)</b>	<u>10,233,000</u>	<u>10,233,000</u>	<u>12,434,301</u>	<u>2,201,301</u>
<b>Net change in fund balances</b>	<u>(2,256,300)</u>	<u>(2,256,300)</u>	<u>707,036</u>	<u>2,963,336</u>
<b>FUND BALANCES - BEGINNING</b>	<u>15,711,182</u>	<u>15,711,182</u>	<u>15,711,182</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 13,454,882</u>	<u>\$ 13,454,882</u>	<u>\$ 16,418,218</u>	<u>\$ 2,963,336</u>

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

CITY OF PLANTATION, FLORIDA  
 PLEDGED REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended September 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES:</b>				
Utility taxes	\$ 6,100,000	\$ 6,100,000	\$ 6,119,327	\$ 19,327
Franchise taxes	8,305,000	8,305,000	6,909,313	(1,395,687)
Intergovernmental	444,800	444,800	444,753	(47)
Investment income	92,500	92,500	40,227	(52,273)
Miscellaneous	25,000	25,000	55,344	30,344
<b>Total revenues</b>	<b>14,967,300</b>	<b>14,967,300</b>	<b>13,568,964</b>	<b>(1,398,336)</b>
Excess (deficiency) of revenues over (under) expenditures	14,967,300	14,967,300	13,568,964	(1,398,336)
<b>OTHER FINANCING USES:</b>				
Transfers out	(15,317,150)	(15,317,150)	(15,317,150)	-
<b>Total other financing uses</b>	<b>(15,317,150)</b>	<b>(15,317,150)</b>	<b>(15,317,150)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(349,850)</b>	<b>(349,850)</b>	<b>(1,748,186)</b>	<b>(1,398,336)</b>
<b>FUND BALANCES - BEGINNING</b>	<b>4,803,785</b>	<b>4,803,785</b>	<b>4,803,785</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 4,453,935</b>	<b>\$ 4,453,935</b>	<b>\$ 3,055,599</b>	<b>\$ (1,398,336)</b>

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

**CITY OF PLANTATION, FLORIDA**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**September 30, 2010**

	Water and Wastewater Services	Fire/Rescue Services	Golf Course	Total
<b>ASSETS:</b>				
Current assets:				
Cash and equity in pooled cash and investments	\$ 17,975,222	\$ 4,405	\$ 1,383,693	\$ 19,363,320
Receivables-net of allowance for uncollectibles:				
Accounts	3,188,573	995,640	482	4,184,695
Due from other governments	-	660	-	660
Inventories	661,608	-	66,181	727,789
Prepays	18,470	-	14,746	33,216
Restricted assets:				
Cash and equity in pooled cash and investments	2,842,679	-	668,226	3,510,905
Cash and investments with fiscal agent/third party	895,760	-	870,718	1,766,478
Total current assets	<u>25,582,312</u>	<u>1,000,705</u>	<u>3,004,046</u>	<u>29,587,063</u>
Noncurrent assets:				
Special assessments	818,158	-	-	818,158
Deferred debt issuance costs	25,130	-	66,576	91,706
Capital assets, net	92,408,051	529,632	19,265,323	112,203,006
Total noncurrent assets	<u>93,251,339</u>	<u>529,632</u>	<u>19,331,899</u>	<u>113,112,870</u>
Total assets	<u>118,833,651</u>	<u>1,530,337</u>	<u>22,335,945</u>	<u>142,699,933</u>
<b>LIABILITIES:</b>				
Current liabilities:				
Accounts payable and other liabilities	779,598	249,815	132,625	1,162,038
Unearned revenue	-	-	76,129	76,129
Compensated absences	79,214	152,251	-	231,465
Bonds and loans payable	479,262	-	-	479,262
Claims payable	1,224	7,694	-	8,918
Payable from restricted assets:				
Accounts payable and other liabilities	590,615	-	-	590,615
Accrued interest	35,878	-	45,381	81,259
Deposits	1,868,092	-	-	1,868,092
Total current liabilities	<u>3,833,883</u>	<u>409,760</u>	<u>254,135</u>	<u>4,497,778</u>
Long-term liabilities:				
Compensated absences	509,072	367,954	-	877,026
Bonds and loans payable	6,172,698	-	8,424,799	14,597,497
Claims payable	113,604	26,627	-	140,231
Other post-employment benefits liability	207,622	107,516	-	315,138
Total long-term liabilities	<u>7,002,996</u>	<u>502,097</u>	<u>8,424,799</u>	<u>15,929,892</u>
Total liabilities	<u>10,836,879</u>	<u>911,857</u>	<u>8,678,934</u>	<u>20,427,670</u>
<b>NET ASSETS:</b>				
Invested in capital assets, net of related debt	86,165,286	-	10,907,089	97,072,375
Restricted for:				
Economic stability	-	-	46,004	46,004
Capital improvements	384,064	-	92,007	476,071
Renewal and replacement	600,000	-	530,215	1,130,215
Debt service	209,988	-	692,736	902,724
Unrestricted	20,637,434	618,480	1,388,960	22,644,874
Total net assets	<u>\$ 107,996,772</u>	<u>\$ 618,480</u>	<u>\$ 13,657,011</u>	<u>\$ 122,272,263</u>

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

**CITY OF PLANTATION, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**For the Year Ended September 30, 2010**

	Water and Wastewater Services	Fire/Rescue Services	Golf Course	Total
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 25,523,054	\$ 2,362,316	\$ 3,871,058	\$ 31,756,428
Miscellaneous	38,968	16,966	-	55,934
Total operating revenues	<u>25,562,022</u>	<u>2,379,282</u>	<u>3,871,058</u>	<u>31,812,362</u>
<b>OPERATING EXPENSES:</b>				
Salaries, wages, and employee benefits	7,059,582	5,366,021	-	12,425,603
Supplies, services and claims	7,725,085	1,456,174	2,875,741	12,057,000
Depreciation	6,934,004	90,703	875,024	7,899,731
Total operating expenses	<u>21,718,671</u>	<u>6,912,898</u>	<u>3,750,765</u>	<u>32,382,334</u>
Operating income (loss)	<u>3,843,351</u>	<u>(4,533,616)</u>	<u>120,293</u>	<u>(569,972)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Intergovernmental	29,000	2,310	-	31,310
Investment income	321,063	66	30,236	351,365
Interest expense	(298,077)	-	(348,073)	(646,150)
Amortization of deferred charges	(2,548)	-	(9,915)	(12,463)
Loss on sale of capital assets	-	-	(4,665)	(4,665)
Other expense	(1,024)	-	(4,945)	(5,969)
Total nonoperating revenues (expenses)	<u>48,414</u>	<u>2,376</u>	<u>(337,362)</u>	<u>(286,572)</u>
Income (loss) before contributions and transfers	<u>3,891,765</u>	<u>(4,531,240)</u>	<u>(217,069)</u>	<u>(856,544)</u>
<b>CAPITAL CONTRIBUTIONS:</b>				
Capital contributions-impact fees	94,587	-	-	94,587
Capital contributions	1,743,813	-	-	1,743,813
Total capital contributions	<u>1,838,400</u>	<u>-</u>	<u>-</u>	<u>1,838,400</u>
<b>OTHER FINANCING SOURCES (USES).</b>				
Transfers in	123,588	4,606,400	-	4,729,988
Transfers out	(6,926,246)	-	-	(6,926,246)
Total other financing sources (uses)	<u>(6,802,658)</u>	<u>4,606,400</u>	<u>-</u>	<u>(2,196,258)</u>
Change in net assets	(1,072,493)	75,160	(217,069)	(1,214,402)
TOTAL NET ASSETS - BEGINNING	<u>109,069,265</u>	<u>543,320</u>	<u>13,874,080</u>	<u>123,486,665</u>
TOTAL NET ASSETS - ENDING	<u>\$ 107,996,772</u>	<u>\$ 618,480</u>	<u>\$ 13,657,011</u>	<u>\$ 122,272,263</u>

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

**CITY OF PLANTATION, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the Year Ended September 30, 2010

	Business-Type Activities - Enterprise Funds			Total
	Water and Wastewater Services	Fire/Rescue Services	Golf Course	
Cash flows from operating activities:				
Cash received from customers	\$ 25,649,527	\$ 2,342,523	\$ 3,857,286	\$ 31,849,336
Cash payments to suppliers	(7,659,823)	(1,397,110)	(2,933,327)	(11,990,260)
Cash payments to employees	(6,879,795)	(5,549,124)	-	(12,428,919)
Net cash provided (used) by operating activities	<u>11,109,909</u>	<u>(4,603,711)</u>	<u>923,959</u>	<u>7,430,157</u>
Cash flows from noncapital financing activities:				
Operating grants	(1,024)	1,650	-	626
Operating transfers-in	123,588	4,606,400	-	4,729,988
Operating transfers-out	(6,926,246)	-	-	(6,926,246)
Net cash provided (used) by noncapital financing activities	<u>(6,803,682)</u>	<u>4,608,050</u>	<u>-</u>	<u>(2,195,632)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(7,256,081)	-	(42,508)	(7,298,589)
Proceeds from sale of capital assets	25,100	-	15,000	40,100
Proceeds from issuance of debt	789,515	-	-	789,515
Principal paid on debt	(1,321,534)	-	-	(1,321,534)
Capital lease payments	-	-	(125,412)	(125,412)
Interest and other charges	(303,863)	-	(370,419)	(674,282)
Capital contributions from developers, property owners, other funds and governments	1,867,400	-	-	1,867,400
Net cash used in capital and related financing activities	<u>(6,199,463)</u>	<u>-</u>	<u>(523,339)</u>	<u>(6,722,802)</u>
Cash flows from investing activities:				
Investment income received	321,063	66	30,236	351,365
Net increase (decrease) from purchases, sales and activities of investments with fiscal agent	<u>732,353</u>	<u>-</u>	<u>(7,674)</u>	<u>724,679</u>
Net cash provided by investing activities	<u>1,053,416</u>	<u>66</u>	<u>22,562</u>	<u>1,076,044</u>
Net increase (decrease) in cash and cash equivalents	<u>(839,820)</u>	<u>4,405</u>	<u>423,182</u>	<u>(412,233)</u>
CASH AND EQUITY IN POOLED CASH AND INVESTMENTS, at beginning of year	<u>21,657,721</u>	<u>-</u>	<u>1,628,737</u>	<u>23,286,458</u>
CASH AND EQUITY IN POOLED CASH AND INVESTMENTS, at end of year	<u>\$ 20,817,901</u>	<u>\$ 4,405</u>	<u>\$ 2,051,919</u>	<u>\$ 22,874,225</u>
Classified as:				
Unrestricted	\$ 17,975,222	\$ 4,405	\$ 1,383,693	\$ 19,363,320
Restricted	2,842,679	-	668,226	3,510,905
	<u>\$ 20,817,901</u>	<u>\$ 4,405</u>	<u>\$ 2,051,919</u>	<u>\$ 22,874,225</u>

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

**CITY OF PLANTATION, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
(continued)  
For the Year Ended September 30, 2010

	Business-Type Activities - Enterprise Funds			
	Water and Wastewater Services	Fire/Rescue Services	Golf Course	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 3,843,351	\$ (4,533,616)	\$ 120,293	\$ (569,972)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	6,934,004	90,703	875,024	7,899,731
(Gain) or loss on fixed assets	(14,683)	-	-	(14,683)
Provision for bad debt	4,946	852,653	-	857,599
Changes in assets and liabilities:				
Accounts receivable	(41,379)	(889,412)	40,415	(890,376)
Inventories	17,192	-	4,456	21,648
Prepays	(2,428)	-	(6,663)	(9,091)
Due from other governments	4,616	-	-	4,616
Special assessments	15,010	-	-	15,010
Accounts payable and other liabilities	69,968	75,450	(55,379)	90,039
Compensated absences	275	28,609	-	28,884
Unearned revenue	-	-	(54,187)	(54,187)
Other post-employment benefits liability	127,405	62,247	-	189,652
Deposits	104,312	-	-	104,312
Claims payable	47,320	(290,345)	-	(243,025)
Total adjustments	<u>7,266,558</u>	<u>(70,095)</u>	<u>803,666</u>	<u>8,000,129</u>
Net cash provided (used) by operating activities	<u>\$ 11,109,909</u>	<u>\$ (4,603,711)</u>	<u>\$ 923,959</u>	<u>\$ 7,430,157</u>
Noncash investing, capital and financing activities:				
Transfer of construction in progress to inventory	<u>\$ 119,959</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,959</u>

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

**CITY OF PLANTATION, FLORIDA**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**September 30, 2010**

	General Employees' Pension	Police Officers' Pension	Volunteer Firefighters' Pension	Total
<b>ASSETS:</b>				
Cash and cash equivalents	\$ -	\$ 7,002	\$ -	\$ 7,002
Cash and investments with fiscal agent/third party	101,864,806	80,892,450	11,865,104	194,622,360
Receivables-net of allowance for uncollectibles:				
Accounts	831,111	130,447	138	961,696
Accrued interest	276,214	62,093	10,071	348,378
Due from other governments:				
State	-	-	229,815	229,815
Prepaid expenses	12,338	-	778	13,116
	<u>102,984,469</u>	<u>81,091,992</u>	<u>12,105,906</u>	<u>196,182,367</u>
Total assets				
<b>LIABILITIES:</b>				
Accounts payable and other liabilities	<u>8,555,463</u>	<u>6,686,962</u>	<u>27,485</u>	<u>15,269,910</u>
Total liabilities	<u>8,555,463</u>	<u>6,686,962</u>	<u>27,485</u>	<u>15,269,910</u>
<b>NET ASSETS:</b>				
Held in trust for pension benefits and other purposes	<u>\$ 94,429,006</u>	<u>\$ 74,405,030</u>	<u>\$ 12,078,421</u>	<u>\$ 180,912,457</u>

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

**CITY OF PLANTATION, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
For the Year Ended September 30, 2010

	General Employees' Pension	Police Officers' Pension	Volunteer Firefighters' Pension	Total
<b>ADDITIONS:</b>				
Contributions:				
City	\$ 3,876,717	\$ 4,670,276	\$ -	\$ 8,546,993
Members	2,272,379	1,062,977	-	3,335,356
State	-	653,355	696,293	1,349,648
Total contributions	<u>6,149,096</u>	<u>6,386,608</u>	<u>696,293</u>	<u>13,231,997</u>
Investment Income:				
Interest and dividends	2,336,636	1,291,876	214,920	3,843,432
Net change in fair value of investments	6,374,385	3,881,844	971,049	11,227,278
Total investment income	<u>8,711,021</u>	<u>5,173,720</u>	<u>1,185,969</u>	<u>15,070,710</u>
Less: Investment expenses	480,441	484,887	68,699	1,034,027
DROP participant's earnings	118,624	355,161	-	473,785
Net investment income	<u>8,111,956</u>	<u>4,333,672</u>	<u>1,117,270</u>	<u>13,562,898</u>
Total additions	<u>14,261,052</u>	<u>10,720,280</u>	<u>1,813,563</u>	<u>26,794,895</u>
<b>DEDUCTIONS:</b>				
Benefit payments	5,497,388	5,950,625	351,864	11,799,877
Termination refunds	342,051	57,107	-	399,158
Administrative expenses	74,320	153,835	39,952	268,107
Total deductions	<u>5,913,759</u>	<u>6,161,567</u>	<u>391,816</u>	<u>12,467,142</u>
Changes in net assets	<u>8,347,293</u>	<u>4,558,713</u>	<u>1,421,747</u>	<u>14,327,753</u>
NET ASSETS - BEGINNING, AS RESTATED (NOTE 15)	<u>86,081,713</u>	<u>69,846,317</u>	<u>10,656,674</u>	<u>166,584,704</u>
NET ASSETS - ENDING	<u>\$ 94,429,006</u>	<u>\$ 74,405,030</u>	<u>\$ 12,078,421</u>	<u>\$ 180,912,457</u>

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

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

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 approximately 86,000 residents. The City operates under a Mayor/Council form of government and provides the following services: general government, public safety, physical environment, transportation, economic environment and culture and recreation. The City also operates three enterprise funds which provide water and wastewater services, fire/rescue services and a golf course.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) - Reporting Entity

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. These principles include all relevant required Governmental Accounting Standards Board (GASB) pronouncements. As defined by GAAP, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Plantation Gateway Development District, the Plantation Midtown Development District, and the Community Redevelopment Agency (CRA), were determined to be component units of the City. Although these component units are legally separate from the City, their sole purpose is for the benefit of the City and the City is financially accountable. Consequently, these component units are reported in the primary government using the blended method. The Plantation Health Facilities 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 because the City is not obligated in any manner.

