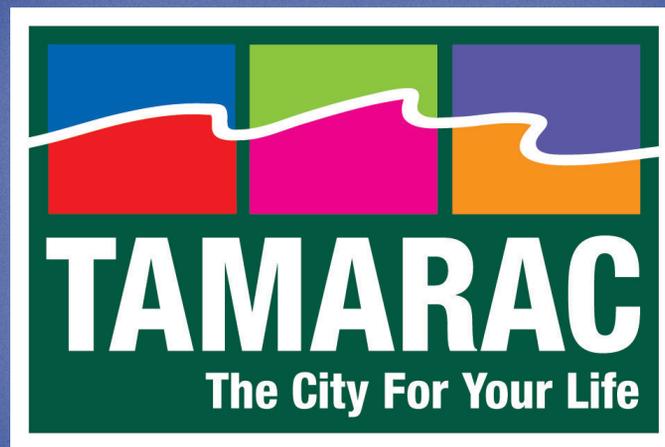


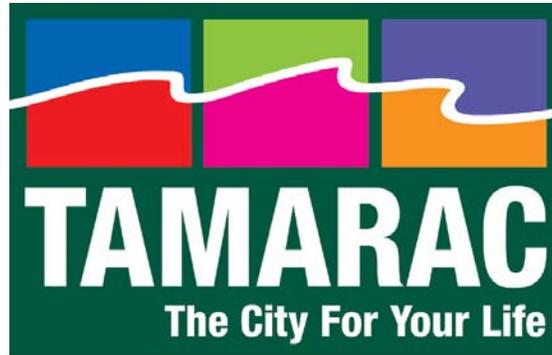
Comprehensive Annual Financial Report

Fiscal year ended September 30, 2008



Our Vision:

*The City of Tamarac,
Our Community of Choice -
Leading the nation in quality of life through
safe neighborhoods, a vibrant economy,
exceptional customer service
and recognized excellence.*



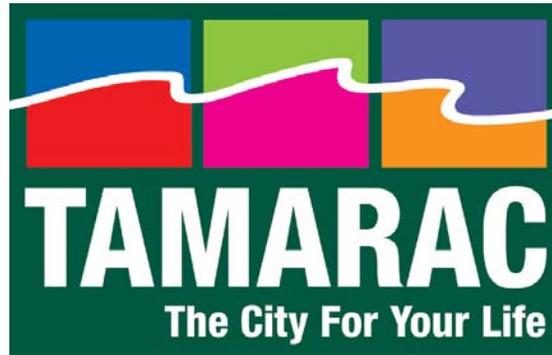
2008
COMPREHENSIVE
ANNUAL FINANCIAL
REPORT

OF THE
CITY OF TAMARAC,
FLORIDA

Fiscal Year Ended
September 30, 2008

Prepared by
FINANCIAL SERVICES

Michael C. Cernech, Interim Director of Financial Services
Christine Josephs Cajuste, CPA, Controller



September 30, 2008

CITY OF TAMARAC, FLORIDA

COMMISSION – MANAGER FORM OF GOVERNMENT

CITY COMMISSION

BETH FLANSBAUM-TALABISCO, Mayor

EDWARD C. PORTNER, Vice Mayor

PATRICIA ATKINS-GRAD, Commissioner

HARRY DRESSLER, Commissioner

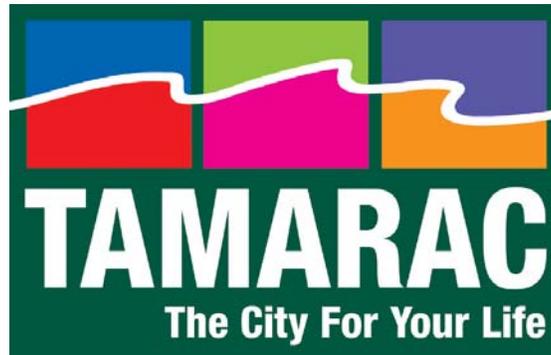
MARC L. SULTANOF, Commissioner

ADMINISTRATIVE STAFF

Jeffrey L. Miller
City Manager

Samuel S. Goren
City Attorney

Steven G. Chapman II
Director of Financial Services



April 1, 2009

CITY OF TAMARAC, FLORIDA

COMMISSION – MANAGER FORM OF GOVERNMENT

CITY COMMISSION

BETH FLANSBAUM-TALABISCO, Mayor

PATRICIA ATKINS-GRAD, Vice Mayor

HARRY DRESSLER, Commissioner

PAMELA BUSHNELL, Commissioner

DIANE GLASSER, Commissioner

ADMINISTRATIVE STAFF

Jeffrey L. Miller
City Manager

Samuel S. Goren
City Attorney

Michael C. Cernech
Interim Director of Financial Services

Vision, Mission & Values

Our Vision:

*The City of Tamarac, Our Community of Choice -
Leading the nation in quality of life through safe neighborhoods,
a vibrant economy, exceptional customer service and recognized excellence.*

Our Mission:

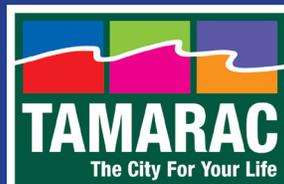
*We are:
"Committed to Excellence . . . Always"*

*It is our job to foster and create an environment that:
Responds to the Customer
Creates and Innovates
Works as a Team
Achieves Results
Makes a Difference*

Our Values:

As Stewards of the public trust, we value:

*Vision
Integrity
Efficiency
Quality Service*



CITY OF TAMARAC, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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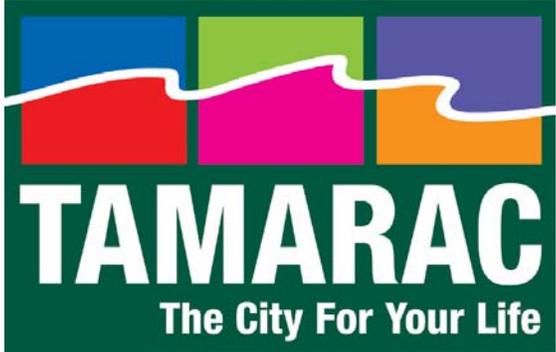
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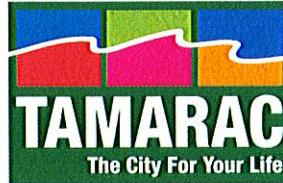
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INTRODUCTORY SECTION

LETTER OF TRANSMITTAL

**OFFICE OF THE
CITY MANAGER**



Jeffrey L. Miller
CITY MANAGER

April 1, 2009

The Honorable Mayor, City Commissioners, and
Citizens of the City of Tamarac:

The Comprehensive Annual Financial Report (CAFR) of the City of Tamarac, Florida, (the City), for the fiscal year ended September 30, 2008, is hereby submitted as mandated by both local ordinances and state statutes. The Florida Statutes require that all local governments publish within one year of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Additionally, the City's Charter requires an annual audit of the books of account, financial records and transactions of all departments of the City by independent certified public accountants.

This report consists of management's representations concerning the finances of the City of Tamarac. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Tamarac's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the City, on a Government-wide and a Fund basis.

GLSC & Company, PLLC, a licensed certified public accounting firm, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the City's financial statements for the fiscal year ended September 30, 2008, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon their audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Tamarac's financial statements for the fiscal year ended September 30, 2008, are fairly presented in conformity with GAAP.

Management Discussion and Analysis (MD&A) is included on pages 3 to 18. The MD&A introduces the basic financial statements, and provides an analytical overview of the City's financial activities.

"Committed to Excellence... Always."

TAMARAC.ORG

7525 N.W. 88th Avenue | Tamarac, Florida 33321-2401 | P: 954.597.3510 | F: 954.597.3520

EQUAL OPPORTUNITY EMPLOYER

CITY PROFILE AND GOVERNMENTAL STRUCTURE

Created in 1963 by the Legislature of the State of Florida, the City of Tamarac occupies approximately twelve square miles in the northwestern portion of Broward County, the second most populated county in the State. With its estimated population of 60,000 people, the City ranks twelfth in population among the 31 municipalities in the County. The City has been developed primarily for residential purposes, with the majority of the population consisting of retirees, although the demographics are changing as more young families move into the City.

The City is located on the semi-tropical coastal ridge between the Everglades and the Atlantic Ocean. The terrain is generally flat, with developed land elevations varying from approximately 4 to 22 feet above sea level. The sub-tropical climate provides comfortable living year round.

The City limits provide many recreational facilities for residents. It is also home to the 500-acre Tamarac Commerce Park. Additionally, the nearby access to super-highways, railways, airways, and waterways gives the City an ideal location in the expanding and dynamic tri-county commercial market.

The City operates under the Commission-Manager form of government. Policy-making and legislative authority is vested in the governing commission, which consists of a Mayor and a four member Commission. The City Commission is vested with policy-setting authority, adopting the annual budget, approving purchases and services of the governmental operations, appointing committees and hiring the City's Manager and Attorney. The City Manager is responsible for recommending and carrying out the policies and ordinances of the City Commission, appointing the heads of the City's departments with the concurrence of the City Commission, submitting of a proposed annual budget, advising the Commission as to the financial condition of the City, and overseeing the day-to-day operations of the City.

The City is divided into four districts with one Commissioner required to reside in each district. Electors residing within the Commission district may only vote for the City Commissioner from that district and are not entitled to vote for candidates for Commission from any other Commission district. The Mayor, who runs "at-large," may live in any district. An Amendment was approved at an election held on November 7, 2006, to extend the terms of the Mayor and Commissioners from three years to a term of four years. Commissioners from odd-numbered districts shall be elected at the municipal election every four years in November. The Mayor and Commissioners from even-numbered districts serving as of March 10, 2009, shall have their terms extended to November 10, 2009, at which time the City shall conduct a special election.

Prior to October 1, the City's annual budget is legally enacted through passage of an ordinance. The level of control at which expenditures may not exceed budget is at the department level. The City Commission approves these levels by annual ordinance. Appropriations lapse at year end, except for grants and shared revenues from other governmental units which do not lapse at year-end and are only reported to the extent of revenues recognized, and expenditures incurred for the current year. For additional budgetary information please refer to the Note to the Budgetary Comparison Schedule in the Required Supplementary Information Section.

LOCAL ECONOMY

The City of Tamarac continues to experience growth in residential and commercial development albeit at a slower pace than in prior years. The real estate market is expected to continue to slow. However, the City's continued annexation efforts, more commercial and industrial land will be added to the eastside of Tamarac. The City of Tamarac is viewed as a community that is favorable to business and has been a magnet for new businesses and employees' families. As a result of this growth, the County's median population age has been gradually dropping. Extrapolating the County's experience to the City yields an average age for 2007 of 45 years, versus 52.9 years in 2000. The growth in new businesses also adds to the economic diversity of the area.

In FY 2007 the Florida Legislature enacted property tax reform. The City was mandated to reduce its operating millage rate nine percent below the rolled back rate as legislated through the truth in millage (TRIM) legislation. As a result, the City had an actual dollar reduction of ad valorem property tax revenue in the amount of approximately \$1.7 million for the tax year 2007 and another \$1.8 million in 2008. Another decrease of \$1.6 million is expected to be realized in FY 2009. This legislation mandates that City can only collect revenues based on a formula of the most recent year's ad valorem collection plus inflation (as measured by the average growth in personal income) and new construction. Because of this change in legislation the City intends to strengthen its economic development activities to encourage growth, redevelopment activities, and any other avenues that will promote new growth for the City. Such activities include annexation efforts for commercial and industrial land on the unincorporated east side, recruitment of additional businesses, and the continued focus on the development of the mixed-use Main Street Corridor.

Economic indicators in late 2008, point to a slowing economic expansion, and minimal but increasing inflation. Broward County is showing an increase in the unemployment rate. It averaged 5.4% in 2008 compared with 3.6%, 3.2% and 3.7% in the same period in 2007, 2006, and 2005, respectively. Broward County welcomed more than 10.7 million visitors. These visitors bring an estimated economic impact of \$8.8 billion to the County. In 2009, Royal Caribbean cruises will bring the world's two largest cruise ships to Port Everglades making the seaport the world's top cruise port by 2010.

South Florida has felt the impact of the soft housing market. However, for the 2008 tax year, the taxable value of property in Broward County decrease from \$168.7 billion to \$160.0 billion or a 5.2% decrease. The slow-down in the housing market primarily began in calendar year 2007 so the effects of which are now being felt in tax year 2008. Due to the peculiar nature of the legislation regulating taxable property valuation, Broward County can actually have falling market prices while experiencing increased taxable values. This is an effect of the spread between the constitutionally required homesteaded property valuation protection and market value of the property. The taxable value of homesteaded property can only increase based on inflation with a cap of three percent annually. With the large market valuation increases of the past five years this legislation has led to a significant spread between the market value and taxable value on homesteaded properties. Property that has benefited from lower taxable valuation in the past will still increase by the rate of inflation to a point that it comes in line with market value. For the City of Tamarac, a large percentage of property is homesteaded; however, the decline in property value has been so great that the spread between taxable value and market value is no longer an advantage; the City will see significant decreases in its property taxes in the upcoming years.

The City made significant accomplishments in supporting its mission to promote and enhance the City's economic vitality by attracting new businesses and providing a positive business environment. Occupational licenses provide a snapshot of new business activity in the City. In FY 2008, 2,179 business licenses were issued. In addition to the continued success of Cheddars Casual Café in 2006 and the addition of the nationally renowned Applebee's Restaurant chain and Washington Mutual in 2007, the City added TD Bank NA, Baby Love, Rotelli's Restaurant, and FedEx-Kinko's in 2008. In 2009, more growth is expected through the addition of a new Hampton Inn Business Hotel and additional restaurants.

The Westpointe project has experienced rapid growth since opening in the Tamarac Commerce Park. This 158-acre Development of Regional Impact has an approved development order that includes office, commercial and industrial land uses. Twenty-six acres of lakes were developed as part of the project. City Furniture remains the largest business located in the Commerce Park. Their 85-acre facility includes corporate offices, an 800,000 square foot warehouse and distribution facility, as well as one of the highest volume furniture stores in the southeast United States.

Major Projects in FY 2008

- **Boulevards Resurfacing and Median Beautification Project**
The Boulevards is a small subdivision located just north of Commercial Boulevard adjacent to Prospect Road. This project consisted of resurfacing 2.5 miles of roadway and beautifying approximately one mile of medians. This project was funded from the City's Roadway Resurfacing and Beautification Program at a cost of \$900,078.

- **Progress on the Main Street project**

The City of Tamarac is continuing to make progress toward the creation of a Main Street project on NW 57th Street between University Drive and NW 94th Avenue, which encompasses the existing community center and the newly completed Broward County library. The City acquired its first parcel of land in FY 2006 that will help achieve this objective. The City continued the effort with the purchase of two additional parcels in FY 2008. There are other property purchases contemplated by the City to help stimulate the Main Street Project. This project will allow the City to maximize the development potential for this area, which will significantly increase its tax value and level of development. This development is more important than ever because of the legislative changes made at the state level with respect to ad valorem tax collection. Through the application of a master plan, the City will be able to ensure the successful development of a variety of uses including residential, commercial, parks and recreation and open space. The location of the NW 57th Street Main Street Project is such that, when developed, the area will become a destination for City residents as well as residents of neighboring cities to work, shop and play. In 2009, the City Commission approved a site plan for a mixed-use project consisting of four retail/restaurant/office buildings with a total of 77,358 square feet. These activities will have a significant positive economic impact on the City. If the project is constructed as planned, it will provide much needed revenue growth to the City of Tamarac in the form of building permits, development agreements, and increased property tax revenues.

- **Nob Hill Road Phase I Beautification Project**

This project consisted of beautification improvements to the existing medians within the Nob Hill Road right-of-way, between Commercial Boulevard and Westwood Drive. The scope of work included irrigation and landscaping improvements, curb construction, and the installation of brick paver bull nose at the median openings. This project was funded by a Florida Department of Transportation Lap Grant and the City's Roadway Resurfacing and Beautification Program. The Project was completed in May 2008 with a final budget of \$333,720 (\$202,500 from grants and \$131,220 from the resurfacing program).

- **Courtyard Covered Walkway Project Phase I**

This project is an element of courtyard area between the City's Community Center and Broward County's Public Library on West Commercial Boulevard. The covered walkway is designed to provide protection from the elements by connecting the Community Center to the Public Library with a covered walkway. This project was funded through a Florida Department of Transportation LAP Grant and City Capital Improvement funds. The final project cost was \$415,730 with \$297,600 being paid through the Lap Grant and \$118,130 by City Capital Improvement funds. The project was completed in September 2008.

- **Tephford Park**
 The park is located along Southgate Boulevard between Nob Hill Road and the Sawgrass Expressway consisting of group shelters, picnic tables, a fishing pier, meandering pedestrian/bike paths, drinking fountains, restrooms, resting benches, bike racks, play forms, natural habitat areas and open green areas. This 16.7-acre park was completed in May 2008 costing \$2,722,934. This park was financed through sales tax revenue bonds as well as state and local grants.
- **Gary B. Jones Park for People and Pups**
 The park is located along Southgate Boulevard just west of University Drive adjacent to Veteran's Park consisting of a large and small dog fenced area, benches, a dog wash area, water fountains, a parking area, and walking paths. This 3.5-acre dog park was completed in September 2008 costing \$649,742. This park was financed through a sales tax revenue bond.
- **Commercial Boulevard & NW 94th Avenue Turn Lane Project**
 This project consisted of constructing a westbound right turn lane at the northeast corner of Commercial Boulevard and NW 94th Avenue. The turn lane was designed to help alleviate traffic congestion and to help motorist negotiate a west bound right turning movement at this intersection. This project was funded through the Roadway Resurfacing and Beautification Program. The Project was completed in February 2008 with a final cost of \$69,368.
- **Roadway Resurfacing and Beautification Program**
 As part of the City's Comprehensive Street Improvement Program, all 133 miles of City owned roadways will be resurfaced and beautified. This program was divided into several phases involving different aspects of design, milling, resurfacing, landscaping, irrigation, and curbing. The City is currently completing the final phase of this program, which is more formally described as the City Hall Resurfacing Project. This project will consist of resurfacing the parking lot and access aisles of City Hall.
- **Fire Station 41 & 78 Renovations**
 This project will consist of interior renovations for both stations and exterior façade improvements for Fire Station 41. This project was designed in FY 2007 and construction is expected to begin in May 2009. This project has a proposed budget of \$1,100,000 and will be financed through a sales tax revenue bond.
- **Tamarac Skate Park**
 This park will be located on the northeast corner of NW 94th Avenue and NW 58th Street and will consist of numerous skating amenities, landscaping, restrooms and a parking area. This project is currently in the design phase with construction expected to begin in August 2009. The project has a proposed budget of \$810,000 and will be financed through a sales tax revenue bond.

- **Improvement in Water and Sewage facilities**

Work continued on the new Public Service Complex Addition, which is being built to house our Utilities and Information Technology Departments. This complex includes a 20,000 square foot main building which includes 13,000 square feet of office space and 7,000 square feet of warehouse/inventory control space. The building encompasses offices, an audio/video equipped training room, locker rooms, electronics storage, parts inventory shop, electrical shop, mechanical shop, and a state-of-the-art Data Center. The entire building will be able to withstand 161 mile per hour category 5 hurricane winds. This building will act as our Emergency Response Field Operation Center, and house the City's mainframe and scalable computers and servers. This project was completed in October, 2008.

The City's award winning Utilities Department continues being recognized for excellence! This year, we won the Broward County's "Emerald Award for Pollution Prevention" and the Florida Section American Water Works Association's "Water Conservation Award for Excellence".

The City completed the Water Master Plan which outlines a capital expenditure plan for water plant and system improvements for the next 10 years.

Extensive renewal and replacement of our existing aging infrastructure was accomplished this year, including the complete rehabilitation of four sanitary sewer pump stations. Twenty percent of our gravity sewer mains were cleaned, televised and repaired or relined to ensure their structural integrity and reduce water infiltration.

We continue the systematic rehabilitation of the Water Treatment Plant, which will prolong its useful life for an additional 25 years.

Additional information on future projects can be found in the *City of Tamarac Fiscal Year 2008 Adopted Budget* under the "Capital Improvement Program" section.

The City continues to market itself in local, regional and national events and publications, including *Outlook Magazine*, which is a prominent resource for business site selections. The Economic Development promotional display was used in trade shows and other business events. The City has continued its partnership with the Tamarac Chamber of Commerce to encourage the growth of business in the community.

The City provides support to low to moderate income Tamarac residents through housing rehabilitation and first time homebuyer assistance programs funded by the major housing and Community Development Grants programs including the State Housing Initiative Partnership (SHIP), Community Development Block Grants (CDBG), the Home Investments Partnership (HOME) and the Neighborhood Revitalization Program. The Neighborhood Revitalization Program was established in FY 2008 to address issues pertaining to foreclosed and abandoned foreclosed properties.

MAJOR INITIATIVES

The City of Tamarac has a long-term Vision Statement. It represents the collective aspirations, dreams and desires of the City Commission, the Executive Team, employees and the residents

offered through a series of meetings and workshops. The following Vision Statement embodies where we would like the City to be, and provides an image for what we are capable of becoming in the future:

“The City of Tamarac, our community of choice- leading the nation in quality of life through safe neighborhoods, a vibrant economy, exceptional customer service and recognized excellence.”

The City has developed a Strategic Plan in order to set a uniform direction towards achieving the Vision. The City’s Executive Team reviews the City’s Strategic Plan on an annual basis and updates the plan every other year. The annual process identifies major issues or concerns through an environmental scan and S.W.O.T. (Strengths Weaknesses Opportunities Threats) analysis. After this analysis, departments develop business plans and determine resource allocation for their strategic initiatives. This resource allocation will allow for uniform progress towards the City’s stated strategic goals. Each goal further contributes to moving the City towards its long term vision.

Strategic Goals

1. **Inclusive Community** – The City of Tamarac is committed to providing programs and services that meet the needs of an increasingly diverse community.
2. **Strong Economy in a Healthy Environment** – The City of Tamarac will utilize innovative management to develop and maintain a strong financial base, while balancing the financial needs of the City with preservation of the environment.
3. **Dynamic Organizational Culture** – The City of Tamarac will create and sustain a culture conducive to development and retention of skilled employees.
4. **Clear Communication** – The City of Tamarac will increase communication within the organization and throughout the City. We will increase both awareness of and participation in city government.
5. **A Vibrant Community** – The City of Tamarac will continually revitalize our neighborhood and business districts.

LONG-TERM FINANCIAL PLANNING

Of particular significance, during FY 2008 the City maintained its credit rating from the prior year with a general obligation indicator credit rating of AA- from Fitch Ratings Limited and A1 from Moody’s Investor Services. In addition, Standard & Poor’s Investment Advisory Services has maintained the City’s underlying credit rating for non-general obligation debt at A+.

The City’s staff is charged with the daily operations and involved in a variety of projects which are in accordance with the City’s Strategic Plan. The FY 2009 budget focuses on maintaining the service levels, completing projects in progress, improving processes and practices, replacing existing infrastructure and equipment needed, and improving our financial position. Significant reduction in our revenue base has led to the implementation of aggressive steps to reduce our expenditures; these steps include a freeze on all new hires, a freeze on all overnight travel, and an elimination of all temporary staff. The City Commission, through the budget process, has determined the City’s top priorities to meet the changing needs of Tamarac.

- Update the Geographic Information System
- Develop a water system master plan
- Complete the Citywide boat ramp project
- Complete the rehab of the West 8 MG Accelerator
- Complete the Courtyard Covered Walkway project
- Complete the University Drive water main upgrade
- Complete the Nob Hill Road, and Commercial Boulevard median beautification
- Continue planning and development of the N.W.57th Street/Main Street project
- Continue to pursue the high performance initiatives and the Governor's Sterling Award through additional staff training.
- Maintain the vehicle and equipment replacement plan for the City's fleet, fire rescue apparatus, light vehicles and personal computers.

The City intends to expend the proceeds of the Series 2005 Capital Improvement Revenue Bonds to construct the following capital projects:

- Aquatic Center Annex (expected completion in June, 2009)
- Waters Edge Park
- Fire Station Renovation (expected completion in November, 2009)

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Tamarac for its Comprehensive Annual Financial Report for the year ended September 30, 2007. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This was the 20th consecutive year that the City of Tamarac has received this prestigious award. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for the certificate.

In addition, the City received from GFOA, the "Distinguished Budget Presentation Award" for FY 2007 for publishing a budget document that meets the program criteria as a policy document, an operations guide, a financial plan and a communications device. This is the 10th consecutive year Tamarac received the "Distinguished Budget Presentation Award."

In FY 2008, the City of Tamarac continued to make substantial progress on our journey to be a High Performance Organization (HPO). To further this initiative, the City utilizes the Florida Governor's Sterling framework, which focuses on leadership, strategic planning, focus on the

customer and the workforce, information and knowledge management, process management, and results. As part of the Sterling process, the City undertook the Sterling Challenge in April 2008, an intermediate step to chart our progress toward becoming an HPO. The application and site visit resulted in a feedback report documenting both our Strengths and our Opportunities For Improvement. The organization is currently using this report, combined with cross-functional improvement teams, to celebrate our strengths and address our Opportunities For Improvement. We anticipate a follow-up site visit in the coming years to assess our progress as we move forward on our HPO journey.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Financial Services Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report but in particular, the Accounting Division. The team members of this division include Christine Josephs-Cajuste - Controller, Tessie Gross - Senior Accountant, Ricky Spencer - Accounting Supervisor, Keisha Lawson - Payroll Coordinator, Avril Major - Accounts Payable, and Doris Danahy - Accounts Payable. Recognition and appreciation is also given for the significant contributions made by various operating departments to the writing of this report.

In closing, credit should also be given to the Mayor and the Commission for their interest and support in planning and conducting the operations of the City of Tamarac in a responsible and progressive manner.

Sincerely,


Jeffrey L. Miller
City Manager


Michael C. Cernech
Interim Director of Financial Services

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Tamarac
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2007

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



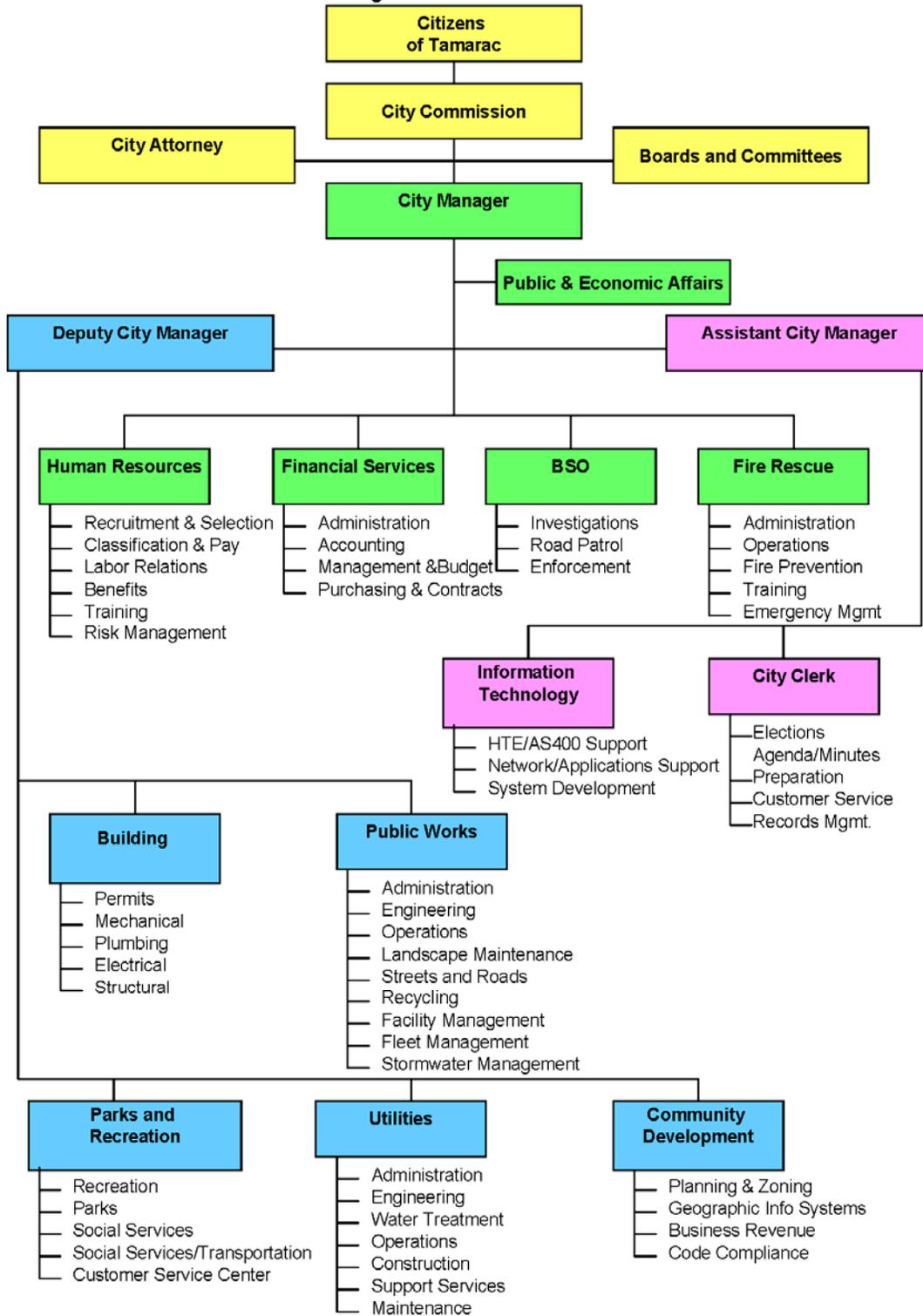
A handwritten signature in black ink, appearing to read "M. L. R. M.", positioned above the printed name of the President.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Egan", positioned above the printed name of the Executive Director.

Executive Director

City of Tamarac Organizational Chart



City of Tamarac, Florida
List of Principal Officers
September 30, 2008

ELECTED OFFICIALS

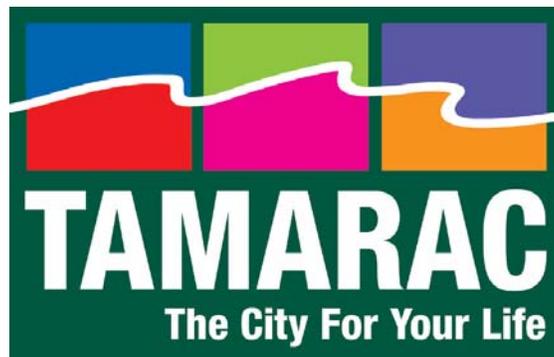
Mayor	Beth Flansbaum-Talabisco
Vice-Mayor	Edward C. Portner
Commissioner	Patricia Atkins-Grad
Commissioner	Harry Dressler
Commissioner	Marc L. Sultanof

APPOINTED OFFICIALS

City Manager	Jeffrey L. Miller
City Attorney	Samuel Goren
Deputy City Manager	Michael C. Cernech
Assistant City Manager	Diane Phillips
Chief Building Official	Claudio Grande
City Clerk	Marion Swenson
Director of Community Development	Jennifer Bramley
Director of Financial Services	Steven G. Chapman II
Director of Information Technology	Levent Sucuoglu
Director of Parks and Recreation	Gregory Warner
Director of Human Resources	Maria Swanson
Director of Public Works	Jack Strain
Director of Utilities	Raymond Gagnon
Fire Chief	James Budzinski
Risk & Safety Manager	Patty Tomaszewski

FINANCE OFFICIALS

Director of Financial Services	Steven G. Chapman II
Controller	Christine Josephs Cajuste.
Purchasing and Contracts Manager	Keith Glatz



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Honorable Mayor, City Commission and City Manager
Tamarac, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tamarac, Florida (the City) as of and for the year ended September 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Pension Trust Funds, which represent 100% of the assets, revenues and deductions of the fiduciary fund totals. Those financial statements were audited by other independent auditors whose reports thereon have been furnished to us, and our opinions, insofar as it relates to the amounts included for the Pension Trust Funds are based solely on the reports of the other independent auditors.

