

# City of Tamarac

## Comprehensive Annual Financial Report

*Fiscal Year Ended September 30, 2007*



*Committed to Excellence...Always*



**2007**  
**COMPREHENSIVE**  
**ANNUAL FINANCIAL**  
**REPORT**

OF THE  
**CITY OF TAMARAC,**  
**FLORIDA**

Fiscal Year Ended  
September 30, 2007

Prepared by  
FINANCIAL SERVICES

Steven G. Chapman II, Director of Financial Services



# **CITY OF TAMARAC, FLORIDA**

COMMISSION – MANAGER FORM OF GOVERNMENT

## **CITY COMMISSION**

**BETH FLANSBAUM-TALABISCO**, Mayor

**MARC L. SULTANOF**, Vice Mayor

**PATRICIA ATKINS-GRAD**, Commissioner

**HARRY DRESSLER**, Commissioner

**EDWARD C. PORTNER**, Commissioner

### **ADMINISTRATIVE STAFF**

Jeffrey L. Miller  
City Manager

Samuel S. Goren  
City Attorney

Steven G. Chapman II  
Director of Financial Services

# CITY OF TAMARAC

## 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*



*Committed to Excellence...Always*

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## **INTRODUCTORY SECTION**

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# City of Tamarac

*"Committed to Excellence...Always"*

Jeffrey L. Miller  
City Manager

March 14, 2008

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, 2007, 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.

BKR Garcia & Company, 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, 2007, 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, 2007, are fairly presented in conformity with GAAP.

## **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 population of 59,949 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 mean 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 to be held on November 11, 2008 and every four years thereafter. 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 revenue increase in building permits and inspection fees has been realized for the damage created by the past hurricanes. In FY 2007, revenue has come back into line with traditional revenue growth expectations in this area. During the 2007 fiscal year, new building permits were issued for 26 multi-family units and 8 permits for commercial construction which is a reduction from 47 multi-family units and 10 commercial construction permits issued in 2006. The real estate market is expected to continue to slow. However, limited availability of vacant land in the area will act as a base for any continued declines on real estate prices. Also through 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 9 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 to be realized in budget year 2008. As a further result of this legislation, going into the future the city will only be able to collect revenue based on a formula of the most recent years 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 eastside, recruitment of additional businesses, and the continued focus on the development of the mixed-use Main Street Corridor.

Economic indicators in late 2007, point to a slowing economic expansion, continued job growth, and minimal but increasing inflation. Broward County is showing an increase in the unemployment rate which is comparable to fiscal year 2005. It averaged 3.8% in 2007 compared with 3.1%, 3.7% and 4.6% in the same period in 2006, 2005, and 2004, respectively. Broward County welcomed more than 10.5 million visitors, breaking its previous mark set in 2006. These visitors bring an estimated economic impact of \$9 billion to the County. Port Everglades continues to be one of the top 3 cruise ports in the world with more than 3 million passengers sailing annually.

South Florida has felt the impact of the soft housing market. However, for the 2007 tax year, the taxable value of property in Broward County rose from \$157.5 billion to \$174.8 billion or an 11 percent increase. Rising real estate prices accounted for \$14.4 billion of the \$17.3 billion increase. The remaining \$2.9 billion in growth accounted for new construction. The slow down in the housing market primarily began in calendar year 2007 so the effects of which will not be felt until 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 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.

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 FY2007 there were 235 licenses issued for new businesses. In addition to the continued success of Cheddars Casual Café, the City has attracted the nationally renowned Applebees restaurant chain. There have also been upgrades within the City's financial services area. Washington Mutual has relocated to expand its facilities and National City Bank and Commerce Bank have opened their doors to the City. For FY 2008, the City continues to appeal to national restaurants with the expected openings of Starbucks, Rotelli Italian Restaurant, and Subway. Fed Ex-Kinkos is also expected to open to the City's community.

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 2007**

- **Tamarac Aquatic Center**  
This recreational facility costing \$3.9 million was completed and opened in January 2007. It was financed by the sales tax revenue bonds, capital improvement revenue bonds as well as state and local grants.
- **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 57<sup>th</sup> Street between University Drive and N.W. 94<sup>th</sup> 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. 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 57<sup>th</sup> 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 late 2006, the City Commission approved plans for the construction of two, six-story buildings. The two buildings combined, will contain 55,000 square feet of commercial space on the ground floors, residential parking on the second floors, and a total of 120 two and three bedroom condos on the remaining floors. Over five acres will be developed as part of the project. 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.
- **NW 70<sup>th</sup> Avenue Traffic Calming**  
Project consisted of reducing a section of NW 70<sup>th</sup> Avenue between McNab Road and University Drive from a four lane undivided roadway to a two lane roadway with center islands (medians) at several intersections. The scope of work included the installation of several drainage structures and swale regrading to support the new roadway configuration. The total amount of Stormwater funds used to complete this project was \$401,187.
- **Southgate Boulevard Streetscape Improvement Project**  
Project consisted of reducing a section of Southgate Boulevard between Nob Hill Road and Sanibel Drive from a four-lane divided roadway to a two-lane meandering roadway with traffic calming elements such as roundabouts and center island (medians) narrowings. The scope of work included modifying several drainage structures and regrading large areas of right-of-way to support the new roadway configuration. The total amount of Stormwater funds used to complete this project was \$111,448.