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

(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.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 within a specific function or segment. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and 2) grants and contributions that are restricted to meeting 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 sixty 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.

Business 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 Fiduciary Funds recognize revenue when earned and expenses when incurred. Earned but unbilled services receivable have been accrued in the Enterprise Funds.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 revenues that are pledged for 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 may be funded by remaining surplus in the Community Redevelopment Agency Special Revenue Fund or these remaining funds may be 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:

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

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

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

Additionally, the City reports the following fund type:

The Fiduciary Funds account for the activities of the General Employees' Pension Trust, Police Officers' Pension Trust and the Volunteer Firefighters' Pension Trust. These funds are used to accumulate resources for pension benefit payments to qualifying City employees.

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.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 revenues 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 fiduciary fund. All budgets are prepared on a basis consistent with generally accepted accounting principles. In all cases, the budget is 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 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 are conducted to obtain taxpayer comments.
- Prior to October 1, the budget is legally enacted through passage of a resolution.

(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

Investments are stated at fair value (quoted market price or the best available estimate thereof). However, money market instruments, including short-term, highly liquid investments with a remaining maturity at time of purchase of one year or less, are reported at amortized cost. All cash and investments of each fund, except certain debt service funds and all fiduciary 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 balances. The investments of fiduciary funds are managed by a Board of Trustees and are maintained in separate bank 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.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) – Inventories

All City inventories are maintained on a consumption basis of accounting where items are purchased for inventory and charged as an expenditure/expense as the items are consumed. The reported governmental fund type inventories are offset by a fund balance reserve that indicates that they do not constitute available spendable resources. Inventories are valued at the lower of cost or market using the first-in/first-out (FIFO) or weighted average method.

(h) – Prepaid Expenses/Expenditures

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

(i) – Capital Assets

Capital assets, which include land, intangibles, construction-in-progress, buildings, improvements other than buildings, infrastructure, library collections, and machinery and equipment, etc., are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. 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. All land acquisitions and donations are capitalized. Additions, improvements and expenditures that significantly extend the useful life of improvements other than buildings and infrastructure are capitalized. The composite method is used to capitalize the cost of infrastructure and library collections. Depreciation on all capital assets, except infrastructure and library collections, 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 expense related to borrowings used for construction projects is expensed as incurred in the Water and Wastewater Services enterprise fund. Rate regulation precludes recovery of such costs in future periods and therefore, capitalization of interest is inappropriate in accordance with the accounting standard for accounting for the effects of certain types of regulation.

(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 premium, discount, or 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.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) – Unearned Revenue/Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. This is classified as unearned revenue. Unearned revenues at the government-wide level arise only when the City receives resources before it has a legal claim to them.

(m) – Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from City service if certain criteria are met. The accumulated compensated absences and associated employee-related costs are accrued when incurred in the government-wide and proprietary fund financial statements. The current portion is the amount estimated to be used in the following fiscal year. The compensated absences amount for governmental funds represents a reconciling item between the fund and the government-wide presentations.

(n) – Equity Classifications

Government-wide statements

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt represent the City's investment in capital assets. Net assets are reported as restricted when there are limitations imposed to meet the various covenants as may be specified and defined in the revenue bond indenture or other legal document.

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.

(o) – Property Taxes

The State of Florida permits the City to levy property taxes up to 10 mills of assessed property valuation for the general fund except for special benefits and debt service obligations which may be issued with the approval of those taxpayers subject to ad valorem taxes. The operating millage rate levied by the City and budgeted for the 2010-2011 fiscal year is 4.5142 mills. On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held during 2007 and became effective October 1, 2008. Amendment 1 increased the current \$ 25,000 homestead exemption by an additional \$ 25,000 (for property values between \$ 50,000 and \$ 75,000), except for school district taxes. Since the new \$ 25,000 homestead exemption does not apply to school district taxes, this effectively amounts to a \$ 15,000 increase to the existing homestead exemption, resulting in an estimated annual savings of \$ 240 for the average homeowner. Amendment 1 also provided "portability", allowing property owners to transfer up to \$ 500,000 of the "Save Our Homes" benefits to their next homestead when they move. "Save Our Homes" became effective in 1995 and limits (caps) the annual increase in assessed value for homesteaded property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less. Amendment 1 also provided a \$ 25,000 exemption for tangible personal property and a ten (10%) cap on increases in the annual assessment of non-homesteaded properties. Current tax collections for the year ended September 30, 2010 were approximately 99.1% of the total tax levy, net of discounts allowed.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property taxes based on assessed values at January 1 are levied on November 1 of each year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percentage point each month thereafter. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid taxes and assessments are auctioned beginning June 1 of each year.

Property tax revenue is recorded when it becomes available. Available means due and collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. No accrual for the property tax levy becoming due in November 2010 is included in the financial statements since such taxes are collected to finance expenditures of the subsequent period.

The City Council establishes the tax levy of the city. The adoption of the final millage rate occurred September 23, 2009. Under Florida law, the assessment of all properties and the collection of all county, municipal, special district and school board property taxes are provided by Broward County's Property Appraiser and Tax Collector, who are elected County officials.

The property tax calendar for revenues billed and received for the fiscal year ended September 30, 2010 is shown as follows:

Lien date	January 1, 2009
Levy date, tax bills mailed	November 1, 2009
Last date for 4% discount on taxes paid	November 30, 2009
Last date for 3% discount on taxes paid	December 31, 2009
Last date for 2% discount on taxes paid	January 31, 2010
Last date for 1% discount on taxes paid	February 28, 2010
Final due date of payment of taxes	March 31, 2010
First date for auctioning tax certificates on delinquent accounts	June 1, 2010

(p) – 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.

(q) – 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.

Within the governmental fund financial statements, such amounts are equally offset by a fund balance reserve that indicates they do not constitute available spendable resources.

(r) – 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.

(s) – Date of Management Review

Subsequent events were evaluated through February 24, 2011, which is the date the financial statements were available to be issued.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 3 – DEPOSITS AND INVESTMENTS

**Deposits and Investments**

The City's investments, including restricted investments, consist of U.S. government securities; certificates of deposit in state-certified qualified public depositories; savings and loan association deposits in state-certified qualified public depositories; certificates of deposit within the Federally insured deposit amount in institutions that are not on the state-certified Public Deposit List, per Ordinance number 1512; investment grade obligations of state, provincial, and local governments and public authorities; money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of domestic securities; Local Government Surplus Funds Trust Fund, or any intergovernmental, investment pool authorized through the Florida Interlocal Cooperation Act; and repurchase agreements for overnight investments authorized through bank agreements.

The State Board of Administration Local Government Investment Pool is part of the Local Government Surplus Funds Trust Fund and is governed by Chapter 19-7 of the Florida Administrative Code. The City invests surplus funds in an external investment pool, the Local Government Surplus Funds Trust Fund (the "State Pool"). The State Pool is administered by the Florida State Board of Administration ("SBA"), who provides regulatory oversight. The SBA previously reported that the State Pool was exposed to potential risks due to indirect exposure in the sub-prime mortgage financial market. Consequently, the SBA placed some restrictions on how participants could access portions of their surplus funds and ultimately restructured the State Pool into separate pools ("Florida PRIME" and "Fund B").

The Florida PRIME has adopted operating procedures consistent with the requirement for a 2a-7 like fund. A 2a-7 like external investment pool is one that is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with SEC rule 2a-7, which governs the operation of SEC regulated money market funds. The City's investment in the Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool share. The Florida Prime is rated by Standard and Poor's and has a current rating of AAAM.

Fund B is reported at fair value, determined by the fair value per share of the pool's underlying portfolio. SBA's Fund B is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of Fund B. The fund is accounted for as a fluctuating NAV pool. Fund B consists primarily of segregated securities originally purchased for Florida PRIME, formally the LGIP, that (1) defaulted in the payment of principal and interest; (2) were extended; (3) were restructured or otherwise subject to workout; (4) experienced elevated market illiquidity; or (5) did not meet the criteria of Standard and Poor's rating organization. Fund B is not subject to participant withdrawal requests. Fund B's primary objective is to maximize the present value of distributions from Fund B. Distributions from Fund B, as determined by the SBA, are effected by transferring eligible cash or securities to the Florida PRIME, consistent with the pro rata allocation of pool shareholders of record at the creation of Fund B. The investments in Fund B are not insured by the FDIC or any other governmental agency. Fund B is not rated by any nationally recognized statistical rating agency.

The City's pension fund investment policies are determined by the respective Boards of Trustees. Their portfolios may consist of obligations guaranteed by the U.S. government, time or savings accounts, corporate bonds, common or preferred stocks, international equity funds and mutual funds.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

Investments are stated at fair value (quoted market price or the best available estimate thereof). However, money market investments, including short-term, highly liquid investments with a remaining maturity at time of purchase of one year or less, are reported at amortized cost.

As of September 30, 2010, the fair value of the City's deposits and investments, exclusive of the fiduciary funds, was \$ 2,905,641 in U.S. government obligations, \$ 2,249,691 in discounted commercial paper, \$ 252,651 in certificates of deposit, \$ 16,822,079 in the SBA Florida PRIME, \$ 1,409,317 in the SBA Fund B investment pool, \$ 242,000 held in deposits by a third party, \$ 44,266,105 in four money market funds (SunTrust, Colorado Bank, U.S. Bank, and First American Funds with U.S. Bank). The investments in the Florida PRIME and three money market funds have a maturity of less than one year and are classified as cash and cash equivalents. Additionally, cash and cash equivalents are comprised of \$ 13,510 cash on hand and \$ 9,584,980 deposited with qualified public depositors. All investments, including restricted and unrestricted, totaled \$ 77,745,974.

The City has invested in the State Board of Administration Local Government Investment Pool \$ 18,231,396 as of September 30, 2010. The fair value of the Florida PRIME, \$ 16,822,079, is the same as the book value of the pool shares. The fair value of Fund B, \$ 1,409,317, is \$ 583,895 less than the book value of the pool shares. The actual realized loss cannot be determined until full maturity of investments, liquidation, or sales of the investments occur.

**Interest Rate Risk** – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. To mitigate its exposure to fair value losses 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 more than three years. All the investments previously listed comply with this requirement.

**Credit Risk** – Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. 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 is only to conduct business with financial institutions that are on the approved Florida Public Depository list. The City's investments, exclusive of the fiduciary funds, that are invested in U.S. government obligations are considered to have no credit risk. State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). As of September 30, 2010, the City's investment in commercial paper was rated P-1 by Moody's Investment Services. This is the highest rating possible for commercial paper.

**Custodial Credit Risk** – Deposits are exposed to custodial risk if they are uninsured and uncollateralized. Custodial risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are uninsured, are not registered in the name of the City and are held either by the counterparty or the counterparty's trust department or agent, but not in the City's name. Consistent with the City's investment policy, the investments are held by City's custodial bank and registered in the City's name. All of the City's deposits are insured and or collateralized by a financial institution separate from the City's depository financial institution.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

Concentration of Credit Risk – The investments will be diversified by security type and financial institution. The total amount invested in certificates of deposit at a single institution will not exceed the lesser of five percent (5%) of the total portfolio, or five million dollars.

**General Employees’ Pension Trust**

The Plan’s investment policy is determined by the Board of Trustees of the Plantation General Employees’ Retirement System. The policy has been identified by the Board to preserve the purchasing power of the Fund’s assets and earn a reasonable real rate of return (after inflation) over the long term, while minimizing, to the extent possible, the short term volatility of results. The trustees seek to create a conservative, well diversified and balanced portfolio of real estate and equity, fixed income, and money market securities. The Board has determined that one or more outside investment managers shall be retained to assure that all investments are managed in both a prudent and professional manner and in compliance with the stated investment guidelines. Florida statutes and the Plan investment policy authorize the Trustees to invest funds in various investments.

**Interest Rate Risk** - Information about the sensitivity of the fair value of the Plan’s investments to market interest rate fluctuations is provided by the following table that shows the distributions of the City’s General Employees’ Pension trust fund as of September 30, 2010:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More Than 10</u>
Bond funds	\$ 11,763,982	\$ 334,168	\$ 4,330,858	\$ 3,410,438	\$ 3,688,518
U.S. government and agency funds	22,418,452	3,123,167	1,667,137	3,876,318	13,751,830
Mutual funds	<u>1,001,976</u>	<u>1,001,976</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fixed income securities	<u>\$ 35,184,410</u>	<u>\$ 4,459,311</u>	<u>\$ 5,997,995</u>	<u>\$ 7,286,756</u>	<u>\$ 17,440,348</u>

**Credit Risk** – The Plan’s investment policy utilizes portfolio diversification in order to control this risk. The City’s General Employees’ Plan investment policy requires its fixed income portfolio to be invested in securities with a rating of Baa/BBB or higher. Fixed income securities which are downgraded below the minimum rating by both entities shall be sold at the earliest beneficial opportunity.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

The following table discloses Standard and Poor’s credit ratings by investment type.