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

In our opinion, 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, 2008, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2009, 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, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 18 and 76 through 78, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

GLSC & Company, PLLC

March 31, 2009



**MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)**

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Tamarac, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for fiscal year ended September 30, 2008. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal, the City's financial statements and the other required supplemental information.

This discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns. The information contained within this section should be considered only as a part of a greater whole.

FINANCIAL HIGHLIGHTS

- The assets of the City of Tamarac exceeded its liabilities at the close of the most recent fiscal year by \$200 million (net assets). Of this amount, \$46.3 million (unrestricted net assets) may be used to meet the ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$13.8 million during the current fiscal year. The City's net assets increased as a result of this year's operations. Net assets of our business-type activities increased by \$1.8 million, net assets of our governmental activities increased by approximately \$12 million.
- During the year, the City had expenses that were \$11.6 million less than the \$64.1 million generated in taxes and other revenues for governmental programs, excluding transfers.
- In the City's business-type activities, revenues decreased by \$0.4 million while expenses increased by \$1.3 million.
- Total cost of all of the City's governmental activities decreased by \$1.2 million or 2.2% percent as a result of the lower personnel and operating expenditures incurred during the year.
- The General Fund's fund balance increased by \$2.6 million for the year ended September 30, 2008.
- At the end of the current year, fund balance for the General Fund was \$20.1 million, or 64 percent of total general fund expenditures and transfers. Of this amount, \$10.9 million is *designated* for economic stabilization, capital project and subsequent year's rollovers. The remaining reserved fund balance of \$0.6 million is restricted for encumbrances, inventories, advances to pension plan, and police training. These unreserved designations are in compliance with the City's fund balance policy.
- The City's total debt increased by \$2.7 million during the fiscal year.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

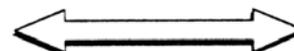
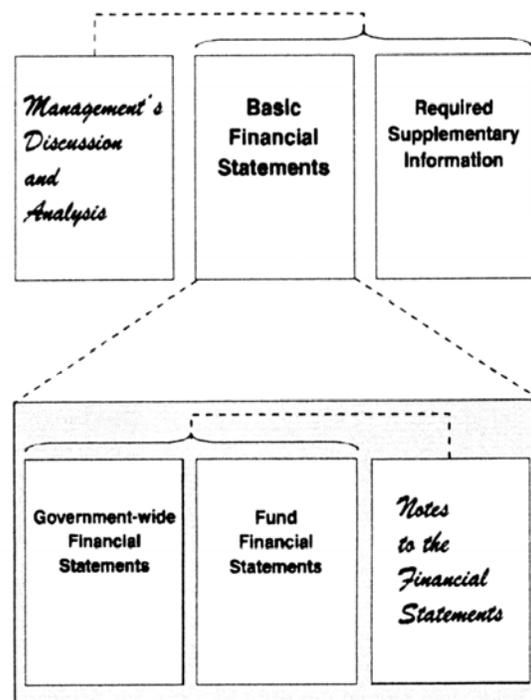
OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—*management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information* and an additional section that presents *combining statements* for nonmajor governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the City:

- Within the government wide financial statements, the first two statements are *government-wide financial statements* that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
- The *governmental funds* statements show how general government services such as public safety were financed in the short term as well as what remains for future spending.
- *Proprietary funds* statements offer short-term and long-term financial information about the activities the government operates like businesses, such as the stormwater operations, the water and wastewater systems.
- *Fiduciary funds* statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of those parties outside of the government.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and are related to one another. In addition to these required elements, we have included a section with combining statements that provides details about our nonmajor governmental funds and internal service fund, each of which is added together and presented in single columns in the basic financial statements. Combining statements are also presented for the fiduciary funds. The individual internal service fund is also included, reflecting balances prior to their elimination from the government wide financial statements, to avoid a "doubling-up" effect within the governmental and business-type activities columns of said statements.

Figure A-1
Required Components of
City's Annual Financial Report



CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Tamarac's finances, in a manner similar to a private-sector business.

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. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Tamarac is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The government activities of the City of Tamarac include fire and rescue, police services provided by Broward's Sheriff Office, public works, parks and recreation, bus transportation, social services, code compliance, planning and zoning, economic development and general administration services. The business-type activities of the City include the water and wastewater systems and the stormwater operations.

In addition, the City has four separate single-employer defined benefit plans and one defined contribution plan for the executive and managerial/professional employees under contract with the International City Management Association Retirement Corporation for which the City acts as an agent for participants. The pension plans are reported as Fiduciary Funds in the fund financial statements of this report, but are not included in the government-wide statements.

The government-wide financial statements can be found on pages 19 to 20 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 of Tamarac, 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 of Tamarac 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.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and 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 of Tamarac maintains several 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, Special Revenue - Fire Rescue Fund, General Capital Project Fund and the 2005 Capital Project Improvement Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. Budgetary comparison statements have been provided for the general fund, the major special revenue funds and the nonmajor funds to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 21 to 24 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater, and stormwater operations.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for its risk management. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the utilities and stormwater operations, both of which are considered to be major funds of the City. The basic proprietary fund financial statements can be found on pages 25 to 27 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Tamarac'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 28 and 29 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 30 to 75 of this report.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2008

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

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on beginning page 81 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Summary of net assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's net assets exceeded liabilities by \$200 million, which is an improvement in overall financial position from last year of 7.4%. There are six basic transactions that will affect the comparability of the Statement of Net Assets summary presentation as reflected below:

- 1) **Net results of activities** will impact (increase/decrease) current assets and unrestricted net assets.
- 2) **Borrowing for capital** will increase current assets and long-term debt.
- 3) **Spending borrowed proceeds on new capital** will reduce current assets and increase capital assets. There is a second impact: an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.
- 4) **Spending of non-borrowed current assets on new capital** will reduce current assets, increase capital assets, reduce unrestricted net assets, and increase invested in capital assets, net of debt.
- 5) **Principal payment on debt** will reduce current assets, reduce long-term debt, reduce unrestricted net assets, and increase invested in capital assets, net of debt.
- 6) **Reduction of capital assets through depreciation** will reduce capital assets and invested in capital asset, net of debt.

The City's combined net assets were increased to \$200 million between fiscal years 2007 and 2008—(see Table 1). . The largest portion of the net assets (64%) is restricted as to the purpose they can be used for or are invested in capital assets (land, buildings, streets, sidewalks, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

Table 1
Summary of Net Assets
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 66.7	\$ 64.5	\$26.1	\$29.3	\$92.8	\$ 938
Capital assets	110.2	94.8	65.3	62.7	175.5	157.5
Total assets	176.9	159.3	91.4	92.0	268.3	251.3
Long-term debt outstanding	41.2	35.4	13.4	16.4	54.6	51.9
Other liabilities	8.2	8.2	5.6	4.9	13.8	13.0
Total liabilities	49.4	43.6	19.0	21.3	68.4	64.9
Net assets						
Invested in capital assets, Net of related debt	77.3	74.0	50.3	45.6	127.6	119.6
Restricted	17.5	23.0	8.6	8.6	26.1	31.6
Unrestricted	32.8	18.6	13.5	16.4	46.3	35.0
Total net assets	\$127.6	\$115.6	\$72.4	\$70.6	\$200.0	\$186.2

Note: Totals may not add due to rounding.

An additional portion of the City's net assets (\$26.1 million or 13 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$46.3 million) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Tamarac 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.

There was a decrease of \$2.9 million in *unrestricted net assets* reported in connection with the City's business-type activities. Most of this decrease came from spending of non-borrowed current assets on new capital and principal payment on debt which is evident with an increase of \$4.7 million in net assets invested in capital assets. The City's total net assets for business-type activities increased by \$1.8 million during the current fiscal year. This increase represents the degree to which increases in ongoing revenues have outpaced the ongoing expenses.

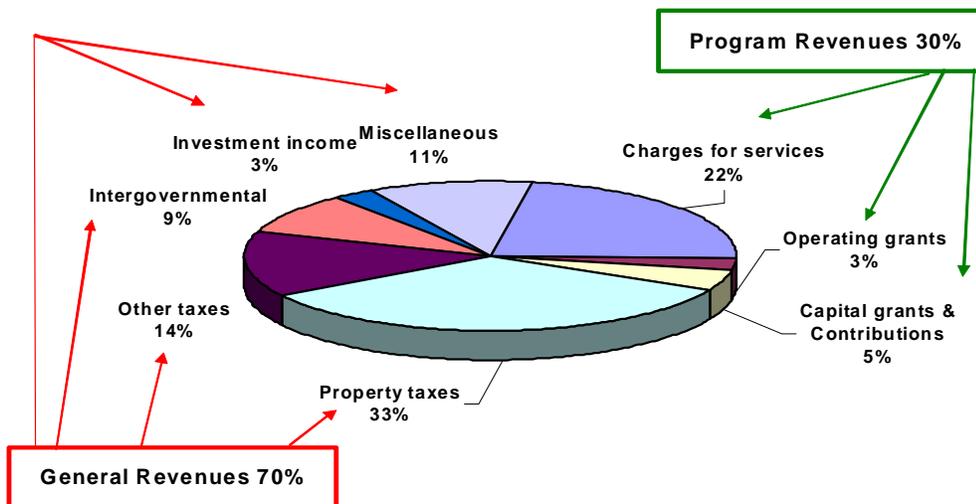
The unrestricted net assets of governmental activities showed an increase of \$14.2 million or 76% from last year due to the net results of activities during the current fiscal year amounting to approximately \$12 million. While the restricted net assets of the governmental activities decreased by \$5.5 million or 24% from prior year attributed by the usage of the restricted funds to finance certain capital projects which is evident with an overall increase of \$3.3 million in net assets invested in capital assets, net of debt.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

The City's total revenues decreased by 1.7 percent to \$88.5 million (see Table 2). Approximately 33% of the City's revenues come from property taxes, and 14 cents of every dollar raised comes from some type of tax (see Figure A-2). Another 22% comes from fees charged for services, and most of the rest is federal, state and local aid.

**Figure A-2
Revenues By Source - Governmental Activities**



Summary of changes in net assets. The following information is presented to assist the reader in understanding the different types of normal impacts that can affect revenues:

- 1) **Economic condition** can reflect a declining, stable or growing environment and has a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits for building permits, user fees and consumption.
- 2) The City Commission has significant authority to set **increases or decreases in City's rates** (water, wastewater, stormwater, permitting, impact fees, user fees, etc.).
- 3) **Changing patterns in intergovernmental and grant revenues** (both recurring and non-recurring) can significantly change and impact the annual comparisons.
- 4) **Market impacts on investment income** may cause investment revenues to fluctuate from the prior year.

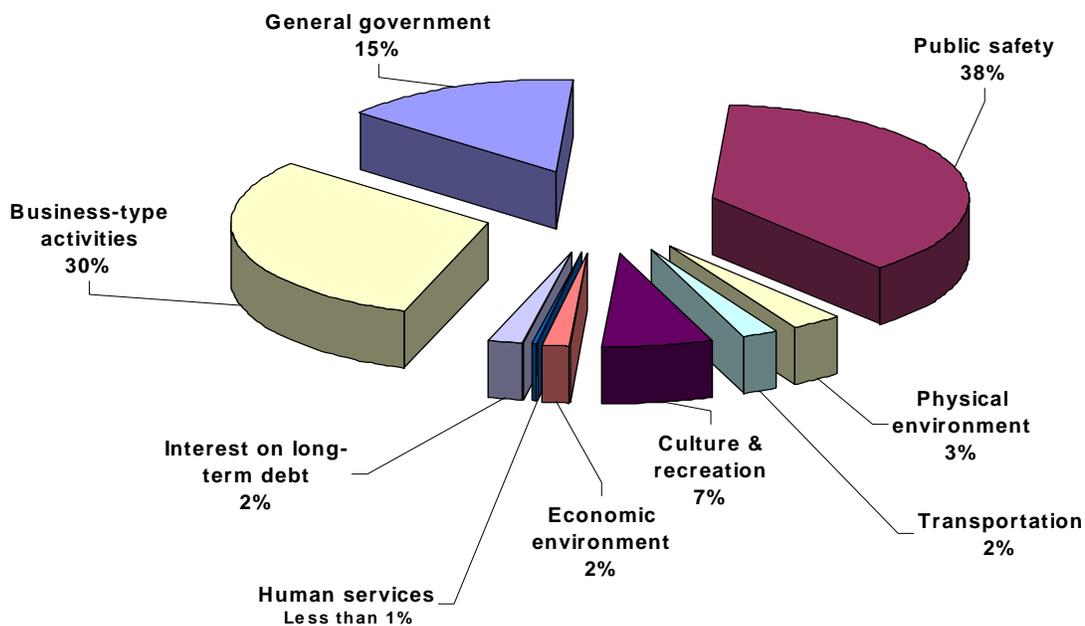
CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

Some other basic impacts on expenses are reflected below:

- 1) **Introduction of new programs** can have a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits for building permits, user fees and consumption.
- 2) **Changes in service demand levels** can cause the City to increase or decrease authorized staffing. Staffing costs (salary and related benefits) represent 70% of the City's operating costs.
- 3) **Salary increases** such as cost of living, performance increases and market adjustments can impact personal service costs.
- 4) **While inflation** appears to be reasonably modest, the City is a major consumer of certain commodities such as chemicals, supplies, fuels and parts. Some functional expenses may experience unusual commodity specific increases.

**Figure A-3
Functional Expenses for Fiscal Year 2008**



The City's expenses cover a range of services with 68 percent related to public safety and business-type activities (see Figure A-3). For the most part, decreases in expenses closely paralleled the demand for services. Revenues for the City's governmental activities decreased 1.7 percent (from \$65.2 million to \$64.1 million), expenses decreased by 2.2 percent (from \$53.7 million to \$52.5 million). The increase in net assets for governmental activities was expanded to \$12 million in 2008. This compares to an \$11.8 million increase in 2007. Property tax revenues decreased by approximately \$1.8 million due to the changes in the property tax laws and decreased assessed values of properties. Investment income decreases by \$1.3 million due to the fall in interest rates during fiscal year 2008.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

The functional activities that had expenses that were similar or slightly lower than last fiscal year, decreases were: physical environment (decreased by \$100,000), general government (decreased by \$100,000), economic environment (decreased by \$300,000), transportation (decreased by \$600,000) and culture/recreation (increased by \$300,000).

Table 2
Summary of Changes in Net Assets
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues						
Program revenues						
Charges for services	\$14.6	\$14.4	\$23.3	\$23.1	\$37.9	\$37.5
Operating grants	1.7	2.6	--	--	1.7	2.6
Capital grants and contributions	2.9	0.6	0.3	0.3	3.2	0.9
General revenues						
Property taxes	21.6	23.4	--	--	21.6	23.4
Other taxes	9.1	9.0	--	--	9.1	9.0
Intergovernmental	5.7	6.2	--	--	5.7	6.2
Investment income	1.8	3.1	0.8	1.3	2.6	4.4
Miscellaneous	6.7	5.9	--	0.1	6.7	6.0
Total revenues	64.1	65.2	24.4	24.8	88.5	90.0
Expenses						
General government	11.4	11.5	--	--	11.4	11.5
Public safety	28.5	28.3	--	--	28.5	28.3
Physical Environment	2.5	2.6	--	--	2.5	2.6
Transportation	1.7	2.3	--	--	1.7	2.3
Culture and recreation	5.2	5.5	--	--	5.2	5.5
Economic environment	1.3	1.6	--	--	1.3	1.6
Human services	0.3	0.3	--	--	0.3	0.3
Interest on long-term debt	1.6	1.6	--	--	1.6	1.6
Utilities	--	--	19.2	18.0	19.2	18.0
Stormwater	--	--	3.1	3.0	3.1	3.0
Total expenses	52.5	53.7	22.3	21.0	74.8	74.7
Excess before transfers	11.6	11.5	2.1	3.8	13.7	15.3
Transfers in (out)	0.4	0.3	(0.4)	(0.3)	--	--
Increase in net assets	12.0	11.8	1.7	3.5	13.7	15.3
Net assets, October 1	115.6	103.8	70.7	67.2	186.3	171.0
Net assets, September 30	\$127.6	\$115.6	\$72.4	\$70.7	\$200.0	\$186.3

Note: Totals may not add due to rounding.

The City's management took major actions this year to maintain current revenues and to control expenses:

In fiscal year 2008, the City decreased the millage operating millage by 1.172 mills. The \$1.8 million in decreased revenue collection from property taxation is the result of an amendment to the property tax laws in the State of Florida. This change in the property tax laws, Amendment 1, increased the homestead exemption on residential properties; Amendment 1 also placed limits (caps) on the amount by which the city can increase its millage rate.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

The economic downturn of 2008 also led to slight decreases in most of the City's other revenue sources. Capital grants increased by \$2.3 million primarily because of a \$2M redevelopments grant from Broward County. General Fund's expenditures were less than last year's actual by \$1.9 million due to continued reduction in staffing and unused departmental expenditures. The total cost of all programs and services decreased by \$1.2 million primarily due to personnel expenditures. (see Table 2).

The business-type activities net assets increased by \$1.7 million from the prior fiscal year. Revenues of the City's business-type activities decreased slightly by 1.6 percent to \$24.4 million and expenses increased 6.2 percent to \$22.3 million (see Table 2).

Table 3 presents the cost of each of the City's various public services—public safety, general administration, parks and recreation, physical environment, and transportation—as well as each service's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the City's taxpayers by each of these services.

- The cost of all *governmental* activities this year was \$52.3 million. Some of that cost was financed by:
 - Those who directly benefited from the programs through charges for services (\$14.6 million), or
 - Other governments and organizations that subsidized certain programs from operating and capital grants and contributions (\$4.6 million).
- The City financed the remaining \$33.3 million “public benefit” portion of governmental activities with \$38.2 million in taxes, and with other revenues such as interest and unrestricted state aid.

Table 3
Net Cost of City's Governmental Activities
(in millions of dollars)

	Total Cost of Services		Net Cost of Services	
	2008	2007	2008	2007
Public safety	\$28.5	\$28.3	\$17.0	\$15.7
General government	11.4	11.5	10.2	10.6
Parks and recreation	5.2	5.5	3.9	4.5
Physical environment	2.5	2.6	1.1	1.8
Transportation	1.7	2.3	1.2	2.3
Other	3.2	3.5	(0.1)	1.2
Total	\$52.5	\$53.7	\$33.3	\$36.1

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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 the City completed the year, its governmental funds reported combined fund balances of \$54.1 million, or an increase of \$3 million compared to last year's combined fund balances of \$51.2 million. Included in this year's total change in fund balances is a \$17.2 million excess of revenues over expenditures in the City's general fund. The primary reasons for these changes in fund balances should be noted:

- The fund balance of the General Fund increased by \$2.6 million mainly due to controlled spending. The General Fund spent \$4.9 million less than the final budget of FY08.
- The Fire/Rescue Fund balance decreased by \$0.3 million due to expenditures exceeding the revenues and transfers during the year.
- The City's General Capital Project fund balance increased by \$5.9 million as a result of the \$2 million grant monies received from Broward County, \$6.8 million proceeds from the issuance of Redevelopment Notes and \$6 million transfers from the general fund. These revenues were offset by the \$9.4 million capital project expenditures which include acquisition of two parcels of land, street improvements and recreational parks.
- The fund balance of the 2005 Capital Improvement Projects decreased by approximately \$5.7 million due to release of funds for capital project expenditures which include the Tamarac Sports Complex, Southgate Linear Park and Tamarac Dog Park.

Proprietary Funds

The City's Proprietary Funds include the City's Enterprise Funds - Utilities Fund and the Stormwater Fund. An enterprise fund is used to account for activities for which a fee is charged to external users for goods and services. The funds provide the same type of information found in the government-wide financial statements, but in more detail.

- Water and wastewater fees were increased resulting in additional operating revenues of \$96,000 from the prior year. Operating expenses including depreciation increased by \$1.1 million.
- Stormwater operating revenues increased by \$115,000 from the prior fiscal year. Operating expenses including depreciation increased by \$98,000.
- Investment income decreased by \$0.5 million from the prior year as a result of the lower market interest rates.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

General Fund Budgetary Highlights

Over the course of the year, the City amended the General Fund budget three times. Budget amendments fall into two categories: (1) Amendments are approved for rollovers related to capital improvement projects, tasks and projects in progress, and prior year encumbrances; and (2) supplemental appropriations made at amendments to recognize and appropriate grant revenues which were received after the Adopted Budget, and to provide appropriations for various other needs which have arisen since the adoption of the budget. Even with these adjustments, actual disbursements were \$4.9 million below final budgeted amounts. The most significant contributor to this variance was various departmental savings due to staff vacancies.

The fiscal year 2008 amended final budget of \$52.1 million increased by 5.7 percent over the original General Fund budget of \$49.3 million primarily for the purposes of carrying over expenditures not completed during the previous fiscal year and various new projects undertaken during the fiscal year. With base revenues of \$48.9 million and \$381,000 in operating transfers from the Enterprise Funds, the Adopted Budget is balanced. The original General Fund budget consists of \$34.1 million base expenditures and \$15.2 million in operating transfers to the other funds.

Differences between the original budget and the final amended budget increased appropriations by \$2.8 million and can be briefly summarized as follows:

- ◆ \$2.1 million in carry forward of prior year commitments and capital projects for all departments.
- ◆ \$730,000 increase in the transfers to the Fire Rescue fund to cover expenses in that fund.

This increase was to be budgeted from available fund balance. During the year, expenditures were less than budgetary estimates, thus eliminating the need to draw upon the unreserved or designated fund balance.

The difference between the appropriations and the actual expenditures in the General Fund was approximately \$4.9 million for fiscal year 2008. The majority of these variances are explained below:

- Approximately \$2.4 million in salary and benefits costs was under budget due to vacant positions during the fiscal year.
- Professional services (engineering, legal, consultant and other contractual services) and miscellaneous operating expenses were below budget estimates by \$300,000.
- Various expenditures, capital outlay, and capital projects of \$2.2 million for all departments were not completed during the fiscal year and will be carried forward to the next fiscal year.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets (See Table 4). The City of Tamarac's investment in capital assets for its governmental and business type activities as of September 30, 2008, increased by \$18.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, streets and median improvements, park facilities and Stormwater infrastructure.

Table 4
City of Tamarac's Capital Assets
(net of depreciation, in millions of dollars)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 21.2	\$ 12.5	\$ 7.5	\$ 7.4	\$ 28.7	\$ 19.9
Buildings	17.9	18.6	2.1	2.2	20.0	20.8
Improvements other than buildings	10.4	6.8	45.1	47.6	55.5	54.4
Equipment	3.2	4.4	1.1	0.8	4.3	5.2
Infrastructure	49.4	48.2	2.2	2.2	51.6	50.4
Construction in progress	8.1	4.3	7.5	2.5	15.6	6.8
Total	\$ 110.2	\$ 94.8	\$ 65.5	\$ 62.7	\$ 175.7	\$ 157.5

For the governmental activities, this year's major capital asset additions before depreciation equaled \$20 million and include the following:

- Acquisition of two parcels of land for redevelopment purposes total costs aggregating to \$9.7 million.
- Streets improvement program costing \$1.1 million.
- Completion of the Southgate Linear Park and the Tamarac Dog Park at a total cost of \$3.2 million.
- On going construction of the Tamarac Sports Complex with approximately \$5.4 million spent-to-date.

For the business-type activities, of the \$6.3 million net increase in capital assets before depreciation and a net increase of construction-in-progress projects totaling \$4.9 million, the majority of the expenditures were for the Utilities Fund and Stormwater Fund for improvements to the water and stormwater systems. Major capital asset events during the current fiscal year included the following:

- Pump station rehabilitation for the Utilities Fund at a cost of \$313,000.
- Water main renewal and replacements costing \$682,000.
- Stormwater streets program and drainage improvements costing \$181,600
- Work in progress on the Utilities Operations Control Center costing \$3.7 million.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2008

The City's fiscal year 2009 capital budget calls for spending another \$4.7 million for capital projects, principally for the funding of renewal and replacement reserves, geographic information system, and water and wastewater improvements. Over the next five years, over \$60.2 million is budgeted for capital improvements with the major portions going to utility upgrades. The City will use the funding from General Capital Projects Fund and remaining bond proceeds from the Series 2004 Capital Improvement Bonds as well as grant funding. In December 2005, the City issued the Series 2005 Capital Improvement Revenue Bonds in the amount of \$15 million. These bonds are being used to finance the acquisition, construction and equipping of City owned capital improvements for parks, recreation and public safety purposes. On September 14, 2006, Series 2006 Capital Improvement Revenue Note was issued in the amount of \$6 million for the construction of a Utilities Operational Control Facility which will also house the City's Information Technology department. Additional information on the City's capital assets can be found in Note 5 on pages 49 through 51 of this report.

Long-term debt. At year-end the City had \$54.2 million in bonds outstanding— an increase of \$2.4 million from last year— as shown in Table 5. Of this amount, \$1.9 million comprises debt backed by the full faith and credit of the government and \$52.3 million is revenue bonds and notes backed by specific taxes and fee revenues. The debt position of the City is summarized below:

Table 5
City of Tamarac's Debt
(in millions of dollars)

	Governmental		Business-type		Total	
	2008	2007	2008	2007	2008	2007
General obligation bonds	\$ 1.9	\$ 2.3	\$ -	\$ -	\$ 1.9	\$ 2.3
Revenue bonds and notes	37.3	31.9	15.0	17.4	52.3	49.5
Total	\$ 39.2	\$ 34.2	\$ 15.0	\$ 17.4	\$ 54.2	\$ 51.8

In 2005, the City achieved a general obligation indicator credit rating of AA- from both Standard & Poor's and Fitch Ratings and A1 by Moody's Investors Service. These ratings are reflective of the strong financial performance and credit position of the City. The underlying ratings helped produce lower cost of issuance for the recent 2005 Capital Improvement Revenue Bond in the amount of \$15 million issued in December 2005. These ratings provide a benchmark and will provide opportunities to achieve lower interest rates on future bonds. The City also received a high investment grade related to the Series 2005 Capital Improvement Revenue Bond issue: A+ by Standard and Poor's and Fitch Ratings and A2 by Moody's Investors. In September 2006, the City defeased the Series 1992 Water & Sewer Revenue Refunding outstanding bonds totaling \$6 million. On April 15, 2008 the City issued, Florida taxable redevelopment Note series 2008 to fund redevelopment activities within the City.

Additional information on the City of Tamarac's long-term debt can be found in Note 7 beginning on page 53 of this report.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

Economic Factors and Next Year's Budget

According to the U.S. Bureau of Labor Statistics, the unemployment rate for the Fort Lauderdale area in September 2008 was 7.1 percent, which has increased from 3.8 percent a year ago. The largest sector of employment in Tamarac continues to be in the education and health services sector with the retail and manufacturing industry following. Together these industries account for almost one-third of the employment in the City.

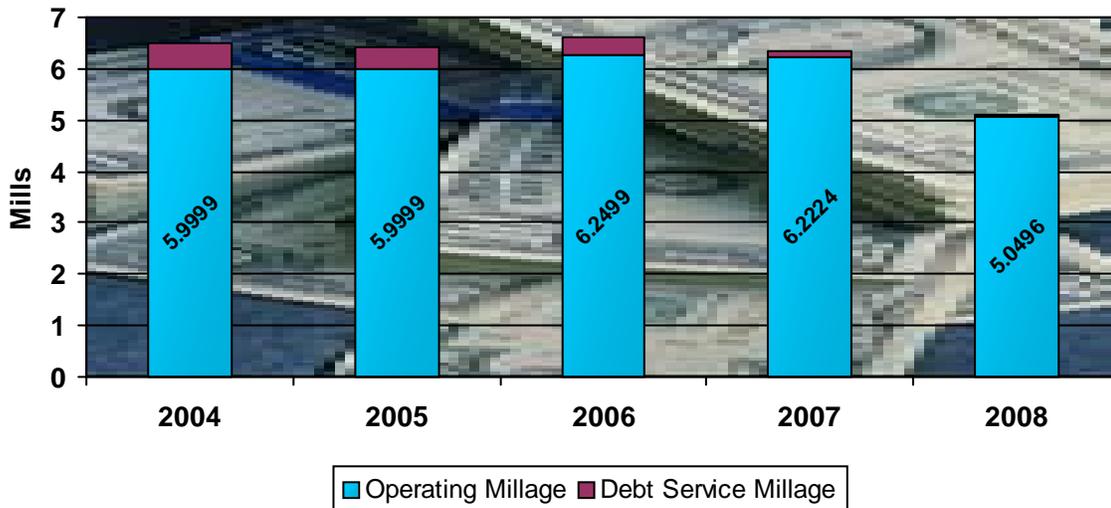
The State of Florida, by constitution, does not have a state personal income tax and therefore, the State operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties and school boards) primarily rely on property and a limited array of permitted other taxes (sales, communication, gasoline, utilities services, etc.) and fees (franchise, building permits, occupational license, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments. For the business-type and certain governmental activities (building inspections, recreational programs, etc.) the user pays a related fee or charge associated with the service.

The City's growing population and shrinking vacant land available for development will provide a base on land and housing prices. The Broward County real estate market has continued to witness growth in the value of property with the tax roll up by 11.0 percent in calendar year 2007. Broward County has not been left out of the national sub-prime mortgage crisis with the State of Florida ranking in the top 5 states in terms of foreclosures. The housing market in Broward County however may have stabilized in 2007, with the expectation that overall market value of property will decrease for the City's property tax roll in calendar 2008. While the market value of property may decrease the assessed valuation of property will continue to have an upward bias based on the spread between the constitutionally required homesteaded property valuation protection and market value of the property. The taxable value of homesteaded property can only increase based on inflation with a cap of 3 percent annually. With the large market valuation increases of the past 5 years this legislation has led to a significant spread between the market value and taxable value on homesteaded properties. Therefore, property that has benefited from lower taxable valuation in the past will still increase by the rate of inflation to a point that it comes in line with market value. For the City of Tamarac, a large percentage of property is homesteaded therefore the recent softness in the housing market should have a negligible impact on property taxation valuation and tax collections.

CITY OF TAMARAC, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2008

**Figure A-4
Total City Millage**



The operating millage for calendar year 2008 collected in fiscal year 2009 is 5.3215 per thousand dollars of taxable value. The increase of .2719 mills is the majority vote millage rate assessed by the City Commission in FY08. Overall, the adopted budget is an economical and prudent financial plan that will ensure quality public services and needed capital improvements for both today and in the future. Fiscal year 2009 budgeted expenditures and transfers are expected to be \$47.5 million, or 3.65 percent, under fiscal year 2008. In developing the budget, the primary economic factors considered are the increased salaries and cost-of-living adjustments governed by bargaining labor agreements with the firefighters' and general employees' unions, while maintaining current service levels for the citizens of Tamarac.

Contacting the City's Financial Services Department

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the report or need additional financial information, contact Michael Cernech, Interim Director of Financial Services or Christine Josephs-Cajuste, Controller, City of Tamarac, 7525 NW. 88th Ave, Tamarac, Florida 33321 or send an e-mail to christinej@tamarac.org.