- **Westwood Boulevard Culvert Restoration Project**  
 This restoration project was a result of damages sustained during Hurricane Wilma. Severe erosion and outfall damage required immediate restoration efforts. The outfalls were repaired and the culvert crossing was reconstructed with aluminum sheet piles to prevent future erosion. The total amount of Stormwater funds used to complete this project was \$43,568.
- **NW 81<sup>st</sup> Street Culvert Restoration Project**  
 This restoration project was a result of damages sustained during Hurricane Wilma. Severe erosion and outfall damage required immediate restoration efforts. The outfalls were repaired and the culvert crossing was reconstructed with aluminum sheet piles to prevent future erosion. The total amount of Stormwater funds used to complete this project was \$38,055.
- **Boulevards Drainage Improvement Project**  
 The Boulevards is a small subdivision located on the east side of Tamarac, which had a history of drainage problems within the public right-of-way. The existing drainage system within this subdivision was more than forty years old consisting of insufficient sized drainage structures and pipes, which was no longer capable of handling larger storm events. The project consisted of retrofitting existing system with the installation of 35 drainage structures, 2600 linear feet of drainage pipe, and 680 linear feet of exfiltration trench. The total amount of Stormwater funds used to complete this project was \$147,210.
- **Stormwater Aerator Installation Program/Project**  
 37 Aerators have been installed throughout the City. Aerators provide additional oxygen to the water, which slows weed growth. In addition, aerators help to circulate water in areas that would otherwise remain stagnant. The circulating action brings up cooler water from the bottom of the canals, which slows the bloom of algae. The total amount of Stormwater funds used to complete this project was \$21,785.
- **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 Boulevards Subdivision Resurfacing and Beautification Project. This project consists of resurfacing 2.5 miles of roadway and beautifying 0.95 miles of medians.
- **Improvement in Water and Sewage facilities**  
 The City acquired a 10 acre parcel of land at a cost of \$6.9 million on December 15, 2005. It was purchased for the purpose of providing a new Utilities Compound on Nob Hill Road. It is the City's intention to invest in its infrastructure by constructing a category 5 hurricane ready field operations center. This will ensure the community's continued access to (water and sewage) services during times of natural disasters. The new building will also house the Information Technology staff and the City's computer systems. Ground breaking for this venture took place on June 24, 2007 and is expected to be completed by July 13, 2008.

The City's Utilities Department was recently presented with the "Water Treatment Plant Operations Excellence Award" by the Florida Department of Environmental Protection for 2006. The department maintains its high standards in the production of what has been determined to be some of the best tasting water in the region.

As a service for the utilities' customers, a water conservation program was started this past year. A Water Conversation Specialist was hired to promote various programs that reduce water use for both the businesses and individual homeowners. This program, using operational and grant funding, has reduced water consumption by over 1 million gallons per day, thereby delaying capital expenditures for water treatment plant expansion by nearly a decade. Finally, the South Florida Water Management District has granted the first municipal 20 year water permit to the City of Tamarac.

The City contracts with Broward County and the City of Fort Lauderdale for wastewater treatment. Due to the age and type of material in some areas of the City's wastewater system, and the high water table, there is a significant contribution of groundwater and rainwater that is being transported to Broward County for treatment. Reductions in the amount of inflow and infiltration (I&I) in the wastewater system will increase the capacity available for actual wastewater. During the past fiscal year, the cost of reducing the I&I and rehabilitating our underground sanitary sewer system totaled \$280,000. Much progress has been made in this project to date. However, this project is expected to continue for several years into the future at an estimated cost of \$1.7 million dollars.

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 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) and the Home Investments Partnership (HOME).

## 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. 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
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 2007 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 FY08 budget focuses on maintaining and improving the service levels, completing projects in progress, improving processes and practices, replacing existing infrastructure and equipment needed, and improving on an already sound financial position. The City Commission through the budget process determined the City’s top priorities to meet the changing needs of Tamarac.

The following current and future projects concentrate on improving infrastructure and streamlining City processes:

- 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 Dr. water main upgrade
- Complete the Nob Hill Rd., Boulevards and Commercial Boulevard median beautification
- Continue planning and development of the 57<sup>th</sup> Street/Main Street project
- Implement new technology projects such as the electronic commission agenda and a citizen request tracking system.
- 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 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:

- Sports Complex Expansion (expected completion in July, 2008)
- Recreation Center Demolition/Reconstruction (groundbreaking on February 12, 2008)
- Aquatic Center Annex (expected completion in June, 2009)
- Southgate Linear Park Phase 1B (expected completion in April, 2008)
- Dog Park (groundbreaking on March 11, 2008)
- Waters Edge Park
- Fire Station Renovation (expected completion in November, 2008)

## **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, 2006. 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 nineteenth (19) 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.

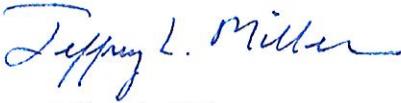
In addition, the City received from GFOA, the "Distinguished Budget Presentation Award" for FY 2007 for publishing a budget document that meets the program criteria as a policy document, an operations guide, a financial plan and a communications device. This is the tenth consecutive year Tamarac received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

In fiscal year 2007, the City of Tamarac continues to make substantial progress in its quest for the Governor's Sterling Award for Performance Excellence. This award measures overall performance of the entire organization. The Sterling Navigator survey and sight visits from the Sterling Committee culminated in the issuance of the 2005 Sterling Navigator Feedback Report. This reports identified numerous strengths in specific areas of the City's operations as well as opportunities for improvement. The City is anticipating filing the challenge application to move to the second phase of the Sterling Program in February 2008.

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 - Assistant Controller, Tessie Gross - Senior Accountant, Ricky Spencer - Accounting Supervisor, Keisha Lawson - Payroll Coordinator, Avril Major - Accounts Payable, and Doris Dahany - 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



Steven G. Chapman II  
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, 2006

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.