	<u>Fair Value</u>	<u>Percentage of Portfolio</u>
U.S. government guaranteed*	\$ 22,418,452	63.72%
Quality rating of credit risk and debt securities:		
AAA	1,514,605	4.30%
AA	1,410,859	4.01%
AA-	566,546	1.61%
A+	1,987,022	5.65%
A	2,486,382	7.07%
A-	673,640	1.91%
BBB+	909,539	2.59%
BBB	1,425,278	4.05%
BB- and lower	<u>1,792,087</u>	<u>5.09%</u>
 Total credit risk debt securities	 <u>12,765,958</u>	 <u>36.28%</u>
 Total fixed income securities	 <u>\$ 35,184,410</u>	 <u>100.00%</u>

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

**Concentration of Credit Risk** - Disclosure is required if 5% or more 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 policy also requires that not more than 10% of the funds’ assets be invested in real estate.

**Custodial Credit Risk** – Consistent with the Plan’s investment policy, the investments are held by Plan’s custodial bank and registered in the Plan’s name. All of the Plan’s deposits are insured and/or collateralized by a financial institution separate from the Plan’s depository financial institution.

**Police Officers’ Pension Fund**

The Police Officers’ Pension Fund Plan’s investment policy is determined by the Board of Trustees. The policy has been identified by the Board to provide for the accumulation and distribution of money in an actuarially sound fashion over the years of the employees’ service and subsequent retirement. The trustees are authorized to acquire and retain every kind of investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common, which persons of prudence, discretion, and intelligence acquire or retain for their own account.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

**Interest Rate Risk** - Information about the sensitivity of the fair values of the Plan’s investments to market interest rate fluctuations is provided by the following table that shows the distributions of the City’s Police Officers’ Pension trust fund as of September 30, 2010:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More Than 10</u>
Bond funds	\$ 6,431,588	\$ 1,369,928	\$ 2,334,666	\$ 1,742,960	\$ 984,034
U.S. government and agency funds	16,109,719	5,947,306	6,270,491	2,487,525	1,404,397
Mutual funds	<u>8,648,545</u>	<u>449,910</u>	<u>4,798,780</u>	<u>3,399,855</u>	<u>-</u>
Total fixed income securities	<u>\$ 31,189,852</u>	<u>\$ 7,767,144</u>	<u>\$ 13,403,937</u>	<u>\$ 7,630,340</u>	<u>\$ 2,388,431</u>

**Credit Risk** – The Plan’s investment policy utilizes portfolio diversification in order to control this risk. The Police Officers’ Pension Plan requires debt securities to be 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 Poor’s rating services.

The following table discloses Standard and Poor’s credit ratings by investment type.

	<u>Fair Value</u>	<u>Percentage of Portfolio</u>
U.S. government guaranteed*	\$ <u>16,109,719</u>	<u>51.65%</u>
Quality rating of credit risk and debt securities:		
AAA	4,625,512	14.83%
AA	5,099,624	16.35%
A	2,905,612	9.32%
BBB	<u>2,449,385</u>	<u>7.85%</u>
Total credit risk debt securities	<u>15,080,133</u>	<u>48.35%</u>
Total fixed income securities	<u>\$ 31,189,852</u>	<u>100.00%</u>

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

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

**Concentration of Credit Risk** - Disclosure is required if 5% or more 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.

**Custodial Credit Risk** – Consistent with the Plan’s investment policy, the investments are held by Plan’s custodial bank and registered in the Plan’s name. All of the Plan’s deposits are insured and/or collateralized by a financial institution separate from the Plan’s depository financial institution.

**Volunteer Firefighters’ Pension Trust**

The Plan’s investment policy is determined by the Board of Trustees of the Plantation Volunteer Firefighters’ Retirement System. The policy has been identified by the Board to preserve the purchasing power of the Fund’s assets and earn a reasonable real rate of return (after inflation) over the long term, while minimizing, to the extent possible, the short term volatility of results. The trustees seek to create a conservative, well diversified and balanced portfolio of real estate and equity, fixed income, and money market securities. The Board has determined that one or more outside investment managers shall be retained to assure that all investments are managed in both a prudent and professional manner and in compliance with the stated investment guidelines. Florida statutes and the Plan investment policy authorize the Trustees to invest funds in various investments.

**Interest Rate Risk** - Information about the sensitivity of the fair value of the Plan’s investments to market interest rate fluctuations is provided by the following table that shows the distributions of the City’s Firefighters’ Pension trust fund as of September 30, 2010:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More Than 10</u>
Bond funds	\$ 3,478,439	\$ 340,887	\$ 2,027,930	\$ 789,606	\$ 320,016
Total fixed income securities	\$ <u>3,478,439</u>	\$ <u>340,887</u>	\$ <u>2,027,930</u>	\$ <u>789,606</u>	\$ <u>320,016</u>

**Credit Risk** - The City’s Firefighters’ Pension Plan Investment Policy requires its fixed income portfolio to be invested in bonds with a rating of Baa/BBB or higher. Fixed income securities which are downgraded below the minimum rating by both entities shall be sold at the earliest beneficial opportunity.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

The following table discloses Standard and Poor’s credit ratings by investment type.

	Fair Value	Percentage of Portfolio
U.S. government guaranteed*	\$ 2,097,499	60.30%
Quality rating of credit risk and debt securities:		
AAA	146,094	4.20%
AA	299,146	8.60%
A	438,283	12.60%
BBB	320,016	9.20%
BB	97,396	2.80%
B	80,005	2.30%
Total credit risk debt securities	1,380,940	39.70%
Total fixed income securities	\$ 3,478,439	100.00%

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

**Concentration of Credit Risk** - Disclosure is required if 5% or more 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.

NOTE 4 – RECEIVABLES

Receivables in the aggregate, including the applicable allowance for uncollectible accounts, are as follows:

	General	Pledged Revenue	Designated Capital Improvements and Reserve	Nonmajor Governmental Funds	Total
Governmental activities:					
Accounts	\$ 11,933,656	\$ 618,229	\$ 3,600	\$ 517,365	\$ 13,072,850
Accrued interest	-	-	-	28,538	28,538
Special assessments	368	106,044	-	344,772	451,184
Due from other funds	444,665	-	-	-	444,665
Intergovernmental	335,298	-	418,750	979,535	1,733,583
Gross receivables	12,713,987	724,273	422,350	1,870,210	15,730,820
Less: allowance for uncollectibles	11,327,276	-	40	978	11,328,294
Total receivables, net	\$ 1,386,711	\$ 724,273	\$ 422,310	\$ 1,869,232	\$ 4,402,526

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 4 – RECEIVABLES (continued)

	<u>Water and Wastewater Services</u>	<u>Fire/Rescue Services</u>	<u>Golf Course</u>	<u>Total</u>
Business-type activities:				
Accounts	\$ 1,943,723	\$ 3,450,961	\$ 482	\$ 5,395,166
Unbilled revenue	1,512,237	-	-	1,512,237
Intergovernmental	-	660	-	660
Special assessments	<u>818,158</u>	<u>-</u>	<u>-</u>	<u>818,158</u>
Gross receivables	4,274,118	3,451,621	482	7,726,221
Less: allowance for uncollectibles	<u>267,387</u>	<u>2,455,321</u>	<u>-</u>	<u>2,722,708</u>
Total receivables, net	<u>\$ 4,006,731</u>	<u>\$ 996,300</u>	<u>\$ 482</u>	<u>\$ 5,003,513</u>

NOTE 5 - PAYABLES

Accounts payable and other liabilities are as follows:

	<u>General</u>	<u>Designated Capital Improvements and Reserve</u>	<u>Community Redevelopment Agency Designated Capital Improvements</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Governmental activities:					
Vendors	\$ 2,170,407	\$ 1,041,835	\$ 14,194	\$ 226,802	\$ 3,453,238
Salaries and Benefits	<u>1,328,382</u>	<u>-</u>	<u>-</u>	<u>13,040</u>	<u>1,341,422</u>
Total accounts payable and other liabilities	<u>\$ 3,498,789</u>	<u>\$ 1,041,835</u>	<u>\$ 14,194</u>	<u>\$ 239,842</u>	<u>\$ 4,794,660</u>

	<u>Water and Wastewater Services</u>	<u>Fire/Rescue Services</u>	<u>Golf Course</u>	<u>Total</u>
Business-type activities:				
Vendors	\$ 550,720	\$ 109,377	\$ 132,625	\$ 792,722
Salaries and Benefits	165,912	140,438	-	306,350
Other	<u>62,966</u>	<u>-</u>	<u>-</u>	<u>62,966</u>
Total accounts payable and other liabilities	<u>\$ 779,598</u>	<u>\$ 249,815</u>	<u>\$ 132,625</u>	<u>\$ 1,162,038</u>

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 6 - INTERFUND BALANCES AND TRANSFERS

Interfund balances at September 30, 2010 consisted of an amount totaling \$ 444,665 due to the General Fund from the Neighborhood Stabilization Program for \$ 4,595 and the Community Development Block Grant for \$ 440,070.

Interfund transfers as of and for the year ended September 30, 2010, consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 18,958,154	\$ 6,523,853
Pledged Revenue Fund	-	15,317,150
Designated Capital Improvements and Reserve Fund	410,698	2,254,844
Community Redevelopment Agency Designated Capital Improvements	1,431,443	-
Nonmajor Governmental Funds	9,533,394	4,041,584
Water and Wastewater Services Fund	123,588	6,926,246
Fire/Rescue Services Fund	4,606,400	-
<b>Total</b>	<b>\$ <u>35,063,677</u></b>	<b>\$ <u>35,063,677</u></b>

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, 2010, was as follows:

	<u>Balance October 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance September 30, 2010</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 24,108,393	\$ 3,096,844	\$ (1,021,234)	\$ 130,318	\$ 26,314,321
Intangibles	-	1,703,220	-	-	1,703,220
Construction in progress	7,141,684	5,523,852	-	(7,925,650)	4,739,886
<b>Total capital assets, not being depreciated</b>	<b><u>31,250,077</u></b>	<b><u>10,323,916</u></b>	<b><u>(1,021,234)</u></b>	<b><u>(7,795,332)</u></b>	<b><u>32,757,427</u></b>
Capital assets, being depreciated:					
Buildings	28,284,513	257,613	(860)	3,261,850	31,803,116
Improvements other than buildings	51,824,381	186,849	-	114,147	52,125,377
Infrastructure	33,863,756	956,874	-	-	34,820,630
Library collections	1,916,936	52,606	-	-	1,969,542
Machinery and equipment	33,781,004	1,275,134	(1,145,915)	4,419,335	38,329,558
<b>Total capital assets, being depreciated</b>	<b><u>149,670,590</u></b>	<b><u>2,729,076</u></b>	<b><u>(1,146,775)</u></b>	<b><u>7,795,332</u></b>	<b><u>159,048,223</u></b>
<b>Total capital assets</b>	<b><u>180,920,667</u></b>	<b><u>13,052,992</u></b>	<b><u>(2,168,009)</u></b>	<b><u>-</u></b>	<b><u>191,805,650</u></b>

**CITY OF PLANTATION, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
September 30, 2010

**NOTE 7 - CAPITAL ASSETS (continued)**

	Balance October 1, 2009	Additions	Deletions	Transfers	Balance September 30, 2010
Less accumulated depreciation for:					
Buildings	13,576,621	877,652	(860)	-	14,453,413
Improvements other than buildings	21,306,528	1,622,460	-	-	22,928,988
Infrastructure	25,519,540	211,280	-	-	25,730,820
Library collections	1,715,028	20,194	-	-	1,735,222
Machinery and equipment	20,493,881	2,797,678	(1,127,214)	-	22,164,345
<b>Total accumulated depreciation</b>	<b>82,611,598</b>	<b>5,529,264</b>	<b>(1,128,074)</b>	<b>-</b>	<b>87,012,788</b>
<b>Total capital assets, being depreciated, net</b>	<b>67,058,992</b>	<b>(2,800,188)</b>	<b>(18,701)</b>	<b>7,795,332</b>	<b>72,035,435</b>
 Governmental activities capital assets, net	 \$ 98,309,069	 \$ 7,523,728	 \$ (1,039,935)	 \$ -	 \$ 104,792,862

Depreciation expense was charged to functions as follows:

<b>Governmental activities:</b>		
General government	\$ 455,427	
Public safety	2,329,498	
Physical environment	662,449	
Transportation	421,991	
Culture and recreation	1,659,899	
<b>Total</b>	<b>\$ 5,529,264</b>	

	Balance October 1, 2009	Additions	Deletions	Transfers	Balance September 30, 2010
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 7,916,765	\$ -	\$ -	\$ -	\$ 7,916,765
Construction in progress	6,588,327	4,380,395	(119,959)	(6,696,115)	4,152,648
<b>Total capital assets, not being depreciated</b>	<b>14,505,092</b>	<b>4,380,395</b>	<b>(119,959)</b>	<b>(6,696,115)</b>	<b>12,069,413</b>
Capital assets, being depreciated:					
Buildings	22,318,583	205,097	-	192,630	22,716,310
Improvements other than buildings	155,970,425	2,105,423	-	6,021,994	164,097,842
Infrastructure	7,010,464	352,849	-	-	7,363,313
Machinery and equipment	17,608,688	254,828	(57,777)	481,491	18,287,230
<b>Total capital assets, being depreciated</b>	<b>202,908,160</b>	<b>2,918,197</b>	<b>(57,777)</b>	<b>6,696,115</b>	<b>212,464,695</b>
<b>Total capital assets</b>	<b>217,413,252</b>	<b>7,298,592</b>	<b>(177,736)</b>	<b>-</b>	<b>224,534,108</b>

**CITY OF PLANTATION, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
September 30, 2010

**NOTE 7 - CAPITAL ASSETS (continued)**

	Balance October 1, 2009	Additions	Deletions	Transfers	Balance September 30, 2010
Less accumulated depreciation for:					
Buildings	8,864,219	784,171	-	-	9,648,390
Improvements other than buildings	87,546,801	5,174,136	-	-	92,720,937
Infrastructure	651,621	318,746	-	-	970,367
Machinery and equipment	7,396,422	1,622,678	(27,692)	-	8,991,408
<b>Total accumulated depreciation</b>	<u>104,459,063</u>	<u>7,899,731</u>	<u>(27,692)</u>	<u>-</u>	<u>112,331,102</u>
<b>Total capital assets, being depreciated, net</b>	<u>98,449,097</u>	<u>(4,981,534)</u>	<u>(30,085)</u>	<u>6,696,115</u>	<u>100,133,593</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 112,954,189</u>	<u>\$ (601,139)</u>	<u>\$ (150,044)</u>	<u>\$ -</u>	<u>\$ 112,203,006</u>

Depreciation expense was charged to various functions as follows:

Business-type activities:	
Water and Wastewater Services Fund	\$ 6,934,004
Fire/Rescue Services Fund	90,703
Golf Course Fund	<u>875,024</u>
<b>Total</b>	<u>\$ 7,899,731</u>

Construction in progress for governmental activities relates to multiple park improvements, streetscapes, neighborhood improvements, bus shelter improvements, and various technological enhancements.