BASIC FINANCIAL STATEMENTS

CITY OF TAMARAC, FLORIDA

STATEMENT OF NET ASSETS

SEPTEMBER 30, 2008

	<u>Governmental</u> <u>Activities</u>	<u>Business-</u> <u>Type</u> <u>Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and equity in pooled cash and investments	\$ 60,248,930	\$ 18,757,528	\$ 79,006,458
Accounts receivable - net	5,744,890	3,136,516	8,881,406
Advances to pension plan	370,659	-	370,659
Internal balances	(781,771)	781,771	-
Inventories	76,607	323,702	400,309
Prepaid expenses	3,990	21,895	25,885
Deferred charges	-	1,655	1,655
Restricted assets:			
Cash and equity in pooled cash and investments	-	3,095,937	3,095,937
Net pension asset	1,053,980	-	1,053,980
Land	21,240,272	7,460,603	28,700,875
Construction in progress - infrastructure	8,145,647	7,442,135	15,587,782
Infrastructure - net	49,403,790	2,233,068	51,636,858
Other capital assets - net	31,438,314	48,129,498	79,567,812
Total assets	<u>\$ 176,945,308</u>	<u>\$ 91,384,308</u>	<u>\$ 268,329,616</u>
<u>LIABILITIES</u>			
Accounts payable	\$ 2,377,711	\$ 1,080,355	\$ 3,458,066
Accrued liabilities	1,740,431	355,785	2,096,216
Accrued interest payable	392,750	223,992	616,742
Customer deposits	99,605	1,476,273	1,575,878
Deferred revenue	978,790	158,952	1,137,742
Net pension obligation	241,494	-	241,494
Noncurrent liabilities:			
The amount due in one year	1,379,873	2,256,173	3,636,046
The amount due more than one year	42,150,088	13,418,402	55,568,490
Total liabilities	<u>49,360,742</u>	<u>18,969,932</u>	<u>68,330,674</u>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	77,300,114	50,273,220	127,573,334
Restricted for:			
Renewal and replacement	-	5,617,479	5,617,479
Public safety	1,387,558	-	1,387,558
Community development	1,982,029	-	1,982,029
Culture and recreation	2,118,524	-	2,118,524
Infrastructure	11,572,128	-	11,572,128
Debt service funds	404,029	-	404,029
Working capital bond reserve	-	2,981,583	2,981,583
Other purposes	33,025	-	33,025
Unrestricted	32,787,159	13,542,094	46,329,253
Total net assets	<u>\$ 127,584,566</u>	<u>\$ 72,414,376</u>	<u>\$ 199,998,942</u>

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

CITY OF TAMARAC, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contribution	Governmental Activities	Business- Type Activities	Total
Functions/programs							
Primary government:							
Governmental activities:							
General government	\$ 11,432,868	\$ 1,145,570	\$ 77,302	\$ -	\$ (10,209,996)	\$ -	\$ (10,209,996)
Public safety	28,472,914	11,300,837	187,545	-	(16,984,532)	-	(16,984,532)
Transportation	1,748,860	25,722	29,673	500,100	(1,193,365)	-	(1,193,365)
Culture/recreation	5,168,340	774,582	121,186	350,000	(3,922,572)	-	(3,922,572)
Physical environment	2,452,233	1,320,064	-	-	(1,132,169)	-	(1,132,169)
Economic environment	1,263,812	-	1,268,714	2,000,000	2,004,902	-	2,004,902
Human services	286,630	-	-	-	(286,630)	-	(286,630)
Interest on long-term debt	1,607,303	-	-	-	(1,607,303)	-	(1,607,303)
Total governmental activities	52,432,960	14,566,775	1,684,420	2,850,100	(33,331,665)	-	(33,331,665)
Business-type activities:							
Utilities	19,207,646	18,790,162	42,000	332,304	-	(43,180)	(43,180)
Stormwater	3,112,292	4,498,587	-	-	-	1,386,295	1,386,295
Total business activities	22,319,938	23,288,749	42,000	332,304	-	1,343,115	1,343,115
Total primary government	\$ 74,752,898	\$ 37,855,524	\$ 1,726,420	\$ 3,182,404	(33,331,665)	1,343,115	(31,988,550)
General revenues:							
Taxes:							
Property taxes, levied for general purpose					21,284,960	-	21,284,960
Property taxes, levied for debt service					267,384	-	267,384
Utility taxes					146,442	-	146,442
Franchise taxes					4,784,526	-	4,784,526
Communication service taxes					3,046,865	-	3,046,865
Gas taxes					1,073,542	-	1,073,542
Intergovernmental not restricted to specific programs					5,716,941	-	5,716,941
Investment income					1,841,268	754,467	2,595,735
Miscellaneous					5,912,810	-	5,912,810
Gain on sale of capital assets					836,152	13,150	849,302
Transfers					361,000	(361,000)	-
Total general revenues and transfers					45,271,890	406,617	45,678,507
Change in net assets					11,940,225	1,749,732	13,689,957
Net assets, October 1					115,644,341	70,664,644	186,308,985
Net assets, September 30					\$ 127,584,566	\$ 72,414,376	\$ 199,998,942

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

CITY OF TAMARAC, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2008

	Major Funds					
	General	Special Revenue Fire Rescue	Capital Projects		Nonmajor Governmental Funds	Total Governmental Funds
			General Capital Projects	2005 Capital Improvement Projects		
ASSETS						
Cash and equity in pooled cash and investments	\$ 20,110,649	\$ 1,296,698	\$ 16,709,622	\$ 7,243,465	\$ 8,074,781	\$ 53,435,215
Accounts receivable - net	1,274,584	942,187	-	-	1,982,004	4,198,775
Inventories	76,607	-	-	-	-	76,607
Due from other funds	220,357	-	76,882	-	4,679	301,918
Advances to pension plan	370,659	-	-	-	-	370,659
Due from other governments	805,983	6,905	-	-	733,227	1,546,115
Total assets	<u>\$ 22,858,839</u>	<u>\$ 2,245,790</u>	<u>\$ 16,786,504</u>	<u>\$ 7,243,465</u>	<u>\$ 10,794,691</u>	<u>\$ 59,929,289</u>
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ 1,110,154	\$ 29,431	\$ 256,932	\$ 552,736	\$ 237,847	\$ 2,187,100
Accrued liabilities	822,235	886,912	-	-	13,626	1,722,773
Accrued bonds and interest payable	-	-	-	-	392,750	392,750
Due to other funds	-	-	4,620	-	297,239	301,859
Due to other governmental units	2,575	-	-	-	123,992	126,567
Escrow deposits	99,605	-	-	-	-	99,605
Deferred revenue	726,670	-	-	-	252,120	978,790
Total liabilities	<u>2,761,239</u>	<u>916,343</u>	<u>261,552</u>	<u>552,736</u>	<u>1,317,574</u>	<u>5,809,444</u>
FUND BALANCES						
Reserved for:						
Encumbrances	184,469	24,731	630,470	2,086,618	73,433	2,999,721
Inventories	76,607	-	-	-	-	76,607
Advances to pension plan	370,659	-	-	-	-	370,659
Police training	11,188	-	-	-	-	11,188
Special revenue funds	-	1,304,716	-	-	4,528,724	5,833,440
Capital projects funds	-	-	-	1,455,388	4,470,931	5,926,319
Unreserved reported in:						
Debt service funds	-	-	-	-	404,029	404,029
General fund, designated	10,898,495	-	-	-	-	10,898,495
Capital project fund, designated	-	-	15,894,482	3,148,723	-	19,043,205
General fund, undesignated	8,556,182	-	-	-	-	8,556,182
Total fund balances	<u>20,097,600</u>	<u>1,329,447</u>	<u>16,524,952</u>	<u>6,690,729</u>	<u>9,477,117</u>	<u>54,119,845</u>
Total liabilities and fund balances	<u>\$ 22,858,839</u>	<u>\$ 2,245,790</u>	<u>\$ 16,786,504</u>	<u>\$ 7,243,465</u>	<u>\$ 10,794,691</u>	<u>\$ 59,929,289</u>

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

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

Fund balances - total government funds (Page 21)	\$ 54,119,845
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p>	
Governmental capital assets	138,922,613
Less accumulated depreciation	(28,694,590)
<p>Net pension assets/obligations resulting from overfunding/underfunding of the police, fire, and general employees pension plans is not reported in the funds as they are not available to pay for current period expenditures.</p>	
Net pension asset	1,053,980
Net pension obligation	(241,494)
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.</p>	
	(42,520,168)
<p>Internal service fund is used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets</p>	
	4,944,380
Net assets of governmental activities (Page 19)	\$ 127,584,566

CITY OF TAMARAC, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Major Funds					
	General	Special Revenue Fire Rescue	Capital Projects		Nonmajor Governmental Funds	Total Governmental Funds
			General Capital Projects	2005 Capital Improvement Projects		
Revenues:						
Taxes and franchise fees	\$ 30,336,334	\$ -	\$ -	\$ -	\$ 267,384	\$ 30,603,718
Charges for services	1,811,976	2,032,738	-	-	130,925	3,975,639
Payment in lieu of taxes	710,083	-	-	-	-	710,083
Intergovernmental	5,716,942	71,872	2,000,000	-	2,411,357	10,200,171
Licenses and permits	2,406,897	-	-	-	-	2,406,897
Fines and forfeitures	446,866	-	-	-	-	446,866
Investment income	743,090	98,319	411,060	343,655	245,145	1,841,269
Miscellaneous	6,258,101	2,477	-	-	51,291	6,311,869
Special assessments	-	6,715,675	-	-	-	6,715,675
Total revenues	<u>48,430,289</u>	<u>8,921,081</u>	<u>2,411,060</u>	<u>343,655</u>	<u>3,106,102</u>	<u>63,212,187</u>
Expenditures:						
Current:						
General government	10,619,866	-	-	-	204,810	10,824,676
Public safety	12,059,014	15,914,117	-	-	18,295	27,991,426
Transportation	1,100,812	-	-	-	57,613	1,158,425
Culture / recreation	4,480,080	-	-	-	63,612	4,543,692
Physical environment	2,181,900	-	-	-	-	2,181,900
Economic environment	321,340	-	-	-	945,371	1,266,711
Human services	235,566	-	-	-	57,439	293,005
Debt service:						
Principal retirement	-	-	-	-	1,247,730	1,247,730
Interest and fiscal charges	-	-	44,860	-	1,562,443	1,607,303
Capital outlay:						
General government	218,743	-	6,839,027	-	-	7,057,770
Public safety	7,477	54,027	3,500	41,027	84,945	190,976
Transportation	47,740	-	1,274,807	-	597,151	1,919,698
Physical environment	2,112	-	-	-	-	2,112
Culture and recreation	-	-	1,190,277	5,965,547	477,489	7,633,313
Total expenditures	<u>31,274,650</u>	<u>15,968,144</u>	<u>9,352,471</u>	<u>6,006,574</u>	<u>5,316,898</u>	<u>67,918,737</u>
Excess (deficiency) of revenues over (under) expenditures	<u>17,155,639</u>	<u>(7,047,063)</u>	<u>(6,941,411)</u>	<u>(5,662,919)</u>	<u>(2,210,796)</u>	<u>(4,706,550)</u>
Other financing sources (uses):						
Proceeds from issuance of debt	-	-	6,818,373	-	-	6,818,373
Transfers in	381,000	6,783,000	6,063,000	-	3,120,134	16,347,134
Transfers out	<u>(14,958,100)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(540,034)</u>	<u>(15,498,134)</u>
Total other financing sources (uses)	<u>(14,577,100)</u>	<u>6,783,000</u>	<u>12,881,373</u>	<u>-</u>	<u>2,580,100</u>	<u>7,667,373</u>
Net change in fund balances	2,578,539	(264,063)	5,939,962	(5,662,919)	369,304	2,960,823
Fund balances - beginning	17,519,061	1,593,510	10,584,990	12,353,648	9,107,813	51,159,022
Fund balances - ending	<u>\$ 20,097,600</u>	<u>\$ 1,329,447</u>	<u>\$ 16,524,952</u>	<u>\$ 6,690,729</u>	<u>\$ 9,477,117</u>	<u>\$ 54,119,845</u>

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

CITY OF TAMARAC, FLORIDA

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2008

Amounts reported for governmental activities in the statement
of activities (Page 20) are different because:

Net change in fund balances - total government funds (Page 23)	\$ 2,960,823
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.	13,651,586
The effect of various miscellaneous transactions involving capital assets Gain on sale of land	800,000
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds exceeded repayments.	(5,570,643)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.	(139,456)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income of certain activities in the internal service fund is reported with governmental activities.	<u>237,915</u>
Change in net assets of governmental activities (Page 20)	<u>\$ 11,940,225</u>

CITY OF TAMARAC, FLORIDA

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 SEPTEMBER 30, 2008

<u>ASSETS</u>	<u>Business- type activities</u> <u>Enterprise Funds</u>			<u>Governmental</u> <u>Activities</u>
	<u>Utilities</u>	<u>Stormwater</u>	<u>Total</u>	<u>Internal Service</u> <u>- Insurance</u> <u>Service Fund</u>
Current assets:				
Cash and equity in pooled cash and investments	\$ 9,735,776	\$ 9,021,752	\$ 18,757,528	\$ 6,813,715
Accounts receivable - net	2,663,538	472,978	3,136,516	-
Inventories	318,857	4,845	323,702	-
Prepaid expenses	21,895	-	21,895	3,990
Total current assets	<u>12,740,066</u>	<u>9,499,575</u>	<u>22,239,641</u>	<u>6,817,705</u>
Non-current assets:				
Restricted assets:				
Cash and equity in pooled cash and investments	2,794,316	301,621	3,095,937	-
Unamortized costs/expenses	1,655	-	1,655	-
Capital assets:				
Land	7,415,829	44,774	7,460,603	-
Construction in progress - infrastructure	6,983,336	458,799	7,442,135	-
Building	1,988,152	1,480,000	3,468,152	-
Equipment	3,281,573	1,288,077	4,569,650	15,766
Improvements other than building	83,430,270	2,900,690	86,330,960	-
Infrastructure	58,974	28,001,318	28,060,292	-
Total capital assets	103,158,134	34,173,658	137,331,792	15,766
Less accumulated depreciation	<u>(44,723,311)</u>	<u>(27,343,177)</u>	<u>(72,066,488)</u>	<u>(15,766)</u>
Total capital assets - net	<u>58,434,823</u>	<u>6,830,481</u>	<u>65,265,304</u>	<u>-</u>
Total non-current assets	<u>61,230,794</u>	<u>7,132,102</u>	<u>68,362,896</u>	<u>-</u>
Total assets	<u>\$ 73,970,860</u>	<u>\$ 16,631,677</u>	<u>\$ 90,602,537</u>	<u>\$ 6,817,705</u>

LIABILITIES

Current liabilities:				
Accounts payable	\$ 925,857	\$ 152,514	\$ 1,078,371	\$ 64,044
Accrued liabilities	301,580	54,205	355,785	17,658
Accrued interest payable	140,095	83,897	223,992	-
Due to other funds	-	59	59	-
Due to other governments	1,984	-	1,984	-
Unearned revenue	87,268	71,684	158,952	-
Claims payable	-	-	-	970,000
Current portion of bonds payable	1,994,530	179,745	2,174,275	-
Customer deposits	1,466,485	9,788	1,476,273	-
Compensated absences	75,016	6,882	81,898	4,775
Total current liabilities	<u>4,992,815</u>	<u>558,774</u>	<u>5,551,589</u>	<u>1,056,477</u>
Non-current liabilities:				
Bonds payable	8,846,822	3,970,987	12,817,809	-
Compensated absences	550,121	50,472	600,593	35,018
Total noncurrent liabilities	<u>9,396,943</u>	<u>4,021,459</u>	<u>13,418,402</u>	<u>35,018</u>
Total liabilities	<u>14,389,758</u>	<u>4,580,233</u>	<u>18,969,991</u>	<u>1,091,495</u>

NET ASSETS

Invested in capital assets, net of related debt	47,593,471	2,679,749	50,273,220	-
Restricted for:				
Renewal and replacement	500,000	-	500,000	-
Working capital bond reserve	2,981,583	-	2,981,583	-
State grant project replacement	5,117,479	-	5,117,479	-
Unrestricted	<u>3,388,569</u>	<u>9,371,695</u>	<u>12,760,264</u>	<u>5,726,210</u>
Total net assets	<u>\$ 59,581,102</u>	<u>\$ 12,051,444</u>	<u>71,632,546</u>	<u>\$ 5,726,210</u>

Explanation of difference between proprietary funds statement of net assets and the statement of net assets:

Internal service fund is used by management to charge the costs of certain activities, such as insurance, to individual funds. The portion attributable to business-type activities is reflected here and the residual assets and liabilities of the internal service fund are included in the governmental activities in the statement of net assets.

781,830
\$ 72,414,376

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

	Business-type Activities - <u>Enterprise Funds</u>			Governmental Activities Internal Service - Insurance Service Fund
	<u>Utilities</u>	<u>Stormwater</u>	<u>Total</u>	
Operating revenues:				
Charges for services	\$ 18,787,932	\$ 4,498,587	\$ 23,286,519	\$ 2,505,300
Other	<u>2,230</u>	<u>-</u>	<u>2,230</u>	<u>36,542</u>
Total operating revenues	<u>18,790,162</u>	<u>4,498,587</u>	<u>23,288,749</u>	<u>2,541,842</u>
Operating expenses:				
Administrative costs	341,697	1,268,270	1,609,967	527,553
Operations and maintenance	11,008,878	1,301,713	12,310,591	-
Claims expense	-	-	-	1,345,246
Depreciation and amortization	3,412,533	348,427	3,760,960	-
Other services and charges	<u>4,075,251</u>	<u>25,298</u>	<u>4,100,549</u>	<u>-</u>
Total operating expenses	<u>18,838,359</u>	<u>2,943,708</u>	<u>21,782,067</u>	<u>1,872,799</u>
Operating (loss) income	<u>(48,197)</u>	<u>1,554,879</u>	<u>1,506,682</u>	<u>669,043</u>
Nonoperating revenues (expenses):				
Intergovernmental	42,000	-	42,000	-
Investment income	480,377	274,090	754,467	205,553
Interest expense and fees	(517,968)	(168,584)	(686,552)	-
Gain on disposal of fixed assets	<u>13,080</u>	<u>70</u>	<u>13,150</u>	<u>-</u>
Total nonoperating revenues	<u>17,489</u>	<u>105,576</u>	<u>123,065</u>	<u>205,553</u>
(Loss) income before contributions and transfers	<u>(30,708)</u>	<u>1,660,455</u>	<u>1,629,747</u>	<u>874,596</u>
Capital contributions - impact fees	332,304	-	332,304	-
Transfer from other funds	1,861,500	-	1,861,500	-
Transfer to other funds	<u>(1,720,000)</u>	<u>(502,500)</u>	<u>(2,222,500)</u>	<u>(488,000)</u>
Net contributions and transfers	<u>473,804</u>	<u>(502,500)</u>	<u>(28,696)</u>	<u>(488,000)</u>
Change in net assets	443,096	1,157,955	1,601,051	386,596
Total net assets, October 1	<u>59,138,006</u>	<u>10,893,489</u>		<u>5,339,614</u>
Total net assets, September 30	<u>\$ 59,581,102</u>	<u>\$ 12,051,444</u>		<u>\$ 5,726,210</u>

Explanation of difference between proprietary funds statement of revenues, expenses and changes in fund net assets and the statement of activities:

Internal service fund is used by management to charge the costs of certain activities, such as insurance, to individual funds. The portion attributable to business-type activities is reflected here and the residual assets and liabilities of the internal service fund are included in the governmental activities in the statement of net assets.

148,681
\$ 1,749,732

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

	Business-type Activities -			Governmental
	Enterprise Funds			Activities
	Utilities	Stormwater	Total	Internal Service - Insurance Service Fund
Cash flows from operating activities:				
Receipts from customers, governments and other	\$ 18,765,960	\$ 4,452,633	\$ 23,218,593	\$ 2,555,589
Cash paid to suppliers for goods and services	(7,235,851)	(592,118)	(7,827,969)	(38,363)
Cash paid to claim recipients	-	-	-	(1,256,246)
Cash paid to employees	(5,140,158)	(816,712)	(5,956,870)	(294,398)
Cash paid for for interfund services used	(3,156,600)	(1,139,900)	(4,296,500)	(152,100)
Net cash provided by operating activities	<u>3,233,351</u>	<u>1,903,903</u>	<u>5,137,254</u>	<u>814,482</u>
Cash flows from noncapital financing activities:				
Subsidy from federal and state grant	42,000	-	42,000	-
Transfers in from other funds	1,861,500	-	1,861,500	-
Transfer out to other funds	(1,720,000)	(502,500)	(2,222,500)	(488,000)
Net cash provided by (used in) noncapital financing activities	<u>183,500</u>	<u>(502,500)</u>	<u>(319,000)</u>	<u>(488,000)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(5,597,639)	(410,405)	(6,008,044)	-
Proceeds from sale of capital assets	13,080	70	13,150	-
Principal paid on capital debt	(1,887,470)	(174,615)	(2,062,085)	-
Interest paid on capital debt	(680,517)	(174,976)	(855,493)	-
Net cash (used in) capital and related financing activities	<u>(8,152,546)</u>	<u>(759,926)</u>	<u>(8,912,472)</u>	<u>-</u>
Cash flows from investing activities:				
Interest received	480,377	274,091	754,468	205,553
Net cash provided by investing activities	<u>480,377</u>	<u>274,091</u>	<u>754,468</u>	<u>205,553</u>
Net (decrease) increase in cash and cash equivalents	(4,255,318)	915,568	(3,339,750)	532,035
Cash and cash equivalents at beginning of year	<u>16,785,410</u>	<u>8,407,805</u>	<u>25,193,215</u>	<u>6,281,680</u>
Cash and cash equivalents at end of year	<u>\$ 12,530,092</u>	<u>\$ 9,323,373</u>	<u>\$ 21,853,465</u>	<u>\$ 6,813,715</u>
Pooled cash and cash equivalents per statement of net assets:				
Unrestricted	\$ 9,735,776	\$ 9,021,752	\$ 18,757,528	\$ 6,813,715
Restricted	2,794,316	301,621	3,095,937	-
Total, September 30	<u>\$ 12,530,092</u>	<u>\$ 9,323,373</u>	<u>\$ 21,853,465</u>	<u>\$ 6,813,715</u>
Reconciliation of operating (loss) income to net cash provided by operating activities:				
Operating (loss) income	\$ (48,197)	\$ 1,554,879	\$ 1,506,682	\$ 669,043
Adjustments to reconcile operating (loss) income to net cash provided by (used in) operating activities:				
Depreciation and amortization	3,412,533	348,427	3,760,960	-
Change in assets and liabilities:				
Decrease (increase) in accounts receivable	37,506	(45,106)	(7,600)	13,747
Decrease in inventories	27,567	-	27,567	-
(Increase) in prepayments	(21,895)	-	(21,895)	-
(Decrease) increase in accounts payable	(254,523)	35,746	(218,777)	33,582
Increase in accrued liabilities	70,524	13,755	84,279	6,749
Increase in due to other government	1,984	-	1,984	-
Increase (decrease) in compensated absences	69,560	(2,950)	66,610	2,361
Increase in estimated insurance claims payable	-	-	-	89,000
(Decrease) in customer deposits	(61,708)	(848)	(62,556)	-
Total adjustments	<u>3,281,548</u>	<u>349,024</u>	<u>3,630,572</u>	<u>145,439</u>
Net cash provided by operating activities	<u>\$ 3,233,351</u>	<u>\$ 1,903,903</u>	<u>\$ 5,137,254</u>	<u>\$ 814,482</u>
Non-cash investing, capital and financing activities:				
Contributions of capital assets from developers	<u>\$ 332,304</u>	<u>\$ -</u>	<u>\$ 332,304</u>	<u>\$ -</u>

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

CITY OF TAMARAC, FLORIDA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2008

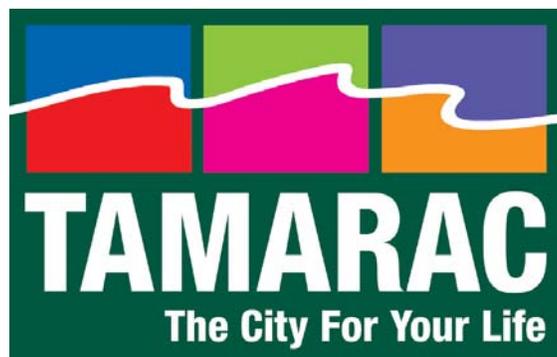
		<u>Employees Retirement Funds</u>
<u>ASSETS</u>		
Equity in pooled cash and investments		\$ 1,926,181
Receivables:		
Interest and dividend receivables		243,660
Contributions receivable		<u>688,142</u>
Total receivables		<u>931,802</u>
Investments, at fair value		
Common stock	\$ 33,763,985	
Government securities	16,804,678	
Corporate bonds	6,951,755	
Mutual funds	15,538,544	
Money market funds	<u>2,345,015</u>	<u>75,403,977</u>
Total assets		<u>78,261,960</u>
 <u>LIABILITIES</u>		
Accounts payable		135,966
Deferred revenue		<u>370,659</u>
Total liabilities		<u>506,625</u>
 <u>NET ASSETS</u>		
Held in trust for pension benefits		<u>77,755,335</u>
Total net assets		<u>\$ 77,755,335</u>

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

CITY OF TAMARAC, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Employees Retirement Funds</u>
ADDITIONS	
Contributions:	
City	\$ 5,167,557
Plan members	1,659,212
State	<u>1,194,047</u>
Total contributions	<u>8,020,816</u>
Investment income:	
Net depreciation in fair value of investments	(11,489,882)
Interest and dividend income	<u>2,026,621</u>
Total investment loss	(9,463,261)
Less investment expenses	<u>(441,470)</u>
Net investment loss	<u>(9,904,731)</u>
Total deletions	<u>(1,883,915)</u>
DEDUCTIONS	
Benefits paid and refunds	3,567,143
Administrative expenses	<u>197,577</u>
Total deductions	<u>3,764,720</u>
Change in net assets	(5,648,635)
Net assets, October 1	<u>83,403,970</u>
Net assets, September 30	<u>\$ 77,755,335</u>

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



NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Tamarac, Florida (the "City") was incorporated in 1963 and is a political subdivision of the State of Florida located in northwestern Broward County. The City operates under a Commission-Manager form of government, with the legislative function being vested in a five-member commission. The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for establishment and adoption of policy. The City provides the following full range of municipal services authorized by its charter: public safety, highways and streets, sanitation, health and social services, culture, recreation, bus transportation, public improvements, planning and zoning, water and sewer and general administrative services.

The accounting policies of the City conform to Accounting Principles Generally Accepted in the United States of America (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting.

A. The Reporting Entity

The financial statements were prepared in accordance with GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, which establishes standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City. Based on the application of these criteria, there were no organizations which met the criteria described above.

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 primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements (Continued)

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

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 revenue 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. For this purpose, the City considers revenues to be available if they are collected within 6 months of the end of the current fiscal period, except for property taxes, for which the period is 60 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Accounting principles generally accepted in the United States of America set forth minimum criteria (percentage of the assets, liabilities, revenue, or expenditures/expenses of the applicable fund category and the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are presented in one column in the respective fund financial statements.

The City reports the following major governmental funds:

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

The **special revenue fund (Fire rescue)** accounts for revenue sources that are legally restricted to expenditures for specific purposes (not including major capital projects).

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The **General Capital Project fund** account for the acquisition of equipment and the construction of major capital project other than those financed by the proprietary funds.

The **2005 Capital Improvement Project fund** account for the proceeds from the \$15 million CIP Revenue Bond, Series 2005 to fund acquisitions, constructions and equipping of certain City owned capital improvements for park, recreation and public safety purposes.

The City reports the following major proprietary funds:

The **utilities fund** is used to account for the provision of water and sewer services to the residents and the commerce of the City.

The **stormwater management fund** is used to account for the provision of stormwater maintenance and capital improvements to the residents and commerce of the City.

Additionally, the government reports the following fund types:

The **internal service fund** is used to account for the financing of the insurance services provided to other funds of the City on a cost reimbursement basis.

The **pension trust funds** include General employee's pension fund, Police officers' pension fund, Firefighters' pension fund, Elected and Appointed and Non-Represented Employees' Pension Fund, which all account for the accumulation of resources to be used for retirement benefit payments to the City's general employees, police officers and firefighters.

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 and enterprise funds, subject to this same limitation. The government 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 other charges between the City's utilities function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes, whose purpose has not been restricted to a specific program.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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 City's utilities and stormwater enterprise funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

Equity in pooled cash and cash equivalents includes cash on hand, investments with the State Board of Administration and Florida Surplus Asset Fund Trust investment pools (2A-7 Pool) and investments with a maturity of three months or less.

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

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

In accordance with GASB Statement No. 31 "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*", all investments are reported at fair value. Fair value is determined by quoted market prices. The fair value of the investment pool is its position in the pool which is the same as the value of the pool shares. Income, including the change in fair value, from investments held by the individual funds is recorded in the respective fund as it is earned. All other investments owned by the City are accounted for in pooled cash and temporary investment accounts. Income earned from this pooling of investments is allocated monthly to the respective funds based upon average daily balances.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

2. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds. Any residual balances outstanding between the governmental activities and business activities are reported in the government-wide financial statements as "internal balances".

All trade and other receivables are shown net of allowance for uncollectibles. Long-term receivables are analyzed for their collectability based on the terms and conditions of the agreements. In addition to those receivables specifically identified as uncollectibles, a general allowance is calculated based on the City's historic bad-debt experience.

3. Inventories, Prepaid Items and Unamortized Costs

Inventories are valued at cost, which approximates market, using the average cost method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

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.

Unamortized costs in the Utilities Enterprise Fund are being amortized over a 24 year period.

4. Restricted Assets

Certain proceeds from revenue refunding bonds, as well as other monies as required by several bond indentures, are classified as restricted assets in the government-wide and proprietary fund statements of net assets. Restricted assets are not presented on the balance sheet of the governmental funds; however, certain assets of these funds are restricted as to use.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, culverts, pump stations, stormwater lines, light poles, catch basins, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 for equipment and \$5,000 for infrastructure (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on the date of donation.

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

Major outlays for capital assets and improvements are capitalized as they are completed.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Building improvements	20
Infrastructure street (Asphalt)	35-40
Sidewalks	30
Light Poles (Concrete)	40
Pump Stations	30
Stormwater Lines	30
Culverts	30
Catch Basins	30
Vehicles	4-20
Office equipment	5
Office furniture	10
Computer equipment	4-5

6. Deferred Revenue

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

7. Compensated Absences

It is the City's policy to permit eligible employees to accumulate earned but unused vacation and sick pay benefits. Upon separation from service, employees receive payment for a portion of unused vacation time and sick leave subject to length of service and contract classification. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. The non-current portion for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations. A liability for these amounts is reported in governmental funds only if they matured, for example, as a result of employee resignation or retirements.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bonds discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

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

Issuance costs not withheld from the actual debt proceeds received are reported as debt service expenditures.

9. Property Taxes

Property taxes are assessed as of January 1 each year and are first billed (levied) and due the following November 1.

Under Florida law, the assessment of all properties and the collection of all county, municipal, school board and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws for the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The millage rate assessed by the City for the year ended September 30, 2008 was 5.0496 mills.

The tax levy of the City is established by the Commission prior to October 1 of each year, and the County Property Appraiser incorporates the millage into the local tax levy, which includes Broward County, Broward County School Board and special taxing districts.

All property is reassessed according to its fair market value as of January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

All real and tangible personal property taxes are due and payable on November 1 each year. Broward County mails to each property owner on the assessment roll a notice of the taxes due and Broward County also collects the taxes for the City.

Taxes may be paid upon receipt of such notice from Broward County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1 of the year following the year in which taxes were assessed. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida. There were no material delinquent property taxes at September 30, 2008; therefore an allowance for uncollectible taxes has not been recorded.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

D. Assets, Liabilities, and Net Assets or Equity (Continued)

10. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific future purpose. The description of each reserve indicates the purpose for which each was intended. Designations of fund balance represent tentative management plans that are subject to change. Unreserved undesignated fund balance is the portion of fund equity available for any lawful use.

11. Net Assets

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

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

12. Contributions

Contributions from private developers and customers representing “water and wastewater impact fees” for the future acquisition or expansion of capital improvements of City operated water and wastewater systems are recorded as non-operating revenues and reflected on the statement of activities.