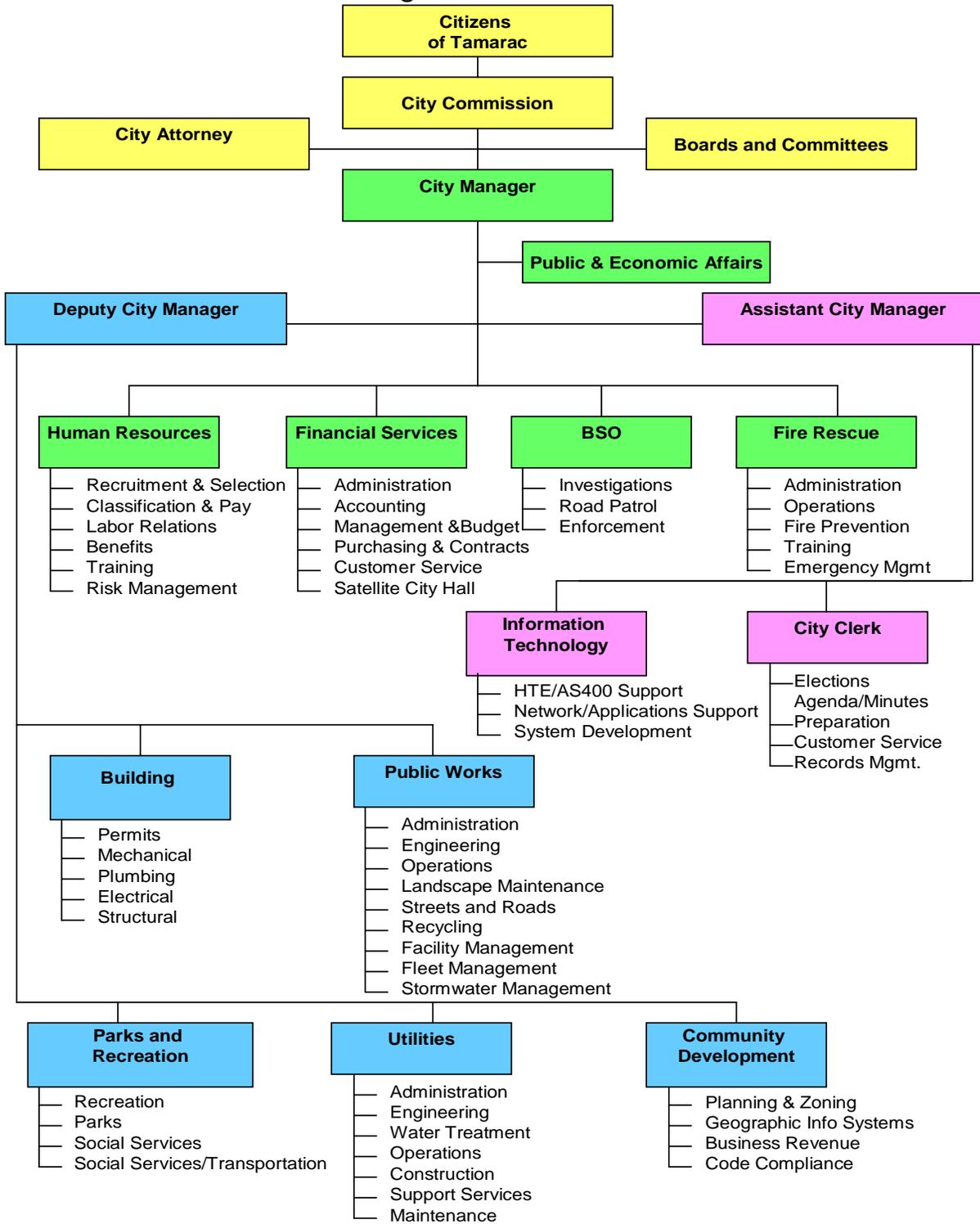
*Charles S. Cox*

President

*Jeffrey R. Emer*

Executive Director

# City of Tamarac Organization Chart



**City of Tamarac, Florida**  
**List of Principal Officers**  
September 30, 2007

**ELECTED OFFICIALS**

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

**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            | Gary B. Jones        |
| 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                       | William L. Nealon, Jr. |
| Purchasing and Contracts Manager | Keith Glatz            |
| Management and Budget Officer    | Chris Sammartino       |

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## **FINANCIAL SECTION**

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## **INDEPENDENT AUDITOR'S 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 Tamarac, Florida (the City) as of and for the year ended September 30, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of 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, 2007, 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 14, 2008, 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 73 through 76, 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.

Honorable Mayor, City Commission and City Manager  
City of Tamarac, Florida  
Page 2

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.

BKR Garcia & Company PLLC

March 14, 2008

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

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## 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, 2007. 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

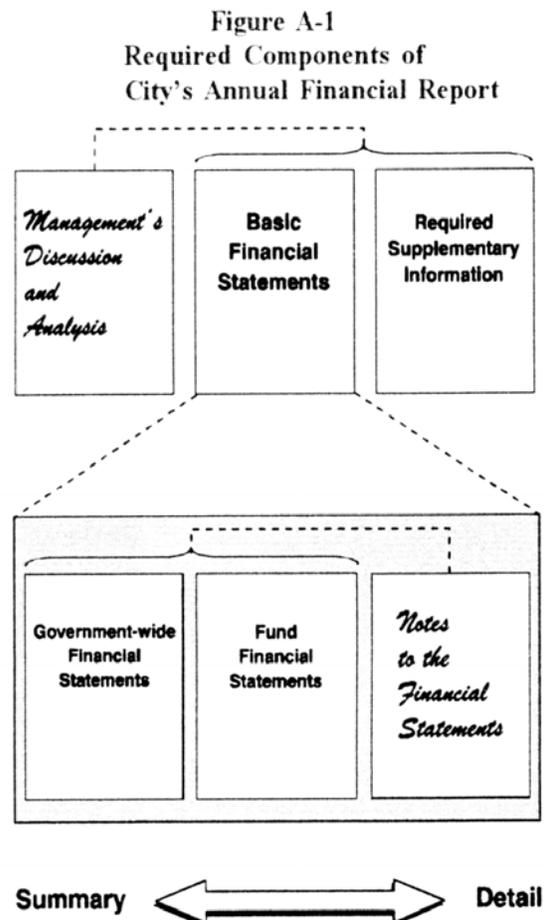
- The assets of the City of Tamarac exceeded its liabilities at the close of the most recent fiscal year by \$186.2 million (net assets). Of this amount, \$24.4 million (unrestricted net assets) may be used to meet the ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$15.1 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 \$3.4 million, net assets of our governmental activities increased by approximately \$11.7 million.
- During the year, the City had expenses that were \$11.5 million less than the \$65.2 million generated in taxes and other revenues for governmental programs, excluding transfers. This is more than last year, when revenues exceeded expenses by \$10.9 million.
- In the City's business-type activities, revenues decreased by \$1.5 million while expenses decreased by \$900,000.
- Total cost of all of the City's governmental activities decreased by \$4.5 million or 7.7 percent mainly as a result of the hurricane clean-up and recovery effort in the prior year, no similar expenditure incurred in the current fiscal year.
- The General Fund's fund balance increased by \$800,534 for the year ended September 30, 2007.
- At the end of the current year, fund balance for the General Fund was \$17.5 million, or 34 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. These unreserved designations are in compliance with the City's fund balance policy. The remaining reserved fund balance of \$833,219 is restricted and is not available for spending.
- The City's total debt decreased by \$2.4 million during the fiscal year.

## 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 City 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 City.

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.