Construction in progress for business-type activities relates to the City's various water and wastewater line replacement projects, security enhancements, and water plant modifications, as well as a technical enhancement for the utility billing system.

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

Restricted assets and liabilities payable from restricted assets of the Water and Wastewater Services Fund on September 30, 2010 represent loan proceeds restricted for utility cash receipting software and an automatic meter reader project, funds restricted for large capital repairs and replacements, customer deposits, and required funds with fiscal agent. Restricted assets and liabilities payable from restricted assets of the Golf Course Fund represent cash and investments that are to be used for maintaining wetlands at the golf course, debt service payments for the 2003 bond issue, unforeseen shortfalls, and equipment replacement. There were no liabilities payable from restricted assets for the Fire/Rescue Services Fund.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

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

The following is a summary of restricted assets, liabilities payable from restricted assets, and restricted net assets at September 30, 2010:

	<u>Restricted Assets</u>	<u>Liabilities Payable from Restricted Assets</u>	<u>Restricted Net Assets</u>
Water and Wastewater Services:			
Capital improvements	\$ 600,092	\$ 216,028	\$ 384,064
Renewal and replacement	974,587	374,587	600,000
Debt service	295,668	35,878	209,988
Customer deposits	<u>1,868,092</u>	<u>1,868,092</u>	<u>-</u>
 Total Water and Wastewater Services	 <u>\$ 3,738,439</u>	 <u>\$ 2,494,585</u>	 <u>\$ 1,194,052</u>
 Golf Course:			
Economic stability	\$ 46,004	\$ -	\$ 46,004
Capital improvements	92,007	-	92,007
Renewal and replacement	530,215	-	530,215
Debt service	<u>870,718</u>	<u>45,381</u>	<u>692,736</u>
 Total Golf Course	 <u>\$ 1,538,944</u>	 <u>\$ 45,381</u>	 <u>\$ 1,360,962</u>

NOTE 9 - LONG-TERM DEBT AND LIABILITIES

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

Long-term debt of the Enterprise Funds at September 30, 2010 is comprised of the following:

State Revolving Loan Payable	\$ <u>789,515</u>
 \$ 8,320,000 Non-Ad Valorem Revenue Bonds, Series 2003:	
Principal	8,320,000
Unamortized premium	<u>104,799</u>
	8,424,799
 \$ 6,546,250 Utilities 2007 Promissory Note	 <u>5,862,445</u>
 Total debt	 <u>15,076,759</u>
 Less current maturities due in one year	 <u>479,262</u>
 Total business-type activities long-term debt	 <u>\$ 14,597,497</u>

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

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

The following is a summary of changes in Enterprise Funds long-term debt for the year ended September 30, 2010:

	Utilities FDER Loan	Utilities 2007 Promissory Note	Golf 2003 Bond	Golf Capital Lease	State Revolving Loan	Total
Balance, October 1, 2009	\$ 862,479	\$ 6,321,500	\$ 8,440,407	\$ 125,412	\$ -	\$ 15,749,798
Additions	-	-	-	-	789,515	789,515
Redemptions	(862,479)	(459,055)	-	(125,412)	-	(1,446,946)
Reduction of unamortized discount (premium)	-	-	(15,608)	-	-	(15,608)
Balance, September 30, 2010	<u>\$ -</u>	<u>\$ 5,862,445</u>	<u>\$ 8,424,799</u>	<u>\$ -</u>	<u>\$ 789,515</u>	<u>\$ 15,076,759</u>

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

**Florida Department of Environmental Protection’s Drinking Water State Revolving Fund Loan** – During the year, the City entered into a loan agreement with the State of Florida Department of Environmental Protection’s Drinking Water State Revolving Fund Loan Program to borrow up to \$ 1,132,172. As of September 30, 2010, the City has \$ 789,515 outstanding at a financing interest rate of 2.71% which it has borrowed to finance the labor, materials, and equipment to construct the distribution project in accordance with the plans and specifications accepted by the Department for the “Water Main Replacement, Plantation Park Phase E” contract. The City is required to maintain rates and charges for the services furnished by the water and wastewater systems which will be sufficient to provide revenues equal to or exceeding 1.15 times the sum of the semi-annual loan payments (debt service). The loan is payable in semi-annual payments upon completion of the project. This amount will not be determined until the project is completed; therefore, an amortization schedule is not available at this time.

**\$ 6,546,250 Utilities 2007 Promissory Note** - In November 2007, the City closed on a note for the purpose of providing financing for the purchase and installation of certain water meters, including related labor, consulting services and computer billing software. The note will mature on August 9, 2020. The note balance is due in equal payments of principal and interest beginning in November 2008 and payable quarterly thereafter for 12 years. The note is secured by a covenant to budget and appropriate from all legally available non-ad valorem revenues. Interest is payable quarterly yielding 4.1428%.

**\$ 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.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

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

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

The annual requirements to amortize the Non-Ad Valorem Revenue Bonds, Series 2003 and the Utilities 2007 Promissory Note of the business-type activities as of September 30, 2010, including interest payments, are as follows:

Year Ending September 30,	Principal	Interest	Total
2011	\$ 479,262	\$ 609,237	\$ 1,088,499
2012	745,358	588,140	1,333,498
2013	772,383	559,377	1,331,760
2014	805,378	528,883	1,334,261
2015	829,384	496,816	1,326,200
2016-2020	6,055,680	1,868,570	7,924,250
2021-2025	4,495,000	475,900	4,970,900
	<u>14,182,445</u>	<u>\$ 5,126,923</u>	<u>\$ 19,309,368</u>
Unamortized premium	<u>104,799</u>		
	<u>* \$ 14,287,244</u>		

\* This amount does not include the State of Florida Department of Environmental Protection's Drinking Water State Revolving Loan Program of \$ 789,515 currently outstanding because the total loan amount will not be determined until the project is completed.

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

At September 30, 2010, no outstanding defeased bonded debt for the City's business-type activities existed.

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

Long-term debt and liabilities of the governmental activities at September 30, 2010 is comprised of the following bond issues and notes:

\$ 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%.	\$ 22,490,000
\$ 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%.	5,370,000
\$ 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%.	367,769
\$ 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%.	973,305

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

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

\$ 442,200 Acres IV Special Assessment Note, dated September 11, 2009; principal installments commencing 2010 through 2025; interest payable semiannually at 3.975%.	431,278
\$ 2,750,000 Enclave Land Purchase Note, dated December 10, 2009; principal installments commencing 2010 through 2024; interest payable semi-annually at 4.13%.	2,683,024
Unamortized premiums (discounts):	
Series 2002 Non-Ad Valorem Revenue Bonds	8,329
Series 2003 Non-Ad Valorem Revenue Bonds	320,172
Series 1993 Electric Franchise Fee Revenue Bonds	(135,391)
Refunding of Series 1993 Electric Franchise Fee Revenue Bonds	<u>(159,653)</u>
Total debt	32,348,833
Less current maturities and liabilities due within one year	<u>6,847,079</u>
Total governmental activities long-term debt	<u>\$ 25,501,754</u>

The following is a summary of changes in governmental activities long-term debt for the year ended September 30, 2010:

	Balance October 1, 2009	Additions	Deletions	Balance September 30, 2010	Due Within One Year
Non-Ad Valorem Revenue Bonds, Series 2003	\$ 23,520,000	\$ -	\$ 1,030,000	\$ 22,490,000	\$ 1,060,000
Non-Ad Valorem Revenue Bonds, Series 2002	10,520,000	-	5,150,000	5,370,000	5,370,000
Promissory Note, Dredging, Series 2002A	541,897	-	174,128	367,769	180,553
Community Redevelopment Agency Tax Increment Revenue Note 2005	1,045,609	-	72,304	973,305	76,165
Acres IV Special Assessment Note	442,200	-	10,922	431,278	22,499
Enclave Land Purchase Note	-	2,750,000	66,976	2,683,024	137,862
Unamortized Original Issue Premiums	394,639	-	66,138	328,501	-
Unamortized Original Issue Discounts	(152,315)	-	(16,924)	(135,391)	-
Deferred charge on refunding	<u>(179,926)</u>	<u>-</u>	<u>(20,273)</u>	<u>(159,653)</u>	<u>-</u>
	<u>\$ 36,132,104</u>	<u>\$ 2,750,000</u>	<u>\$ 6,533,271</u>	<u>\$ 32,348,833</u>	<u>\$ 6,847,079</u>

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

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

(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) real property and interests therein, (4) police/fire equipment and facilities, (5) 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 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.

**\$ 1,323,883 Promissory Note, Dredging Series 2002A** - 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.

**\$ 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 is secured by a covenant to budget and appropriate from all legally available non-ad valorem revenues. Interest is payable annually at 5.34%.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

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

**\$ 442,200 Plantation Acres Special Assessment Note** - In September 2009, the City closed on a note pertaining to the Plantation Acres Roadway Improvement Project. Repayment of the note will be made primarily from special assessments levied against benefitted properties.

Interest on the note balance is payable semiannually in April and October, at a fixed rate of 3.975%. The note balance is due in equal payments of principal and interest beginning on April 1, 2010, and semiannually thereafter through October 1, 2024. 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 is not subject to a prepayment premium if prepaid prior to maturity.

**\$ 2,750,000 Enclave Land Purchase Note** - In December 2009, the City closed on a loan pertaining to the Enclave property land acquisition. The City has an interlocal agreement with Plantation Midtown which provides that Midtown agrees to reimburse the City for 75% of the debt service incurred to purchase this property. Semiannual loan payments are due June and December of each year with the first loan payment beginning June 10, 2010 through December 10, 2024. Payments for the loan for both principal and interest shall be payable from non-ad valorem revenues. The annual interest rate on the loan is 4.130%.

(g) - Summary of all Future Debt Service Requirements for Governmental Activities:

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

Year Ending September 30,	Principal	Interest	Total
2011	\$ 6,847,079	\$ 1,406,934	\$ 8,254,013
2012	1,989,262	1,071,964	3,061,226
2013	1,848,621	1,010,717	2,859,338
2014	1,910,448	951,190	2,861,638
2015	1,967,824	787,975	2,755,799
2016-2020	9,980,409	3,075,489	13,055,898
2021-2025	7,771,733	822,860	8,594,593
	<u>32,315,376</u>	<u>\$ 9,127,129</u>	<u>\$ 41,442,505</u>
Net unamortized premium (discount) and deferred charges	<u>33,457</u>		
	<u>\$ 32,348,833</u>		

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

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

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

At September 30, 2010, no outstanding defeased bonded debt of the City's governmental funds existed.

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 for either the General Employees' Retirement Plan or the Volunteer Firefighters' Retirement Plan. 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 Officers' Retirement Plan. Under the provision of the D.R.O.P., an employee discontinues their contribution in the retirement 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, 2010, in the Police Officers' Retirement Plan, six (6) employees entered the D.R.O.P. and thirty-one (31) participants continued in the Plan with a total escrowed amount of \$ 6,366,867. In this plan, six (6) participants retired, receiving a total lump sum payout of \$ 1,108,667 during the fiscal year. Additional payouts totaling \$ 35,000 were made to one (1) participant as partial distributions under the plan.

As of September 30, 2010, in the General Employees' Retirement Plan, six (6) employees entered the D.R.O.P. and twenty (20) employees hold balances in the D.R.O.P. with a total escrowed amount of \$ 1,638,846. One retiree no longer participates in the D.R.O.P., but has a balance remaining as of September 30, 2010 in the escrow of \$ 36,869. Four (4) participants retired from the D.R.O.P. this fiscal year. Current year D.R.O.P. retirees received lump-sum distributions aggregating \$ 133,027. 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.

CITY OF PLANTATION, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2010

NOTE 10 - RETIREMENT PLANS (continued)

The composition of the membership of each of the Plans as of October 1, 2009 was as follows:

	General Employees'	Police Officers'	Volunteer Firefighters'
Retirees, beneficiaries and D.R.O.P. participants receiving benefits	257	102	36
Terminated plan members entitled to, but not yet receiving benefits	40	3	12
Active plan members	564	143	262
Total	861	248	310

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 obligations that are recorded in the funds. A net pension asset of \$ 5,239,930 is recorded in the Statement of Net Assets, and public safety expense was reduced by \$ 1,066,179 while general government expense was increased by \$ 1,189 for the increase in net pension asset for fiscal year ended September 30, 2010.

The Police Officers' Retirement Plan, under ordinance No. 2434, was amended to allow the purchase of military time at no cost to the plan. Ordinance 2435 disallowed the first COLA to start before October 1, 2015 for members who entered the DROP or separated from service on or after October 1, 2009. Ordinance 2436 eliminated the requirement that disability retirees convert to Normal Retirement at Normal Retirement Date. Ordinance 2438 provided a change in the definition of compensation for pension purposes for pay earned on and after October 1, 2009. The new definition consisted of total cash remuneration and increased the maximum number of overtime hours included from 43 hours to 300 hours. It also established a second tier of benefits for members entering the plan on or after January 1, 2010. These amendments raised the annual required contribution by \$277,395. Resolution 10819 facilitated the Third Amendment to the DROP. The amendment extended the maximum period of DROP participation from five years to seven years, allowing existing participants to make a one-time election to extend their DROP participation if the member agrees to delay COLA eligibility until the later of October 15, 2015 or seven years from the DROP entry date.

There were no changes in assumptions since the prior valuation.

There was a net actuarial loss of \$ 3,819,933 for the year which means that actual experience was less favorable than expected. The loss was primarily the result of investment return below the assumed rate of 7.5%. The net actuarial loss has increased the required employer contributions by 4.5% of covered payroll.

The General Employees' Retirement Plan received no revisions in benefits since the last actuarial valuation.

There were no changes in assumptions since the last actuarial valuation. There was a net actuarial loss of \$ 4,143,171 for the year which means that actual experience was less favorable than expected. This loss is due to recognized investment return below the assumed rate of 8% and salary increases above the assumed rate of 6% and fewer employment terminations than expected. The annual required contribution has increased by .92% of covered payroll as a result of the net actuarial loss.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 10 - RETIREMENT PLANS (continued)

The Firefighters' Retirement Plan received no revisions in benefits since the last actuarial valuation.

There were no changes in actuarial assumptions or methods since the prior valuation.

There was a net actuarial gain of \$ 344,870 for the year which means that actual experience was more favorable than expected. The gain is due primarily to larger contributions than the actuarially required amount. These gains were partially offset by recognized investment return below the assumed rate of 7.5%. The investment return was 5.2% based upon market value of assets and 3.9% based on actuarial value of assets.