13. Use of Estimates

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

14. New Pronouncement

Effective October 1, 2007, the City adopted GASB Statement No. 48 (GASB 48) Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues and GASB Statement No. 50 (GASB 50) Pension Disclosures. The adoption of GASB 48 and GASB 50 resulted changes in content of the Notes to the Financial Statements only, and did not have an impact on the government-wide and fund financial statements.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net assets-governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference of \$42,520,168 are as follows:

Bonds payable	\$ 39,570,508
Less: Deferred charge for issuance discount (to be amortized as interest expense)	(399,134)
Parking lot remediation	260,800
Retainage on land purchase	1,000,000
Compensated absences	<u>2,087,994</u>
Net adjustment to reduce <i>fund balance-total governmental funds</i> to arrive at <i>net assets-governmental activities</i>	<u>\$ 42,520,168</u>

Another element of that reconciliation explains that “Internal Service Funds are used by management to charge the cost of insurance services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.” The details of this \$4,944,380 difference are as follows:

Net assets of internal service funds	\$ 5,726,210
Less: Internal payable representing charges in excess of cost to business-type activities-prior years	(633,149)
Less: Internal payable representing charges in excess of cost to business-type activities-current year	<u>(148,681)</u>
Net adjustment to increase <i>fund balance-total governmental funds</i> to arrive at <i>net assets-governmental activities</i>	<u>\$ 4,944,380</u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances-total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$13,651,585 difference are as follows:

Capital outlay	\$ 17,251,749
Depreciation expense	<u>(3,600,163)</u>
Net adjustment to increase <i>net change in fund balance – total of governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 13,651,586</u>

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$5,570,643 difference are as follows:

Proceeds from issuance of capital improvement revenue bonds	\$ 6,818,373
Less: Principal Payments	
General obligation bonds	(172,730)
Revenue bonds	(925,000)
Capital improvement revenue bonds	<u>(150,000)</u>
Net adjustment to decrease <i>net change in fund balances – total of governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 5,570,643</u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (Continued)

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this \$(139,456) are as follows:

Compensated absences	\$ (217,776)
Amortization of bond discount	(20,517)
Changes in pension assets/obligations	<u>98,837</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ (139,456)</u>

Another element of that reconciliation states that "Internal service fund is used by management to charge the costs of insurance services to individual funds. The net revenue of certain activities of internal service fund is reported with governmental activities." The details of this \$237,915 difference are as follows:

Change in net assets in the internal service fund	\$ 386,596
Less: Portion from charges to business-type activities to current year	<u>(148,681)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 237,915</u>

NOTE 3. DEPOSITS AND INVESTMENTS

Cash and Investment

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

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

a. Cash Deposits

The carrying amounts of the City's cash deposits were \$27,020,545 including petty cash on hand of \$2,825 as of September 30, 2008. Bank balance before reconciling items were \$27,251,716 at that date, the total of which is collateralized or insured with securities held by the City or by its agent in the City's name as discussed below.

In addition, cash and investments are separately held by the City's Enterprise and Trust Funds and related investment income is recorded in these funds. Deposits consist of interest and non-interest bearing demand accounts and certificates of deposit.

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. All of the City's deposits are entirely insured by federal depository insurance or collateralized by the multiple financial institution collateral pool pursuant to Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act." Under this Act, all qualified public depositories are required to pledge eligible collateral having a fair value equal to or greater than the average daily or monthly balance of all public deposits, multiplied by the depository's collateral pledging level.

b. Investments

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

	<u>Maximum Maturity</u>	<u>Maximum % of Portfolio</u>
State Board of Administration	N/A	90%
U.S. Treasury Securities	15 years	95%
U.S. Government Obligations	10 years	85%
U.S. Government Instrumentalities	10 years	85%
Certificate of Deposits	5 years	85%
Commercial Papers by any US Corporation	270 days	10%
Bankers' Acceptance	270 days	10%
Money Market Funds	N/A	20%

Collateralization will be required on two types of investments: certificate of deposits and overnight repurchase agreements. In order to anticipate market changes and provide level of security for all funds, the collateralization level will be 100% at a minimum up to 102% being desired.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

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

	Credit Quality Ratings	Fair Value	within 6 months	1 to 3 years
Sate Board of Administration	Not Rated	\$ 96	\$ 96	\$ -
Florida Safe Investment Pool	AAA	15,176,503	15,176,503	-
US Treasury Securities	-	13,127,813	13,127,813	
US Government Securities - callable	AAA	3,999,944	-	3,999,944
US Government Securities	AAA	22,047,412	4,998,500	17,048,912
US Government Securities - Bank of New York	A1/P1	2,656,263	2,656,263	-
		<u>\$ 57,008,031</u>	<u>\$ 35,959,175</u>	<u>\$ 21,048,856</u>

c. Risk Disclosures

Interest Rate Risk. Interest risk is the risk that changes in market interest rates will adversely affect their 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. As a mean of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investment portfolio to maturities not to exceed five years at time of purchase.

Credit Risk. Generally, credit risk is the risk that an issue of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law limits investments in commercial paper and corporate bonds to the highest credit rating from a nationally recognized rating agency. It is the City's policy to limit investments in these types to have at least A1/P1 rating from Moody's Investor Services and Standard and Poor's (S&P).

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

c. Risk Disclosures (Continued)

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

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>	<u>%</u>
FHLB	Federal Agency Securities	\$ 10,986,313	19%
FHLMC	Federal Agency Securities	11,022,295	19%
FNMA	Federal Agency Securities	4,038,750	7%

Custodial Credit Risk. Custodial credit risk for investment is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City's investment policy requires that a third party commercial bank's trust department hold all securities owned by the City. All securities purchased or sold will be transferred only under the "delivery versus payment" (D.V.P.) method through the City's safekeeping agent. All City's investment at September 30, 2008 are being held by a third party commercial trust bank and are fully secured and collateralized under the name of the City or its agent.

Local Government Investment Pool. At September 30, 2008, the City had \$15,176,503 invested in the Florida Surplus Asset Fund Trust (FSAFE), an investment vehicle established by state statute for local government entities in Florida to pool surplus funds. The Board of Trustees, which is primarily comprised of five (5) government officials of participating entities that have investment responsibility for their respective government entity, administers and enforces the requirements of creating and operating the FSAFE. FSAFE operates similarly to money market funds and each share is equal in value to \$1.00. FSAFE is rate AAAM by Standard & Poor's. Investment are limited to those allowed by the State Statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodial's internal records identify the investments owned by the participating governments.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

d. Employee Pension Plans

The Employee Pension Plan investments are held separately from those of other City funds. As prescribed by the plan documents, the plan administrator is authorized to invest plan assets in obligations of the U.S. Government and various mutual and money market funds, which are held by the plan administrators and not in the City's name. The plan investments are being held by Voyager Asset Management, American Realty Advisors, Fifth Third Bank, Florida Municipal Pension Trust Fund, and State Street Global Advisors which consisted of the following:

	General Employees Pension	Police Pension	Firefighters Pension	Non-represented Employees Pension
Common stock	\$ 8,393,264	\$ 3,709,570	\$ 21,661,151	\$ -
Government securities, corporate bonds and mortgage backed securities	8,867,992	1,845,435	13,043,006	-
Mutual funds	5,266,132	1,299,523	-	8,972,889
Money market funds	645,285	379,184	1,320,546	-
Total	<u>\$ 23,172,673</u>	<u>\$ 7,233,712</u>	<u>\$ 36,024,703</u>	<u>\$ 8,972,889</u>

General Employees' Pension Trust Fund

The general employees' pension trust fund's investments in government securities and corporate bonds has maturities as follows:

<u>Investment type</u>	<u>Investment Maturities (in Years)</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>
Corporate bonds	\$ 4,011,266	\$ 20,763	\$ 1,304,563	\$ 1,030,220	\$ 1,655,720
US Agencies	3,680,068	83	386,495	319,861	2,973,629
US Treasuries	1,176,658	54,608	296,750	504,941	320,359
Total	<u>\$ 8,867,992</u>	<u>\$ 75,454</u>	<u>\$ 1,987,808</u>	<u>\$ 1,855,022</u>	<u>\$ 4,949,708</u>

The Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

d. Employee Pension Plans (Continued)

The Fund limits investments in corporate bonds and commercial paper to Baa or above, as rated by nationally recognized statistical rating organizations. The fund's corporate bonds were rated by Moody's Investors Services as follows:

<u>Rating</u>	<u>Fair Value</u>
A1	\$ 397,602
A2	461,648
A3	525,814
Aa2	189,902
Aa3	204,547
Aaa	6,022,944
Ba1	84,771
Baa1	432,427
Baa2	253,141
Unrated	<u>295,196</u>
<i>Total</i>	<u>\$ 8,867,992</u>

The Fund limits investments that may be invested in any one issuer to no more than 5% of Plan Net Assets, other than those issued by the US Government or its Agencies.

Police Officers' Pension Trust Fund

The police officers' pension trust fund's investments in government securities and corporate bonds has maturities as follows:

<u>Investment type</u>	<u>Investment Maturities (in Years)</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>
Corporate bonds	\$ 1,453,320	\$ 493,152	\$ 775,073	\$ 185,095	\$ -
US Treasuries	193,148	101,883	-	-	91,265
US Agencies	198,967	99,967	99,000	-	-
Total	<u>\$ 1,845,435</u>	<u>\$ 695,002</u>	<u>\$ 874,073</u>	<u>\$ 185,095</u>	<u>\$ 91,265</u>

The Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

d. Employee Pension Plans (Continued)

Police Officers' Pension Trust Fund (Continued)

State law limits investments in corporate bonds and commercial paper to the top 3 ratings provided by nationally recognized statistical rating organizations. The Fund's corporate bonds were rated by Moody's Investors Services as follows:

<u>Rating</u>	<u>Fair Value</u>
A1	\$ 194,222
A2	476,101
A3	199,309
AA2	101,012
Aaa	683,841
BAA2	92,218
Unrated	<u>98,732</u>
<i>Total</i>	<u>\$ 1,845,435</u>

The Fund does not allow investment in a single issuer to exceed 5% of Plan Net Assets, other than those of the US Government or its Agencies.

Firefighters' Pension Trust Fund

The firefighters' pension trust fund's investments in government securities and corporate bonds has maturities as follows

<u>Investment type</u>	<u>Investment Maturities (in Years)</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>
Corporate bonds	\$ 1,487,169	\$ 40,264	\$ 417,490	\$ 212,065	\$ 817,350
US Treasuries	1,880,196	-	633,864	814,501	431,831
US Agencies	<u>9,675,641</u>	<u>862,400</u>	<u>1,685,227</u>	<u>2,668,164</u>	<u>4,459,850</u>
Total	<u>\$ 13,043,006</u>	<u>\$ 902,664</u>	<u>\$ 2,736,581</u>	<u>\$ 3,694,730</u>	<u>\$ 5,709,031</u>

The Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

d. Employee Pension Plans (Continued)

Firefighters' Pension Trust Fund (Continued)

State law limits investments in corporate bonds and commercial paper to the top 3 ratings provided by nationally recognized statistical rating organizations. The Fund's corporate bonds were rated by Moody's Investors Services as follows:

<u>Rating</u>	<u>Fair Value</u>
A1	\$ 130,061
Aa1	40,264
Aa3	170,200
Aaa	12,660,616
Unrated	41,865
<i>Total</i>	<u>\$ 13,043,006</u>

The Fund limits the investments in securities from any one issuer to no more than 5% of Plan Net Assets, other than those issued by the US Government and its Agencies.

Elected and Appointed Officers and Non-represented Employee Retirement Fund

The Elected and Appointed Officers and Non-represented Employee Retirement Fund's total investments of \$8,972,889 is in mutual funds at September 30, 2008.

The Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Fund holds shares in the Florida Municipal Investment Trust Fund. The Fund participates in the Fund A portfolio, which has an asset allocation as follows:

Cash	2.90%
Broad Market High Quality Bond	42.80%
High Quality Growth	7.50%
Diversified Large Cap Value	6.70%
Russell 1000 Index	21.50%
Diversified Small Cap Equity	11.50%
International Blend	7.50%

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The Florida Municipal Investment Trust Board Market High Quality Bond Fund mitigates interest rate risk by limiting the duration and maturity of its investments. At September 30, 2008 it reported to its investors a duration of 4.34 years and a weighted average maturity of 5.04 years. State law limits investment in debt securities to those with the top 3 ratings issued by the nationally recognized statistical rating organizations. The Florida Municipal Investment Trust Board Market High Quality Fund had a Fitch rating of AA/V4.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 4. RECEIVABLES AND PAYABLES

Receivables at year-end for the City's governmental funds, including the applicable allowance for uncollectible accounts, are as follows:

	General Fund	Fire Rescue Fund	Other Governmental Funds	Total
Receivables:				
Accounts	\$ 1,292,224	\$ 3,870,609	\$ -	\$ 5,162,833
Intergovernmental	805,983	6,905	733,227	1,546,115
Others	<u>2,500</u>	<u>-</u>	<u>1,982,004</u>	<u>1,984,504</u>
Gross receivables	2,100,707	3,877,514	2,715,231	8,693,452
Less: allowance for uncollectibles	<u>(20,140)</u>	<u>(2,928,422)</u>	<u>-</u>	<u>(2,948,562)</u>
Net total receivables	<u>\$ 2,080,567</u>	<u>\$ 949,092</u>	<u>\$ 2,715,231</u>	<u>\$ 5,744,890</u>

Receivables at year-end for the City's business-type activities, including the applicable allowance for uncollectible accounts, are as follows:

	Accounts	Other	Total
Business-type activities:			
Utilities	\$ 2,662,255	\$ 20,744	\$ 2,682,999
Stormwater	<u>477,868</u>	<u>-</u>	<u>477,868</u>
Gross receivables	3,140,123	20,744	3,160,867
Less: Allowance for uncollectibles	<u>(24,351)</u>	<u>-</u>	<u>(24,351)</u>
Net total receivables	<u>\$ 3,115,772</u>	<u>\$ 20,744</u>	<u>\$ 3,136,516</u>

Payables at September 30, 2008 were as follows:

	Vendors	Due to other Governments	Total
Governmental activities:			
General	\$ 1,110,154	\$ 2,575	\$ 1,112,729
Fire rescue	29,431	-	29,431
General capital projects	256,932	-	256,932
2005 Capital improvement	552,736	-	552,736
Nonmajor and other funds	<u>237,847</u>	<u>123,992</u>	<u>361,839</u>
Total governmental activities	<u>\$ 2,187,100</u>	<u>\$ 126,567</u>	<u>\$ 2,313,667</u>
Business-type activities:			
Utilities	\$ 925,857	\$ 1,984	\$ 927,841
Stormwater	<u>152,514</u>	<u>-</u>	<u>152,514</u>
Total business-type activities	<u>\$ 1,078,371</u>	<u>\$ 1,984</u>	<u>\$ 1,080,355</u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 5. CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2008 was as follows:

	Balance October 1, <u>2007</u>	<u>Increases</u>	<u>Decreases</u>	Balance September 30, <u>2008</u>
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 12,498,912	\$ 9,741,360	\$ (1,000,000)	\$ 21,240,272
Construction in progress	<u>4,277,172</u>	<u>8,667,650</u>	<u>(4,799,175)</u>	<u>8,145,647</u>
Total capital assets not being depreciated	<u>16,776,084</u>	<u>18,409,010</u>	<u>(5,799,175)</u>	<u>29,385,919</u>
Capital assets being depreciated:				
Building and improvements	27,152,909	142,511	-	27,295,420
Improvements other than building	8,188,931	3,976,060	-	12,164,991
Infrastructure	54,053,943	1,904,724	-	55,958,667
Equipment	<u>14,189,467</u>	<u>418,619</u>	<u>(490,470)</u>	<u>14,117,616</u>
Total capital assets being depreciated	<u>103,585,250</u>	<u>6,441,914</u>	<u>(490,470)</u>	<u>109,536,694</u>
Less accumulated depreciation for:				
Building and improvements	(8,554,478)	(887,624)	-	(9,442,102)
Improvements other than building	(1,372,904)	(417,971)	-	(1,790,875)
Infrastructure	(5,844,514)	(710,363)	-	(6,554,877)
Equipment	<u>(9,813,001)</u>	<u>(1,584,205)</u>	<u>490,470</u>	<u>(10,906,736)</u>
Total accumulated depreciation	<u>(25,584,897)</u>	<u>(3,600,163)</u>	<u>490,470</u>	<u>(28,694,590)</u>
Net capital assets being depreciated	<u>78,000,353</u>	<u>2,841,751</u>	<u>-</u>	<u>80,842,104</u>
Governmental activity capital assets, net	<u>\$ 94,776,437</u>	<u>\$ 21,250,761</u>	<u>\$ (5,799,175)</u>	<u>\$ 110,228,023</u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 5. CAPITAL ASSETS (Continued)

The following is a summary of capital assets in the Enterprise Funds at September 30, 2008:

	Balance October 1, <u>2007</u>	<u>Increases</u>	<u>Decreases</u>	Balance September 30, <u>2008</u>
Business-type activities				
Capital assets not being depreciated:				
Land	\$ 7,460,603	\$ -	\$ -	\$ 7,460,603
Construction in progress	<u>2,546,472</u>	<u>5,531,311</u>	<u>(635,648)</u>	<u>7,442,135</u>
Total capital assets not being depreciated	<u>10,007,075</u>	<u>5,531,311</u>	<u>(635,648)</u>	<u>14,902,738</u>
Capital assets being depreciated:				
Building	3,468,152	-	-	3,468,152
Improvements other than building	85,689,412	641,548	-	86,330,960
Infrastructure	27,878,688	181,604	-	28,060,292
Machinery and equipment	<u>4,106,625</u>	<u>573,618</u>	<u>(110,593)</u>	<u>4,569,650</u>
Total capital assets being depreciated	<u>121,142,877</u>	<u>1,396,770</u>	<u>(110,593)</u>	<u>122,429,054</u>
Less accumulated depreciation for:				
Building	(1,289,588)	(112,235)	-	(1,401,823)
Improvements other than building	(38,112,987)	(3,200,708)	-	(41,313,695)
Infrastructure	(25,749,727)	(77,497)	-	(25,827,224)
Machinery and equipment	<u>(3,317,523)</u>	<u>(316,816)</u>	<u>110,593</u>	<u>(3,523,746)</u>
Total accumulated depreciation	<u>(68,469,825)</u>	<u>(3,707,256)</u>	<u>110,593</u>	<u>(72,066,488)</u>
Net capital assets being depreciated	<u>52,673,052</u>	<u>(2,310,486)</u>	<u>-</u>	<u>50,362,566</u>
Governmental activity capital assets, net	<u>\$ 62,680,127</u>	<u>\$ 3,220,825</u>	<u>\$ (635,648)</u>	<u>\$ 65,265,304</u>

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

Governmental activities	
General government	\$ 1,209,582
Public safety	980,021
Transportation	683,562
Culture/recreation	704,343
Physical environment	21,820
Human services	835
Total depreciation expenses - governmental activities	<u>\$ 3,600,163</u>
Business-type activities	
Utilities	3,366,329
Stormwater	340,926
Total depreciation expenses - business-type activities	<u>\$ 3,707,255</u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 5. CAPITAL ASSETS (Continued)

Construction Commitments

The following is a summary of active construction projects as of September 30, 2008:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Sportsplex Expansion	\$ 5,848,924	\$ 480,485
Utilities Complex	5,400,124	375,428
Tamarac Park Renovation	<u>1,886,272</u>	<u>1,897,356</u>
Total	<u>\$ 13,135,320</u>	<u>\$ 2,753,269</u>

The Series 2006 Capital Improvement Revenue Notes are financing the Utilities Complex. The Series 2004 Capital Improvement Revenue Bonds are funding the remainder of the projects.

NOTE 6. INTERFUND BALANCES AND TRANSFERS

Interfund balances at September 30, 2008 consisted of the following:

<u>Due to/from other funds</u>		<u>Payable Fund</u>	<u>Amount</u>
<u>Receivable Fund</u>			
General	Non-major governmental		\$ 220,357
General Capital Project	Non-major governmental		76,882
Non-major governmental	General Capital Projects		4,620
	Stormwater		<u>59</u>
Total			<u>\$ 301,918</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 6. INTERFUND BALANCES AND TRANSFERS (Continued)

Interfund Transfers for the year ended September 30, 2008, consisted of the following:

<u>Transfer Out</u>	<u>Transfer In</u>					<u>Total</u>
	<u>Genera Fund</u>	<u>Fire Rescue</u>	<u>General Capital Project</u>	<u>Nonmajor Governmental</u>	<u>Utilities Fund</u>	
General fund	\$ -	\$ 6,295,000	\$ 6,063,000	\$ 2,580,100	\$ 20,000	\$ 14,958,100
Stormwater fund	381,000	-	-	-	121,500	502,500
Internal service fund	-	488,000	-	-	-	488,000
Total	<u>\$ 381,000</u>	<u>\$ 6,783,000</u>	<u>\$ 6,063,000</u>	<u>\$ 2,580,100</u>	<u>\$ 141,500</u>	<u>\$ 15,948,600</u>

Transfers are used to (1) move revenues from the fund that the budget requires to collect them to the fund that the budget requires to expend them, (2) move receipts restricted to 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 capital projects accounted for in other funds in accordance with budgetary authorizations. The following transfers are explained below:

- \$6,295,000 was transferred from General Fund to Fire Rescue Fund;
- \$381,000 was transferred from Stormwater Management Fund to General Fund;
- \$6,063,000 was transferred from General Fund to General Capital Projects Fund;
- \$2,580,100 was transferred from General Fund to Revenue Bond Fund;
- \$20,000 was transferred from General Fund to Utilities Fund;
- \$121,500 was transferred from Stormwater Management Fund to Utilities Operating Fund,
- \$488,000 was transferred from Internal Service fund to Fire Rescue Fund.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 7. LONG-TERM DEBT

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

On December 10, 1998, the City of Tamarac issued \$3,250,000 of General Obligation Bonds, Series 1998 (Senior and Community Center Project). The 1998 General Obligation bonds bear an interest rate of 4.269% and mature in varying annual installments through 2018. Bond proceeds were used to build the City of Tamarac Community Center, located on Commercial Boulevard. The bonds will be repaid from ad valorem taxes levied by the City upon the taxable real property within the City.

\$ 1,927,135

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year ending September 30,	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2009	-	41,135
2010	180,103	78,425
2011	187,792	70,572
2012	195,809	62,384
2013	204,168	53,847
2014-2018	<u>1,159,263</u>	<u>127,857</u>
Total	<u>\$ 1,927,135</u>	<u>\$ 434,220</u>

As of September 30, 2008, the City was in compliance with all general obligation bond covenants.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 7. LONG-TERM DEBT (Continued)

Revenue Bonds

The government also issues bonds where the government pledges income derived from acquired or constructed assets to pay debt service.

Governmental

The City issued on August 5, 1999, the City of Tamarac, Florida Sales Tax Revenue Bonds, Series 1999 in the amount of \$8,740,000. The 1999 Revenue bonds bear interest rates from 3.55% to 5.125% and matures in varying annual installments through 2019. These bonds were issued in order to finance the repair and resurfacing of public roadways, median beautification and other improvements to such roadways within the City. The bonds will be repaid solely from and secured by a lien on and pledge of the half-cent sales tax revenues.

\$ 5,755,000

The City issued on May 1, 2002, Sales Tax Revenue Bonds, Series 2002 in the amount of \$13,410,000 in order to finance street improvements, construction of a fire station, construction of a development services building, construction of a public works storage building, construction of parks and recreation facilities and to acquire land. The revenue bonds bear interest from 3% to 4.8% and mature in varying annual installments through 2022. The bonds will be repaid solely from and secured by a lien on a pledge of the half-cent sales tax revenues on parity with the 1999 Sales Tax Revenue Bonds, Series 1999.

10,520,000

On December 21, 2005, the City of Tamarac issued \$15 million of Capital Improvement Revenue Bonds to fund the acquisition, construction and equipping of certain City owned capital improvements for parks, recreation and public safety purposes. The Revenue Bonds bear interest from 3.75% to 5% and mature in varying annual installments through 2030. The bonds are secured and payable solely from (1) Non-Ad Valorem Revenues appropriated by the City in accordance with the Resolution and deposited in the Debt Service Fund, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including the investment thereof, in the funds and accounts established under the Resolution, with the exception of the Rebate Fund.

14,550,000

\$ 30,825,000

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 7. LONG-TERM DEBT (Continued)

Revenue Note

In April 2008, the City issued \$20 million Taxable Redevelopment Revenue Note, Series 2008 initially as a line of credit with Suntrust Bank and the amount may be drawn until April 1, 2011. The line of credit bears a variable interest rate equal to one (1) month LIBOR rate plus 1.2% per annum and accrues based on outstanding amount drawn, payable semi-annually beginning October 1, 2008 and on each subsequent April 1 and October 1 through April 1, 2011 (the "Conversion Date"). No principal amount is due prior to conversion date.

Effective April 1, 2011, the line of credit shall automatically convert into term loan with interest rate equal to any of the following based on City's election on March 1, 2011 (a) variable interest rate equal to one (1) month LIBOR rate plus 1.78 per annum; (b) fixed interest rate equal to 10-year Federal Reserve H.15 swap rates plus 1.29 per annum with a prepayment penalty; or (c) fixed interest rate equal to 10-year Federal Reserve H.15 swap rates plus 1.40 per annum, with no prepayment penalty. The principal and interest of the term loan shall be payable semi-annually on each April 1 and October 1 beginning October 1, 2011 through 2021.

The Note was issued to finance the cost of acquisition of real property within the City to be used for community redevelopment purposes and is secured by non-ad valorem revenues. As of September 30, 2008, the City had drawn approximately \$6.8 million from the available line of credit.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2008

NOTE 7. LONG-TERM DEBT (Continued)

Business-type

In 1996, the City issued Water and Sewer Utility Revenue Refunding Bonds, Series 1996 in the amount of \$9,155,000. The 1996 Revenue bonds bear interest at rates varying from 5.3% to 6.5% and mature in varying annual installments through 2009. On September 30, 2008, the balance of unamortized discount, issuance costs, and deferred loss was \$14,130. The taxable Series 1996 bonds were issued on a parity with the 1992 Series. The bonds will be repaid from revenues derived from water and sewer service charges. The bond indentures contain rate covenant calculations and restrictions on maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various funds, types of investments to be held, and reporting requirements.

\$ 1,860,000

The City issued on April 1, 2004, the City of Tamarac, Capital Improvement Revenue Bonds, Series 2004 in the amount of \$9,500,000. The 2004 Revenue bonds bear interest rates from 2.50% to 4.50% and matures in varying annual installments through 2024. On September 30, 2008, the balance of unamortized discount and bond issuance costs was \$233,904. These bonds were issued to finance the acquisition, construction and equipping of certain capital improvements to the City's water and wastewater utility and stormwater utility system and related capital expenditures. The bonds and the interest are secured by and payable solely from (1) Non Ad Valorem Revenues budgeted and appropriated by the City in accordance with the Resolution and deposited in the Debt Service Fund, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including the investments thereof, in the funds and accounts established under the Resolution, with the exception of the Rebate Fund.

8,325,000
\$ 10,185,000

As of September 30, 2008, the City was in compliance with all revenue bond covenants.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 7. LONG-TERM DEBT (Continued)

Revenue bond debt service requirements to maturity are as follows:

Year ending September 30,	<u>Governmental Activities</u>		<u>Business-type activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 965,000	\$ 1,113,828	\$ 1,265,000	\$ 447,983
2010	1,160,000	1,396,391	1,335,000	380,358
2011	1,235,000	1,346,049	385,000	307,645
2012	1,315,000	1,291,556	400,000	292,795
2013	1,395,000	1,232,718	410,000	279,595
2014-2018	8,455,000	5,095,344	2,295,000	1,168,024
2019-2023	7,490,000	2,976,406	2,795,000	668,160
2024-2028	4,815,000	1,602,313	1,300,000	88,425
2029-2031	<u>3,995,000</u>	<u>310,375</u>	-	-
Total	<u>\$ 30,825,000</u>	<u>\$ 16,364,980</u>	<u>\$ 10,185,000</u>	<u>\$ 3,632,985</u>

Revenue Notes

The City issued on September 14, 2006, the City of Tamarac, Capital Improvement Revenue Note, Series 2006 in the amount of \$6,000,000. The Revenue Note will be in the form of Serial Bonds and bear interest at a rate of 3.865% and mature in varying annual installments through 2013. On September 30, 2008, the balance of unamortized note issuance costs was \$34,881. This note was issued to finance a utility administration building, including furniture, fixtures, equipment, and site improvement. The principal and the interest of the note are secured by a covenant to budget and appropriate non-ad valorem revenues.

\$ 5,090,000

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 7. LONG-TERM DEBT (Continued)

Revenue Note debt service requirements to maturity are as follows:

Year ending September 30,	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2009	-	98,042
2010	945,000	178,420
2011	980,000	141,241
2012	1,015,000	102,938
2013	1,055,000	62,732
2014	<u>1,095,000</u>	<u>21,207</u>
Total	<u>\$ 5,090,000</u>	<u>\$ 604,580</u>

As of September 30, 2008, the City was in compliance with all revenue bond and note covenants.

The City has performed the required arbitrage liability computations in accordance with the Internal Revenue Service (IRS) arbitrage regulations. As of October 1, 2007, there is no rebatable arbitrage liability for any of the outstanding bond issues.

Parking Lot Remediation

As of September 30, 2008, there is a liability for parking lot remediation of \$260,800 which was recorded based on the estimated amount necessary to remediate a municipal parking lot from environmental contamination. The City is awaiting instructions from the Florida Department of Environmental Protection before proceeding with clean up.

Conduit Debt Obligations

The City has issued Industrial Revenue Bonds to provide financial assistance to four private-sector entities for the acquisition and construction of warehouses and office facilities. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Neither the City, nor the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2008, the City of Tamarac has issued \$18,100,000 worth of Industrial Revenue Bonds

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 7. LONG-TERM DEBT (Continued)

Debt Coverage - Water and Sewer Revenue Bonds

Bond covenants require the current operating income and interest earnings to be at 110% or current operating income and other income, including contributed impact fees to be at 120% of the current principal payments and interest expense on the bonds as defined in the bond indenture. The bond coverage computation follows:

	<u>110% Test</u>	<u>120% Test</u>
Operating revenues	\$ 18,790,162	\$ 18,790,162
Operating expenses before depreciation, amortization, and payment in lieu of taxes	<u>14,715,743</u>	<u>14,715,743</u>
Operating income	4,074,419	4,074,419
Other income:		
Interest earnings	480,377	480,377
Contributed impact fees	<u>-</u>	<u>332,304</u>
Amount available for debt coverage	<u>\$ 4,554,796</u>	<u>\$ 4,887,100</u>
Debt payments		
Principal	\$ 2,110,000	\$ 2,110,000
Interest	<u>686,552</u>	<u>686,552</u>
Amount to be covered	<u>\$ 2,796,552</u>	<u>\$ 2,796,552</u>
Debt coverage	163%	175%
Minimum coverage	<u>110%</u>	<u>120%</u>
Excess coverage	<u>53%</u>	<u>55%</u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 7. LONG-TERM DEBT (Continued)

Long-term liability activity for the year ended September 30, 2008 was as follows:

	<u>October 1,</u> <u>2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>September 30,</u> <u>2008</u>	<u>Due within</u> <u>One Year</u>
Governmental activities:					
Bonds and notes payable					
General obligation	\$ 2,265,523	\$ -	\$ (338,388)	\$ 1,927,135	\$ 180,103
Revenue bonds	32,050,000	-	(1,225,000)	30,825,000	965,000
Redevelopment note	-	6,818,373	-	6,818,373	-
Less: deferred amounts for issuance discounts	<u>(419,651)</u>	<u>-</u>	<u>20,517</u>	<u>(399,134)</u>	<u>(20,517)</u>
Total bonds and notes payable	<u>33,895,872</u>	<u>6,818,373</u>	<u>(1,542,871)</u>	<u>39,171,374</u>	<u>1,124,586</u>
Other liabilities:					
Compensated absences	1,938,148	381,228	(191,589)	2,127,787	255,287
Retainage on land purchase	-	1,000,000	-	1,000,000	-
Claims and judgments	881,000	89,000	-	970,000	-
Parking lot remediation	<u>260,800</u>	<u>-</u>	<u>-</u>	<u>260,800</u>	<u>-</u>
Total other liabilities	<u>3,079,948</u>	<u>1,470,228</u>	<u>(191,589)</u>	<u>4,358,587</u>	<u>255,287</u>
Governmental activity Long-term liabilities	<u>\$ 36,975,820</u>	<u>\$ 8,288,601</u>	<u>\$ (1,734,460)</u>	<u>\$ 43,529,961</u>	<u>\$ 1,379,873</u>
Business-type activities:					
Bonds and notes payable					
Water and sewer revenue refunding bonds	\$ 2,705,000	\$ -	\$ (845,000)	\$ 1,860,000	\$ 900,000
Capital improvement revenue bonds	8,680,000	-	(355,000)	8,325,000	365,000
Capital improvement revenue note	6,000,000	-	(910,000)	5,090,000	945,000
Less: deferred amounts for issuance discounts	<u>(330,831)</u>	<u>-</u>	<u>47,915</u>	<u>(282,916)</u>	<u>(35,725)</u>
Total bonds and notes payable	17,054,169	-	(2,062,085)	14,992,084	2,174,275
Other liabilities:					
Compensated absences	<u>615,881</u>	<u>118,463</u>	<u>(51,854)</u>	<u>682,490</u>	<u>81,898</u>
Business-type activity Long-term liabilities	<u>\$ 17,670,050</u>	<u>\$ 118,463</u>	<u>\$ (2,113,939)</u>	<u>\$ 15,674,574</u>	<u>\$ 2,256,173</u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 7. LONG-TERM DEBT (Continued)

Internal service fund predominantly serves the governmental funds. Accordingly, long-term liabilities for the fund are included as part of the above totals for governmental activities. Also, for the governmental activities, claims and judgments and compensated absences are generally liquidated by the General Fund.