**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 and 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.

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 Projects and the 2005 Revenue Bond Capital Improvement Projects 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, special revenue fund and the nonmajor funds to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 21 through 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, 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 through 27 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the City. 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 through 72 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City 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 on page 79 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 \$186.2 million, which is an improvement in overall financial position from last year of 8.8%. 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 \$186.2 million between fiscal years 2006 and 2007—(see Table 1). Looking at the net assets and net expenses of governmental and business-type activities separately, two very different stories emerge. Net assets of the City's governmental activities increased to \$115.7 million. The largest portion of the net assets 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.

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

|                             | Governmental<br>Activities |                        | Business-type<br>Activities |                       | Total                  |                        |
|-----------------------------|----------------------------|------------------------|-----------------------------|-----------------------|------------------------|------------------------|
|                             | 2007                       | 2006                   | 2007                        | 2006                  | 2007                   | 2006                   |
| Current and other assets    | \$ 64.5                    | \$ 58.9                | \$ 29.3                     | \$ 27.6               | \$ 93.8                | \$ 86.5                |
| Capital assets              | <u>94.8</u>                | <u>92.1</u>            | <u>62.7</u>                 | <u>61.8</u>           | <u>157.5</u>           | <u>153.9</u>           |
| <b>Total assets</b>         | <b><u>159.3</u></b>        | <b><u>151.0</u></b>    | <b><u>92.0</u></b>          | <b><u>89.4</u></b>    | <b><u>251.3</u></b>    | <b><u>240.4</u></b>    |
| Long-term debt outstanding  | 35.5                       | 40.0                   | 16.4                        | 18.7                  | 51.9                   | 58.7                   |
| Other liabilities           | <u>8.1</u>                 | <u>7.1</u>             | <u>4.9</u>                  | <u>3.5</u>            | <u>13.0</u>            | <u>10.6</u>            |
| <b>Total liabilities</b>    | <b><u>43.6</u></b>         | <b><u>47.1</u></b>     | <b><u>21.3</u></b>          | <b><u>22.2</u></b>    | <b><u>64.9</u></b>     | <b><u>69.3</u></b>     |
| Net assets                  |                            |                        |                             |                       |                        |                        |
| Invested in capital assets, |                            |                        |                             |                       |                        |                        |
| Net of related debt         | 74.0                       | 71.9                   | 45.6                        | 49.7                  | 119.6                  | 121.6                  |
| Restricted                  | 33.6                       | 27.7                   | 8.6                         | 7.3                   | 42.2                   | 35.0                   |
| Unrestricted                | <u>8.0</u>                 | <u>4.3</u>             | <u>16.4</u>                 | <u>10.2</u>           | <u>24.4</u>            | <u>14.5</u>            |
| <b>Total net assets</b>     | <b><u>\$ 115.6</u></b>     | <b><u>\$ 103.9</u></b> | <b><u>\$ 70.6</u></b>       | <b><u>\$ 67.2</u></b> | <b><u>\$ 186.2</u></b> | <b><u>\$ 171.1</u></b> |

*Note: Totals may not add due to rounding.*

An additional portion of the City's net assets (\$42.2 million or 23 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$24.4 million) may be used to meet the City's ongoing obligations to citizens and creditors.

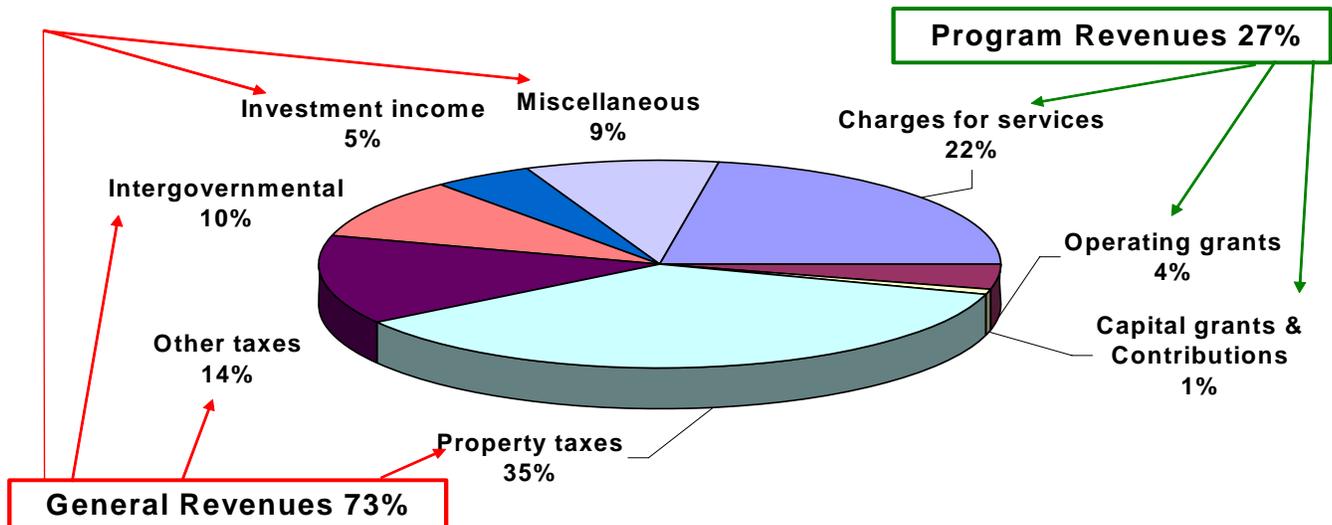
At the end of the current fiscal year, the City of Tamarac is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The City's total net assets for business-type activities increased by \$3.5 million during the current fiscal year. This increase represents the degree to which increases in ongoing revenues have outpaced the ongoing expenses. Other factors attributable to the increase of resources include water and wastewater impact fees and a continued growth in operating and capital grants. The unrestricted net assets of governmental activities showed no increase at the end of the fiscal year.