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. During the fiscal year ended September 30, 2010, the City received payments from the State of Florida on behalf of the Police Pension Plan in the amount of \$ 653,355 and \$ 696,293 on behalf of the Firefighters Pension Plan. These revenues and expenditures were appropriately recorded in the General Fund. In addition, the participants are required to contribute a percentage of their salary as follows: General Employees, 8.5%; Police Officers, 9.5%; 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, 2009 for each plan.

For the year ending September 30, 2010, the contribution information is as follows:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Volunteer Firefighters'</u>
Annual required contributions	\$ 3,876,717	\$ 5,323,631	\$ 119,973
Interest on net pension assets	(856)	(32,621)	(324,643)
Adjustments to annual required contributions	<u>1,445</u>	<u>54,107</u>	<u>413,184</u>
Annual pension costs	3,877,306	5,345,117	208,514
Contributions made	<u>(3,876,717)</u>	<u>(5,323,631)</u>	<u>(696,293)</u>
(Increase) decrease in net pension assets	589	21,486	(487,779)
Net pension assets at beginning of year	<u>(10,698)</u>	<u>(434,953)</u>	<u>(4,328,575)</u>
Net pension assets at end of year	<u>\$ (10,109)</u>	<u>\$ (413,467)</u>	<u>\$ (4,816,354)</u>

CITY OF PLANTATION, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2010

NOTE 10 - RETIREMENT PLANS (continued)

(c) - Trend Information

	<u>Annual Pension Cost (APC)</u>	<u>% of APC Contributed</u>	<u>Net Pension Assets (NPA)</u>
General Employees'			
9/30/07	\$ 3,242,037	100.0	\$ (11,928)
9/30/08	3,329,493	100.0	(11,298)
9/30/09	3,495,277	100.0	(10,698)
Police Officers'			
9/30/07	\$ 3,610,659	99.2	\$ (411,221)
9/30/08	3,796,279	99.3	(382,847)
9/30/09	4,096,599	101.3	(434,953)
Volunteer Firefighters'			
9/30/07	\$ 440,745	169.7	\$ (3,341,976)
9/30/08	378,656	215.9	(3,780,795)
9/30/09	195,301	380.5	(4,328,575)

(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, 2010.

(e) - 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 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

(a) - Post-Employment Benefits Other Than Pension

The cost of post-employment healthcare, life insurance, and long-term care benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future period when it will be paid. In adopting the requirements of GASB Statement No. 45, Accounting and Reporting by Employers for Post-Employment Benefits Other Than Pensions, the City recognizes the cost of these post-employment benefits in the year when the employee services are received.

The City provides five 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, one type for a contracted services employee, and another for all other employees.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (continued)

(b) - Plan Descriptions and Funding Policies

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. Three retired elected officials are eligible. The current cost of this obligation was \$ 62,648 for the year ended September 30, 2010.

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. Six directors and one spouse are currently receiving this post retirement benefit. The current cost of this obligation was \$ 104,491 for the year ended September 30, 2010.

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. Two participants are currently receiving this post retirement benefit. The current cost of this obligation was \$ 52,944 for the year ended September 30, 2010.

The fourth post-retirement benefit provides post retirement health insurance coverage for a former City employee that was retained as a contract employee. The current cost of this obligation was \$9,680 for the year ended September 30, 2010.

The fifth 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, 2010, thirty-four qualified participants elected to purchase health insurance that presently costs the City approximately \$ 82,700 for the year then ended for all participants, which is funded on a pay-as-you-go basis.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (continued)

(c) - Annual OPEB Cost and Estimated Net OPEB Obligation.

The City’s annual OPEB cost, the estimated amount contributed to the plan, and the changes in the City’s estimated net OPEB obligation for the year ended September 30, 2010, was as follows:

Annual required contribution	\$ 1,639,579
Interest on net OPEB obligation	33,809
Adjustment to annual required contribution	<u>(27,092)</u>
Annual OPEB cost	1,646,296
Estimated employer contributions	<u>(707,424)</u>
Increase in estimated net OPEB obligation	938,872
Estimated net OPEB obligation, beginning of year	711,775
Estimated net OPEB obligation, end of year	<u><u>\$ 1,650,647</u></u>

(d) - The City’s schedule of employer contributions is as follows:

Fiscal Year Ended	Annual OPEB Cost	Estimated Contribution	Percentage of Estimated OPEB Cost Contributed	Estimated Net OPEB Obligation
2009	\$ 1,358,002	\$ 646,227	47.59%	\$ 711,775
2010	\$ 1,646,296	\$ 707,424	42.97%	\$ 1,650,647

(e) - Funded Status and Funding Progress.

For the actuarial valuation date of October 1, 2009, the actuarial accrued liability for benefits was \$ 22,767,715, and the actuarial value of assets was \$ 0, resulting in an unfunded actuarial accrued liability of \$ 22,767,715. The covered payroll (annual payroll for active participating employees) was \$ 39,098,070 for that period, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 58.23%.

(f) - Actuarial Methods and Assumptions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funding status of benefits and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits between the City and participants. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF PLANTATION, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2010

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (continued)

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

Measurement date:	October 1, 2009
Actuarial cost method:	Entry age
Amortization method:	Level percent, closed
Amortization period:	29 years
Asset valuation method:	Unfunded
Investment rate of return:	4.75%
Projected salary increases:	5.40% - 25.0%
Payroll growth rate:	4.00%
Discount rate:	4.75%
Healthcare cost trend rate:	9.00% reduced linearly to 6.50% by 2016, and remaining at 5.00% for fiscal year 2019 and thereafter.

NOTE 12 - RISK MANAGEMENT

Subject to Florida State Statutes regarding civil actions to recover damages for money covered under Florida Sovereign Immunity Laws, the City has exposure to liability claims for injury, loss of property, personal injury or death that may be caused by the negligent or wrongful acts or omissions of its employees.

Liabilities are recorded when a claim or loss has been reported. The City analyzes its losses and finances, both uninsured and insured risks, in addition to financing certain employee benefits. All insurance premiums and claims, except property damage liability, are charged to the appropriate Fund.

Liability reserves include an amount for claims that have been incurred, but not reported (IBNR). Liability reserves are calculated based on claim settlement trends, including the frequency, severity, amount of claim payouts, and other economic factors. Claims are not discounted nor has the City entered into any significant contracts for extended payment of settlements. The City has no insured coverage for land use and zoning issues.

The City's property and casualty insurance program is purchased through the Florida League of Cities, a municipal insurance trust (FMIT) that provides premium credits based upon loss experience. Excess insurance coverage written through FMIT is \$ 5,000,000.

The City has a self-insured retention of \$ 200,000 per occurrence for general and professional liability and automobile liability. Physical damage coverage on vehicles with a value greater than \$ 25,000 has a \$ 1,000 deductible.

Workers' compensation has a self-insured retention level of \$ 175,000 per claim with a \$ 5,000,000 excess policy with the Florida League of Cities. State required employee accidental death and disability coverage is maintained for police and fire personnel.

CITY OF PLANTATION, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2010

NOTE 12 - RISK MANAGEMENT (continued)

The City's property insurance carries excess coverage over the \$ 100,000 self-insured retention level with policy limits of \$ 100,000,000. There is a 5% windstorm deductible for real and personal property resulting from named catastrophic events. Flood insurance is maintained on contents and buildings up to \$ 500,000, as required by the National Flood Insurance Program, depending on the type of usage of the building. The City also maintains insurance policies for boiler and machinery, public employee dishonesty, pollution liability, and pension fiduciary liability.

The City has a self-funded medical plan for full-time active employees and retirees, two dental plans, one funded and one self-funded, a vision plan, and life insurance plan for all full-time employees and retirees. Full-time employees are offered a policy limit of \$ 50,000 and retirees are offered a policy limit of \$ 10,000 on life insurance. The City also offers a fully-funded long-term disability plan to all full-time employees.

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>
Estimated insurance claims payable October 1, 2009	\$ 2,467,500	\$ 1,386,049	\$ 1,951,113
Incurred claims (including IBNR)	1,141,087	8,710,249	547,325
Claim payments, net of refunds and reimbursements received	<u>(1,374,088)</u>	<u>(9,462,654)</u>	<u>68,778</u>
Estimated insurance claims payable September 30, 2010	<u>\$ 2,234,499</u>	<u>\$ 633,644</u>	<u>\$ 2,567,216</u>

The health insurance program liability is included in payables on page 41.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

The City is presently a defendant in several lawsuits occurring in the normal course of operations. Management believes that any amounts not covered by insurance or accrued by the City, if any, resulting from these lawsuits would not materially effect the financial position of the City.

NOTE 14 - INTERLOCAL AGREEMENTS

The City of Plantation and the Plantation Community Redevelopment Agency (CRA) 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.

CITY OF PLANTATION, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2010

NOTE 14 - INTERLOCAL AGREEMENTS (continued)

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).

The City of Plantation and the Plantation Midtown Development Authority entered into an Interlocal Agreement, pertaining to the repayment of \$ 3 million (\$ 3,000,000) of proceeds from the sale of its Non-Ad Valorem Revenue Bonds (Refunding and Public Improvements Project) Series 2003, to pay for portions of a project, which have been or will be approved by the City, subject to the terms of the agreement, described as follows:

The Plantation Midtown Transit and Greenway Improvements include: 1) the design, reconstruction and/or enhancement of American Expressway, N.W. 82nd Avenue, Broward Mall Perimeter Road, S.W. 78th Avenue, and 84th Avenue; 2) the construction of multi-purpose greenways within the District; 3) the purchase of transit vehicles; 4) the design and installation of wayfaring signage; and 5) the acquisition or improvement, or both, of public park and plaza areas accessory to the foregoing. Roadway improvements include roadway reconstruction, wider sidewalks, on-street parking, paver crosswalks, landscaping, drainage improvements, transit transfer stations, lighting and street furniture. Greenway improvements include similar enhancement, but also include a dedicated transit way and adjacent multi-use greenway.

This City advance for financing these improvements in the Plantation Midtown Development District, are to be repaid by the District to the City. The City shall charge, and the District agrees to pay, simple interest on the outstanding principal for the period of October 1, 2003 through August 15, 2024. The rates set forth for the repayment of this Interlocal Agreement range from 1.00% to 5.00%.

The City of Plantation and the Plantation Midtown Development District entered into an Interlocal Agreement, pertaining to the repayment of \$ 2.75 million (\$ 2,750,000) by Plantation Midtown of certain costs and expenses incurred by the City in connection with the purchase and development of certain property described as Tract 7 according to the plat of Broward Mall at Plantation (approximately 3.67 acres).

Potential long-term uses of the property include:

- a) federal, state or local governmental use including: (i) an intermodal transportation center, and associated commercial uses; (ii) public safety facilities for police, fire, emergency medical rescue, utilities, and public works; (iii) government office and administrative facilities, including post office, payment centers, governmental conference and hearing buildings, court rooms, and clerk (clerical) facilities; or (iv) public parking.

CITY OF PLANTATION, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2010

NOTE 14 - INTERLOCAL AGREEMENTS (continued)

- b) recreation use, including: (1) passive uses such as; (i) bricked, paved or landscaped plaza or open space, with, for example, seating, tables and umbrellas; (ii) bicycle or walking trails; (iii) natural reclamation area; and (2) active uses such as (i) sports fields, grandstands and stadiums or courts with attendance lighting, parking and similar improvements; (ii) museums; (iii) public amphitheatre or playhouse (but expressly excluding an indoor or outdoor cinema); and (3) accessory site improvements; or
- c) educational uses, including public or private: (i) elementary, middle or high schools; (ii) community, vocational, or technical schools; (iii) colleges or university; or (iv) graduate schools.

Plantation Midtown Development District will reimburse the City for 75% of the costs and expenses of the property's purchase. The City shall charge, and the District agrees to pay, prorated (75%) principal and interest (4.13%) on this note semiannually on June 10 and December 10 of each year beginning June 10, 2010 and this note shall in any event become due and payable on December 10, 2024 (15 years).

NOTE 15 - PRIOR PERIOD ADJUSTMENT

The following discloses the restatement of Police Officers' Pension net assets held in trust as of the beginning of the fiscal year:

	<u>Police Officers' Pension Fund</u>
Net assets held in trust, beginning of year, as previously stated:	\$ 69,781,944
Increase due to recognition of interest income not previously recorded	<u>64,373</u>
Net assets held in trust, beginning of year, as restated	\$ <u><u>69,846,317</u></u>

NOTE 16 - DEFICIT FUND BALANCE

The Community Development Block Grant Fund has a deficit fund balance at September 30, 2010 of \$ (92,426). This deficit will be eliminated when the deferred revenue of \$ 273,907 is recognized.