Pledged Revenues

Sales Tax Revenue

The City has pledged future proceeds derived from the local government half-cent sales tax levied and collected pursuant to Chapter 212, Part I, Florida Statutes and distributed to the City pursuant to Chapter 218, Part VI, Florida Statutes, as amended to repay the Series 1999 and Series 2002 Sales Tax Revenue Bonds amounting to \$8.74 million and \$13.41 million, respectively. Proceeds from these bonds provided financing portion of the construction of certain public capital projects. The bonds are payable solely from sales tax revenues and are payable through 2022. At fiscal year ended September 30, 2008, the maximum annual debt service is at 52 percent of the sales tax revenues. The total principal and interest remaining to be paid on these bonds is \$22,392,710. Principal and interest paid and sales tax revenues for the current year were \$1,730,170 and \$ 3,358,616, respectively.

Water and Sewer Revenue

The City has pledged future water and sewer customer revenues, net of specified operating expenses, to repay the \$9.2 million water and sewer revenue refunding bond, series 1996. Proceeds of the bond provided financing for the refunding of previously issued revenue bonds. The bond is payable solely from water and sewer customer net revenues and is payable through 2011. At fiscal year ended September 30, 2008, the maximum annual debt service is at 22 percent of the net revenues. The total principal and interest remaining to be paid on the bonds is \$2,043,300. Principal and interest paid and total customer net revenues for the current year were \$993,362 and \$4,554,796, respectively.

NOTE 8. RESTRICTED ASSETS

The balances of the restricted asset accounts in the enterprise funds at September 30, 2008 pertains to the following:

Customer deposits	\$ 1,466,485
Debt service reserve fund	<u>1,629,452</u>
	<u>\$ 3,095,937</u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 9. FUND BALANCE RESERVED/UNRESERVED

The Fund balance reserved/unreserved for governmental funds are as follows:

	General Fund	Fire rescue Fund	General Capital Projects Fund	2005 Capital Improvement Projects Fund	Nonmajor Governmental	Total
Reserved for:						
Encumbrances	\$ 184,469	\$ 24,731	\$ 630,470	\$ 2,086,618	\$ 73,433	\$ 2,999,721
Police training	11,188	-	-	-	-	11,188
Inventories	76,607	-	-	-	-	76,607
Advances to pension plan	370,659	-	-	-	-	370,659
Capital expenditures	-	-	-	1,455,388	-	1,455,388
Hurricane recovery	-	-	-	-	4,470,931	4,470,931
Fire Rescue expenditures	-	1,304,716	-	-	-	1,304,716
Special Revenue expenditures						
Law enforcement	-	-	-	-	58,111	58,111
Community development	-	-	-	-	1,980,088	1,980,088
Culture and recreation	-	-	-	-	732,900	732,900
Physical improvement	-	-	-	-	1,757,625	1,757,625
Total	<u>642,923</u>	<u>1,329,447</u>	<u>630,470</u>	<u>3,542,006</u>	<u>9,073,088</u>	<u>15,217,934</u>
Unreserved:						
Designated:						
Debt service	-	-	-	-	404,029	404,029
Subsequent year expenditures	758,000	-	-	-	-	758,000
Capital expenditures	5,719,315	-	15,894,482	3,148,723	-	24,762,520
Economic stabilization	3,000,000	-	-	-	-	3,000,000
IT equipment replacement	761,514	-	-	-	-	761,514
Fleet equipment replacement	659,666	-	-	-	-	659,666
Total	<u>10,898,495</u>	<u>-</u>	<u>15,894,482</u>	<u>3,148,723</u>	<u>404,029</u>	<u>30,345,729</u>
Undesignated	<u>8,556,182</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,556,182</u>
Total	<u>\$ 20,097,600</u>	<u>\$ 1,329,447</u>	<u>\$ 16,524,952</u>	<u>\$ 6,690,729</u>	<u>\$ 9,477,117</u>	<u>\$ 54,119,845</u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Summary of Significant Accounting Policies

Basis of Accounting

The Pension Plans are accounted for on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. City contributions are recognized when due and the City 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 Plans.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price. Net appreciation in fair value of investments includes realized and unrealized gains and losses. Realized gains and losses are determined on the basis of specific cost. Dividends and interest income are recognized as earned. Purchases and sales of investments are recorded on a trade-date basis.

A. GENERAL EMPLOYEES DEFINED CONTRIBUTION PENSION PLAN

During the year ended September 30, 1996, by Resolution #R96-226 of the City Commission, the City adopted a money purchase retirement plan for the City Manager, City Attorney, and executive and managerial/professional employees of the City. The City has contracted with the International City Management Association Retirement Corporation (ICMA-RC) on behalf of its general employees for three defined contribution pension plans.

All three plans are established under the provisions of Section 401(a) of the Internal Revenue Code as Money Purchase Plans and Trusts. The assets of the Plans are owned by the employee; however, the City has a custodial responsibility to properly administer the Plans. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

The terms of the Plan agreement initially required the City to annually contribute 10% of each participant's earnings, and a mandatory contribution by each participant, of 5% of earnings with an option to contribute 10%. The City contributed 27% on behalf of the City Manager for the first pay date of the fiscal year covering the pay period ending September 30, 2005. Effective October 1, 2005, the City Manager and many other participants in the defined contribution plan joined the new Tamarac Elected and Appointed Officers and Non-Represented Employees Pension Plan. For those who chose to remain in the defined contribution plan, the City's contribution rates are 11% for employees with up to five years of service, 13% for employees with five to ten years of service and 15% for employees with ten or more years of service. For the year ended September 30, 2008, the City's contribution to the Plan was \$97,080 and the plan members' contribution was \$52,093.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

B. EMPLOYEE PENSION SYSTEM

(a) Plan Descriptions

All City full-time permanent employees, except for certain administrative employees and certain management employees who were hired prior to October 1, 2005, participate in one of four Employee Pension Plans, each of which is a single-employer contributory defined benefit pension plan. The Plans were established by the City in accordance with City ordinance and Florida Statutes and cover four employee groups (Elected and Appointed Officers and Non-Represented Employees, General Employees, Police Officers, and Firefighters). The Plans provide retirement, death and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance. The General Employees', Police Officers', and Firefighters' Plans provide that a cost-of-living adjustment of up to 2% may be payable for any year in which the respective Plan has an actuarial gain. This provision has been interpreted by the Board and its attorney as applied on a group-by-group basis.

During fiscal year 2005, the Firefighters' Pension Fund implemented an annual cost-of-living adjustment (COLA) of 2% to those participants who retire on or after October 1, 2002, which replaces the cost-of-living adjustment described above for eligible retirees. The new COLA is payable each January 1 to those eligible participants who retired at least three years prior to such January 1. The Firefighters' Pension Fund also implemented a Deferred Retirement Option Plan (DROP) for participants attaining 25 years of service. Participation may be up to 36 months. DROP payments are held in the fund and earn interest until termination of employment, at which time the balance including interest is paid in a lump sum amount. In 2007, the DROP participation period was increased from 36 months to 60 months with a maximum of 30 years of service. The cost-of-living adjustment was increased to 2.25% for participants who retire on or after March 1, 2007. And, a supplemental benefit (additional benefit) was implemented for eligible active participants based on accrued, unused sick leave at 3% of average final compensation.

During fiscal year 2006, the General Employees' Pension Plan increased the employee contribution rate from 5% to 7% of pretax earnings. The plan was amended to provide a normal retirement at age 55 with 30 years of service, and the multiplier was increased to 2.6% of average final compensation for each year of service.

On June 22, 2005, the City Commission adopted on second reading ordinance O-2005-11 creating a new defined benefit plan effective October 1, 2005. The new plan, known as the City of Tamarac Elected and Appointed Officers and Non-Represented Employee Retirement Plan was offered to all full time elected and appointed officers, and all other full time employees not represented by a bargaining unit. Eligible employees were provided the option of remaining in whichever plan they were currently enrolled or transferring to the new plan.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

B. EMPLOYEE PENSION SYSTEM (Continued)

Under the Non-Represented Employee Retirement Plan, employees are required to contribute 10% of pretax earnings, excluding bonuses, employer contributions to any health, dental, disability or related insurance program, medical or child care reimbursement, employer contributions to a deferred compensation program, or cash payment of unused, accumulated leave payable upon separation from the City. Participants attain 20% vesting for each year of completed service with the City. For all employees other than the elected officials and the City Manager and City Attorney, the multiplier is 3% of average final compensation for each year of service with a maximum of 80% of average final compensation. Elected officials receive 20% of average final compensation for each complete 3-year term in office, with pro-rata accrual for partial years in office. The City Manager and City Attorney receive 4% of average final compensation of each year of credited service. There is cost of living adjustment of 2% per year compounded annually, beginning on January 1st coincident with or immediately following the completion of 60 complete months after the commencement of retirement benefits under the plan.

A member may retire on the first day of the month coincident with or next following the earlier of age 55 and the completion of 25 years of service or age 57 with 20 years of service or age 60 with 5 years of service. The plan also provides that for members who become permanently and totally disabled and unable to perform the member's duties for the City or a comparable position provided by the City, the member shall be deemed to have reached normal retirement, and shall be eligible to receive immediate benefits based on the compensation and service accrued.

Each Plan issues a publicly available financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing to the City of Tamarac, Florida, Attn: Finance Department, 7525 NW 88th Avenue, Tamarac, Florida 33321-2401.

(b) Funding Policy

Each full-time regular employee of the City must participate in the Plan appropriate to his or her position starting on the first day of employment. Participants of the Elected and Appointed Officers and Non-Represented Employees Plan are required to contribute 10% of pretax earnings. Participants of the General Employees Pension Plan must contribute 7% of pretax earnings. Firefighters must contribute 9% of pretax earnings. The City is required to contribute an actuarially determined amount.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

B. EMPLOYEE PENSION SYSTEM (Continued)

Contribution requirements of the Plan members and the City are established and may be amended by City Ordinance. In addition, certain Broward Sheriff's Office employees are covered by the Police Officers' Pension Plan for which contributions were made by the Broward Sheriff's Office based on rates determined by Florida Statute. At the beginning of the current fiscal year, the final contribution from BSO was received, after which all active participants of the Police Officers' Plan had either retired or were terminated, vested.

(c) Funded Status and Funding Progress

The funded status of each plan as of October 1, 2007, the most recent actuarial valuation date, is as follows (dollar amounts in thousands):

<u>Pension Plans</u>	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Elected and appointed officers and non-represented employees	\$ 8,287	\$ 17,271	\$ 8,984	48%	\$ 4,702	191%
General Employees	23,423	28,222	4,799	83%	6,189	78%
Police Officers	8,756	11,183	2,427	78%	-	N/A
Firefighters	34,978	50,390	15,412	69%	6,815	226%

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

B. EMPLOYEE PENSION SYSTEM (Continued)

Additional information as of the latest actuarial valuation follows:

	Elected and Appointed and Non-Represented Employees' <u>Pension Plan</u>	General Employees' <u>Pension Plan</u>	Police Officers' <u>Pension Plan</u>	Firefighters' <u>Pension Plan</u>
Contribution rates (% of Payroll):				
City*	28.90%	19.98%	N/A***	37.14%
State of Florida*	0.00%	0.00%	N/A***	6.35%
Plan Members*	10.00%	7.00%	N/A***	9.00%
Annual Pension cost*	\$1,358,721	\$1,354,217	\$463,949	\$3,085,881
Contributions made	\$1,358,721	\$1,236,629	\$547,039	\$3,219,215
Actuarial valuation date	10/01/07	10/01/07	10/01/07	10/01/07
Actuarial cost method*	Individual entry age	Entry age normal	Entry age normal	Entry age normal
Amortization method*	Level percentage, open Market value	Level dollar, open 3-year smoothed market	Level dollar, closed 4-year smoothed market	Level dollar, open 3-year smoothed market
Remaining amortization period*	30 years	30 years	30 years	30 years
Actuarial assumptions:				
Investment rate of return*	7.00%	7.00%	7.25%	7.00%
Projected salary increases*	5.00%	5.00%	N/A	5.00%
Includes inflation at *	3.50%	3.50%	3.50%	3.00%
Cost-of-living adjustments**	2.00%	None	None	2.25%

*Per Actuarial Valuation Report on Actuarial valuation date.

**Each plan provides for a 2% cost-of-living adjustment for any year in which the Plan has an actuarial gain. The non-represented employees' plan provides a 2% annual cost-of-living adjustment beginning January 1 five years after retirement. The firefighters' plan provides a 2% annual cost-of-living adjustment for participants retiring on or after October 1, 2008 and a 2.25% cost-of-living adjustment for participants retiring on or after March 1, 2007, beginning January 1 three years after retirement.

***There is no payroll for the police officers' plan because it is a closed plan. All participants have retired or terminated with vested benefits.

In 2008, the City's financial statements include revenue and expenditures from contributions received from State Department of Revenues and Division of Retirement on behalf of its Firefighter and Police Officers Pension Plans amounting to \$688,142 and \$505,905, respectively. The monies were deposited within 5 days from their receipt in accordance with provisions of the law.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

B. EMPLOYEE PENSION SYSTEM (Continued)

(d) Annual Pension Cost and Net Pension Obligation

The annual pension cost and net pension obligation for each Pension Plan for fiscal year ended September 30, 2008 is as follows:

	Elected and Appointed and Non-rep. <u>Employees</u>	General <u>Employees</u>	Police <u>Officers</u>	<u>Firefighters</u>
Annual required contribution	\$ 1,423,538	\$ 1,355,994	\$ 249,146	\$ 3,081,958
Interest on net pension obligation/(assets)	-	11,753	(16,791)	(25,941)
Adjustment to annual required contribution	<u>(64,817)</u>	<u>(13,530)</u>	<u>231,594</u>	<u>29,864</u>
Annual pension cost	1,358,721	1,354,217	463,949	3,085,881
Contributions made	<u>1,358,721</u>	<u>1,236,629</u>	<u>547,039</u>	<u>3,219,215</u>
Increase (decrease) in net pension obligation/(asset)	-	117,588	(83,090)	(133,334)
Net pension obligation/(asset) at beginning of year	<u>-</u>	<u>(274,233)</u>	<u>324,584</u>	<u>(764,001)</u>
Net pension obligation/(asset) at end of year	<u>\$ -</u>	<u>\$ (156,645)</u>	<u>\$ 241,494</u>	<u>\$ (897,335)</u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

(d) Three-Year Trend Information

Elected and Appointed Officers and Non-Represented Employees' Pension Plan

(1) <u>Fiscal Year Ended</u>	(2) <u>Annual Pension Cost</u>	(3) <u>Percentage Of APC Contributed</u>	(4) <u>Net Pension (Asset)/ Obligation</u>
9/30/06	\$ 1,173,947	100%	\$ -
9/30/07	1,200,981	100%	-
9/30/08	1,358,721	100%	-

General Employees' Pension Plan

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost</u>	<u>Percentage Of APC Contributed</u>	<u>Net Pension (Asset)/ Obligation</u>
9/30/06	\$ 787,518	162%	\$ (289,718)
9/30/07	1,473,177	99%	(274,233)
9/30/08	1,354,217	91%	(156,645)

Police Officers' Pension Plan

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost</u>	<u>Percentage Of APC Contributed</u>	<u>Net Pension (Asset)/ Obligation</u>
9/30/06	\$ 513,356	56%	\$ 54,969
9/30/07	725,267	63%	324,583
9/30/08	463,949	118%	241,494

Firefighters' Pension Plan

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost</u>	<u>Percentage Of APC Contributed</u>	<u>Net Pension (Asset)/ Obligation</u>
9/30/06	\$ 2,115,731	101%	\$ 27,643
9/30/07	2,336,492	134%	(763,999)
9/30/08	3,085,881	104%	(897,335)

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 11. OTHER POST EMPLOYMENT BENEFITS

The City of Tamarac provides Post Employment Benefits Other than Pensions (OPEB) to employees as mandated by Florida Statutes 112.0801. The City of Tamarac, Florida has no formal plan that administers the City's post-employment healthcare, dental and life insurance coverage to eligible individuals and includes all regular employees of the City who retire from active service and are eligible for retirement or disability benefits under the general employee, management and pension plan. Under certain conditions, eligible individuals for healthcare coverage also include spouses and dependent children. The retiree healthcare and life insurance plan does not issue a financial report since there are no significant assets and liabilities to report as of the end of the fiscal year 2008.

Funding Policy. The cost of retiree healthcare and life insurance benefits for certain retirees who were covered by the early retirement program window are eligible to receive subsidized postemployment health care up to age 65. The subsidy varies by individual depending on the retiree's election to use his/her early retirement window "point" to receive a partial or full subsidy toward the regular monthly premium. The City contributed approximately \$58,000 during the fiscal year 2008 as the City's portion of their health costs on a "pay as you go" funding basis.

Retirees not covered by the early retirement program pay the full insurance premium for medical and life insurance coverage as determined by the insurance carrier. Premium varies depending on whether retirees elect coverage under health maintenance organization (HMO) plan, under a point-of-service (POS) plan, or a preferred provider organization (PPO) plan and whether the retiree elect single or family coverage. The monthly health insurance premium rates for retirees for the fiscal year 2008 ranges from \$360 to \$579 for single coverage and from \$935 to \$1,410 for family coverage. The monthly dental insurance premium rates for the fiscal year 2008 were \$25 for retiree up to \$70 for retiree with two or more family members.

Annual OPEB Cost and Net OPEB Obligation. The City's annual other post employment benefit (OPEB) cost is calculated based in annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year ended September 30, 2008, the amount actually contributed and the changes in the City's net OPEB obligation:

Annual required contributions	<u>\$ 114,783</u>
Annual OPEB Cost	107,337
Contribution made	<u>58,267</u>
Increase in Net OPEB obligation	49,070
Net OPEB obligation at beginning of the year	<u>51,804</u>
Net OPEB obligation at end of the year	<u><u>\$ 100,874</u></u>

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (Continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contribution and the net OPEB obligation for fiscal year ended September 30, 2008 are as follows:

Annual OPEB Cost	\$ 107,337
Percentage of Annual OPEB Cost Contributed	51%
Net OPEB Obligation	100,874

The City did not accrue the net pension obligation for the year in the government-wide financial statements.

Funded Status and Funding Progress. As of October 1, 2007, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$1,250,166, all of which was unfunded. The covered payroll (annual payroll of active employees) was \$19,761,770 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 6.3 percent.

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

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

On the October 1, 2007 actuarial valuation, the projected unit credit cost method was used to determine all liabilities, with the liability for each active employee assumed to accrue over his working lifetime based on elapsed time from his date of hire until retirement. The actuarial assumption included a 5 percent investment rate of return and annual healthcare costs trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 5 percent after 6 years, investment rate of return included a 3 percent inflation rate assumption. The investment rate was based on the expected long-term return on the assets which will be used to provide the OPEB benefits being valued. If there are no invested assets, which is the case where the City has no benefit trust designated to pay the promised benefits, the actuary used the expected long-term on the City surplus fund in the calculation. The City's OPEB unfunded actuarial accrued liability is being amortized as a level dollar payment on a 20-year open period.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 12. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The risk management program is responsible for administering the City's insurance, self-insurance, general safety and loss prevention programs. The City purchases commercial insurance for all types of claims with nominal deductible amounts except for self-insurance risks discussed below.

Prior to October 1, 1996, the City established a self-insurance program for workers' compensation effective October 1, 1987 and for general and automobile liability effective October 1, 1989. The amount of risk retained by the City is limited through the purchase of excess insurance of \$2 million with a deductible per occurrence as follows:

Workers' compensation	\$ 350,000
General and auto liability	200,000
Public official liability	25,000

The Florida Legislature pursuant to Florida Statute §768.28, must approve liability awards in excess of \$100,000 per person, \$200,000 per occurrence against municipalities in the State of Florida.

These limits do not apply to action brought in federal courts or to claim relief bills approved by the Florida legislature.

For periods subsequent to October 1, 1996, the City continues to change their insurance program limits and deductibles to enhance and refine the protection afforded. Current deductible limits for the primary insurance lines per occurrence are as follows:

General and auto liability	\$ 25,000
Automobile physical damage	10,000
Workers' compensation	25,000
Crime	10,000
Property damage	50,000
Property damage (windstorm) - 5% of the total insured value per damaged location	

Liabilities are recorded when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing claims liability does not necessarily result in an exact amount.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 12. RISK MANAGEMENT (Continued)

Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. Interfund premiums are based primarily upon the insured funds' claims experience and are reported as interfund services provided and used. The claims liability of \$970,000 reported at September 30, 2008 in the Insurance Services Fund is based on GASB No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues" which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the fund's claims liability during the past two fiscal years are as follows:

<u>Year Ended September 30</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments (Credits)</u>	<u>End of Year Liability</u>
2007	\$ 2,688,443	\$ (1,416,373)	\$ (391,070)	881,000
2008	881,000	1,434,391	1,345,391	970,000

The City has not had a significant reduction in insurance coverage from coverage in the prior year major categories of risk, and settled claims have not exceeded the City's retention and excess coverage in force for each of the past three years.

NOTE 13. COMMITMENTS AND CONTINGENCIES

A. Pending litigation

The City is defendant in various legal proceedings and claims arising in the ordinary course of operations. Management has instructed legal counsel to vigorously defend these actions and does not expect ultimate liability, if any, to have a material adverse effect on the financial statements of the City.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

B. Interlocal Agreement with Broward County Sheriff's Office

A contract exists between Broward County Sheriff's Office and the City, whereby Broward County Sheriff's Office provides police officers to serve the City of Tamarac. These police officers are paid on Broward County Sheriff's Office payroll. The City of Tamarac pays Broward County for the police services based on a five-year contract ending September 30, 2009. The City recorded expenses of \$9,715,000 under this contract for the fiscal year ended September 30, 2008.

C. Interlocal Agreement with Broward County, Florida

In 1988, the City entered into an agreement with Broward County, Florida for the transmission, treatment and disposal of wastewater. The charges for service provided by the County include operating, maintenance and debt service charges for the facilities and the County Improvement, Repair, and Replacement Fund Surcharge. The charges are adjusted annually based upon actual costs incurred in the prior year. For the fiscal year ended September 30, 2008, the City recorded expenses of \$3,672,668 under this agreement. The agreement will continue in existence and cannot be canceled on any condition except by mutual cancellation agreement between the City and Broward County. Management considers cancellation of this agreement as remote. In addition, future payments under this agreement are not estimable.

D. Debt Service Forward Delivery Agreement

On April 30, 2004, the City of Tamarac entered into a "Debt Service Forward Delivery Agreement (DSFDA)" with J.P. Morgan Trust Company, N.A., as Custodian, and Wachovia Bank, N.A. The DSFDA covers the City of Tamarac's: (1) Water and Sewer Utility Revenue Bonds, Series 1992, (2) Taxable Water and Sewer Utility Revenue Refunding Bonds, Series 1996, (3) Sales Tax Revenue Bonds, Series 1999, (4) Sales Tax Revenue Bonds, Series 2002, (5) and Capital Improvement Revenue Bonds, Series 2004. The City of Tamarac makes scheduled monthly deposits from revenues collected for debt service, to J.P. Morgan. J.P. Morgan will exchange the debt service funds for securities with Wachovia Bank. Debt service payments are made by J.P. Morgan from proceeds of maturing securities semi-annually to the bondholders. The City of Tamarac received an upfront fee of \$747,000 in exchange for the right to future investment earnings. This agreement will remain throughout the terms of the Revenue bond issues stated above, scheduled to end on October 1, 2024.

On August 31, 2006, the City of Tamarac defeased the Water and Sewer Utility Bonds, Series 1992. The Debt Service Forward Delivery Agreement was amended and the City returned \$33,100 of upfront fees to J. P. Morgan.

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

NOTE 13. COMMITMENTS AND CONTINGENCIES (Continued)

D. Debt Service Forward Delivery Agreement (Continued)

J.P. Morgan is only authorized to invest in 100% U.S. Treasury Securities Money Market Fund Agency Shares. As of September 30, 2008, the City of Tamarac has a balance of \$2,647,402 at J.P. Morgan, and is required to make scheduled deposits as follows:

	<u>Deposits</u>
Year ending September 30,	
2009	\$ 3,464,430
2010	2,440,800
2011	2,442,978
2012	2,438,718
2013	2,438,142
2014-2018	12,001,444
2019-2023	7,497,576
2024	694,932
Total	<u>\$ 33,419,020</u>

E. Purchase/Exchange of real property

In August 2007, the City entered into an agreement with Tamarac Jewish Center, Inc. (the "Center") to purchase a parcel of land known as "Temple Parcel" for a total consideration of \$6.8 million consisting of \$4,995,000 in cash and a tract of land owned by the City valued \$1.8 million. The tract of land will be given to the Center to build its new Temple. In addition, the City will leaseback to the Center the Temple Parcel for a two-year period beginning August 22, 2008 for \$500,000 advance payment and monthly rental of \$1 plus applicable state and local states and property taxes and assessment. Both parties may extend the terms of the lease on a month to month renewal for a monthly rental of \$20,833 plus applicable state and local sales and property taxes and assessment payable on the first day of each month. The leased premises shall be used by the Center for the Temple and school purposes until the new facilities are fully completed on the exchanged parcel. As a result of the lease agreement, the City will retain \$1,000,000 of the purchase price and will release the money to the Center at the end of the lease agreement of the Temple Parcel.

In the event that the Center either fails to make a good faith application for a building permit for the construction of a new facility on the exchange parcel within six month from the date of closing or fails to completely vacate and surrender possession of the Temple Parcel to the City, the City shall have the right to purchase from the Center the exchanged parcel for \$1.8 million. In the event that the City elects to exercise this buyback provision, the Center is entitled to receive the \$1 million balance retained by the City from the purchase price of the Temple Parcel.

**REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MD&A)**

CITY OF TAMARAC, FLORIDA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues:				
Taxes	\$ 30,150,900	\$ 30,150,900	\$ 30,336,334	\$ 185,434
Charges for services	1,654,900	1,654,900	1,811,976	157,076
Payment in lieu of taxes	718,700	718,700	710,083	(8,617)
Intergovernmental	6,185,800	5,808,909	5,716,942	(91,967)
Licenses and permits	2,885,000	2,436,363	2,406,897	(29,466)
Fines and forfeitures	725,000	725,000	446,866	(278,134)
Miscellaneous	6,093,400	9,732,394	6,258,101	(3,474,293)
Investment income	<u>475,000</u>	<u>475,000</u>	<u>743,090</u>	<u>268,090</u>
Total revenues	<u>48,888,700</u>	<u>51,702,166</u>	<u>48,430,289</u>	<u>(3,271,877)</u>
Expenditures:				
Current:				
General government:				
Commission	765,200	791,054	741,916	49,138
City manager	1,332,500	1,266,586	1,188,475	78,111
City attorney	473,300	473,300	441,914	31,386
City clerk	577,300	595,180	509,382	85,798
Human resources	968,400	1,043,417	923,469	119,948
Finance	1,917,900	1,918,900	1,745,025	173,875
Public works	1,224,700	1,255,349	1,280,048	(24,699)
Custodial and building maintenance	1,182,500	1,182,930	1,176,999	5,931
Boards and committees	105,600	105,600	97,733	7,867
Fleet management	978,500	2,558,178	761,642	1,796,536
Information technology	1,149,100	1,382,703	989,283	393,420
Non-departmental	<u>2,300,900</u>	<u>1,891,671</u>	<u>982,723</u>	<u>908,948</u>
Total general government	<u>12,975,900</u>	<u>14,464,868</u>	<u>10,838,609</u>	<u>3,626,259</u>
Public safety:				
Police	9,879,500	9,915,620	9,905,672	9,948
Building	1,700,600	1,748,999	1,581,791	167,208
Community development	<u>700,400</u>	<u>680,787</u>	<u>579,028</u>	<u>101,759</u>
Total public safety	<u>12,280,500</u>	<u>12,345,406</u>	<u>12,066,491</u>	<u>278,915</u>
Transportation	<u>1,245,100</u>	<u>1,393,793</u>	<u>1,148,552</u>	<u>245,241</u>
Culture / recreation:				
Recreation activities	2,250,800	2,229,612	2,212,865	16,747
Park facilities	1,891,800	2,002,329	1,833,696	168,633
Transport services	<u>443,800</u>	<u>437,228</u>	<u>433,519</u>	<u>3,709</u>
Total culture/recreation	<u>4,586,400</u>	<u>4,669,169</u>	<u>4,480,080</u>	<u>189,089</u>
Physical environment:				
Engineering	497,400	541,952	498,710	43,242
Landscape and irrigation	1,208,000	1,106,332	1,060,571	45,761
Planning	540,700	597,338	500,317	97,021
Recycling services	<u>327,000</u>	<u>364,000</u>	<u>124,414</u>	<u>239,586</u>
Total physical environment	<u>2,573,100</u>	<u>2,609,622</u>	<u>2,184,012</u>	<u>425,610</u>
Economic environment	<u>208,400</u>	<u>470,910</u>	<u>321,340</u>	<u>149,570</u>
Human services	<u>242,200</u>	<u>241,298</u>	<u>235,566</u>	<u>5,732</u>
Total expenditures	<u>34,111,600</u>	<u>36,195,066</u>	<u>31,274,650</u>	<u>4,920,416</u>
Excess of revenues over expenditures	<u>14,777,100</u>	<u>15,507,100</u>	<u>17,155,639</u>	<u>1,648,539</u>
Other financing sources (uses):				
Operating transfer in	381,000	381,000	381,000	-
Operating transfer out	<u>(15,158,100)</u>	<u>(15,888,100)</u>	<u>(14,958,100)</u>	<u>930,000</u>
Total other financing (uses)	<u>(14,777,100)</u>	<u>(15,507,100)</u>	<u>(14,577,100)</u>	<u>930,000</u>
Net change in fund balance	-	-	2,578,539	2,578,539
Fund balances, October 1	<u>17,519,061</u>	<u>17,519,061</u>	<u>17,519,061</u>	-
Fund balances, September 30	<u>\$ 17,519,061</u>	<u>\$ 17,519,061</u>	<u>\$ 20,097,600</u>	<u>\$ 2,578,539</u>

See notes to budgetary comparison schedules

CITY OF TAMARAC, FLORIDA
 BUDGETARY COMPARISON SCHEDULE
 FIRE AND RESCUE SPECIAL REVENUE FUND
 YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 2,166,000	\$ 2,164,444	\$ 2,032,738	\$ (131,706)
Intergovernmental	30,000	30,000	71,872	41,872
Fire rescue assessment	6,911,100	6,911,100	6,715,675	(195,425)
Investment income	120,000	120,000	98,319	(21,681)
Miscellaneous	<u>2,000</u>	<u>1,455,593</u>	<u>2,477</u>	<u>(1,453,116)</u>
Total revenues	<u>9,229,100</u>	<u>10,681,137</u>	<u>8,921,081</u>	<u>(1,760,056)</u>
Expenditures:				
Current:				
Public safety	<u>16,012,100</u>	<u>17,464,137</u>	<u>15,968,144</u>	<u>1,495,993</u>
Total Expenditures	<u>16,012,100</u>	<u>17,464,137</u>	<u>15,968,144</u>	<u>1,495,993</u>
(Deficiency) of revenues (under) expenditures	<u>(6,783,000)</u>	<u>(6,783,000)</u>	<u>(7,047,063)</u>	<u>(264,063)</u>
Other financing sources:				
Operating transfer in	<u>6,783,000</u>	<u>6,783,000</u>	<u>6,783,000</u>	<u>-</u>
Total other financing sources	<u>6,783,000</u>	<u>6,783,000</u>	<u>6,783,000</u>	<u>-</u>
Net change in fund balance	-	-	(264,063)	(264,063)
Fund balances, October 1	<u>1,593,510</u>	<u>1,593,510</u>	<u>1,593,510</u>	<u>-</u>
Fund balances, September 30	<u>\$ 1,593,510</u>	<u>\$ 1,593,510</u>	<u>\$ 1,329,447</u>	<u>\$ (264,063)</u>

See notes to budgetary comparison schedules

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2008

CITY OF TAMARAC, FLORIDA

NOTE TO BUDGETARY COMPARISON SCHEDULE FISCAL YEAR ENDED SEPTEMBER 30, 2008

A. Budgetary Information

The following procedures are used to establish the budgetary data reflected in the financial statements:

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States on all governmental funds except for six (6) special revenue funds: Law Enforcement Forfeiture, Drainage Improvement, Parks and Recreation Improvement, Donations and Sponsorship, Street Improvement and Affordable Housing Assistance Funds.