**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.

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

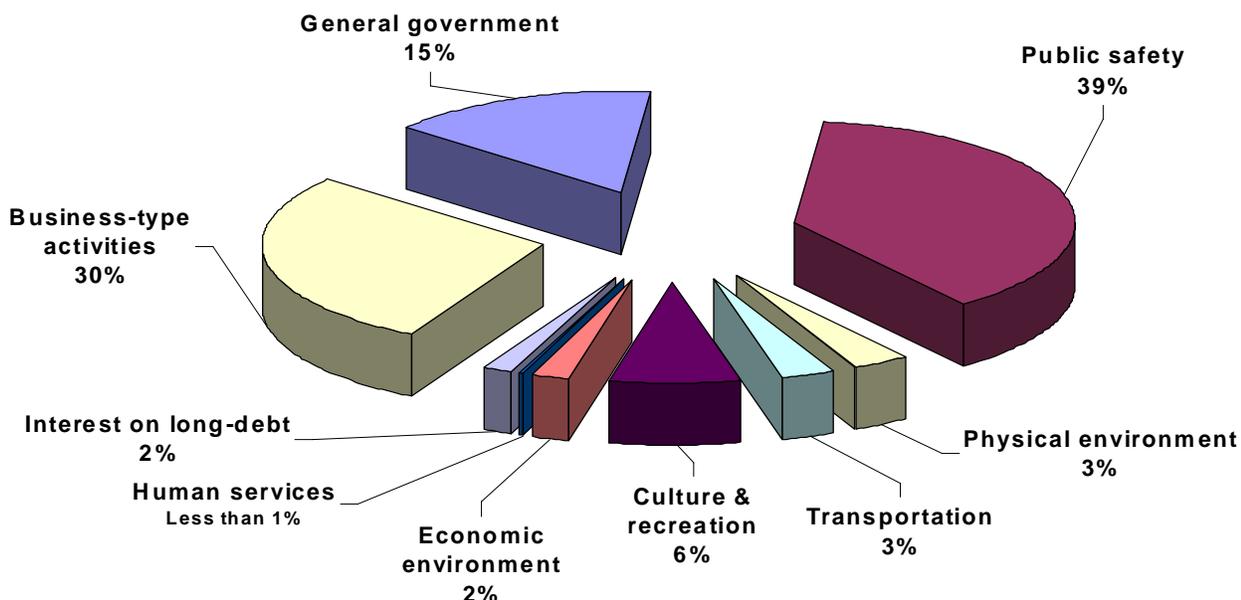


- 2) The City Commission has significant authority to set **increases or decreases in City's rates** (water, wastewater, stormwater, permitting, impact fees, user fees, etc.).
- 3) **Changing patterns in intergovernmental and grant revenues** (both recurring and non-recurring) can significantly change and impact the annual comparisons.
- 4) **Market impacts on investment income** may cause investment revenues to fluctuate from the prior year.

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 2007**



The City's total revenues decreased by 5.7 percent to \$90.0 million (see Table 2). Approximately 35% of the City's governmental activities revenues come from property taxes, and 50 cents of every dollar raised comes from some type of tax (see Figure A-2). Another quarter comes from fees charged for services, and most of the rest is federal, state and local aid.

The City's expenses cover a range of services with 69 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 5.6 percent (from \$69.1 million to \$65.2 million), while the expenses decreased 7.7 percent (from \$58.2 million to \$53.7 million). The increase in net assets for governmental activities was expanded to \$11.8 million in 2007. This compares to an \$11.2 million increase in 2006. Property tax revenues increased by approximately \$3.6 million due to new construction and increased property tax values. Investment income increased by \$1.0 million due to the increase in interest rates earned during fiscal year 2007.

The following functional activities that had expense increases compared to last fiscal year were: physical environment (increased by \$400,000), general government (increased by \$800,000), economic environment (increased by \$900,000), and culture/recreation (increased by \$1 million). Compared to last year, the expenses for public safety which included disaster recovery decreased by \$7.2 million and transportation decreased by \$400,000.

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

|                                  | <b>Governmental<br/>Activities</b> |                        | <b>Business-type<br/>Activities</b> |                       | <b>Total</b>           |                        |
|----------------------------------|------------------------------------|------------------------|-------------------------------------|-----------------------|------------------------|------------------------|
|                                  | <u>2007</u>                        | <u>2006</u>            | <u>2007</u>                         | <u>2006</u>           | <u>2007</u>            | <u>2006</u>            |
| <b>Revenues</b>                  |                                    |                        |                                     |                       |                        |                        |
| Program revenues                 |                                    |                        |                                     |                       |                        |                        |
| Charges for services             | \$14.4                             | \$ 15.2                | \$23.1                              | \$22.1                | \$37.5                 | \$37.3                 |
| Operating grants                 | 2.6                                | 9.5                    | --                                  | --                    | 2.6                    | 9.5                    |
| Capital grants and contributions | 0.6                                | 1.5                    | 0.3                                 | 3.3                   | 0.9                    | 4.8                    |
| <b>General revenues</b>          |                                    |                        |                                     |                       |                        |                        |
| Property taxes                   | 23.4                               | 19.8                   | --                                  | --                    | 23.4                   | 19.8                   |
| Other taxes                      | 9.0                                | 8.8                    | --                                  | --                    | 9.0                    | 8.8                    |
| Intergovernmental                | 6.2                                | 6.3                    | --                                  | --                    | 6.2                    | 6.3                    |
| Investment income                | 3.1                                | 2.1                    | 1.3                                 | 0.9                   | 4.4                    | 3.0                    |
| Miscellaneous                    | <u>5.9</u>                         | <u>5.9</u>             | <u>0.1</u>                          | <u>--</u>             | <u>6.0</u>             | <u>5.9</u>             |
| <b>Total revenues</b>            | <b><u>65.2</u></b>                 | <b><u>69.1</u></b>     | <b><u>24.8</u></b>                  | <b><u>26.3</u></b>    | <b><u>90.0</u></b>     | <b><u>95.4</u></b>     |
| <b>Expenses</b>                  |                                    |                        |                                     |                       |                        |                        |
| General government               | 11.5                               | 10.7                   | --                                  | --                    | 11.5                   | 10.7                   |
| Public safety                    | 28.3                               | 35.5                   | --                                  | --                    | 28.3                   | 35.5                   |
| Physical Environment             | 2.6                                | 2.2                    | --                                  | --                    | 2.6                    | 2.2                    |
| Transportation                   | 2.3                                | 2.7                    | --                                  | --                    | 2.3                    | 2.7                    |
| Culture and recreation           | 5.5                                | 4.5                    | --                                  | --                    | 5.5                    | 4.5                    |
| Economic environment             | 1.6                                | 0.7                    | --                                  | --                    | 1.6                    | 0.7                    |
| Human services                   | 0.3                                | 0.3                    | --                                  | --                    | 0.3                    | 0.3                    |
| Interest on long-debt            | 1.6                                | 1.6                    | --                                  | --                    | 1.6                    | 1.6                    |
| Utilities                        | --                                 | --                     | 18.0                                | 18.2                  | 18.0                   | 18.2                   |
| Stormwater                       | --                                 | --                     | <u>3.0</u>                          | <u>3.7</u>            | <u>3.0</u>             | <u>3.7</u>             |
| <b>Total expenses</b>            | <b><u>53.7</u></b>                 | <b><u>58.2</u></b>     | <b><u>21.0</u></b>                  | <b><u>21.9</u></b>    | <b><u>74.7</u></b>     | <b><u>80.1</u></b>     |
| Excess before transfers          | 11.5                               | 10.9                   | 3.8                                 | 4.4                   | 15.3                   | 15.3                   |
| Transfers in (out)               | <u>0.3</u>                         | <u>0.3</u>             | <u>(0.3)</u>                        | <u>(0.3)</u>          | <u>--</u>              | <u>--</u>              |
| <b>Increase in net assets</b>    | <b><u>11.8</u></b>                 | <b><u>11.2</u></b>     | <b><u>3.5</u></b>                   | <b><u>4.1</u></b>     | <b><u>15.3</u></b>     | <b><u>15.3</u></b>     |
| Net assets, October 1            | <u>103.9</u>                       | <u>92.7</u>            | <u>67.2</u>                         | <u>63.1</u>           | <u>171.1</u>           | <u>155.8</u>           |
| <b>Net assets, September 30</b>  | <b><u>\$ 115.7</u></b>             | <b><u>\$ 103.9</u></b> | <b><u>\$ 70.7</u></b>               | <b><u>\$ 67.2</u></b> | <b><u>\$ 186.4</u></b> | <b><u>\$ 171.1</u></b> |