**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>
2005	\$ 2,723,481	100.0
2006	3,112,143	100.0
2007	3,241,125	100.0
2008	3,328,863	100.0
2009	3,494,677	100.0
2010	3,876,717	100.0

CITY OF PLANTATION, FLORIDA  
 SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER  
 AND THE STATE OF FLORIDA  
 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>
2005	\$ 2,333,978	107.7
2006	3,129,193	101.6
2007	3,583,383	100.0
2008	3,767,905	100.0
2009	4,077,625	101.7
2010	5,323,631	100.0

CITY OF PLANTATION, FLORIDA  
 SCHEDULE OF CONTRIBUTIONS FROM THE STATE OF FLORIDA  
 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>
2005	\$ 187,503	244.5
2006	181,944	252.0
2007	382,262	195.6
2008	310,296	263.5
2009	117,965	629.9
2010	119,973	580.4

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability at Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (Overfunded)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
10/1/04	\$ 64,718,388	\$ 80,739,310	\$ 16,020,922	80.2%	\$ 21,253,162	75.4
10/1/05	71,882,352	87,437,105	15,554,753	82.2%	22,118,286	70.3
10/1/06	79,088,714	94,488,356	15,399,642	83.7%	22,493,537	68.5
10/1/07	87,235,903	103,061,245	15,825,342	84.6%	23,865,527	66.3
10/1/08	92,678,027	112,614,795	19,936,768	82.3%	25,254,829	78.9
10/1/09	97,541,924	121,834,605	24,292,681	80.1%	25,919,456	93.7

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability at Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (Overfunded)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
10/1/04	\$ 49,607,889	\$ 65,950,148	\$ 16,342,259	75.2%	\$ 10,628,185	153.8
10/1/05	51,514,839	70,477,167	18,962,328	73.1%	11,061,190	171.4
10/1/06	56,626,455	76,933,923	20,307,468	73.6%	10,844,015	187.3
10/1/07	74,673,929	93,006,424	18,332,495	80.3%	10,839,903	169.1
10/1/08	78,019,469	108,088,827	30,069,358	72.2%	11,142,524	269.9
10/1/09	79,569,049	116,198,863	36,629,814	68.5%	11,861,026	308.8

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability at Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (Overfunded)	Funded Ratio	Number of Active Members	UAAL Per Active Member
10/1/04	\$ 5,871,506	\$ 4,892,910	\$ (978,596)	120.0%	254	\$ (3,853)
10/1/05	6,745,570	6,143,898	(601,672)	109.8%	261	(2,305)
10/1/06	7,589,582	6,623,203	(966,379)	114.6%	255	(3,790)
10/1/07	10,634,757	8,211,759	(2,422,998)	129.5%	259	(9,355)
10/1/08	11,416,072	8,760,784	(2,655,288)	130.3%	280	(9,483)
10/1/09	12,229,287	9,364,421	(2,864,866)	130.6%	262	(10,935)

CITY OF PLANTATION, FLORIDA  
ANNUAL PENSION COSTS - ALL PENSION TRUST FUNDS  
September 30, 2010

	General Employees'	Police Officers'	Volunteer Firefighters'
Contribution Rates:			
City and State	15.54%	48.59%	\$205.63
Plan Members	8.50%	9.50%	N/A
Actuarial valuation date	10/1/09	10/1/09	10/1/09
Actuarial cost method	Entry Age Normal	Entry Age Normal	Aggregate
Amortization method	Level percent, closed	Level % of payroll, closed	N/A
Remaining amortization period (years)	30	30	N/A
Asset valuation method	5-year smoothed market	20% of the difference between actual and expected investment return is recognized each year.	Difference between market value and expected actuarial asset value of assets is recognized evenly over five years.
Actuarial assumptions:			
Investment rate of return	8.00%	7.50%	7.50%
Projected salary increases*	6.00%	Service based table	N/A
* includes inflation at	4.00%	3.00%	4.00%
Cost of living adjustments	N/A	1.5%, delayed 5 years, up to 20 annual increases	N/A

CITY OF PLANTATION, FLORIDA  
SCHEDULE OF FUNDING PROGRESS  
OTHER POST-EMPLOYMENT BENEFITS (OPEB)  
September 30, 2010

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Entry Age	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/1/2007	\$ -	\$ 18,724,232	\$ 18,724,232	0.0%	\$ 36,959,469	50.66%
10/1/2009	\$ -	\$ 22,767,715	\$ 22,767,715	0.0%	\$ 39,098,070	58.23%

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POST-EMPLOYMENT BENEFITS (OPEB)  
September 30, 2010

Fiscal Year Ending	Annual OPEB Cost	Estimated Contribution	Percentage of Estimated OPEB Cost Contributed	Estimated Net OPEB Obligation
9/30/2009	\$ 1,358,002	\$ 646,227	47.59%	\$ 711,775
9/30/2010	1,646,296	707,424	42.97%	1,650,647

Note: The City implemented GASB Statement No. 45 for the fiscal year ended September 30, 2009. Information for prior years is not available.

**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.

### **Neighborhood Stabilization Program Fund**

To account for the receipt and disbursement from Community Development Block Grant Program funding through the Department of Housing and Urban Development's (HUD) Neighborhood Stabilization Program (NSP) authorized under the Housing and Economic Recovery Act of 2008.

### **Plantation Midtown Development District Fund**

To account for the receipt and disbursement of additional tax monies from the City's Midtown Development District.

### **Community Redevelopment Agency Fund**

To account for the redevelopment of a certain blighted area.

### **Plantation Gateway Development District Fund**

To account for the receipt and disbursement of additional tax monies from the City's 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 (SHIP) Act, for the production, acquisition and rehabilitation of affordable housing for low and moderate income households.

### **Police Forfeitures**

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 revenues 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.

**NONMAJOR GOVERNMENTAL FUNDS**  
(continued)

**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.

**2002 Dredging Note**

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

**2002 Bond Sinking Fund**

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

**2002 Bond Reserve Fund**

To maintain funds in accordance with the 2002 Bond Reserve Account requirements.

**2003 Bond Sinking Fund**

To accumulate monies for the repayment 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.

**2005 Community Redevelopment Agency Note**

To accumulate monies for the repayment of a 2005 Community Redevelopment Agency Note.

**Community Redevelopment Agency Escrow**

To accumulate monies for the repayment of fiscal advances from the Series 2002 and Series 2003 Non-Ad Valorem Revenue Bonds; and a 2005 Community Redevelopment Agency Note.

**Acres IV Note**

To accumulate monies for the repayment of a 2009 Note used for the Plantation Acres Roadway Improvement Project.

**Enclave Note**

To accumulate monies for the repayment of a 2009 Note used to purchase land.

**NONMAJOR GOVERNMENTAL FUNDS**  
(continued)

**CAPITAL PROJECTS FUNDS**

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

**2002 Bond Construction Fund**

To account for the acquisition and construction of certain capital improvements including: (1) park development, (2) recreation and cultural facilities, (3) purchase of real property and interests therein, (4) police/fire equipment and facilities, (5) purchase and upgrade 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 toward the development of the park elements on land acquired at the golf course site, renovations to the Kennedy Community Center, City building expansion project, and an economic development project.

**Acres IV Construction Fund**

To account for the costs of the Plantation Acres Roadway Improvement Project 2009/2010; identifying such improvements as being two public right-of-way facilities to meet public road standard: the first being known as the NW 4th Court right-of-way facility, and the second being known as the NW 19th Street right-of-way facility.

**Plantation Gateway Development Construction Fund**

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

**Plantation Midtown Development District Construction 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, 2010**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>ASSETS:</b>				
Cash and equity in pooled cash and investments	\$ 5,454,230	\$ 910,868	\$ 3,952,760	\$ 10,317,858
Cash and investments with fiscal agent/third party	-	6,553,443	-	6,553,443
Receivables-net of allowance for uncollectibles				
Accounts	516,387	-	-	516,387
Accrued interest	-	28,538	-	28,538
Special assessments	-	344,772	-	344,772
Due from other governments:				
Federal	749,326	-	92,266	841,592
State	2,332	-	135,611	137,943
Prepays	5,000	-	-	5,000
	<u>6,727,275</u>	<u>7,837,621</u>	<u>4,180,637</u>	<u>18,745,533</u>
Total assets	\$	\$	\$	\$
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts payable and other liabilities	170,341	1,500	68,001	239,842
Due to other funds	444,665	-	-	444,665
Unearned revenue	77,011	-	-	77,011
Deferred revenue	869,889	343,843	227,877	1,441,609
	<u>1,561,906</u>	<u>345,343</u>	<u>295,878</u>	<u>2,203,127</u>
Total liabilities				
<b>Fund balances:</b>				
<b>Reserved for:</b>				
Debt service	-	5,116,690	-	5,116,690
Inventories and prepaids	5,000	-	-	5,000
Library purposes	193,250	-	-	193,250
Special programs	748,798	-	-	748,798
<b>Unreserved:</b>				
<b>Special Revenue Funds:</b>				
Designated for subsequent year's expenditures	814,541	-	-	814,541
Undesignated	3,403,780	-	-	3,403,780
<b>Debt Service Fund:</b>				
Designated for subsequent year's expenditures	-	333,000	-	333,000
Undesignated	-	2,042,588	-	2,042,588
<b>Capital Projects Funds:</b>				
Designated for subsequent year's expenditures	-	-	3,468,137	3,468,137
Undesignated	-	-	416,622	416,622
	<u>5,165,369</u>	<u>7,492,278</u>	<u>3,884,759</u>	<u>16,542,406</u>
Total fund balances				
Total liabilities and fund balances	\$ <u>6,727,275</u>	\$ <u>7,837,621</u>	\$ <u>4,180,637</u>	\$ <u>18,745,533</u>

**CITY OF PLANTATION, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2010**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>REVENUES:</b>				
Property taxes	\$ 701,895	\$ -	\$ -	\$ 701,895
Intergovernmental	6,672,739	-	200,000	6,872,739
Fines and forfeitures	90,830	-	-	90,830
Charges for services	32,086	-	-	32,086
Special assessments	-	42,039	-	42,039
Investment income	69,817	150,106	41,063	260,986
Miscellaneous	395,571	-	-	395,571
	<u>7,962,938</u>	<u>192,145</u>	<u>241,063</u>	<u>8,396,146</u>
Total revenues				
<b>EXPENDITURES:</b>				
Current operating:				
General government	6,751	-	-	6,751
Public safety	468,549	-	5,000	473,549
Transportation	2,139,029	-	624	2,139,653
Economic environment	2,323,017	-	-	2,323,017
Culture and recreation	49,924	-	-	49,924
Capital outlay	1,702,561	-	1,338,167	3,040,728
Debt service:				
Principal	-	6,504,330	-	6,504,330
Interest and other	-	1,605,706	-	1,605,706
	<u>6,689,831</u>	<u>8,110,036</u>	<u>1,343,791</u>	<u>16,143,658</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>1,273,107</u>	<u>(7,917,891)</u>	<u>(1,102,728)</u>	<u>(7,747,512)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,340	9,223,442	308,612	9,533,394
Transfers out	(1,773,708)	(1,857,178)	(410,698)	(4,041,584)
	<u>(1,772,368)</u>	<u>7,366,264</u>	<u>(102,086)</u>	<u>5,491,810</u>
Total other financing sources (uses)				
Net change in fund balances	(499,261)	(551,627)	(1,204,814)	(2,255,702)
<b>FUND BALANCES - BEGINNING</b>	<u>5,664,630</u>	<u>8,043,905</u>	<u>5,089,573</u>	<u>18,798,108</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 5,165,369</u>	<u>\$ 7,492,278</u>	<u>\$ 3,884,759</u>	<u>\$ 16,542,406</u>

**CITY OF PLANTATION, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**September 30, 2010**

	Neighborhood Stabilization Program	Plantation Midtown Development District	Community Redevelopment Agency	Plantation Gateway Development District	Road and Traffic Control	State Housing Initiative Partnership	Police Forfeitures	Community Development Block Grant	Special Programs	Library Board	Total
<b>ASSETS:</b>											
Cash and equity in pooled cash and investments	\$ 343,044	\$ 916,755	\$ 7,100	\$ 666,081	\$ 1,050,785	\$ 644,076	\$ 1,158,226	\$ 11,718	\$ 441,125	\$ 215,320	\$ 5,454,230
Receivables - net of allowance for uncollectibles											
Accounts	28,295	-	722	-	4,615	-	-	521	482,234	-	516,387
Due from other governments:											
Federal	-	-	-	-	131,200	-	574	617,552	-	-	749,326
State	-	-	-	-	2,332	-	-	-	-	-	2,332
Prepays	5,000	-	-	-	-	-	-	-	-	-	5,000
<b>Total assets</b>	<b>\$ 376,339</b>	<b>\$ 916,755</b>	<b>\$ 7,822</b>	<b>\$ 666,081</b>	<b>\$ 1,188,932</b>	<b>\$ 644,076</b>	<b>\$ 1,158,800</b>	<b>\$ 629,791</b>	<b>\$ 923,359</b>	<b>\$ 215,320</b>	<b>\$ 6,727,275</b>
<b>LIABILITIES AND FUND BALANCES:</b>											
<b>Liabilities:</b>											
Accounts payable and other liabilities	2,645	15,000	7,822	2,035	121,471	-	3,128	8,240	10,000	-	170,341
Due to other funds	4,595	-	-	-	-	-	-	440,070	-	-	444,665
Unearned revenue	-	-	-	-	-	66,511	-	-	10,500	-	77,011
Deferred revenue	-	-	-	-	131,200	-	-	273,907	464,782	-	869,889
<b>Total liabilities</b>	<b>7,240</b>	<b>15,000</b>	<b>7,822</b>	<b>2,035</b>	<b>252,671</b>	<b>66,511</b>	<b>3,128</b>	<b>722,217</b>	<b>485,282</b>	<b>-</b>	<b>1,561,906</b>
<b>Fund balances:</b>											
<b>Reserved for:</b>											
Inventories and prepaids	5,000	-	-	-	-	-	-	-	-	-	5,000
Library purposes	-	-	-	-	-	-	-	-	-	193,250	193,250
Special programs	-	-	-	-	445,036	-	-	-	303,762	-	748,798
<b>Unreserved:</b>											
Designated for subsequent year's expenditures	-	232,950	-	373,550	193,291	-	-	-	14,750	-	814,541
Undesignated	364,099	668,805	-	290,496	297,934	577,565	1,155,672	(92,426)	119,565	22,070	3,403,780
<b>Total fund balances (deficits)</b>	<b>369,099</b>	<b>901,755</b>	<b>-</b>	<b>664,046</b>	<b>936,261</b>	<b>577,565</b>	<b>1,155,672</b>	<b>(92,426)</b>	<b>438,077</b>	<b>215,320</b>	<b>5,165,369</b>
<b>Total liabilities and fund balances</b>	<b>\$ 376,339</b>	<b>\$ 916,755</b>	<b>\$ 7,822</b>	<b>\$ 666,081</b>	<b>\$ 1,188,932</b>	<b>\$ 644,076</b>	<b>\$ 1,158,800</b>	<b>\$ 629,791</b>	<b>\$ 923,359</b>	<b>\$ 215,320</b>	<b>\$ 6,727,275</b>