1. Prior to July 30 of each year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing such expenditures.
2. Public hearings are held to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. The level of control at which expenditures may not exceed budget is at the departmental level. The City Commission approves these levels by annual resolution. The City Manager is authorized to transfer budgeted amounts within individual departments; any revisions that alter the total expenditures of any appropriation center within a fund must be approved by the City Commission. See the separately issued budgetary report on the General Fund's Statement of Revenues, Expenditures and Changes in Fund – Budget and Actual for the departmental legal level of control.
5. Appropriations lapse at year end, except for grants and shared revenues from other governmental units which do not lapse at year-end and are only reported to the extent of revenues recognized, and expenditures incurred for the current year. Over the course of the year, the City amended the General Fund budget three (3) times. The budget amendments fall into two categories: (1) Amendments are approved for rollovers related to capital improvement projects, tasks and projects in progress, and prior year encumbrances; and (2) supplemental appropriations were made to recognize and appropriate grant revenues which were received after the Adopted Budget, and to provide appropriations for various other needs which have arisen since the adoption of the budget. Even with these adjustments, actual disbursements were \$4.9 million below final budgeted amounts. Of this amount, \$1.8 million is designated for future vehicle acquisition and prior year's encumbrances. The most significant contributor to this variance was various departmental savings due to staff vacancies and turnover.
6. For the year ended September 30, 2008, expenditures exceeded appropriations in the Public Works department (the legal level of budgetary control) of the general fund by \$24,699. This over expenditures was funded by available fund balance.

City of Tamarac, Florida
EMPLOYEES' PENSION FUNDS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
(Unaudited)

Elected and Appointed Officers and Non-Represented Employees' Pension Fund:

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded Actuarial Accrued Liability (UAAL)(3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL As % of Covered Payroll (4)/(6)
10/1/05	\$3,685,925	\$12,112,950	\$8,427,025	30.0%	\$3,796,333	222.0%
10/1/06	6,051,404	14,140,443	8,089,039	43.0	4,157,248	194.6
10/1/07	8,287,371	17,271,459	8,984,088	48.0	4,701,787	191.1

General Employees' Pension Fund:

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded Actuarial Accrued Liability (UAAL)(3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL As % of Covered Payroll (4)/(6)
10/1/05	\$18,743,212	\$21,799,510	\$3,056,298	86.0%	\$5,460,339	56.0%
10/1/06	20,634,647	26,352,967	5,718,320	78.3	6,278,039	91.1
10/1/07	23,422,600	28,221,518	4,798,918	83.0	6,189,215	77.5

Police Officers' Pension Fund:

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded Actuarial Accrued Liability (UAAL)(3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL As % of Covered Payroll (4)/(6)
10/1/05	\$8,326,320	\$11,119,704	\$2,793,384	74.9%	\$80,391	3,474.7%
10/1/06	8,466,037	11,172,170	2,706,133	75.8	92,805	2,915.9
10/1/07	8,755,871	11,182,761	2,426,890	78.3	0	N/A

Firefighters' Pension Fund:

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded Actuarial Accrued Liability (UAAL)(3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL As % of Covered Payroll (4)/(6)
10/1/05	\$26,370,033	\$39,185,356	\$12,815,323	67.3%	\$5,793,827	221.2%
10/1/06	30,210,509	43,488,781	13,278,272	69.5	5,356,655	247.9
10/1/07	34,978,331	50,390,174	15,411,843	69.4	6,815,386	226.1

City of Tamarac Other Post Employment Benefits

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded Actuarial Accrued Liability (UAAL)(3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL As % of Covered Payroll (4)/(6)
10/1/07	\$ -	\$1,250,166	\$1,250,166	0%	\$19,761,770	6.3%

CITY OF TAMARAC, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2008

City of Tamarac, Florida EMPLOYEES' PENSION FUNDS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Elected and Appointed Officers and Non-Represented Employees' Pension Fund:

(1)	(2)	(3)
<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2005/06	1,173,947	100%
2006/07	924,832	100
2007/08	1,423,538	95

General Employees' Pension Fund:

(1)	(2)	(3)
<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2005/06	\$ 788,126	96%
2006/07	1,473,927	99
2007/08	1,355,994	91

Police Officers' Pension Fund:

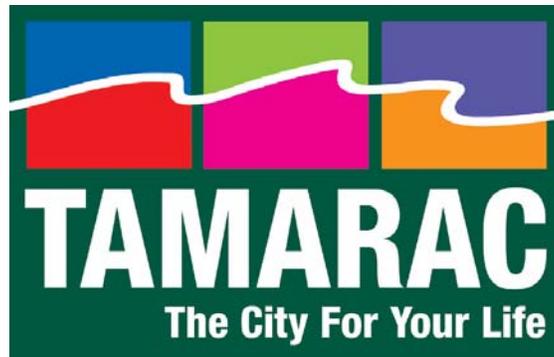
(1)	(2)	(3)
<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2005/06	268,566	108%
2006/07	291,964	156
2007/08	249,146	203

Firefighters' Pension Fund:

(1)	(2)	(3)
<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2005/06	\$ 2,114,870	101%
2006/07	2,335,191	101
2007/08	3,081,958	110

City of Tamarac Other Post Employment Benefits

(1)	(2)	(3)
<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2006/07	\$ 114,783	55%
2007/08	107,337	54%



COMBINING FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds account for revenues from revenue sources which by law are designated to finance particular functions or activities of government.

Law Enforcement Forfeiture Fund – to account for law enforcement related projects funded by the proceeds from forfeited confiscated property.

Drainage Improvement Fund – to account for the collection of drainage impact fees to be used for upgrading drainage and drainage retention.

Parks and Recreation Improvement Fund – to account for the collection of parks and recreation impact fees to be used for the acquisition and development of park and recreation facilities and sites.

Trafficways Improvement Fund – to account for the collection of impact fees to be used for construction or improvement of roads, streets, highways and bridges.

Public Arts Fund – to account all contributions received from art fees, grants, donations that are restricted for public arts projects within the City.

Grants Fund – to account for the grant proceeds received from other local, state and federal governments and their related expenditures excluding Community Development Block Grant and State Housing Initiative Partnership.

Development Block Grant Program Fund – to account for revenue from a grant agreement between the City and the U.S. Department of Housing and Urban Development and expenditures for qualified neighborhood revitalization. The program includes expenditures for housing rehabilitation and public service programs.

House Initiative Partnership – to account for funds received from the State Housing Initiatives Partnership for the purpose of providing affordable housing in the City.

Donations and Sponsorship Fund – to account for private donations and sponsorships received from citizens and corporate businesses.

Street Improvement Fund – to account for the collection of investment income to be used for public roadways including curbage and medians.

Affordable Housing Assistance Fund – to account for loan programs financed by the State Housing Initiative Partnership grant.

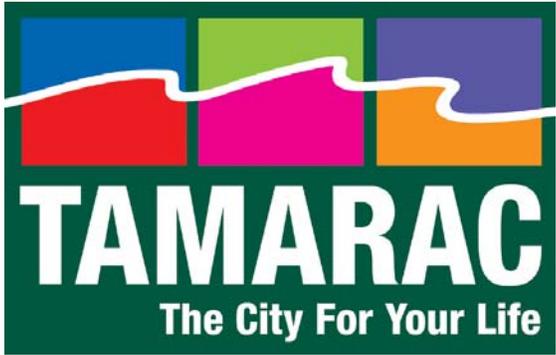
Debt Service Funds

General Obligation Debt Service Fund – to account for the accumulation of transfers from other funds and payment of principal and interest and fiscal charges on the City's general obligation bonds which are payable from ad valorem taxes.

Revenue Bonds Debt Service Fund – to account for the payment of principal and interest and fiscal charges on the City's revenue bonds (Street Improvement Program) which are payable from sales tax revenue.

Capital Projects Funds

Public Service Facilities Fund – to account for the proceeds from the Series 2002 Sales Tax Revenue Bonds used for the acquisition and construction of capital projects which includes the purchase of land, street improvements, the construction of a fire station, and a development service building.



CITY OF TAMARAC, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2008

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Fund-Public Service Facilities</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>				
Cash and equity in pooled cash and investments	\$ 4,279,272	\$ 796,398	\$ 2,999,111	\$ 8,074,781
Accounts receivable - net	1,982,004	-	-	1,982,004
Due from other funds	-	-	4,679	4,679
Due from other governments	732,846	381	-	733,227
Total assets	<u>\$ 6,994,122</u>	<u>\$ 796,779</u>	<u>\$ 3,003,790</u>	<u>\$ 10,794,691</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 230,322	\$ -	\$ 7,525	\$ 237,847
Accrued liabilities	13,626	-	-	13,626
Accrued bonds and interest payable	-	392,750	-	392,750
Due to other funds	297,239	-	-	297,239
Due to other governments	123,992	-	-	123,992
Deferred revenues	252,120	-	-	252,120
Total liabilities	<u>917,299</u>	<u>392,750</u>	<u>7,525</u>	<u>1,317,574</u>
<u>FUND BALANCES</u>				
Reserved for:				
Encumbrances	68,798	-	4,635	73,433
Special revenue funds	4,528,724	-	-	4,528,724
Capital projects funds	1,479,301	-	2,991,630	4,470,931
Unreserved reported in:				
Debt service funds	-	404,029	-	404,029
Total fund balances	<u>6,076,823</u>	<u>404,029</u>	<u>2,996,265</u>	<u>9,477,117</u>
Total liabilities and fund balances	<u>\$ 6,994,122</u>	<u>\$ 796,779</u>	<u>\$ 3,003,790</u>	<u>\$ 10,794,691</u>

CITY OF TAMARAC, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2008

	Special Revenue											Total
	Law Enforcement Trust	Drainage Improvements	Parks and Recreation Improvements	Trafficways Improvements	Public Arts	Grants	Development Block Grant Program	State Housing Initiative Partnership	Donations and Sponsorship	Streetscape Improvements	State Affordable Housing Assistance	
ASSETS												
Cash and equity in pooled cash and investments	\$ 58,111	\$ 240,071	\$ 364,432	\$ 1,020,645	\$ 1,699,654	\$ 67,466	\$ -	\$ 171,450	\$ 33,025	\$ 624,418	\$ -	\$ 4,279,272
Accounts receivable - net	-	-	-	-	-	-	-	-	-	-	1,982,004	1,982,004
Due from other governments	-	-	-	-	-	479,737	253,109	-	-	-	-	732,846
Total assets	<u>\$ 58,111</u>	<u>\$ 240,071</u>	<u>\$ 364,432</u>	<u>\$ 1,020,645</u>	<u>\$ 1,699,654</u>	<u>\$ 547,203</u>	<u>\$ 253,109</u>	<u>\$ 171,450</u>	<u>\$ 33,025</u>	<u>\$ 624,418</u>	<u>\$ 1,982,004</u>	<u>\$ 6,994,122</u>
LIABILITIES												
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 213,277	\$ 13,369	\$ 3,676	\$ -	\$ -	\$ -	\$ 230,322
Accrued liabilities	-	-	-	-	-	1,102	6,260	6,264	-	-	-	13,626
Due to other funds	-	-	-	-	-	80,513	213,731	-	-	-	2,995	297,239
Due to other governments	-	-	-	-	-	123,992	-	-	-	-	-	123,992
Deferred revenues	-	-	-	-	-	73,881	18,670	159,569	-	-	-	252,120
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>492,765</u>	<u>252,030</u>	<u>169,509</u>	<u>-</u>	<u>-</u>	<u>2,995</u>	<u>917,299</u>
FUND BALANCES												
Reserved for:												
Encumbrances	-	-	-	2,509	9,910	54,438	-	1,941	-	-	-	68,798
Special revenue funds	58,111	240,071	364,432	893,136	335,443	-	1,079	-	33,025	624,418	1,979,009	4,528,724
Capital projects funds	-	-	-	125,000	1,354,301	-	-	-	-	-	-	1,479,301
Total fund balances	<u>58,111</u>	<u>240,071</u>	<u>364,432</u>	<u>1,020,645</u>	<u>1,699,654</u>	<u>54,438</u>	<u>1,079</u>	<u>1,941</u>	<u>33,025</u>	<u>624,418</u>	<u>1,979,009</u>	<u>6,076,823</u>
Total liabilities and fund balances	<u>\$ 58,111</u>	<u>\$ 240,071</u>	<u>\$ 364,432</u>	<u>\$ 1,020,645</u>	<u>\$ 1,699,654</u>	<u>\$ 547,203</u>	<u>\$ 253,109</u>	<u>\$ 171,450</u>	<u>\$ 33,025</u>	<u>\$ 624,418</u>	<u>\$ 1,982,004</u>	<u>\$ 6,994,122</u>

CITY OF TAMARAC, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 SEPTEMBER 30, 2008

	Debt Service		
	General Obligation <u>Bond</u>	Revenue <u>Bond</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and equity in pooled cash and investments	\$ 116,346	\$ 680,052	\$ 796,398
Due from other governments	<u>381</u>	<u>-</u>	<u>381</u>
Total assets	<u>\$ 116,727</u>	<u>\$ 680,052</u>	<u>\$ 796,779</u>
<u>LIABILITIES</u>			
Accrued interest payable	\$ -	\$ 392,750	\$ 392,750
Total liabilities	<u>-</u>	<u>392,750</u>	<u>392,750</u>
<u>FUND BALANCES</u>			
Reserved for:			
Unreserved reported in:			
Debt service funds	<u>116,727</u>	<u>287,302</u>	<u>404,029</u>
Total fund balances	<u>116,727</u>	<u>287,302</u>	<u>404,029</u>
Total liabilities and fund balances	<u>\$ 116,727</u>	<u>\$ 680,052</u>	<u>\$ 796,779</u>

CITY OF TAMARAC, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Special Revenue Funds	Debt Service Funds	Capital Projects Fund-Public Service Facilities	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ -	\$ 267,384	\$ -	\$ 267,384
Charges for services	130,925	-	-	130,925
Intergovernmental	2,411,357	-	-	2,411,357
Investment Income	138,160	11,067	95,918	245,145
Miscellaneous	51,291	-	-	51,291
Total revenues	<u>2,731,733</u>	<u>278,451</u>	<u>95,918</u>	<u>3,106,102</u>
Expenditures:				
Current:				
General government	204,810	-	-	204,810
Public safety	18,295	-	-	18,295
Transportation	57,613	-	-	57,613
Culture / recreation	63,612	-	-	63,612
Economic environment	945,371	-	-	945,371
Human services	57,439	-	-	57,439
Debt service:				
Principal retirement	-	1,247,730	-	1,247,730
Interest and fiscal charges	-	1,562,443	-	1,562,443
Capital outlay:				
Public safety	84,945	-	-	84,945
Transportation	595,951	-	1,200	597,151
Culture and recreation	393,245	-	84,244	477,489
Total expenditures	<u>2,421,281</u>	<u>2,810,173</u>	<u>85,444</u>	<u>5,316,898</u>
Excess (deficiency) of revenues over expenditures	<u>310,452</u>	<u>(2,531,722)</u>	<u>10,474</u>	<u>(2,210,796)</u>
Other financing sources (uses):				
Operating transfers in	540,034	2,580,100	-	3,120,134
Operating transfers out	(540,034)	-	-	(540,034)
Total other financing sources	<u>-</u>	<u>2,580,100</u>	<u>-</u>	<u>2,580,100</u>
Net change in fund balance	310,452	48,378	10,474	369,304
Fund balances, October 1	5,766,371	355,651	2,985,791	9,107,813
Fund balances, September 30	<u>\$ 6,076,823</u>	<u>\$ 404,029</u>	<u>\$ 2,996,265</u>	<u>\$ 9,477,117</u>

CITY OF TAMARAC, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2008

	Special Revenue											Total
	Law Enforcement Trust	Drainage Improvements	Parks and Recreation Improvements	Trafficways Improvements	Public Arts	Grants	Development Block Grant Program	State Housing Initiative Partnership	Donations and Sponsorship	Streetscape Improvements	State Affordable Housing Assistance	
Revenues:												
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 130,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,925
Intergovernmental	12,433	-	-	-	-	1,181,501	622,996	594,427	-	-	-	2,411,357
Investment Income	1,529	7,523	11,420	34,301	50,868	2,192	1,791	7,796	1,173	19,567	-	138,160
Miscellaneous	-	-	-	-	-	-	51,291	-	-	-	-	51,291
Total revenues	13,962	7,523	11,420	34,301	181,793	1,183,693	676,078	602,223	1,173	19,567	-	2,731,733
Expenditures:												
Current:												
General government	-	-	-	-	-	77,302	127,508	-	-	-	-	204,810
Public safety	-	-	-	-	-	18,295	-	-	-	-	-	18,295
Transportation	-	-	-	-	-	57,613	-	-	-	-	-	57,613
Culture / recreation	-	-	-	-	8,141	50,000	5,470	-	1	-	-	63,612
Economic environment	-	-	-	-	-	-	489,595	75,403	-	-	380,373	945,371
Human services	-	-	-	-	-	-	53,505	-	3,934	-	-	57,439
Capital outlay:												
Public safety	-	-	-	-	-	84,945	-	-	-	-	-	84,945
Transportation	-	-	-	95,851	-	500,100	-	-	-	-	-	595,951
Culture and recreation	-	-	-	-	-	393,245	-	-	-	-	-	393,245
Total expenditures	-	-	-	95,851	8,141	1,181,500	676,078	75,403	3,935	-	380,373	2,421,281
Excess (deficiency) of revenues over expenditures	13,962	7,523	11,420	(61,550)	173,652	2,193	-	526,820	(2,762)	19,567	(380,373)	310,452
Other financing sources (uses):												
Operating transfers in	-	-	-	-	-	-	-	6,607	-	-	533,427	540,034
Operating transfers out	-	-	-	-	-	-	-	(533,427)	-	-	(6,607)	(540,034)
Total other financing sources (uses)	-	-	-	-	-	-	-	(526,820)	-	-	526,820	-
Net change in fund balance	13,962	7,523	11,420	(61,550)	173,652	2,193	-	-	(2,762)	19,567	146,447	310,452
Fund balances, October 1	44,149	232,548	353,012	1,082,195	1,526,002	52,245	1,079	1,941	35,787	604,851	1,832,562	5,766,371
Fund balances, September 30	\$ 58,111	\$ 240,071	\$ 364,432	\$ 1,020,645	\$ 1,699,654	\$ 54,438	\$ 1,079	\$ 1,941	\$ 33,025	\$ 624,418	\$ 1,979,009	\$ 6,076,823

CITY OF TAMARAC, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2008

	Debt Service		
	General Obligation Bond	Revenue Bond	Total
Revenues:			
Taxes	\$ 267,384	\$ -	\$ 267,384
Investment Income	8,386	2,681	11,067
Total revenues	275,770	2,681	278,451
Expenditures:			
Current:			
Debt service:			
Principal retirement	172,730	1,075,000	1,247,730
Interest and fiscal charges	89,643	1,472,800	1,562,443
Total expenditures	262,373	2,547,800	2,810,173
Excess (Deficiency) of revenues over expenditures	13,397	(2,545,119)	(2,531,722)
Other financing sources:			
Operating transfers in	-	2,580,100	2,580,100
Total other financing sources	-	2,580,100	2,580,100
Net change in fund balance	13,397	34,981	48,378
Fund balances, October 1	103,330	252,321	355,651
Fund balances, September 30	\$ 116,727	\$ 287,302	\$ 404,029

CITY OF TAMARAC, FLORIDA
TRAFFICWAYS IMPROVEMENTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ -	\$ -	\$ 34,301	\$ 34,301
Miscellaneous	<u>111,208</u>	<u>111,208</u>	<u>-</u>	<u>(111,208)</u>
Total revenues	<u>111,208</u>	<u>111,208</u>	<u>34,301</u>	<u>(76,907)</u>
Expenditures:				
Current:				
Transportation	<u>111,208</u>	<u>111,208</u>	<u>95,851</u>	<u>15,357</u>
Total expenditures	<u>111,208</u>	<u>111,208</u>	<u>95,851</u>	<u>15,357</u>
(Deficiency) of revenues (under) expenditures	<u>-</u>	<u>-</u>	<u>(61,550)</u>	<u>(61,550)</u>
Net change in fund balance	-	-	(61,550)	(61,550)
Fund balances at beginning of year	<u>1,082,195</u>	<u>1,082,195</u>	<u>1,082,195</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,082,195</u>	<u>\$ 1,082,195</u>	<u>\$ 1,020,645</u>	<u>\$ (61,550)</u>

CITY OF TAMARAC, FLORIDA
 PUBLIC ARTS SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget Positive Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 171,069	\$ 171,069	\$ 130,925	\$ (40,144)
Investment income	-	-	50,868	50,868
Total revenues	<u>171,069</u>	<u>171,069</u>	<u>181,793</u>	<u>10,724</u>
Expenditures:				
Current:				
Culture / recreation	<u>171,069</u>	<u>171,069</u>	<u>8,141</u>	<u>162,928</u>
Total expenditures	<u>171,069</u>	<u>171,069</u>	<u>8,141</u>	<u>162,928</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>173,652</u>	<u>173,652</u>
Net change in fund balance	-	-	173,652	173,652
Fund balances at beginning of year	<u>1,526,002</u>	<u>1,526,002</u>	<u>1,526,002</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,526,002</u>	<u>\$ 1,526,002</u>	<u>\$ 1,699,654</u>	<u>\$ 173,652</u>

CITY OF TAMARAC, FLORIDA
 GRANTS SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 2,296,688	\$ 1,181,501	\$ (1,115,187)
Investment income	-	-	2,192	2,192
Miscellaneous	-	10,393	-	(10,393)
Total revenues	<u>-</u>	<u>2,307,081</u>	<u>1,183,693</u>	<u>(1,123,388)</u>
Expenditures:				
Current:				
General government	200,000	314,118	77,302	236,816
Public safety	-	113,299	103,240	10,059
Transportation	-	840,100	557,713	282,387
Culture / recreation	-	1,245,000	443,245	801,755
Physical environment	-	4,937	-	4,937
Total expenditures	<u>200,000</u>	<u>2,517,454</u>	<u>1,181,500</u>	<u>1,335,954</u>
Excess (Deficiency) of revenues over (under) expenditures	(200,000)	(210,373)	2,193	212,566
Other financing sources (uses):				
Operating transfers in	<u>200,000</u>	<u>210,373</u>	-	<u>(210,373)</u>
Total other financing sources (uses)	<u>200,000</u>	<u>210,373</u>	-	<u>(210,373)</u>
Net change in fund balance	-	-	2,193	2,193
Fund balances at beginning of year	<u>52,245</u>	<u>52,245</u>	<u>52,245</u>	<u>-</u>
Fund balances at end of year	<u>\$ 52,245</u>	<u>\$ 52,245</u>	<u>\$ 54,438</u>	<u>\$ 2,193</u>

CITY OF TAMARAC, FLORIDA

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	Actual Amounts Budgetary Basis	
Revenues:				
Intergovernmental	\$ 434,100	\$ 2,473,740	\$ 622,996	\$ (1,850,744)
CDBG program repayment	-	-	51,291	51,291
Investment income	-	1,594	1,791	197
Total revenues	<u>434,100</u>	<u>2,475,334</u>	<u>676,078</u>	<u>(1,799,256)</u>
Expenditures:				
Current:				
General government	135,000	135,000	127,508	7,492
Culture / recreation	12,300	19,961	5,470	14,491
Economic environment	227,000	2,225,552	489,595	1,735,957
Human services	<u>59,800</u>	<u>94,821</u>	<u>53,505</u>	<u>41,316</u>
Total expenditures	<u>434,100</u>	<u>2,475,334</u>	<u>676,078</u>	<u>1,799,256</u>
Net change in fund balance	-	-	-	-
Fund balances at beginning of year	<u>1,079</u>	<u>1,079</u>	<u>1,079</u>	-
Fund balances at end of year	<u>\$ 1,079</u>	<u>\$ 1,079</u>	<u>\$ 1,079</u>	<u>\$ -</u>

CITY OF TAMARAC, FLORIDA
STATE HOUSING INITIATIVE PARTNERSHIP SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	Actual Amounts Budgetary Basis	
Revenues:				
Intergovernmental	\$ 1,206,021	\$ 1,206,021	\$ 594,427	\$ (611,594)
Investment income	-	-	7,796	7,796
Total revenues	<u>1,206,021</u>	<u>1,206,021</u>	<u>602,223</u>	<u>(603,798)</u>
Expenditures:				
Current:				
Economic environment:	<u>134,601</u>	<u>134,601</u>	<u>75,403</u>	<u>59,198</u>
Total expenditures	<u>134,601</u>	<u>134,601</u>	<u>75,403</u>	<u>59,198</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,071,420</u>	<u>1,071,420</u>	<u>526,820</u>	<u>(544,600)</u>
Other financing sources (uses):				
Operating transfers in	-	-	6,607	6,607
Operating transfers out	<u>(1,071,420)</u>	<u>(1,071,420)</u>	<u>(533,427)</u>	<u>537,993</u>
Total other financing sources (uses)	<u>(1,071,420)</u>	<u>(1,071,420)</u>	<u>(526,820)</u>	<u>544,600</u>
Net change in fund balance	-	-	-	-
Fund balances at beginning of year	<u>1,941</u>	<u>1,941</u>	<u>1,941</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,941</u>	<u>\$ 1,941</u>	<u>\$ 1,941</u>	<u>\$ -</u>

CITY OF TAMARAC, FLORIDA
GENERAL OBLIGATION DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 264,900	\$ 264,900	\$ 267,384	\$ 2,484
Investment income	-	-	8,386	8,386
Total revenues	<u>264,900</u>	<u>264,900</u>	<u>275,770</u>	<u>10,870</u>
Expenditures:				
Debt service:				
Principal	165,700	165,700	172,730	(7,030)
Interest and fiscal charges	<u>99,200</u>	<u>99,200</u>	<u>89,643</u>	<u>9,557</u>
Total expenditures	<u>264,900</u>	<u>264,900</u>	<u>262,373</u>	<u>2,527</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>13,397</u>	<u>13,397</u>
Net change in fund balance	-	-	13,397	13,397
Fund balances at beginning of year	<u>103,330</u>	<u>103,330</u>	<u>103,330</u>	<u>-</u>
Fund balances at end of year	<u>\$ 103,330</u>	<u>\$ 103,330</u>	<u>\$ 116,727</u>	<u>\$ 13,397</u>

CITY OF TAMARAC, FLORIDA
REVENUE BOND DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ -	\$ -	\$ 2,681	\$ 2,681
Total revenues	<u>-</u>	<u>-</u>	<u>2,681</u>	<u>2,681</u>
Expenditures:				
Debt service:				
Principal	1,075,000	1,075,000	1,075,000	-
Interest and fiscal charges	<u>1,505,100</u>	<u>1,505,100</u>	<u>1,472,800</u>	<u>32,300</u>
Total expenditures	<u>2,580,100</u>	<u>2,580,100</u>	<u>2,547,800</u>	<u>32,300</u>
(Deficiency) of revenues over expenditures	<u>(2,580,100)</u>	<u>(2,580,100)</u>	<u>(2,545,119)</u>	<u>34,981</u>
Other financing sources:				
Operating transfers in	<u>2,580,100</u>	<u>2,580,100</u>	<u>2,580,100</u>	<u>-</u>
Total other financing sources	<u>2,580,100</u>	<u>2,580,100</u>	<u>2,580,100</u>	<u>-</u>
Net change in fund balance	-	-	34,981	34,981
Fund balances at beginning of year	<u>252,321</u>	<u>252,321</u>	<u>252,321</u>	<u>-</u>
Fund balances at end of year	<u>\$ 252,321</u>	<u>\$ 252,321</u>	<u>\$ 287,302</u>	<u>\$ 34,981</u>

CITY OF TAMARAC, FLORIDA
PUBLIC SERVICE FACILITIES CONSTRUCTION CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>	Actual Amounts Budgetary <u>Basis</u>	
Revenues:				
Investment income	\$ -	\$ 349,798	\$ 95,918	\$ (253,880)
Total revenues	<u>-</u>	<u>349,798</u>	<u>95,918</u>	<u>(253,880)</u>
Expenditures:				
General government	-	233,888	-	233,888
Transportation	-	10,300	1,200	9,100
Culture/recreation	-	105,610	84,244	21,366
Total expenditures	<u>-</u>	<u>349,798</u>	<u>85,444</u>	<u>264,354</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>10,474</u>	<u>10,474</u>
Net change in fund balance	-	-	10,474	10,474
Fund balances at beginning of year	<u>2,985,791</u>	<u>2,985,791</u>	<u>2,985,791</u>	<u>-</u>
Fund balances at end of year	<u>\$ 2,985,791</u>	<u>\$ 2,985,791</u>	<u>\$ 2,996,265</u>	<u>\$ 10,474</u>

TRUST AND AGENCY FUNDS

Pension Trust Funds

Trust and Agency Funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments and/or funds. The City has four Pension Trust Funds.

General Employees' Trust Fund – to account for the accumulation of resources to be used for retirement benefit payments to the City's general employees.

Police Officers' Pension Fund – to account for the accumulation of resources to be used for retirement benefit payments to the City's former police officers.

Firefighters' Pension Fund – to account for the accumulation of resources to be used for retirement benefit payments to the City's firefighters.

Elected and Appointed and Non-Represented Employees' Pension Fund – to account for the accumulation of resources to be used for retirement benefit payments to the City's elected and appointed and non-represented employees.