*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 2007, the City decreased the millage operating millage by .0275 mills. The \$3.6 million in increased revenue collection from property taxation is the result of an increase in assessed valuation. Most of the City's other revenue sources were at or slightly above the prior year actual. Operating and capital grants totaled \$14.3 million primarily for hurricane preparation and clean-up costs in FY 2006 and have since decreased to \$3.5 million for FY 2007. General Fund's expenditures were less than last years actual by \$4.5 million mainly due to hurricane clean-up and recovery effort in fiscal year 2006, no similar expenditure incurred in the current fiscal year. The total cost of all programs and services decreased by \$5.4 million primarily due to personnel expenditures (see Table 2).

The business-type activities net assets increased by \$3.5 million from the prior fiscal year. Revenues of the City's business-type activities decreased 5.7 percent to \$24.8 million and expenses decreased 4.1 percent to \$21.0 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 \$53.7 million. Some of that cost was financed by:
  - Those who directly benefited from the programs through charges for services (\$14.4 million), or
  - Other governments and organizations that subsidized certain programs from operating and capital grants and contributions (\$3.2 million).
- The City financed the remaining \$36.1 million “public benefit” portion of governmental activities with \$32.4 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)*

|                        | <b>Total Cost of Services</b> |                       | <b>Net Cost of Services</b> |                       |
|------------------------|-------------------------------|-----------------------|-----------------------------|-----------------------|
|                        | <b>2007</b>                   | <b>2006</b>           | <b>2007</b>                 | <b>2006</b>           |
| Public safety          | \$28.3                        | \$35.5                | \$15.7                      | \$14.6                |
| General government     | 11.5                          | 10.7                  | 10.6                        | 9.3                   |
| Culture and recreation | 5.5                           | 4.5                   | 4.5                         | 2.1                   |
| Physical environment   | 2.6                           | 2.2                   | 1.8                         | 1.5                   |
| Transportation         | 2.3                           | 2.7                   | 2.3                         | 2.4                   |
| Other                  | <u>3.5</u>                    | <u>2.6</u>            | <u>1.2</u>                  | <u>2.1</u>            |
| <b>Total</b>           | <b><u>\$ 53.7</u></b>         | <b><u>\$ 58.2</u></b> | <b><u>\$ 36.1</u></b>       | <b><u>\$ 32.1</u></b> |

## **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 \$51.2 million, or an increase of \$5.5 million compared to last year's combined fund balances of \$45.6 million. Included in this year's total change in fund balances is a \$929,300 excess of revenues over expenditures in the City's nonmajor governmental funds. The primary reasons for these changes in fund balances should be noted:

- The fund balance of the General Fund increased by \$800,534 mainly due to additional revenues collected from franchise fees and investment income. Spending was also less than budgeted, specifically in general government.
- The Fire/Rescue Fund had a negative change in fund balance of \$435,688 for expenditures exceeding the revenues and transfers during the year.
- The fund balance of the General Capital Project Fund increased by \$7 million mainly due to \$8 million transfer from the General Fund reserved for the budgeted capital expenditures in fiscal year 2008.
- The on-going construction of the Tamarac Sports Complex mainly contributed the \$2.7 million decrease in the 2005 Capital Improvement Project Fund.

### **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 \$751,998 from the prior year. Operating expenses including depreciation decreased by \$568,039.
- Stormwater operating revenues increased by \$193,504 million from the prior fiscal year. Operating expenses including depreciation decreased by \$648,384.
- Investment income increased by \$401,806 from the prior year as a result of the higher market interest rates.

## 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 \$5.1 million below final budgeted amounts. Of this amount, \$2.7 million is designated for future projects and prior year's encumbrances. The most significant contributor to this variance was various departmental savings due to staff vacancies.

The fiscal year 2007 amended final budget \$56,881,829 increased by 17.4 percent over the original General Fund budget of \$48,467,000 primarily for the purposes of carrying over expenditures not completed during the previous fiscal year and various new projects undertaken during the fiscal year. Correspondingly, inflation, measured by the Consumer Price Index from the U.S. Bureau of Labor Statistics – All Urban Consumers South Urban area increased by 4.4% from December 2006 to December 2007. With base revenues of \$48,169,800 and \$297,200 in operating transfers from the Enterprise Funds, the Adopted Budget is balanced. The original General Fund budget consists of \$36,068,000 base expenditures and \$12,399,000 in operating transfers to the other funds.

Differences between the original budget and the final amended budget increased appropriations by \$8,414,829 and can be briefly summarized as follows:

- ◆ \$2,695,514 in carry forward of prior year commitments and capital projects for all departments.
- ◆ \$5,719,315 transfer of surplus funds from FY 2006 balances related to the undesignated general fund cap of 10% of the City's annual budget. These funds were transferred to the capital improvement fund.