**CITY OF PLANTATION, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**For the Year Ended September 30, 2010**

	Neighborhood Stabilization Program	Plantation Midtown Development District	Community Redevelopment Agency	Plantation Gateway Development District	Road and Traffic Control	State Housing Initiative Partnership	Police Forfeitures	Community Development Block Grant	Special Programs	Library Board	Total
<b>REVENUES:</b>											
Property taxes	\$ -	\$ 416,882	\$ -	\$ 285,013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 701,895
Intergovernmental	1,945,737	-	1,234,207	-	2,305,216	4,038	7,672	1,175,869	-	-	6,672,739
Fines and forfeitures	-	-	-	-	-	-	90,830	-	-	-	90,830
Charges for services	-	-	-	-	-	-	-	-	32,086	-	32,086
Investment income	1,719	11,853	10,303	9,615	9,446	6,568	13,531	769	3,910	2,103	69,817
Miscellaneous	-	93,214	-	-	139,181	10	-	-	111,802	51,364	395,571
<b>Total revenues</b>	<b>1,947,456</b>	<b>521,949</b>	<b>1,244,510</b>	<b>294,628</b>	<b>2,453,843</b>	<b>10,616</b>	<b>112,033</b>	<b>1,176,638</b>	<b>147,798</b>	<b>53,467</b>	<b>7,962,938</b>
<b>EXPENDITURES:</b>											
Current operating:											
General government	-	-	-	-	-	-	-	-	6,751	-	6,751
Public safety	-	-	-	344,076	-	-	117,054	-	7,419	-	468,549
Transportation	-	-	-	-	2,139,029	-	-	-	-	-	2,139,029
Economic environment	1,579,670	67,701	183,145	-	-	294,088	-	198,413	-	-	2,323,017
Culture and recreation	-	-	-	-	-	-	-	-	39,447	10,477	49,924
Capital outlay	-	-	-	-	175,795	-	983,647	451,518	70,680	20,921	1,702,561
<b>Total expenditures</b>	<b>1,579,670</b>	<b>67,701</b>	<b>183,145</b>	<b>344,076</b>	<b>2,314,824</b>	<b>294,088</b>	<b>1,100,701</b>	<b>649,931</b>	<b>124,297</b>	<b>31,398</b>	<b>6,689,831</b>
Excess (deficiency) of revenues over (under) expenditures	367,786	454,248	1,061,365	(49,448)	139,019	(283,472)	(988,668)	526,707	23,501	22,069	1,273,107
<b>OTHER FINANCING SOURCES (USES):</b>											
Transfers in	-	-	-	-	-	-	-	1,340	-	-	1,340
Transfers out	-	(337,355)	(1,061,365)	(251,400)	-	-	-	(123,588)	-	-	(1,773,708)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(337,355)</b>	<b>(1,061,365)</b>	<b>(251,400)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(122,248)</b>	<b>-</b>	<b>-</b>	<b>(1,772,368)</b>
<b>Net change in fund balances</b>	<b>367,786</b>	<b>116,893</b>	<b>-</b>	<b>(300,848)</b>	<b>139,019</b>	<b>(283,472)</b>	<b>(988,668)</b>	<b>404,459</b>	<b>23,501</b>	<b>22,069</b>	<b>(499,261)</b>
<b>FUND BALANCES (DEFICITS) - BEGINNING</b>	<b>1,313</b>	<b>784,862</b>	<b>-</b>	<b>964,894</b>	<b>797,242</b>	<b>861,037</b>	<b>2,144,340</b>	<b>(496,885)</b>	<b>414,576</b>	<b>193,251</b>	<b>5,664,630</b>
<b>FUND BALANCES (DEFICITS) - ENDING</b>	<b>\$ 369,099</b>	<b>\$ 901,755</b>	<b>\$ -</b>	<b>\$ 664,046</b>	<b>\$ 936,261</b>	<b>\$ 577,565</b>	<b>\$ 1,155,672</b>	<b>\$ (92,426)</b>	<b>\$ 438,077</b>	<b>\$ 215,320</b>	<b>\$ 5,165,369</b>

**CITY OF PLANTATION, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR DEBT SERVICE FUNDS**  
**September 30, 2010**

	2002 Dredging Note	2002 Bond Sinking	2002 Bond Reserve	2003 Bond Sinking	2003 Bond Reserve	2005 Community Redevelopment Agency Note	Community Redevelopment Agency Escrow	Acres IV Note	Enclave Note	Total
<b>ASSETS:</b>										
Cash and equity in pooled cash and investments	\$ 19,360	\$ -	\$ -	\$ -	\$ -	\$ 12,643	\$ 877,176	\$ 1,689	\$ -	\$ 910,868
Cash and investments with fiscal agent/third party	-	742,212	2,826,746	204,822	2,677,023	-	-	19,710	82,930	6,553,443
Accrued interest	-	-	28,538	-	-	-	-	-	-	28,538
Special assessment receivables	-	-	-	-	-	-	-	344,772	-	344,772
<b>Total assets</b>	<b>\$ 19,360</b>	<b>\$ 742,212</b>	<b>\$ 2,855,284</b>	<b>\$ 204,822</b>	<b>\$ 2,677,023</b>	<b>\$ 12,643</b>	<b>\$ 877,176</b>	<b>\$ 366,171</b>	<b>\$ 82,930</b>	<b>\$ 7,837,621</b>
<b>LIABILITIES AND FUND BALANCES:</b>										
<b>Liabilities:</b>										
Accounts payable and other liabilities	-	-	-	-	-	-	-	750	750	1,500
Deferred revenue	-	-	-	-	-	-	-	343,843	-	343,843
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>344,593</b>	<b>750</b>	<b>345,343</b>
<b>Fund balances:</b>										
<b>Reserved for:</b>										
Debt service	-	471,553	2,236,000	165,409	2,243,728	-	-	-	-	5,116,690
<b>Unreserved:</b>										
Designated for subsequent year's expenditures	-	-	-	-	264,500	-	68,500	-	-	333,000
Undesignated	19,360	270,659	619,284	39,413	168,795	12,643	808,676	21,578	82,180	2,042,588
<b>Total fund balances</b>	<b>19,360</b>	<b>742,212</b>	<b>2,855,284</b>	<b>204,822</b>	<b>2,677,023</b>	<b>12,643</b>	<b>877,176</b>	<b>21,578</b>	<b>82,180</b>	<b>7,492,278</b>
<b>Total liabilities and fund balances</b>	<b>\$ 19,360</b>	<b>\$ 742,212</b>	<b>\$ 2,855,284</b>	<b>\$ 204,822</b>	<b>\$ 2,677,023</b>	<b>\$ 12,643</b>	<b>\$ 877,176</b>	<b>\$ 366,171</b>	<b>\$ 82,930</b>	<b>\$ 7,837,621</b>

**CITY OF PLANTATION, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR DEBT SERVICE FUNDS**  
**For the Year Ended September 30, 2010**

	2002 Dredging Note	2002 Bond Sinking	2002 Bond Reserve	2003 Bond Sinking	2003 Bond Reserve	2005 Community Redevelopment Agency Note	Community Redevelopment Agency Escrow	Acres IV Note	Enclave Note	Total
<b>REVENUES:</b>										
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,039	\$ -	\$ 42,039
Investment income	1,230	-	92,714	-	42,746	806	12,610	-	-	150,106
Total revenues	1,230	-	92,714	-	42,746	806	12,610	42,039	-	192,145
<b>EXPENDITURES:</b>										
Debt service:										
Principal	174,128	5,150,000	-	1,030,000	-	72,304	-	10,922	66,976	6,504,330
Interest and other	19,996	508,225	-	953,942	-	55,836	-	9,539	58,168	1,605,706
Total expenditures	194,124	5,658,225	-	1,983,942	-	128,140	-	20,461	125,144	8,110,036
Excess (deficiency) of revenues over (under) expenditures	(192,894)	(5,658,225)	92,714	(1,983,942)	42,746	(127,334)	12,610	21,578	(125,144)	(7,917,891)
<b>OTHER FINANCING SOURCES (USES):</b>										
Transfers in	192,150	5,655,246	-	1,981,007	-	126,350	1,061,365	-	207,324	9,223,442
Transfers out	-	-	-	-	-	-	(1,857,178)	-	-	(1,857,178)
Total other financing sources (uses)	192,150	5,655,246	-	1,981,007	-	126,350	(795,813)	-	207,324	7,366,264
Net change in fund balances	(744)	(2,979)	92,714	(2,935)	42,746	(984)	(783,203)	21,578	82,180	(551,627)
FUND BALANCES - BEGINNING	20,104	745,191	2,762,570	207,757	2,634,277	13,627	1,660,379	-	-	8,043,905
FUND BALANCES - ENDING	\$ 19,360	\$ 742,212	\$ 2,855,284	\$ 204,822	\$ 2,677,023	\$ 12,643	\$ 877,176	\$ 21,578	\$ 82,180	\$ 7,492,278

CITY OF PLANTATION, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECT FUNDS  
 September 30, 2010

	<u>2002 Bond Construction</u>	<u>2003 Bond Construction</u>	<u>Acres IV Construction</u>	<u>Plantation Gateway Development Construction</u>	<u>Plantation Midtown Development District Construction</u>	<u>Total</u>
<b>ASSETS:</b>						
Cash and equity in pooled cash and investments	\$ -	\$ 3,472,641	\$ 79,551	\$ 334,534	\$ 66,034	\$ 3,952,760
Due from other governments:						
Federal	-	35,054	-	-	57,212	92,266
State	-	135,611	-	-	-	135,611
	<u>-</u>	<u>135,611</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,611</u>
Total assets	<u>\$ -</u>	<u>\$ 3,643,306</u>	<u>\$ 79,551</u>	<u>\$ 334,534</u>	<u>\$ 123,246</u>	<u>\$ 4,180,637</u>
<b>LIABILITIES AND FUND BALANCES:</b>						
Liabilities:						
Accounts payable and other liabilities	-	4,504	150	-	63,347	68,001
Deferred revenue	-	170,665	-	-	57,212	227,877
	<u>-</u>	<u>170,665</u>	<u>-</u>	<u>-</u>	<u>57,212</u>	<u>227,877</u>
Total liabilities	<u>-</u>	<u>175,169</u>	<u>150</u>	<u>-</u>	<u>120,559</u>	<u>295,878</u>
Fund balances:						
Unreserved:						
Designated for subsequent year's expenditures	-	3,468,137	-	-	-	3,468,137
Undesignated	-	-	79,401	334,534	2,687	416,622
	<u>-</u>	<u>-</u>	<u>79,401</u>	<u>334,534</u>	<u>2,687</u>	<u>416,622</u>
Total fund balances	<u>-</u>	<u>3,468,137</u>	<u>79,401</u>	<u>334,534</u>	<u>2,687</u>	<u>3,884,759</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 3,643,306</u>	<u>\$ 79,551</u>	<u>\$ 334,534</u>	<u>\$ 123,246</u>	<u>\$ 4,180,637</u>

CITY OF PLANTATION, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECT FUNDS  
 For the Year Ended September 30, 2010

	2002 Bond Construction	2003 Bond Construction	Acres IV Construction	Plantation Gateway Development Construction	Plantation Midtown Development District Construction	Total
REVENUES:						
Intergovernmental	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Investment income	4,894	34,394	842	844	89	41,063
Total revenues	<u>4,894</u>	<u>234,394</u>	<u>842</u>	<u>844</u>	<u>89</u>	<u>241,063</u>
EXPENDITURES:						
Current operating:						
Public safety	-	-	-	5,000	-	5,000
Transportation	-	-	624	-	-	624
Capital outlay	23,340	910,454	341,027	-	63,346	1,338,167
Total expenditures	<u>23,340</u>	<u>910,454</u>	<u>341,651</u>	<u>5,000</u>	<u>63,346</u>	<u>1,343,791</u>
Deficiency of revenues over expenditures	(18,446)	(676,060)	(340,809)	(4,156)	(63,257)	(1,102,728)
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	251,400	57,212	308,612
Transfers out	(410,698)	-	-	-	-	(410,698)
Total other financing sources (uses)	<u>(410,698)</u>	<u>-</u>	<u>-</u>	<u>251,400</u>	<u>57,212</u>	<u>(102,086)</u>
Net change in fund balances	(429,144)	(676,060)	(340,809)	247,244	(6,045)	(1,204,814)
FUND BALANCE - BEGINNING	<u>429,144</u>	<u>4,144,197</u>	<u>420,210</u>	<u>87,290</u>	<u>8,732</u>	<u>5,089,573</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ 3,468,137</u>	<u>\$ 79,401</u>	<u>\$ 334,534</u>	<u>\$ 2,687</u>	<u>\$ 3,884,759</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, 2010

	<u>Land</u>	<u>Intangibles</u>	<u>Construction in Progress</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Infrastructure</u>	<u>Library Collections</u>	<u>Machinery and Equipment</u>	<u>Total</u>
General Government	\$ 1,512,303	\$ _____	\$ 418,980	\$ 3,049,612	\$ 1,891,988	\$ 7,558	\$ -	\$ 5,736,455	\$ 12,616,896
Public safety	604,371	_____	1,128,316	15,080,456	4,387,837	-	-	22,754,296	43,955,276
Physical environment	2,842,669	_____	2,066,545	3,626,294	5,474,907	1,400,391	-	3,704,291	19,115,097
Transportation	2,999	1,703,220	175,795	34,642	2,012,380	33,412,681	-	1,863,322	39,205,039
Culture and recreation	21,351,979	_____	950,250	10,012,112	38,358,265	-	1,969,542	4,271,194	76,913,342
	<u>\$ 26,314,321</u>	<u>\$ 1,703,220</u>	<u>\$ 4,739,886</u>	<u>\$ 31,803,116</u>	<u>\$ 52,125,377</u>	<u>\$ 34,820,630</u>	<u>\$ 1,969,542</u>	<u>\$ 38,329,558</u>	<u>\$ 191,805,650</u>

**CITY OF PLANTATION, FLORIDA**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY**  
September 30, 2010

	Capital Assets October 1, 2009	Additions	Deletions	Transfers	Capital Assets September 30, 2010
Administration	\$ 213,704	\$ -	\$ -	\$ -	\$ 213,704
Risk Management	98,922	-	-	-	98,922
City Clerk	124,650	-	-	-	124,650
Financial Services	1,918,560	86,930	-	-	2,005,490
Information Technology	2,509,091	236,054	(68,890)	-	2,676,255
Planning	68,170	23,340	(7,689)	14,878	98,699
Human Resources	55,021	119,380	-	-	174,401
Central Services	7,078,585	-	(31,857)	14,417	7,061,145
General Government	<u>163,630</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>163,630</u>
General Government	<u>12,230,333</u>	<u>465,704</u>	<u>(108,436)</u>	<u>29,295</u>	<u>12,616,896</u>
Police	26,273,993	1,318,140	(547,957)	(52,349)	26,991,827
Fire	14,520,357	134,280	(96,974)	-	14,557,663
Building	871,146	230,417	-	-	1,101,563
Engineering	<u>175,907</u>	<u>1,128,316</u>	<u>-</u>	<u>-</u>	<u>1,304,223</u>
Public safety	<u>41,841,403</u>	<u>2,811,153</u>	<u>(644,931)</u>	<u>(52,349)</u>	<u>43,955,276</u>
Plantation Gateway	3,802,019	-	-	-	3,802,019
Plantation Midtown	660,440	-	-	-	660,440
Stormwater	477,294	-	-	-	477,294
Public Works	6,692,774	2,281	(326,191)	23,054	6,391,918
Resource Recovery	1,657,744	-	-	-	1,657,744
Landscaping	1,232,138	38,117	(18,750)	-	1,251,505
Community Redevelopment Agency	816,868	1,691,856	-	-	2,508,724
Community Development Block Grant	<u>726,277</u>	<u>1,639,176</u>	<u>-</u>	<u>-</u>	<u>2,365,453</u>
Physical environment	<u>16,065,554</u>	<u>3,371,430</u>	<u>(344,941)</u>	<u>23,054</u>	<u>19,115,097</u>
Transportation	<u>38,000,737</u>	<u>2,220,042</u>	<u>(1,015,740)</u>	<u>-</u>	<u>39,205,039</u>
Library	3,153,532	108,267	-	-	3,261,799
Historical Museum	915,593	10,713	-	-	926,306
Parks & Recreation	55,422,309	4,065,683	(42,461)	-	59,445,531
Central Park	<u>13,291,206</u>	<u>-</u>	<u>(11,500)</u>	<u>-</u>	<u>13,279,706</u>
Culture and recreation	<u>72,782,640</u>	<u>4,184,663</u>	<u>(53,961)</u>	<u>-</u>	<u>76,913,342</u>
	<u>\$ 180,920,667</u>	<u>\$ 13,052,992</u>	<u>\$ (2,168,009)</u>	<u>\$ -</u>	<u>\$ 191,805,650</u>