CITY OF TAMARAC, FLORIDA
 COMBINING STATEMENT OF NET ASSETS
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2008

Pension Trust Funds

	<u>General Employees Retirement</u>	<u>Police Officers Retirement</u>	<u>Firefighters Retirement</u>	<u>Elected and Appointed and Non-represented Employees Retirement</u>	<u>Total</u>
<u>ASSETS</u>					
Equity in pooled cash and investments	\$ 295,721	\$ 519,524	\$ 809,084	\$ 301,852	\$ 1,926,181
Receivables:					
Interest and dividends	84,680	36,754	122,226	-	243,660
Contributions receivable	-	-	688,142	-	688,142
Investments, at fair value:					
Common stock	8,393,264	3,709,570	21,661,151	-	33,763,985
Government securities	4,856,726	392,115	11,555,837	-	16,804,678
Corporate bonds	4,011,266	1,453,320	1,487,169	-	6,951,755
Mutual funds	5,266,132	1,299,523	-	8,972,889	15,538,544
Money market funds	645,285	379,184	1,320,546	-	2,345,015
Total investments, at fair value	<u>23,172,673</u>	<u>7,233,712</u>	<u>36,024,703</u>	<u>8,972,889</u>	<u>75,403,977</u>
Total assets	<u>23,553,074</u>	<u>7,789,990</u>	<u>37,644,155</u>	<u>9,274,741</u>	<u>78,261,960</u>
<u>LIABILITIES</u>					
Accounts payable	40,682	24,178	66,331	4,775	135,966
Unearned revenues/future benefits	-	-	-	370,659	370,659
Total liabilities	<u>40,682</u>	<u>24,178</u>	<u>66,331</u>	<u>375,434</u>	<u>506,625</u>
<u>NET ASSETS</u>					
Held in trust for pension benefits	<u>23,512,392</u>	<u>7,765,812</u>	<u>37,577,824</u>	<u>8,899,307</u>	<u>77,755,335</u>
Total net assets	<u>\$ 23,512,392</u>	<u>\$ 7,765,812</u>	<u>\$ 37,577,824</u>	<u>\$ 8,899,307</u>	<u>\$ 77,755,335</u>

CITY OF TAMARAC, FLORIDA
 COMBINING STATEMENT OF CHANGES IN NET ASSETS
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	General Employees <u>Retirement</u>	Police Officers <u>Retirement</u>	Firefighters <u>Retirement</u>	Elected and Appointed and Non-represented Employees <u>Retirement</u>	<u>Total</u>
ADDITIONS					
Contributions:					
City	\$ 1,236,629	\$ 41,134	\$ 2,531,073	\$ 1,358,721	\$ 5,167,557
Plan members	499,672	340	621,524	537,676	1,659,212
State	<u>-</u>	<u>505,905</u>	<u>688,142</u>	<u>-</u>	<u>1,194,047</u>
Total contributions	<u>1,736,301</u>	<u>547,379</u>	<u>3,840,739</u>	<u>1,896,397</u>	<u>8,020,816</u>
Investment income:					
Net depreciation in fair value of investments	(3,497,427)	(1,437,785)	(5,309,367)	(1,245,303)	(11,489,882)
Interest and dividend income	<u>737,574</u>	<u>211,986</u>	<u>1,070,968</u>	<u>6,093</u>	<u>2,026,621</u>
Total investment income	(2,759,853)	(1,225,799)	(4,238,399)	(1,239,210)	(9,463,261)
Less investment expenses	<u>(102,348)</u>	<u>(85,084)</u>	<u>(236,113)</u>	<u>(17,925)</u>	<u>(441,470)</u>
Net investment loss	<u>(2,862,201)</u>	<u>(1,310,883)</u>	<u>(4,474,512)</u>	<u>(1,257,135)</u>	<u>(9,904,731)</u>
Total (deletions) additions	<u>(1,125,900)</u>	<u>(763,504)</u>	<u>(633,773)</u>	<u>639,262</u>	<u>(1,883,915)</u>
DEDUCTIONS					
Benefits paid and refunds	1,182,304	1,296,533	908,938	179,368	3,567,143
Administrative expenses	<u>56,925</u>	<u>47,371</u>	<u>51,380</u>	<u>41,901</u>	<u>197,577</u>
Total deductions	<u>1,239,229</u>	<u>1,343,904</u>	<u>960,318</u>	<u>221,269</u>	<u>3,764,720</u>
Change in net assets	(2,365,129)	(2,107,408)	(1,594,091)	417,993	(5,648,635)
Net assets, October 1	<u>25,877,521</u>	<u>9,873,220</u>	<u>39,171,915</u>	<u>8,481,314</u>	<u>83,403,970</u>
Net assets, September 30	<u>\$ 23,512,392</u>	<u>\$ 7,765,812</u>	<u>\$ 37,577,824</u>	<u>\$ 8,899,307</u>	<u>\$ 77,755,335</u>

CAPITAL ASSETS

Capital assets used in the operation of governmental funds.

CITY OF TAMARAC, FLORIDA

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS COMPARATIVE SCHEDULES BY SOURCE SEPTEMBER 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Governmental funds capital assets:		
Land	\$ 21,240,272	\$ 12,498,911
Buildings	27,295,420	27,152,909
Improvements other than buildings	12,164,991	8,188,931
Machinery and equipment	14,117,616	14,189,468
Infrastructure	55,958,667	54,053,943
Construction in progress	8,145,647	4,277,172
Total governmental funds capital assets	<u>\$ 138,922,613</u>	<u>\$ 120,361,334</u>
Investment in governmental funds capital assets by source:		
General fund	\$ 17,755,446	\$ 17,855,139
Special revenue funds	9,575,349	9,501,946
Capital projects funds	40,418,754	25,702,769
Federal grants	1,638,759	878,208
State grants	1,719,015	1,719,015
Local grants	6,383,225	4,342,972
Donations and other funds	32,564,801	32,564,801
General obligation bonds	3,250,000	3,250,000
Revenue bonds	25,617,264	24,546,484
Total governmental funds capital assets	<u>\$ 138,922,613</u>	<u>\$ 120,361,334</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service fund are excluded from the above amounts. Generally, the capital assets of internal service fund are included as government activities in the statement of net assets.

CITY OF TAMARAC, FLORIDA

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY YEAR ENDED SEPTEMBER 30, 2008

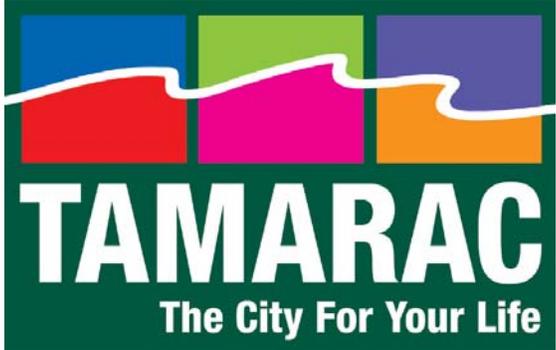
<u>FUNCTION AND ACTIVITY</u>	Governmental Funds Capital Assets October 1, <u>2007</u>	<u>Additions</u>	<u>Deductions</u>	Governmental Funds Capital Assets September 30, <u>2008</u>
Legislative and judicial:				
Legislative	\$ 35,996	\$ -	\$ -	\$ 35,996
City attorney	<u>17,180</u>	<u>-</u>	<u>-</u>	<u>17,180</u>
	<u>53,176</u>	<u>-</u>	<u>-</u>	<u>53,176</u>
Operational services:				
Community development	998,958	9,633,708	(905,066)	9,727,600
Fire protection	6,755,780	137,028	(80,865)	6,811,943
Public works	11,686,488	2,023,902	-	13,710,390
City engineer	61,094	-	-	61,094
IT	2,300,774	42,565	(145,616)	2,197,723
Fleet	4,237,294	206,284	(159,395)	4,284,183
Parks and recreation	23,276,514	4,139,786	-	27,416,300
Police services	<u>88,876</u>	<u>-</u>	<u>(3,610)</u>	<u>85,266</u>
	<u>49,405,778</u>	<u>16,183,273</u>	<u>(1,294,552)</u>	<u>64,294,501</u>
Administrative services:				
General and administration	12,244,142	-	(2,006)	12,242,136
Personnel and insurance	23,947	-	-	23,947
City manager	68,814	-	(4,071)	64,743
Satellite city hall	21,044	-	-	21,044
City clerk	117,343	-	(4,828)	112,515
Finance	<u>95,975</u>	<u>-</u>	<u>-</u>	<u>95,975</u>
	<u>12,571,265</u>	<u>-</u>	<u>(10,905)</u>	<u>12,560,360</u>
Highways and streets:				
Street system	<u>54,053,943</u>	<u>-</u>	<u>(185,014)</u>	<u>53,868,929</u>
	<u>54,053,943</u>	<u>-</u>	<u>(185,014)</u>	<u>53,868,929</u>
Construction in progress				
	<u>4,277,172</u>	<u>8,667,650</u>	<u>(4,799,175)</u>	<u>8,145,647</u>
	<u>\$ 120,361,334</u>	<u>\$ 24,850,923</u>	<u>\$ (6,289,646)</u>	<u>\$ 138,922,613</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service fund are excluded from the above amounts. Generally, the capital assets of internal service fund are included as government activities in the statement of net assets.

CITY OF TAMARAC, FLORIDA
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY
 SEPTEMBER 30, 2008

<u>FUNCTION AND ACTIVITY</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Total</u>
Legislative and judicial:						
Legislative	\$ -	\$ -	\$ -	\$ 35,996	\$ -	\$ 35,996
City attorney	-	-	-	17,180	-	17,180
	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,176</u>	<u>-</u>	<u>53,176</u>
Operational services:						
Community development	9,513,481	35,435	-	178,684	-	9,727,600
Fire protection	156,079	1,197,216	141,230	5,317,418	-	6,811,943
Public works	171,392	7,886,169	3,730,911	386,999	1,534,919	13,710,390
City engineer	-	-	-	61,094	-	61,094
IT	-	-	-	2,197,723	-	2,197,723
Fleet	-	-	218,683	4,065,500	-	4,284,183
Parks and recreation	10,095,414	7,343,109	7,775,367	1,348,791	853,619	27,416,300
Police services	-	8,927	-	76,339	-	85,266
	<u>19,936,366</u>	<u>16,470,856</u>	<u>11,866,191</u>	<u>13,632,548</u>	<u>2,388,538</u>	<u>64,294,499</u>
Administrative services:						
General and administration	1,303,906	10,800,284	-	137,948	-	12,242,138
Personnel	-	-	-	23,947	-	23,947
City manager	-	-	-	64,743	-	64,743
Satellite city hall	-	2,475	-	18,569	-	21,044
City clerk	-	-	-	112,515	-	112,515
Finance	-	21,805	-	74,170	-	95,975
	<u>1,303,906</u>	<u>10,824,564</u>	<u>-</u>	<u>431,892</u>	<u>-</u>	<u>12,560,362</u>
Transportation:						
Roads and streets	-	-	298,800	-	53,570,129	53,868,929
	<u>-</u>	<u>-</u>	<u>298,800</u>	<u>-</u>	<u>53,570,129</u>	<u>53,868,929</u>
	<u>\$ 21,240,272</u>	<u>\$ 27,295,420</u>	<u>\$ 12,164,991</u>	<u>\$ 14,117,616</u>	<u>\$ 55,958,667</u>	<u>130,776,966</u>
Construction in progress						<u>8,145,647</u>
						<u>\$ 138,922,613</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service fund are excluded from the above amounts. Generally, the capital assets of internal service fund are included as government activities in the statement of net assets.



STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Tamarac's comprehensive annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends	100-107
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
	108-111
Debt Capacity	
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the governments' ability to issue additional debt in the future.	
	112-116
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
	117-118
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	
	119-121

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning that year.

CITY OF TAMARAC
Net Assets by Component
Last Six Fiscal Years

	Fiscal Year					
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental activities						
Invested in capital assets, net of related debt	\$ 48,847,411	\$ 62,168,884	\$ 65,002,740	\$ 71,850,603	\$ 74,006,704	\$ 77,300,114
Restricted	11,288,555	12,872,078	13,448,003	27,735,550	33,639,956	17,497,293
Unrestricted	19,432,477	9,713,054	14,230,658	4,281,944	7,997,681	32,787,159
Total governmental activities net assets	<u><u>\$ 79,568,443</u></u>	<u><u>\$ 84,754,016</u></u>	<u><u>\$ 92,681,401</u></u>	<u><u>\$ 103,868,097</u></u>	<u><u>\$ 115,644,341</u></u>	<u><u>\$ 127,584,566</u></u>
Business-type activities						
Invested in capital assets, net of related debt	\$ 33,307,204	\$ 25,984,601	\$ 33,846,176	\$ 49,673,822	\$ 45,633,402	\$ 50,273,220
Restricted	3,119,513	4,454,050	5,427,955	7,313,121	8,599,062	8,599,062
Unrestricted	19,862,949	28,631,132	23,815,785	10,214,142	16,432,180	13,542,094
Total business-type activities net assets	<u><u>\$ 56,289,666</u></u>	<u><u>\$ 59,069,783</u></u>	<u><u>\$ 63,089,916</u></u>	<u><u>\$ 67,201,085</u></u>	<u><u>\$ 70,664,644</u></u>	<u><u>\$ 72,414,376</u></u>
Primary Government						
Invested in capital assets, net of related debt	\$ 82,154,615	\$ 88,153,485	\$ 98,848,916	\$ 121,524,425	\$ 119,640,106	\$ 127,573,334
Restricted	14,408,068	17,326,128	18,875,958	35,048,671	42,239,018	26,096,355
Unrestricted	39,295,426	38,344,186	38,046,443	14,496,086	24,429,861	46,329,253
Total primary government net assets	<u><u>\$ 135,858,109</u></u>	<u><u>\$ 143,823,799</u></u>	<u><u>\$ 155,771,317</u></u>	<u><u>\$ 171,069,182</u></u>	<u><u>\$ 186,308,985</u></u>	<u><u>\$ 199,998,942</u></u>

Notes:

The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

CITY OF TAMARAC
Changes in Net Assets
Last Six Fiscal Years

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Expenses						
Governmental activities:						
General government	\$ 8,917,459	\$ 9,792,447	\$ 9,948,165	\$ 10,688,546	\$ 11,504,582	\$ 11,432,868
Public safety	19,110,595	21,529,131	24,681,261	35,495,924	28,264,994	28,472,914
Transportation	1,739,082	1,676,983	2,518,737	2,699,076	2,330,808	1,748,860
Economic environment	777,812	894,713	599,886	4,511,057	1,559,614	1,263,812
Culture and recreation	3,641,777	3,757,060	4,210,762	2,226,264	5,496,590	5,168,340
Physical environment	1,898,374	1,980,646	2,542,286	703,430	2,610,684	2,452,233
Human services	245,344	236,262	304,155	319,229	333,332	286,630
Interest on long-term debt	1,311,236	1,232,534	1,176,005	1,591,058	1,624,593	1,607,303
Total governmental activities expenses	<u>37,641,679</u>	<u>41,099,776</u>	<u>45,981,257</u>	<u>58,234,584</u>	<u>53,725,197</u>	<u>52,432,960</u>
Business-type activities:						
Water and sewer	15,614,983	16,874,535	17,122,674	18,212,679	17,976,618	19,207,646
Stormwater	3,220,903	2,978,171	3,124,179	3,660,473	3,017,732	3,112,292
Total business-type activities expenses	<u>18,835,886</u>	<u>19,852,706</u>	<u>20,246,853</u>	<u>21,873,152</u>	<u>20,994,350</u>	<u>22,319,938</u>
Total primary government expenses	<u>\$ 56,477,565</u>	<u>\$ 60,952,482</u>	<u>\$ 66,228,110</u>	<u>\$ 80,107,736</u>	<u>\$ 74,719,547</u>	<u>\$ 74,752,898</u>
Program Revenues						
Governmental activities:						
Charges for services:						
General government	\$ 1,304,092	\$ 1,433,280	\$ 1,479,201	\$ 1,372,508	\$ 872,023	\$ 1,145,570
Public safety	6,845,427	9,114,697	10,169,124	11,998,145	11,859,118	11,300,837
Culture and recreation	388,791	570,217	1,082,523	1,154,936	830,025	774,582
Transportation	26,134	29,430	34,978	30,067	66,357	25,722
Physical environment	827,001	963,729	1,017,446	683,942	733,360	1,320,064
Operating grants and contributions	2,198,201	3,094,050	550,203	9,507,364	2,625,239	1,684,420
Capital grants and contributions	2,858,712	388,364	2,897,854	1,476,469	617,827	2,850,100
Total governmental activities program revenues	<u>14,448,358</u>	<u>15,593,767</u>	<u>17,231,329</u>	<u>26,223,431</u>	<u>17,603,949</u>	<u>19,101,295</u>
Business-type activities:						
Charges for services:						
Water and sewer	14,946,465	16,722,369	17,199,830	17,939,735	18,694,290	18,790,162
Stormwater	3,045,327	3,080,911	3,122,657	4,190,487	4,383,991	4,498,587
Capital grants and contributions	2,026,906	2,645,990	3,650,141	3,283,961	348,154	374,304
Total business-type activities program revenues	<u>20,018,698</u>	<u>22,449,270</u>	<u>23,972,628</u>	<u>25,414,183</u>	<u>23,426,435</u>	<u>23,663,053</u>
Total primary government program revenues	<u>\$ 34,467,056</u>	<u>\$ 38,043,037</u>	<u>\$ 41,203,957</u>	<u>\$ 51,637,614</u>	<u>\$ 41,030,384</u>	<u>\$ 42,764,348</u>

(Continued)

CITY OF TAMARAC
Changes in Net Assets
Last Six Fiscal Years

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Net (Expense) Revenue						
Governmental activities	\$(23,193,321)	\$(25,506,009)	\$(28,749,928)	\$(32,011,153)	\$(36,121,248)	\$(33,331,665)
Business-type activities	1,182,812	2,596,564	3,725,775	3,541,031	2,432,085	1,343,115
Total primary government net expense	<u>(22,010,509)</u>	<u>(22,909,445)</u>	<u>(25,024,153)</u>	<u>(28,470,122)</u>	<u>(33,689,163)</u>	<u>(31,988,550)</u>
General Revenue and Other Changes in Net Assets						
Governmental activities:						
Taxes:						
Property taxes, levied for general purpose	12,739,885	13,956,061	15,594,820	18,765,605	22,940,448	21,284,960
Property taxes, levied for debt service	1,049,703	1,058,410	1,065,167	1,060,180	483,058	267,384
Franchise taxes	3,517,044	4,397,549	4,053,946	4,676,348	4,842,600	4,784,526
Utility taxes	99,435	106,512	123,694	141,717	146,928	146,442
Communication service taxes	2,636,575	2,615,867	2,790,051	2,871,885	2,954,346	3,046,865
Gas taxes	n/a	n/a	1,088,730	1,094,177	1,081,652	1,073,542
Unrestricted grants and contributions	4,928,268	7,020,532	5,937,072	6,278,084	6,162,220	5,716,941
Interest earnings	658,510	478,187	665,611	2,074,320	3,133,291	1,841,268
Miscellaneous	2,952,900	4,418,024	5,088,722	5,997,907	5,824,558	5,912,810
Transfers	244,410	256,600	269,500	283,000	297,200	361,000
Gain (loss) on sale of capital assets	-	101,200	-	(45,374)	31,191	836,152
^a Special item: Claims expense	-	(3,717,360)	-	-	-	-
Total governmental activities	<u>28,826,730</u>	<u>30,691,582</u>	<u>36,677,313</u>	<u>43,197,849</u>	<u>47,897,492</u>	<u>45,271,890</u>
Business-type activities:						
Investment earnings	372,181	414,853	560,893	854,005	1,255,811	754,467
Transfers	(244,410)	(256,600)	(269,500)	(283,000)	(297,200)	(361,000)
Gain on sale of capital assets	-	25,300	2,965	(867)	72,863	13,150
Total business-type activities	<u>127,771</u>	<u>183,553</u>	<u>294,358</u>	<u>570,138</u>	<u>1,031,474</u>	<u>406,617</u>
Total primary government	<u>28,954,501</u>	<u>30,875,135</u>	<u>36,971,671</u>	<u>43,767,987</u>	<u>48,928,966</u>	<u>45,678,507</u>
Change in Net Assets						
Governmental activities	5,633,409	5,185,573	7,927,385	11,186,696	11,776,244	11,940,225
Business-type activities	1,310,583	2,780,117	4,020,133	4,111,169	3,463,559	1,749,732
Total primary governmental	<u>\$ 6,943,992</u>	<u>\$ 7,965,690</u>	<u>\$ 11,947,518</u>	<u>\$ 15,297,865</u>	<u>\$ 15,239,803</u>	<u>\$ 13,689,957</u>

Notes:

The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

^a In 2004, the Insurance Services Fund had a deficiency in net assets as a result of recording \$3,717,360 of claim expenses related to the case of Britt vs City of Tamarac.

CITY OF TAMARAC
Fund Balances of Governmental Funds
September 30, 2008

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$ 55,709	\$ 275,302	\$ 99,301	\$ 60,678	\$ 873,997	\$ 3,424,101	\$ 105,414	\$ 973,332	\$ 833,219	\$ 642,923
Unreserved	6,684,923	5,724,198	5,924,154	9,420,172	9,351,383	10,287,258	14,242,847	15,745,195	16,685,842	19,454,677
Total general fund	\$ 6,740,632	\$ 5,999,500	\$ 6,023,455	\$ 9,480,850	\$ 10,225,380	\$ 13,711,359	\$ 14,348,261	\$ 16,718,527	\$ 17,519,061	\$ 20,097,600
All Other Governmental Funds										
Reserved	\$ 3,573,650	\$ 1,410,417	\$ 991,413	\$ 6,409,401	\$ 16,906,703	\$ 11,367,413	\$ 12,557,137	\$ 28,711,979	\$ 21,024,595	\$ 14,575,011
Unreserved, reported in										
Special revenue funds	5,041,832	6,136,347	3,129,494	242,999	2,359,916	-	-	-	-	-
Capital projects funds	8,817,063	5,890,142	7,982,735	17,817,956	-	-	-	-	12,259,715	19,043,205
Debt service funds	(493,042)	(718,597)	(689,136)	(455,391)	(740,606)	37,230	60,119	181,296	355,651	404,029
Total all other government funds	\$ 16,939,503	\$ 12,718,309	\$ 11,414,506	\$ 24,014,965	\$ 18,526,013	\$ 11,404,643	\$ 12,617,256	\$ 28,893,275	\$ 33,639,961	\$ 34,022,245
Total Government Funds	\$ 23,680,135	\$ 18,717,809	\$ 17,437,961	\$ 33,495,815	\$ 28,751,393	\$ 25,116,002	\$ 26,965,517	\$ 45,611,802	\$ 51,159,022	\$ 54,119,845

CITY OF TAMARAC
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
REVENUES										
Taxes	\$ 13,047,638	\$ 13,836,142	\$ 16,482,973	\$ 19,679,288	\$ 21,099,801	\$ 23,233,923	\$ 24,716,409	\$ 28,609,913	\$ 32,449,025	\$ 31,313,801
Licenses and permits	1,615,630	1,470,990	1,742,023	1,792,720	1,862,250	1,974,976	2,251,241	3,880,250	2,671,892	2,406,897
Intergovernmental	5,495,677	5,533,264	5,727,383	6,093,535	8,968,584	9,278,066	9,185,131	17,261,915	9,405,276	10,200,171
Charges for Services	4,562,702	4,685,168	3,110,922	2,939,697	3,398,781	3,637,338	4,461,157	4,781,856	4,372,195	3,975,639
Fines and forfeitures	460,966	481,785	480,744	500,849	526,531	563,373	539,811	678,751	598,039	446,866
Investment earnings	756,430	1,499,254	1,354,930	866,183	591,918	431,597	632,007	2,074,322	3,134,750	1,841,269
Special assessments	2,674,854	2,733,585	2,844,889	2,912,292	3,042,677	5,432,240	5,954,885	5,898,740	6,723,891	6,715,675
Miscellaneous	3,302,979	3,761,159	4,338,387	4,326,573	4,690,118	5,997,033	5,898,503	5,997,907	5,939,824	6,311,869
Total revenues	\$ 31,916,876	\$ 34,001,347	\$ 36,082,251	\$ 39,111,137	\$ 44,180,660	\$ 50,548,546	\$ 53,639,144	\$ 69,183,654	\$ 65,294,892	\$ 63,212,187
EXPENDITURES										
General government	\$ 6,238,706	\$ 6,277,309	\$ 6,664,316	\$ 7,377,350	\$ 8,880,895	\$ 9,075,335	\$ 9,598,842	\$ 10,422,938	\$ 10,697,895	\$ 10,824,676
Public safety	15,257,236	16,445,488	17,677,687	17,367,132	19,492,930	22,411,503	23,821,796	34,172,300	28,388,447	27,991,426
Transportation	1,968,018	1,438,811	1,163,401	1,276,763	1,156,016	1,411,803	1,259,041	1,413,425	1,418,702	1,158,425
Economic environment	20,729	106,038	467,170	893,209	784,722	914,845	604,221	708,196	1,654,950	1,266,711
Physical environment	3,036,028	3,714,470	1,823,700	1,619,105	1,815,299	1,994,404	2,537,921	2,451,930	2,654,791	2,181,900
Human Services	292,974	257,715	377,850	243,726	254,154	248,825	308,985	325,499	354,446	293,005
Culture and recreation	2,051,661	1,743,213	2,327,697	3,190,812	3,223,007	3,761,822	4,284,425	3,996,031	5,020,571	4,543,692
Capital outlay	1,455,880	7,446,144	2,021,826	2,228,415	10,726,676	12,827,440	3,205,552	8,027,957	6,828,861	16,803,869
Debt service										
Principal	523,456	952,932	999,156	1,189,545	1,583,487	1,985,876	2,080,674	2,339,619	1,400,658	1,247,730
Interest	595,083	873,553	764,648	1,203,278	1,252,306	1,229,864	1,157,672	1,990,171	1,625,551	1,607,303
Total expenditures	\$ 31,439,771	\$ 39,255,673	\$ 34,287,451	\$ 36,589,335	\$ 49,169,492	\$ 55,861,717	\$ 48,859,129	\$ 65,848,066	\$ 60,044,872	\$ 67,918,737
Excess of revenues over (under) expenditures	477,105	(5,254,326)	1,794,800	2,521,802	(4,988,832)	(5,313,171)	4,780,015	3,335,588	5,250,020	(4,706,550)

Note

^a In 2006, the increase of public safety expenditures resulted from the recovery costs from Hurricane Wilma

CITY OF TAMARAC
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (Continued)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Other financing sources (uses)										
Bonds issued	11,923,043	-	-	13,293,896	-	-	-	15,027,697	-	-
Proceeds from capital leases	-	292,000	196,100	-	-	-	-	-	-	-
Proceeds from issuance of debt	-	-	-	-	-	-	-	-	-	6,818,373
Transfers in	4,205,005	6,482,340	8,007,526	6,690,381	11,528,384	14,808,083	7,851,971	14,485,585	20,867,785	16,347,134
Transfers out	(4,205,005)	(6,482,340)	(7,807,526)	(6,448,225)	(11,283,974)	(13,130,303)	(10,782,471)	(14,202,585)	(20,570,585)	(15,498,134)
Total other financing sources (uses)	11,923,043	292,000	396,100	13,536,052	244,410	1,677,780	(2,930,500)	15,310,697	297,200	7,667,373
Net changes in fund balance	\$ 12,400,148	\$ (4,962,326)	\$ 2,190,900	\$ 16,057,854	\$ (4,744,422)	\$ (3,635,391)	\$ 1,849,515	\$ 18,646,285	\$ 5,547,220	\$ 2,960,823
Ratio of total debt service to noncapital expenditures										
Total debt service	\$ 1,118,539	\$ 1,826,485	\$ 1,763,804	\$ 2,392,823	\$ 2,835,793	\$ 3,215,740	\$ 3,238,346	\$ 4,329,790	\$ 3,026,209	\$ 2,855,033
Total noncapital expenditures	29,983,891	31,809,529	32,265,625	34,360,920	38,442,816	43,034,277	45,653,577	57,820,109	53,216,011	51,114,868
Ratio	4%	6%	5%	7%	7%	7%	7%	7%	6%	6%

CITY OF TAMARAC
Program Revenues by Function/Program
Last six fiscal years

	Program Revenues					
	2003	2004	2005	2006	2007	2008
Function/Program						
Governmental activities:						
General government	\$ 1,304,092	\$ 1,433,280	\$ 1,479,201	\$ 1,372,508	\$ 872,023	\$ 1,222,872
Public Safety	6,884,070	10,228,121	10,720,180	20,945,895	12,549,719	11,488,382
Transportation	26,134	29,430	34,978	306,880	66,357	555,495
Culture/recreation	3,444,072	1,028,276	3,851,587	2,362,405	994,457	1,245,768
Physical environment	1,891,203	2,058,608	1,027,446	683,942	767,491	1,320,064
Economic environment	891,362	816,052	117,937	551,801	2,353,902	3,268,714
Human services	7,425	-	-	-	-	-
Subtotal governmental activities	<u>14,448,358</u>	<u>15,593,767</u>	<u>17,231,329</u>	<u>26,223,431</u>	<u>17,603,949</u>	<u>19,101,295</u>
Business-type activities						
Water/wastewater	16,970,766	19,360,363	20,149,971	19,923,696	19,042,444	19,164,466
Stormwater	3,047,932	3,088,907	3,822,657	5,490,487	4,383,991	4,498,587
Subtotal business-type activities	<u>20,018,698</u>	<u>22,449,270</u>	<u>23,972,628</u>	<u>25,414,183</u>	<u>23,426,435</u>	<u>23,663,053</u>
Total primary government	<u>\$ 34,467,056</u>	<u>\$ 38,043,037</u>	<u>\$ 41,203,957</u>	<u>\$ 51,637,614</u>	<u>\$ 41,030,384</u>	<u>\$ 42,764,348</u>

City of Tamarac
Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property ^a	Sales & Use	Franchise	Motor Fuel	Total
1999	8,887,777	2,766,192	3,081,570	10,001	14,745,540
2000	9,430,245	2,966,244	3,318,960	12,931	15,728,380
2001	11,796,562	3,131,981	3,446,183	14,718	18,389,444
2002	12,620,659	3,152,961	3,451,226	15,778	19,240,624
2003	13,782,545	3,257,611	3,517,044	16,567	20,573,767
2004	15,014,471	3,303,018	4,397,549	17,523	22,732,561
2005	16,659,988	3,449,337	4,053,946	17,240	24,180,511
2006	19,825,785	3,688,932	4,676,348	16,168	28,207,233
2007	23,423,506	4,035,998	4,842,600	146,928	32,449,032
2008	21,552,344	4,120,406	4,784,526	146,442	30,603,718
Change 1999 - 2008	142.5%	49.0%	55.3%	1364.3%	107.5%

Note :

^a

The City was able to keep its property tax rates fairly stable until 2007 because of substantial growth in property tax values, however changes in the property tax laws and declining home values lead to the reduction in 2008.

CITY OF TAMARAC
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousand of dollars)

		<u>Real Property</u>								Taxable Value as a Percentage of Market Value
<u>Tax Year</u>	<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Non-Residential Property</u>	<u>Personal Property</u>	<u>Less: Tax Exemptions</u>	<u>Total Taxable Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Market Value</u>		
1998	1999	1,836,685	340,226	125,805	594,680	1,708,036	5.4855	2,302,716	74.17%	
1999	2000	1,896,327	372,642	133,722	599,209	1,803,482	5.4900	2,268,969	79.48%	
2000	2001	1,911,657	396,743	155,253	622,225	1,841,428	6.5767	2,511,795	73.31%	
2001	2002	2,022,175	447,010	140,867	637,685	1,972,367	6.5434	2,732,654	72.18%	
2002	2003	2,155,194	533,605	164,396	653,983	2,199,212	6.4927	3,137,149	70.10%	
2003	2004	2,374,212	574,552	165,755	690,656	2,423,863	6.4549	3,614,786	67.05%	
2004	2005	2,623,351	658,139	187,113	713,645	2,754,958	6.4096	4,151,673	66.36%	
2005	2006	3,015,505	698,347	186,695	745,318	3,155,229	6.6029	4,910,369	64.26%	
2006	2007	3,595,772	812,384	201,088	756,359	3,852,886	6.3529	6,242,664	61.72%	
2007	2008	4,076,990	954,591	407,699	877,960	4,561,320	5.1126	7,158,234	63.72%	

Source: Broward County Property Appraiser

Notes:

- * Real Property Value is based on Save Our Homes Value for Fiscal Years 2001-2007 and Just Value for Fiscal Years 1998-2000 in the Real Estate Use Code Summary.
- * Personal Property Value is from DR403.