This increase was to be budgeted from available fund balance. During the year, however, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates, thus eliminating the need to draw upon the unreserved or designated fund balance. The difference between the estimated revenues and the actual revenues in the General Fund was approximately \$2.9 million for FY 2007. The primary reasons for this variance were increased tax and franchise revenue collections and increased investment income as a result of rising interest rates.

The difference between the appropriations and the actual expenditures in the General Fund was approximately \$5.1 million for fiscal year 2007. The majority of these variances are explained below:

- Approximately \$1.0 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 \$1.1 million.

- Various expenditures, capital outlay, and capital projects of \$2.7 million for all departments were not completed during the fiscal year and will be carried forward to the next fiscal year.

## 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, 2007, amounts increased by \$3.6 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)*

|                                      | <b>Governmental<br/>Activities</b> |                | <b>Business-type<br/>Activities</b> |                | <b>Total</b>    |                 |
|--------------------------------------|------------------------------------|----------------|-------------------------------------|----------------|-----------------|-----------------|
|                                      | <b>2007</b>                        | <b>2006</b>    | <b>2007</b>                         | <b>2006</b>    | <b>2007</b>     | <b>2006</b>     |
| Land                                 | \$ 12.5                            | \$ 12.5        | \$ 7.4                              | \$ 7.4         | \$ 19.9         | \$ 19.9         |
| Buildings                            | 18.6                               | 18.2           | 2.2                                 | 2.3            | 20.8            | 20.5            |
| Improvements other than<br>buildings | 6.8                                | 4.9            | 47.6                                | 47.5           | 54.4            | 52.4            |
| Equipment                            | 4.4                                | 5.0            | 0.8                                 | 1.0            | 5.2             | 6.0             |
| Infrastructure                       | 48.2                               | 48.1           | 2.2                                 | 2.2            | 50.4            | 50.3            |
| Construction in progress             | 4.3                                | 3.4            | 2.5                                 | 1.4            | 6.8             | 4.8             |
| <b>Total</b>                         | <b>\$ 94.8</b>                     | <b>\$ 92.1</b> | <b>\$ 62.7</b>                      | <b>\$ 61.8</b> | <b>\$ 157.5</b> | <b>\$ 153.9</b> |

For the governmental activities, this year's major capital asset additions before depreciation equaled \$5.4 million and include the following:

- Buildings and improvements totaled \$1.3 million and are in the various stages of completion.
- Improvements other than buildings totaled \$2.3 million and include such items as the city's vehicle program.
- Infrastructure accounted for \$848,000 primarily attributed to the road median program.
- New equipment was purchased and installed at a cost of \$965,000.

For the business-type activities, of the \$4.4 million net increase in capital assets before depreciation and a net increase of construction-in-progress projects totaling \$1.2 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:

- Filter media replacement at the Water Treatment Plant at a cost of \$484,000.
- Pump station rehabilitation for the Utilities Fund at a cost of \$462,000.
- Water main renewal and replacements costing \$954,000.

- Other Improvements including subdivider contributions costing \$348,000.
- Stormwater streets program and drainage improvements costing \$723,000
- Work in progress on the Utilities Operations Control Center costing \$1.5 million.

The City’s fiscal year 2008 capital budget calls for spending another \$4.9 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 \$34.7 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 \$6,000,000 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 48 through 50 of this report.

**Long-term debt.** At year-end the City had \$51.8 million in bonds outstanding— a decrease of \$2.4 million from last year— as shown in Table 5. Of this amount, \$2.3 million comprises debt backed by the full faith and credit of the government and \$49.5 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)*

|                          | <u>Governmental</u> |                | <u>Business-type</u> |                | <u>Total</u>   |                |
|--------------------------|---------------------|----------------|----------------------|----------------|----------------|----------------|
|                          | <u>2007</u>         | <u>2006</u>    | <u>2007</u>          | <u>2006</u>    | <u>2007</u>    | <u>2006</u>    |
| General obligation bonds | \$ 2.3              | \$ 2.6         | \$ -                 | \$ -           | \$ 2.3         | \$ 2.6         |
| Revenue bonds and notes  | 32.1                | 33.1           | 17.4                 | 18.5           | 49.5           | 51.6           |
| <b>Total</b>             | <u>\$ 34.4</u>      | <u>\$ 35.7</u> | <u>\$ 17.4</u>       | <u>\$ 18.5</u> | <u>\$ 51.8</u> | <u>\$ 54.2</u> |

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.

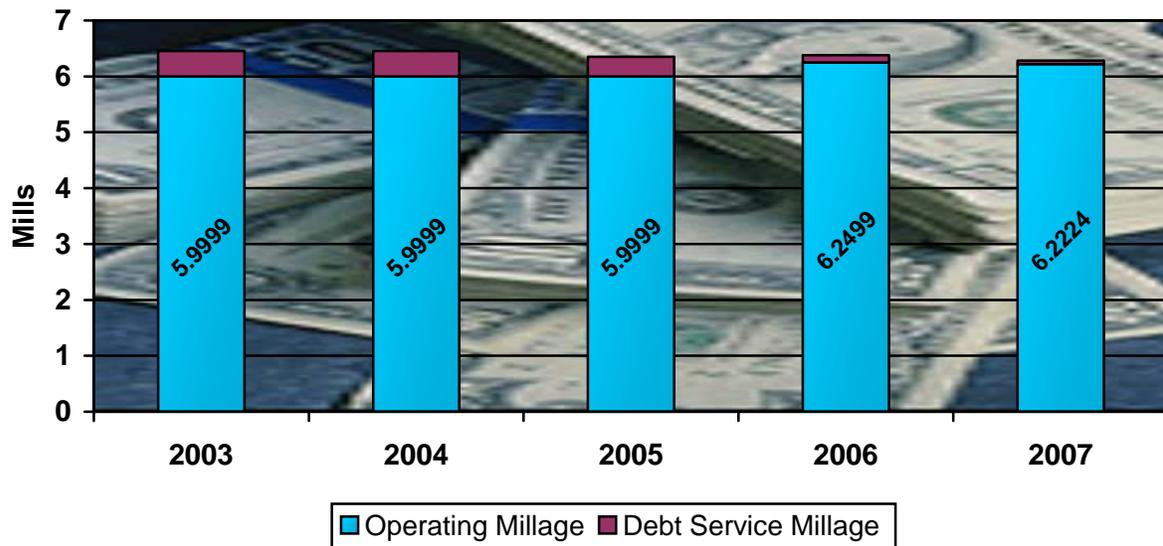
Additional information on the City of Tamarac’s long-term debt can be found in Note 7 beginning on page 52 of this report.