**CITY OF PLANTATION, FLORIDA**  
**SCHEDULE OF INSURANCE COVERAGE**  
September 30, 2010

Company Name	Policy Number	Expiration Date	Insurance Coverage	Deductible	Limits	Premium
Florida Municipal Insurance Trust	FMIT 482	9/30/2010	General Liability /Professional Liability	\$200,000	\$5,000,000	\$ 61,095
			Law Enforcement Liability	\$200,000	\$5,000,000	\$ 31,694
			Public Official E&O	\$200,000	\$5,000,000	\$ 41,962
			Employment Practices Liability	\$200,000	\$5,000,000	Included
			EMS	\$200,000	\$5,000,000	Included
			Total-GL Premium			\$ 134,751
Florida Municipal Insurance Trust	FMIT 482	9/30/2010	Auto Liability	\$200,000	\$5,000,000	\$ 102
Florida Municipal Insurance Trust	FMIT 482	9/30/2010	Auto Physical Damage Vehicles over \$25,000	\$1,000	Vehicle Market Value	\$ 6,547
Florida Municipal Insurance Trust	FMIT 482	9/30/2010	Real and Personal Property (Non Storm) 5% Named Windstorm Deductible	\$100,000 per building	\$100,000,000 FLC- max	\$ 545,009
Florida Municipal Insurance Trust	FMIT 482	9/30/2010	Workers Compensation	\$175,000	\$5,000,000	\$ 246,419
Fidelity & Deposit Insurance Commercial Crime Policy	CPP141072314	4/1/2010	Public Employees Crime Policy Loss Inside & Outside Premises Excess coverage on Controller	\$1,000 \$250	\$50,000 \$5,000	\$ 5,113
Zurich Commercial Insurance	POB7571165	4/1/2010	Public Official Bond (COUNCIL TREASURER)		\$10,000	\$ 100
Hartford Steam Boiler Insurance	FBP9426796	1/1/2010	Boiler & Machinery See Policy coverage Equipment Breakdown Inc. Business Income Extra Expense &Property damage New Locations & Service Interruption	\$5,000	\$10,000,000	\$ 28,880
Commerce & Industry Insurance Company	FPL7509888	4/1/2010	Third Party Pollution Liability Scheduled Tanks	\$10,000	\$1,000,000	\$ 2,432
Travelers Insurance Company	All City Insurable Property Locations	9/20/010	Flood Insurance	\$500,000	\$38,119	
			Buildings-Rated Per Location	\$500	Maximum	
			Contents-Rated Per Location	\$500	Per-Location	

**CITY OF PLANTATION, FLORIDA**  
**SCHEDULE OF INSURANCE COVERAGE**  
(continued)  
September 30, 2010

Company Name	Policy Number	Expiration Date	Insurance Coverage	Deductible	Limits	Premium
Travelers Insurance Company	023FF10300118BCM	7/1/2010	Pension Trust Liability Insurance Fiduciary Liability for City Retirement Plan	\$10,000	\$2,000,000	\$ 26,445
Travelers Insurance Company	103088609BCM	Continuous Renewal	ERISA BOND (Pension) Public Employees Dishonesty and Faithful Performance	N/A	\$250,000	\$ 118
Hartford Insurance Company	ETB12506 3yr Policy	1/1/2011	In the line of Duty Fresh Pursuit (Death)	N/A N/A	\$57,399 \$57,399	\$ 50,895
Accidental Death & Disability *ATD (Accidental Total Disability) combined with Worker Compensation cannot exceed 100% of the insured's weekly salary	\$100 benefit amount	Education	Police Unlawful/Intentional Death Day Care N/A Education Spouse	N/A N/A \$2,000 N/A	\$179,083 \$2,000 \$2,000	
United Health Care-PPO	389953	3/31/2010	Employee Health Insurance Plan \$15.00 – Co-Pay	Individual \$200 Family \$400 Per Individual	\$1,000,000 Lifetime Max	\$ 1,454,210
United Health Care- POS	389953	3/31/2010	\$10.00 – Co-Pay	No Deductible	No Limit	\$ 121,184
United Health Care –POS	389953	3/31/2010	\$5.00 – Co-Pay	No Deductible	No Limit	\$ 3,061,025
Comp Benefits Dental-PPO	CD2147	3/31/2010	90% In-Network 80% Out of Network	Individual -\$50 Family-\$100	\$2,000 Per- person	\$ 32,848
Comp Benefits Dental DHMO	CP2147	3/31/2010	In Network Benefits Only	No Deductible	No Limit	\$ 117,820
Comp Benefits Vision Care	VS2536	3/31/2010	Frames or Contacts	No Deductible	\$135 Wholesale	\$ 141,763
The Standard (Life Insurance)	New Policy # Not Issued	3/31/2010	Group Life Insurance Plan AD&D	0.14 x \$1000 0.03x \$1000	\$50,000- Max \$50,000-Max	\$ 141,763
Lincoln Financial LTD	527714	3/31/2010	Long Term Disability	0.38x \$1000	60% -Max Salary	\$ 102,749

# COMPLIANCE SECTION



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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Plantation, Florida (the "City") as of and for the year ended September 30, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 23, 2011. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the City of Plantation Police Officers' Pension Fund, as described in our report on the City's financial statements. The financial statements of the City of Plantation Police Officers' Pension Fund were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies in internal controls such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting (2009-3). A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

City of Plantation, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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*.

The City of Plantation, Florida's written response to the matter identified in our audit has not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of City management, members of the City Council, the State of Florida Auditor General, Federal and state awarding agencies and other grantor agencies, 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  
February 23, 2011



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH  
MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR  
A-133 AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

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

Compliance

We have audited the City of Plantation, Florida's (the "City") compliance with the types of compliance requirements described in the *(OMB) Circular A-133 Compliance Supplement*, and the requirements described in the Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on each of the City's major Federal programs and state projects for the year ended September 30, 2010. The City's major Federal programs and state project are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs and state projects is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance 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 Nonprofit 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 the City'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 the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs and state projects for the year ended September 30, 2010.

Internal Control over Compliance

Management of the City 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 the City's internal control over compliance with the requirements that could have a direct and material effect on a major Federal program or state project to determine the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

City of Plantation, Florida

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a Federal program or a state project on a timely basis. *A material weakness in internal control over compliance*, is a deficiency or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program or state project will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of City management, members of the City Council, the State of Florida Auditor General, Federal and state awarding agencies and other grantor agencies, 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  
February 23, 2011



## INDEPENDENT AUDITORS' REPORT TO CITY MANAGEMENT

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

We have audited the financial statements of the City of Plantation, Florida (the "City"), as of and for the fiscal year ended September 30, 2010, and have issued our report thereon dated February 23, 2011.

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; and OMB Circular A-133, *Audits of State, 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, Independent Auditors' Report on Compliance with Requirements Applicable to each Major Federal Program and State Project and on Internal Control over Compliance, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated February 23, 2011, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule:

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report, except as noted in the Summary Schedule of Prior Audit Findings on page 92.

Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include 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 of Plantation, Florida complied with Section 218.415, Florida Statutes.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, our recommendations to improve financial management are included in the Schedule of Findings and Questioned Costs, Part B.

Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse and (2) control deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.

City of Plantation, Florida

Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City of Plantation, Florida was established as authorized in Chapter 29446 of Special Acts of Florida, as amended.

Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. 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.

Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the City for the fiscal year ended September 30, 2010, 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, 2010. In connection with our audit, we determined that these two reports were in agreement.

Pursuant to Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City'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.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of management, and the Florida Auditor General, 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  
February 23, 2011

CITY OF PLANTATION, FLORIDA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 AND STATE FINANCIAL ASSISTANCE  
 For the Year Ended September 30, 2010

Federal/State Agency, Pass-through Entity Federal Program/State Project	CFDA CSFA Number	Contract/Grant Number	Expenditures	Transfers to Subrecipients
FEDERAL AGENCY NAME:				
Direct Programs:				
United States Department of Housing and Urban Development -				
Community Development Block Grants/Entitlement Grants	*14.218	B-06-MC-12-0037	\$ 123,588	\$ -
	*14.218	B-08-MN-12-0037	14,056	-
	*14.218	B-09-MN-12-0037	407,697	-
	*14.218	B-08-MN-12-0023	1,579,668	-
Community Development Block Grant/ARRA Entitlement Grants	*14.253	B-09-MY-12-0037	139,863	-
United States Department of Justice -				
Public Safety Partnership and Community Policing Grants	16.710	2008-CKWX-0103	19,454	-
Bulletproof Vest Partnership Program	16.607	-	16,970	-
Indirect Programs:				
United States Department of Justice -				
Passed through the City of Fort Lauderdale, Florida				
Federal Forfeitures	*16.XXX	-	1,063,501	-
Passed through Broward County, Florida				
Recovery Act - Edward Byrne Memorial Justice Assistance Grant Program/ Grants to Units of Local Government	16.804	-	111,884	-

CITY OF PLANTATION, FLORIDA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 AND STATE FINANCIAL ASSISTANCE  
 (continued)  
 For the Year Ended September 30, 2010

Federal/State Agency, Pass-through Entity Federal Program/State Project	CFDA CSFA Number	Contract/Grant Number	Expenditures	Transfers to Subrecipients
Indirect Programs (continued):				
Passed through Monroe County, Florida Sheriff's Office Recovery Act - State and Local Law Enforcement Assistance Program	16.809	-	8,509	-
United States Environmental Protection Agency - Passed through Florida Department of Environment Protection Capitalization Grants for Clean Water State Revolving Funds	*66.458	DW060530	998,898	-
United States Department of Housing and Urban Development - Passed through Florida Department of Community Affairs Passed through Broward County Community Development Block Grants/ State's Program	14.228	08DB-D3-11-16-01-A06	88,315	-
United States Department of Transportation - Passed through Florida Department of Transportation Highway Planning and Construction	20.205 20.205	414155-1-58-01 APK-14	63,346 131,200	- -

**CITY OF PLANTATION, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**

(continued)

For the Year Ended September 30, 2010

Federal/State Agency, Pass-through Entity Federal Program/State Project	CFDA CSFA Number	Contract/Grant Number	Expenditures	Transfers to Subrecipients
Passed through Florida Department of Environmental Protection Recreational Trails Program	20.219 20.219	T27004 T290275	65,820 35,054	- -
Total Federal Awards			\$ <u>4,867,823</u>	\$ <u>-</u>
STATE AGENCY NAME:				
Direct Project:				
Florida Housing Finance Corporation - State Housing Initiatives Partnership Program	52.901	-	\$ 294,088	\$ -
State of Florida Department of Transportation - Intermodal Development Program	55.014	APL63	8,677	-
State of Florida Department of Environmental Protection - Florida Recreation Development Assistance Program	*37.017 *37.017	F8076 A9221	200,000 135,611	- -
State of Florida Department of Law Enforcement - Drug Control/Money Laundering Investigations - Matching Funds	71.005	-	18,010	-
Total State Agency			\$ <u>656,386</u>	\$ <u>-</u>
Total Expenditures of Federal Awards and State Financial Assistance			\$ <u>5,524,209</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 FINDINGS AND QUESTIONED COSTS  
 FEDERAL PROGRAMS AND STATE PROJECTS  
 For the Year Ended September 30, 2010

**A. SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unqualified opinion on the basic financial statements.
2. No material weaknesses 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 material weaknesses relating to the audit of the major Federal programs and state project are reported in the Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and State Project and on Internal Control over Compliance in Accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General.
5. The auditors' report on compliance for the major Federal programs and state project for City of Plantation, Florida expresses an unqualified opinion.
6. No audit findings relative to the major federal programs or state project 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:

<b>Federal Programs</b>	<b>Federal CFDA No.</b>
United States Department of Housing and Development - Community Development Block Grants/ Entitlement Grants	14.218
Community Development Block Grants/ ARRA Entitlement Grants	14.253
United States Department of Justice Federal Forfeitures	16.XXX
United States Environmental Protection Agency - Capitalization Grants for Clean Water State Revolving Funds	66.458
<b>State Project</b>	<b>State CSFA No.</b>
Florida Department of Environmental Protection - Florida Recreation Development Assistance Program	37.017

CITY OF PLANTATION, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FEDERAL PROGRAMS AND STATE PROJECTS  
For the Year Ended September 30, 2010

**A. SUMMARY OF AUDITORS' RESULTS (continued)**

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

**B. FINDINGS - FINANCIAL STATEMENT AUDIT**

The prior year finding labeled 2009-3 is still applicable. Please see page 92 for current status.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS AUDITS**

NONE

**D. OTHER ISSUES**

No corrective action plan is required because there were no findings required to be reported under the Federal and the Florida Single Audit Acts.

CITY OF PLANTATION, FLORIDA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Year Ended September 30, 2010

**PRIOR YEAR FINDINGS AND STATUS**

The following is a summary of the status of prior year findings and recommendations with the details directly below the summary:

	<u>IMPLEMENTED</u>	<u>PARTIALLY IMPLEMENTED</u>	<u>NOT IMPLEMENTED</u>
2009-1 Reconcile accounts on a timely basis	X		
2009-2 Accrual of assets and liabilities	X		
2009-3 Grant accounting		X	

*Significant Deficiency*

2009-3: Grant Accounting

The financial reporting process for grants needs improvement. As a result of our audit procedures, several audit adjustments were required at year end to adjust receivables, deferred revenue, revenue and expenditures related to grants.

We recommend that the City develop an ongoing monitoring program that will track each grant's compliance requirements, reporting requirements, and revenues and expenditures.

Current Status:

As a result of our audit procedures, there were no audit adjustments posted to the general ledger for grant receivables, grant deferred revenues, and revenues and expenditures related to grants. However, certain expenditure amounts for various grants were overstated on the Schedule of Expenditures of Federal Awards and State Financial Assistance. In addition, there were certain grant expenditures that were omitted from the Schedule of Expenditures of Federal Awards and State Financial Assistance. We recommend that the City develop an ongoing review process by grant to ensure that each grant's activity is reported accurately and completely on the schedule.

Management's Response:

The City-wide communication regarding the process of monitoring and tracking grants has significantly improved over the prior year. A process has been initiated to foster better communication that includes contacting departments directly to obtain status information for grants listed on the grant schedule as well as inquiring about new grants.

The Accountant will work with the Financial Operations Manager to further enhance the process in place to compile and report the grants information. With the above items in place, we are confident that the tracking and reporting of grants will be a new and improved process for the next year-end audit.