CITY OF TAMARAC
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	City of Tamarac			County			School District				South Florida Water Management District	Broward Health	Florida Inland Navigation District	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Children's Services				
1999	4.9999	0.4856	5.4855	6.9145	0.6562	7.5707	9.2390	0.4866	9.7256	-	0.6970	2.5000	0.0470	26.0258
2000	4.9999	0.4901	5.4900	6.8947	0.6763	7.5710	8.6740	0.4543	9.1283	-	0.6970	2.4895	0.0440	25.4198
2001	5.9999	0.5768	6.5767	6.8903	0.6347	7.5250	8.5410	0.4143	8.9553	-	0.6970	2.4803	0.0410	26.2753
2002	5.9999	0.5435	6.5434	6.6677	0.7328	7.4005	8.3590	0.3951	8.7541	0.3055	0.6970	2.4803	0.0385	26.2193
2003	5.9999	0.4928	6.4927	6.6685	0.6965	7.3650	8.5410	0.3415	8.8825	0.3316	0.6970	2.4803	0.0385	26.2876
2004	5.9999	0.4550	6.4549	6.6065	0.5815	7.1880	8.1240	0.2936	8.4176	0.3920	0.6970	2.5000	0.0385	25.6880
2005	5.9999	0.4097	6.4096	6.4831	0.5399	7.0230	8.0140	0.2555	8.2695	0.4231	0.6970	2.4803	0.0385	25.3410
2006	6.2499	0.3530	6.6029	6.2942	0.4888	6.7830	7.8410	0.2213	8.0623	0.4231	0.6970	2.1746	0.0385	24.7814
2007	6.2224	0.1305	6.3529	5.6433	0.4228	6.0661	7.4770	0.1714	7.6484	0.4073	0.6970	1.8317	0.0385	23.0419
2008	5.0496	0.0630	5.1126	4.8889	0.3979	5.2868	5.6670	0.0000	5.6670	0.3572	0.6240	1.6255	0.0345	18.7076

CITY OF TAMARAC
Principal Property Taxpayers
Current and Ten Years Ago

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Florida Power & Light, Co.	\$ 46,737,942	1	1.21%	\$ 36,219,718	1	2.01%
Advanced Business Assoc	42,588,370	2	1.11%			
DDRM Midway Plaza LLC	31,378,460	3	0.81%			
Monadnock Property Trust LLC	26,100,000	4	0.68%			
Alliance Partners LTD	23,858,190	5	0.62%			
Jasmine at Tamarac	21,622,430	6	0.56%			
BHG Univ Club on the Green	21,384,460	7	0.56%			
Ramco-Gershenson Properties	20,431,790	8	0.53%			
Arrigo DCJ	19,276,030	9				
BH IGF Hidden Harbour	16,884,000	10	0.44%	16,545,976		
Total	<u>\$ 270,261,672</u>		<u>6.52%</u>	<u>\$ 52,765,694</u>		<u>2.01%</u>

Source: Broward County Revenue Collection Division

CITY OF TAMARAC
Property Tax Levies and Collections
Last Ten Fiscal Years
(in thousands of dollars)

<u>Fiscal Year Ended September 30</u>	<u>Total Tax Levy for Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>			<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage Collected</u>	<u>Collections in Subsequent Years</u>	<u>Amount</u>	<u>Percentage of Levy</u>
1999	9,249	9,222	99.7%	8	9,230	99.8%
2000	9,780	9,745	99.6%	29	9,774	99.9%
2001	12,315	12,292	99.8%	1	12,293	99.8%
2002	13,164	13,068	99.3%	-	13,068	99.3%
2003	14,388	14,300	99.4%	7	14,307	99.4%
2004	15,698	15,550	99.1%	21	15,571	99.2%
2005	17,388	17,235	99.1%	7	17,242	99.2%
2006	20,619	20,528	99.6%	7	20,535	99.6%
2007	24,280	24,165	99.5%	20	24,185	99.6%
2008	22,363	21,440	95.9%	-	21,440	95.9%

CITY OF TAMARAC
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities							Percentage of Personal Income ^b	Per Capita ^a
	General Obligation Bonds	Sales Tax Increment Bonds	Capital Improvement Bonds	Taxable Redevelopment Note	Water & Sewer Revenue Bonds	Term Loan	Capital Improvement Revenue Bonds	Capital Leases	Total Primary Government ^c				
1999	7,835,000	-	-	-	18,770,000	-	-	360,232	26,965,232	2.29%	514.48		
2000	7,181,370	8,460,000	-	-	17,670,000	-	-	377,395	33,688,765	2.60%	606.04		
2001	6,492,461	8,170,000	-	-	16,500,000	-	-	431,682	31,594,143	2.34%	561.69		
2002	5,907,461	7,865,000	-	-	15,265,000	-	-	386,726	29,424,187	2.11%	516.98		
2003	5,153,050	20,575,000	-	-	13,965,000	-	-	382,376	40,075,426	2.73%	695.86		
2004	4,352,901	19,775,000	-	-	12,585,000	-	-	411,579	37,124,480	2.42%	637.07		
2005	3,506,769	18,945,000	-	-	11,115,000	-	9,370,000	431,726	43,368,495	2.69%	736.47		
2006	2,619,398	18,090,000	15,000,000	-	3,495,000	6,000,000	9,030,000	-	54,234,398	3.21%	910.19		
2007	2,265,523	17,200,000	14,850,000	-	2,705,000	6,000,000	8,680,000	-	51,700,523	2.92%	862.41		
2008	1,927,135	16,275,000	14,550,000	6,818,373	1,860,000	5,090,000	8,325,000	-	54,845,508	2.43%	925.32		

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^a Population data can be found in Page 113, Demographic Statistics and Information

^b Personal Income based on an estimate of 2007 median household income (\$42,092) of the City of Tamarac.

^c Includes general bonded debt, sales tax increment debt, and business-type activities.

CITY OF TAMARAC
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts available in Debt Service Fund	Net General Bonded Debt Outstanding	Percentage of Estimated Actual Taxable Value^a of Property	Per Capita^b
1999	7,835,000	(575,363)	8,410,363	4.924	160.46
2000	7,181,370	(757,257)	7,938,627	4.402	142.81
2001	6,492,461	(753,457)	7,245,918	3.935	128.82
2002	5,907,461	(754,572)	6,662,033	3.378	117.05
2003	5,153,050	(754,683)	5,907,733	2.686	102.58
2004	4,352,901	5,517	4,347,384	1.794	74.60
2005	3,506,769	29,407	3,477,362	1.262	59.05
2006	2,619,398	68,857	2,550,541	0.808	42.80
2007	2,265,523	103,330	2,162,193	0.561	36.07
2008	1,927,135	116,727	1,810,408	0.397	30.54

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^a See Page 108, Assessed Value of Taxable Property for property value data

^b See the Schedule of Demographic and Economic Statistics for population data

City of Tamarac
 Direct and Overlapping Governmental Debt
 September 30, 2008

<u>Name of Government</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Broward County	\$ 535,920,000	2.54%	\$ 13,592,526
Broward County School District	-		-
Total Overlapping Debt	<u>535,920,000</u>		<u>13,592,526</u>
City of Tamarac - Direct Debt	<u>1,810,408</u>	100.00%	<u>1,810,408</u>
Total Direct and Overlapping Debt	<u><u>\$ 537,730,408</u></u>		<u><u>\$ 15,402,934</u></u>

Sources:

Assessed value data used to estimate applicable percentages provided by Broward County Property Appraiser. The total debt outstanding provided by Broward County.

Notes:

Overlapping governments are those that coincide, at least, in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Tamarac. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Broward County's taxable assessed value that is within the government's boundaries and dividing it by Broward County's total taxable assessed value.

CITY OF TAMARAC
Legal Debt Margin Information
September 30, 2008

The Charter of the City of Tamarac imposes no bonded debt limit. Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF TAMARAC
Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Utility Service Charges ^a	Less: Operating Expenses ^b	Net Available Revenue	Debt Service		Total	Coverage
				Principal	Interest		
1999	13,749,334	10,719,816	3,029,518	1,100,000	1,123,536	2,223,536	1.36
2000	14,866,267	12,014,729	2,851,538	1,170,000	1,063,161	2,233,161	1.28
2001	14,402,910	10,658,948	3,743,962	1,235,000	997,345	2,232,345	1.68
2002	14,619,599	11,642,916	2,976,683	1,300,000	926,495	2,226,495	1.34
2003	14,946,465	12,307,862	2,638,603	1,380,000	850,595	2,230,595	1.18
2004	16,845,538	12,852,785	3,992,753	1,533,310	855,127	2,388,437	1.67
2005	17,199,830	13,569,636	3,630,194	1,725,580	851,263	2,576,843	1.41
2006	17,942,292	14,098,735	3,843,557	960,450	522,613	1,483,063	2.59
2007	18,694,290	14,501,880	4,462,410	1,140,000	667,747	1,807,747	2.47
2008	18,790,162	15,425,826	3,364,336	2,110,000	680,392	2,790,392	1.21

Notes:

Details regarding the government's outstanding debt can be found in the notes to the financial statements.

a Includes water and sewer service charges, and meter installations.

b Does not include interest, depreciation and amortization expenses.

City of Tamarac
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Median Household Income	Total Personal Income (amounts in thousand)	Per Capita Income	Median Age	Percent High School Graduate or Higher	School Enrollment	Unemployment Rate
1999	52,413	34,290	1,165,822	22,243	n/a	n/a	1,326	4.4%
2000	55,588	36,004	1,298,258	23,355	52.9	83.5%	1,454	3.5%
2001	56,248	36,724	1,339,940	23,822	52.9	83.5%	1,454	4.4%
2002	56,915	37,385	1,380,246	24,251	52.9	83.5%	2,081	5.7%
2003	57,591	38,282	1,430,157	24,833	52.9	83.5%	3,772	5.2%
2004	58,274	39,201	1,487,619	25,528	52.9	83.5%	3,929	4.5%
2005	58,887	40,141	1,545,372	26,243	52.9	83.5%	3,929	4.3%
2006	59,586	41,104	1,607,511	26,978	52.9	83.5%	3,792	3.5%
2007	59,949	42,092	1,337,342	22,308	45.5	83.5%	3,792	4.7%
2008	59,272	47,483	1,483,697	25,032	49.1	83.5%	3,792	7.1%

Data Sources:

2000 U.S. Census, Florida Statistical Abstract produced by the State Bureau of Economic and Business Research and the University of Florida (1996-2005), City of Tamarac Adopted Budget Documents 1998-2008, and Bureau of Labor Statistics 1998-2007 Per Capita Income source from 2001 & 2005 Bureau of Economic and Business Research. 1998-2007 Per Capita Income and Median Household Income other than 1999 are derived from an estimate of Broward County data. 2007 Median Household Income, Per Capita Income and Median Age derived from an estimate of 2007 American Community Survey.

Notes:

Median Age (1998-2006) and Percent High School Graduate or Higher (1998-2007), from 2000 Census. No data available outside of 2000 U.S. Census

CITY OF TAMARAC
Major Employers-Number of Employees
Last Ten Fiscal Years

Employer	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
*City Furniture (Opened in 2001)	N/A	N/A	920	1,070	1,150	1,380	1,550	1,800	1,800	1,336
*Convergys Customer Mgmt CP	N/A	N/A	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290
*University Hospital	N/A	N/A	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
*Publix Supermarkets (3)	N/A	N/A	625	625	625	625	625	510	510	510
City of Tamarac	334	359	370	372	377	396	369	398	403	378
*Arch Aluminum & Glass Co CP	N/A	N/A	160	160	160	160	160	290	275	290
*Aurafin CP	N/A	N/A	250	250	250	250	250	250	250	250
*Heartland of Tamarac	150	155	161	161	172	185	201	220	210	210
*Toshiba CP (Opened in 2006)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	185	185	185
*Walgreens (4)	N/A	N/A	87	87	87	87	87	185	185	185
*Woodlands Country Club	N/A	N/A	N/A	N/A	125	125	125	125	95	85

Source:

* Data was obtained from Tamarac Chamber of Commerce. (Since information was not available for the years 2002 through 2005, the number of employees were based on year 2001.)

N/A - not available.

CITY OF TAMARAC
 Full-Time Equivalent City Employees by Function/Program
 Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Government										
Management Services	11	12	10	10	10	10	10	10	10	11
Finance	29	29	29	29	29	29	29	29	29	26
Planning	11	9	10	7	8	8	8	8	7	6
Building	25	25	25	24	25	24	25	24	24	19
Other	26	28	28	32	32	35	34	31	33	35
Police*										
Fire	76	93	93	93	93	106	108	108	109	104
Public Works										
Engineering	5	5	5	3	4	6	6	6	6	6
Other	51	53	56	58	58	61	61	62	63	59
Parks, Recreation, Bus	31	35	44	46	48	49	49	52	53	44
Transportation										
Water and Wastewater	69	70	70	70	70	68	68	68	69	68
Total	334	359	370	372	377	396	398	398	403	378

Notes:

* The City contracts for police services with the Broward County Sheriff's Office and in so doing does not maintain a municipal police force.

Sources:

City of Tamarac Adopted Budget Documents 1999-2008

CITY OF TAMARAC
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government										
Building Permits Issued	5,268	5,071	5,388	5,064	5,821	5,785	6,649	9,843	7,587	5,634
Building Inspections Conducted	36,638	25,670	26,646	25,425	34,501	43,473	27,870	43,649	33,215	17,103
Police										
Physical Arrests	272	325	565	1,042	1,026	1,244	1,073	874	1,197	1,579
Traffic Violations	n/a	n/a	126	5,162	5,256	5,199	5,235	3,514	4,908	1,216
Fire										
Emergency Responses	9,230	10,277	11,093	10,560	10,281	11,172	15,725	8,563	10,694	10,735
Inspections	4,455	4,296	3,589	4,304	4,798	4,472	2,551	1,669	1,684	2,652
Refuse Collection										
Recyclables Collected (tons)	5,158	5,030	4,723	4,632	4,622	4,333	4,163	3,800	3,439	3,482
Other Public Works										
Street Resurfacing (miles)	20.65	36.53	34.04	20.48	n/a	7.60	0.50	3.00	2.00	0.00
Potholes Repaired ^(a)	n/a	n/a	1,093	2,136	186	305	100	6	64	115
Parks and Recreation										
Athletic Field Permits Issued	90	115	120	121	103	81	85	28	87	2
Water										
New Connections	217	143	37	63	54	739	145	727	350	74
Water Main Breaks ^(b)	n/a	12	31	35	21	30	21	35	18	13
Average Daily Consumption (millions of gallons)	5.7	5.9	5.6	6.4	6.4	6.5	6.2	6.5	5.7	5.4
Peak Daily Consumption (millions of gallons)	9.1	9.2	9.5	9.5	10.0	10.0	10.0	10.0	11.2	14.0
Wastewater										
Average Daily Sewage Treatment (millions of gallons) ^(c)	6.31	7.79	7.91	7.642	7.406	7.607	7.538	6.767	6.480	6.512
Transit ^(d)										
Total Route Miles	-	36,773	84,480	85,997	106,740	84,913	79,663	78,022	80,244	73,450
Passengers	-	3,788	20,488	30,068	37,422	35,973	43,401	43,781	47,145	16,304

Sources:

City of Tamarac Building and Code, Fire Rescue, Parks and Recreation, Public Works, Utilities departments; and Broward Sheriff's Office (District 7)

Notes:

^(a) no data before fiscal year 2001

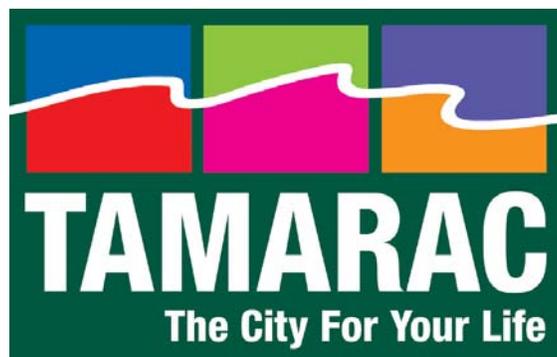
^(b) no data before fiscal year 2000

^(c) no data for Tamarac East to Fort Lauderdale Wastewater before fiscal year 2002

^(d) transit service began April 2000

CITY OF TAMARAC
 Capital Asset Statistics by Function
 Last Ten Fiscal Years

Function	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units				85	85	85	85	90	89	74
Fire stations	2	2	2	2	2	3	3	3	3	3
Highways and Streets										
Streets (miles)	140	140	140	140	140	136	136	120	136	140
Street lights	380	380	380	380	380	384	385	385	239	385
Culture and recreation										
Parks acreage	61.5	62.0	62.0	77.1	62.0	93.2	145.6	147.6	150.55	159.05
Parks	6	6	6	6	6	10	10	10	10	11
Tennis courts	4	4	4	4	4	4	4	4	4	4
Community centers	0	0	1	1	1	1	1	1	1	1
Aquatic Center	N/A	1	1	1						
Water										
Water mains (miles)	223.5	227.3	231.4	233.2	233.2	236.8	243.0	249.7	250.9	251.2
Fire hydrants	1,731	1,765	1,769	1,857	1,893	1,944	1,893	2,029	2,043	2045
Maximum daily capacity (millions of gallons)	20	20	20	20	20	20	20	20	20	20
Sewer										
Sanitary Sewers (miles)	175.4	176.4	177.4	178.8	180.6	182.2	181.0	185	185.5	186
Storm Sewers (miles)	76	76	76	76	76	76	76	76	77	79
Maximum daily capacity (millions of gallons)	0	0	0	0	0	0	0	8.04	8.04	8.04



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, City Commissioners
and City Manager
City of Tamarac, Florida

We have audited the financial statements of City of Tamarac, Florida (the City), as of and for the year ended September 30, 2008, and have issued our report thereon dated March 31, 2009. We did not audit the financial statements of the Pension Trust Funds, which together represent 100% of the assets, revenues and deductions of the fiduciary fund totals, which are included in the fund financial statements. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Pension Trust Funds, are based solely on the report of 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City of Tamarac's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A *control deficiency* 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 misstatement on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affect the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statement that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying Letter to Management as items 2008-01 and 2008-03 to be significant deficiencies in internal control over financial reporting.

To the Honorable Mayor, City Commissioners
and City Manager
City of Tamarac, Florida
Page 2

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 2008-03 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Tamarac'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Letter to Management as item 2008-02.

The City's responses to the findings identified in our audit are described in the accompanying Letter to Management. We did not audit the City's responses and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Mayor, City Commission, City management and the applicable regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.

GLSC & Company, PLLC

March 31, 2009





**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Honorable Mayor, City Commissioners
and City Manager
City of Tamarac, Florida

We have audited the financial statements of the City of Tamarac, Florida (the City) as of and for the year ended September 30, 2008, and have issued our report thereon dated March 31, 2009. We did not audit the financial statements of the Pension Trust Funds, which together represent 100% of the assets, revenues and deductions of the fiduciary fund totals, which are included in the fund financial statements. Those financial statements were audited by other independent auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Pension Trust Funds, are based solely on the report of other auditors.

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 States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, Rules of the Auditor General. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance, Independent Auditor's Report on Compliance and on Internal Control over Compliance Applicable to each Major Federal Program and State Financial Assistance Projects in Accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 31, 2009, should be considered in conjunction with this management letter.

The purpose of this letter is to comment on those matters described in Rule 10.554(1)(h) as required by the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the basic financial statements of the City of Tamarac, Florida, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Status of prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

This report is intended for the information of the City of Tamarac, Florida's management and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank the City of Tamarac, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements and the courtesies extended to us.

GLSC & Company, PLLC

March 31, 2009

LETTER TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

2008-1 Review of Journal Entries

Condition

Our review of journal entries prepared by the City's accounting department during the year ended September 30, 2008 disclosed three (3) of the ten (10) journal entries selected for testing show no evidence of review or approval by supervisory personnel. In addition, these entries were posted in the general ledger system by the same personnel who prepared them.

Criteria

Effective internal control dictates segregation of duties and review and approval process to mitigate possible fraudulent transactions or significant misstatements in the financial statements.

Cause of Condition

Due to the turnover in the management level of the Finance Department, the staff was posting the transactions in the general ledger without any evidence of review by the supervisor.

Effect of Condition

If condition is not addressed, there is a probability that fraudulent transaction or significant misstatement in the financial reports may occur.

Recommendation

We strongly recommend that proper segregation of duties and review and approval process be strictly implemented. In addition, we recommend that direct posting of manual journal entries be limited to supervisory level.

Management Comment

The journal entries in question were reviewed during the review of the Bank reconciliation, the reconciliations were signed, the journal entries however, were not signed, and the unsigned entries did not provide the evidence of review needed by the auditors. All journal entries are now properly signed.

LETTER TO MANAGEMENT (CONTINUED)

2008-2 Report Submission

Condition

Our test of compliance with laws, regulations, contracts and grant agreements disclosed that the City failed to submit the Application for Revenue Sharing form and SF-272 Federal Cash Transaction Report in a timely manner:

Criteria

Florida Statute Section 218.23 provided that the Application for Revenue Sharing form be submitted by June 30th of each year to be considered in the State revenue sharing; however, the City submitted the form on September 3, 2008. In addition, the City did not file the required quarterly Federal Cash Transaction Reports (Standard Form 272) during the fiscal year 2008 until March 9, 2009. These reports are required to be filed within 15 days at close of each quarter; thus, one of the reports would have been over a year late in its filing while the other three reports were filed significantly late.

Cause of Condition

The City has no effective internal control to track the submission of the required reports to ensure that the reports are filed on a timely basis.

Effect of Condition

Failure to submit the quarterly Federal Cash Transaction Reports (SF-272) limit the U.S. Department of Housing and Urban Development from monitoring the Department's cash disbursements, program income, and federal receipts (drawdown) activities during the reporting period. In addition, failure to submit the quarterly SF-272 is a federal noncompliance.

The City may be penalized for late submission of the Application for Revenue Sharing form since it is one of the eligibility requirements to participate in revenue sharing program.

Recommendation

We recommend that the City develop a tracking system in order to comply with the reporting requirements and their due dates and designate a responsible employee to monitor timely submissions of reports.

Management Comment

The omissions resulted from staff turnover and staff shortages. We have now created a database of all reports to ensure that all reports are submitted in a timely manner.

**LETTER TO MANAGEMENT
(CONTINUED)**

2008-3 Year-end Closing Procedures

Condition

During the audit of the City's financial statements for fiscal year September 30, 2008, we noted significant weaknesses in the City's year-end closing procedures as well as in the preparation of the government-wide financial statements, as evident by a number of audit adjustments proposed by the auditors and posted by the City.

Criteria

Minimal audit adjustments, corrections, and year-end adjustments to the financial statements are an indication of a strong internal control over the financial reporting process.

Cause of Condition

Due to turnover at the management level and reduction of personnel in the Finance Department, certain procedures related to the year-end review processes were not performed by the City resulting in a number of entries proposed by the auditors.

Effect of Condition

Weakness in this process during the year end closing of the books could lead to undetected material misstatement in future years if not corrected.

Recommendation

We recommend that the City consider to immediately fill the Finance Director position to oversee the financial reporting function and provide assistance to the Finance Department during the year-end closing process.

Management Comment

The City has advertised and is actively seeking to fill the position of Finance Director; additional staff should provide the department with assistance that will reduce or eliminate the number of post closing adjusting entries by the auditors.

**LETTER TO MANAGEMENT
(CONTINUED)**

II. STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

1. Unless otherwise required to be reported in the auditor's report on internal control over financial reporting and on compliance and other matters, the management letter shall include, but not be limited to a statement as to whether or not corrective actions have been taken to address significant findings and recommendations in the preceding annual financial audit report pursuant to Rule 10.557(3)(b)2. There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2007.
2. The City of Tamarac complied with Section 218.415, Florida Statutes, regarding the investment of public funds.
3. There were significant findings and recommendations to improve the City's financial management, accounting procedures, and internal control for the fiscal year ended September 30, 2008, see items 2008-01, and 2008-03 in the accompanying Letter to Management.
4. There were violations of laws, regulations, contracts, or grant agreements, or abuse that have occurred, or were likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential see item 2008-02 in the accompanying Letter to Management.
5. Based on our professional judgment, we may report on the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (a) violations or laws, rules, regulations, contracts or grant agreements or abuse that have occurred, or were likely to have occurred, and (b) control deficiencies that are not significant deficiencies, including, but not limited to (1) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (2) failure to properly record financial transactions; and (3) inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of the auditor. In connection with our audit, we did not have any such findings.
6. The City of Tamarac, Florida was established pursuant to the laws of the State of Florida 59-1487, as a municipal corporation in 1959. The City operates under a Commission / City Manager form of government. The City is financially independent as evidenced by the authority to make and approve its own budget, the power to tax, the authority to buy and sell property, and the authority to incur debt. There are no component units.
7. The City of Tamarac has not met one or more of the conditions described in Section 218.503(1), Florida Statutes.

LETTER TO MANAGEMENT
(CONTINUED)

8. The annual financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes agrees with the September 30, 2008 financial audit report.
9. We applied financial condition assessment procedures pursuant to Rule 10.556 (8) and no deteriorating financial conditions were noted. It is management's responsibility to monitor 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.



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR FEDERAL PROGRAM AND STATE FINANCIAL ASSISTANCE 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, City Commissioners
and City Manager
City of Tamarac, Florida

Compliance

We have audited the compliance of the City of Tamarac, Florida (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, and the requirements described in the Executive Office of the Governor's State Project Compliance Supplement, that are applicable to each of its major federal programs and State financial assistance projects for the year ended September 30, 2008. The City's major federal programs and State financial assistance projects are identified in the summary of auditor's 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 financial assistance 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 Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133, and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or State financial assistance 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 of Tamarac, Florida complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and State financial assistance projects for the year ended September 30, 2008. However, the results of our auditing procedures disclosed instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Letter to Management as item 2008-02.

Internal Control Over Compliance

The management of the City of Tamarac, Florida is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal awards programs and State financial assistance 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 financial assistance project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiency in internal control over compliance that we consider to be significant deficiency.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program or state financial assistance project on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer federal program or state financial assistance project such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of federal program or state financial assistance project that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying Letter to Management as item 2008-02 to be a significant deficiency.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program or state financial assistance project will not be prevented or detect by the entity's internal control. We did not consider the deficiency described in the accompanying Letter to Management to be a material weakness.

The City's responses to the findings identified in our audit are described in the accompanying Letter to Management. We did not audit the City's responses and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Mayor, City Commission, City management and grantor agencies and is not intended to be and should not be used by anyone other than these specified parties.

GLSC & Company, PLLC

March 31, 2009

CITY OF TAMARAC
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE PROJECT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008

Federal Agency, Pass-through Entity Federal Program	CFDA Number	Contract Grant Number	Expenditures
U.S. Department of Agriculture			
Urban Forestry Grant	10.664	05H-162	\$ <u>62,207</u>
U.S. Department of Housing and Urban Development			
Pass-Through Broward County Community Development Block Grant	14.218	FY2007-2008	<u>594,451</u>
U.S. Department of Interior			
Outdoor Recreation Acquisition, Development and Planning	15.916	LW469	<u>200,000</u>
U.S. Department of Transportation			
Highway Planning and Construction	20.205	ANY97	225,000
Highway Planning and Construction	20.205	418928-1-58-01	297,600
Pass-Through Florida Department of Transportation National Highway Traffic Safety Administration	20.600	EMSTAR	<u>62,750</u>
Total U.S. Department of Transportation			<u>585,350</u>
U.S. Department of Homeland Security			
State Domestic Preparedness Equipment and and Support Program	97.004	N/A	<u>21,900</u>
U.S. Federal Mediation and Coalition Services			
	34.001	06-FL/LPS-002	<u>93,352</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ <u>1,557,260</u>

N/A - Not Available

CITY OF TAMARAC
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FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008

State Agency Pass-through Entity <u>Program Title</u>	<u>CSFA Number</u>	<u>Contract Grant Number</u>	<u>Expenditures</u>
<i>Florida Department of Environmental Protection</i> Florida Recreation Development Assistance Program	37.017	F7158	\$ <u>200,000</u>
<i>Florida Housing Finance Agency</i> State Housing Initiatives Partnership (S.H.I.P.)-F/Y 06-07	52.901	N/A	<u>605,399</u>
<i>Florida Department of Health</i> Emergency Prevention/Preparedness/Response	64.005	EMSCG	<u>62,943</u>
<i>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</i>			\$ <u><u>868,342</u></u>

N/A - Not Available

CITY OF TAMARAC, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

**NOTE A - SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133 AND CHAPTER 10.550,
 RULES OF THE AUDITOR GENERAL**

Federal Awards Programs

All Federal grant operations of the City of Tamarac, Florida are included in the scope of the Office of Management and Budget (OMB) Circular A-133 audit (the Single Audit). The Single Audit was performed in accordance with the provisions of the OMB Circular A-133 Compliance Supplement (Revised March 2008, the "Compliance Supplement"). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the grant programs noted below. These programs represent all Federal awards and other grants with fiscal 2008 cash and noncash expenditures in excess of \$500,000 that ensure coverage of at least 25 percent of Federally granted funds. Actual coverage is approximately 51 percent of total cash and noncash Federal program expenditures.

<u>Major Federal Program Description</u>	<u>Federal CFDA Number</u>	<u>Fiscal 2008 Expenditures</u>
Community Development Block Grant	14.218	\$ 594,451
Outdoor Recreation Acquisition Development and Planning	15.916	200,000

State Financial Assistance Projects

All State financial assistance projects of the City of Tamarac, Florida are included in the scope of Florida Single Audit. The Florida Single Audit was performed in accordance with the provisions of the Florida Single Audit Act. Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the grant programs noted below. These programs represent all State financial assistance and other grants with fiscal 2008 cash and noncash expenditures in excess of \$500,000 that ensure coverage of at least 50 percent of State granted funds. Actual coverage is approximately 93 percent of total cash and noncash State financial assistance projects.

<u>Major State Program Description</u>	<u>State CSFA Number</u>	<u>Fiscal 2008 Expenditures</u>
State Housing Initiative Partnership	52.901	\$ 605,399
Florida Recreation Development Assistance Program	37.017	200,000

CITY OF TAMARAC, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(CONTINUED)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance Projects include all Federal and State grants to the City of Tamarac, Florida that had activity during the fiscal year ended September 30, 2008. The basis of accounting is described in Note 1 to the City of Tamarac, Florida's basic financial statements.

NOTE C - FINDINGS OF NONCOMPLIANCE

See item 2008-02 in the accompanying Letter to Management.

NOTE D - AUDITS PERFORMED BY OTHER ORGANIZATIONS

Florida Housing Finance Agency (Agency) conducted an audit of the State Housing Initiative Partnership (SHIP) for the program years 2004 through 2007, during the fiscal year 2008. The report dated February 29, 2008 disclosed two (2) findings, none of which have material impact to the financial statement. Management is currently preparing the response to the findings noted by the Agency.

CITY OF TAMARAC, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the City of Tamarac, Florida.
2. Significant deficiencies 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*. See accompanying Letter to Management.
3. A significant deficiency relating to the audit of the major federal award programs or State financial assistance projects is reported in the independent auditors' report on compliance and internal control over compliance applicable to each major federal awards program and State financial assistance project. See item 2008-02 in the accompanying Letter to Management.
4. The auditors' report on compliance for the major federal programs and State financial assistance projects for the City of Tamarac, Florida expresses an unqualified opinion.
5. Audit findings relative to the major federal programs and State financial assistance projects for the City of Tamarac, Florida are reported in Parts C. and D. of this Schedule.
7. The program tested as major program includes:

<u>Federal Program</u>	<u>Federal CFDA #</u>
Community Development Block Grant	14.218
Outdoor Recreation Acquisition Development and Planning	15.916
<u>State Program</u>	<u>State CSFA #</u>
State Housing Initiative Partnership	52.901
Florida Recreation Development Assistance Program	37.017
Dollar threshold to distinguish Type A and Type B Programs	\$300,000

8. The City of Tamarac, Florida was determined to be a low-risk audit pursuant to OMB Circular A-133.

CITY OF TAMARAC, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(Continued)

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

See accompanying Letter to Management.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECT AUDIT

See item 2008-02 in the accompanying Letter to Management.

D. OTHER ISSUES

1. No summary schedule of prior audit findings is required because there were no prior audit findings related to Federal programs or State financial assistance projects.
2. Corrective Action Plan for finding 2008-02 in the accompanying Letter to Management is described below:

Corrective Action Plan on 2008-02

Internal Control Deficiency on Reporting
Program: Community Development Block Grant
CFDA #: 14.218

This omission resulted from staff turnover and staff shortages. We have now created a database of all reports to ensure that all reports are submitted in a timely manner.