## 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 2007 was 3.8 percent, which has increased from 3.1 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.

**Figure A-4**  
**Total City Millage**



The operating millage for fiscal year 2008 is 5.0496 per thousand dollars of taxable value. This reduction of 1.1728 mills is a direct result of the Florida State Legislature's action to reduce local government's ability to levy ad valorem taxation through statute. 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 2008 budgeted expenditures and transfers are expected to be \$49.3 million, or 1.6 percent, over fiscal year 2007. 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 Steven G. Chapman II, Director of Financial Services, City of Tamarac, 7525 NW. 88<sup>th</sup> Ave, Tamarac, Florida 33321 or send an e-mail to [steven@tamarac.org](mailto:steven@tamarac.org).

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# **BASIC FINANCIAL STATEMENTS**

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# CITY OF TAMARAC, FLORIDA

## STATEMENT OF NET ASSETS

SEPTEMBER 30, 2007

|   | Governmental          | Business-<br>Type<br><u>Activities</u> | <u>Total</u>          |
|---|-----------------------|--|-----------------------|
| <b><u>ASSETS</u></b>                            |                       |  |                       |
| Cash and equity in pooled cash and investments  | \$ 58,272,673         | \$ 19,040,607                          | \$ 77,313,280         |
| Accounts receivable - net                       | 5,365,381             | 3,128,916                              | 8,494,297             |
| Advances to pension plan                        | 370,660               | -                                      | 370,660               |
| Internal balances                               | (633,090)             | 633,090                                | -                     |
| Inventories                                     | 75,328                | 351,269                                | 426,597               |
| Prepaid expenses                                | 23,686                | -                                      | 23,686                |
| Deferred charges                                | -                     | 7,444                                  | 7,444                 |
| Restricted assets:                              |                       |  |                       |
| Cash and equity in pooled cash and investments  | -                     | 6,152,608                              | 6,152,608             |
| Net pension asset                               | 1,038,232             | -                                      | 1,038,232             |
| Land  | 12,498,912            | 7,460,603                              | 19,959,515            |
| Construction in progress - infrastructure       | 4,277,172             | 2,546,472                              | 6,823,644             |
| Infrastructure - net                            | 48,209,429            | 2,128,961                              | 50,338,390            |
| Other capital assets - net                      | 29,790,924            | 50,544,091                             | 80,335,015            |
| Total assets                                    | <u>\$ 159,289,307</u> | <u>\$ 91,994,061</u>                   | <u>\$ 251,283,368</u> |
| <b><u>LIABILITIES</u></b>                       |                       |  |                       |
| Accounts payable                                | \$ 2,882,240          | \$ 1,297,147                           | \$ 4,179,387          |
| Accrued liabilities                             | 1,414,269             | 271,506                                | 1,685,775             |
| Accrued interest payable                        | 794,356               | 371,653                                | 1,166,009             |
| Customer deposits                               | 771,518               | 1,538,829                              | 2,310,347             |
| Unearned revenue                                | 482,180               | 180,232                                | 662,412               |
| Net pension obligation                          | 324,583               | -                                      | 324,583               |
| Noncurrent liabilities:                         |                       |  |                       |
| The amount due in one year                      | 1,480,679             | 1,273,906                              | 2,754,585             |
| The amount due more than one year               | 35,495,141            | 16,396,144                             | 51,891,285            |
| Total liabilities                               | <u>43,644,966</u>     | <u>21,329,417</u>                      | <u>64,974,383</u>     |
| <b><u>NET ASSETS</u></b>                        |                       |  |                       |
| Invested in capital assets, net of related debt | 74,006,704            | 45,633,402                             | 119,640,106           |
| Restricted for:                                 |                       |  |                       |
| Renewal and replacement                         | -                     | 5,617,479                              | 5,617,479             |
| Special revenue funds                           | 7,359,878             | -                                      | 7,359,878             |
| Capital projects funds                          | 25,924,427            | -                                      | 25,924,427            |
| Debt service funds                              | 355,651               | -                                      | 355,651               |
| Working capital bond reserve                    | -                     | 2,981,583                              | 2,981,583             |
| Unrestricted                                    | 7,997,681             | 16,432,180                             | 24,429,861            |
| Total net assets                                | <u>\$ 115,644,341</u> | <u>\$ 70,664,644</u>                   | <u>\$ 186,308,985</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, 2007

|   | Program Revenues     |                         |   |                                       | Net (Expense) Revenue and<br>Changes in Net Assets |                                 |                        |
|---|----------------------|-------------------------|---|---------------------------------------|--|---------------------------------|------------------------|
|   | Expenses             | Charges for<br>Services | Operating<br>Grants and<br>Contribution | Capital<br>Grants and<br>Contribution | Governmental<br>Activities                         | Business-<br>Type<br>Activities | Total                  |
| <b>Functions/programs</b>                             |                      |                         |   |                                       |  |                                 |                        |
| <b>Primary government:</b>                            |                      |                         |   |                                       |  |                                 |                        |
| Governmental activities:                              |                      |                         |   |                                       |  |                                 |                        |
| General government                                    | \$ 11,504,582        | \$ 872,023              | \$ -                                    | \$ -                                  | \$ (10,632,559)                                    | \$ -                            | \$ (10,632,559)        |
| Public safety   | 28,264,994           | 11,859,118              | 271,337                                 | 419,264                               | (15,715,275)                                       | -                               | (15,715,275)           |
| Transportation  | 2,330,808            | 66,357                  | -                                       | -                                     | (2,264,451)  | -                               | (2,264,451)            |
| Culture/recreation                                    | 5,496,590            | 830,025                 | -                                       | 164,432                               | (4,502,133)  | -                               | (4,502,133)            |
| Physical environment                                  | 2,610,684            | 733,360                 | -                                       | 34,131                                | (1,843,193)  | -                               | (1,843,193)            |
| Economic environment                                  | 1,559,614            | -                       | 2,353,902                               | -                                     | 794,288  | -                               | 794,288                |
| Human services  | 333,332              | -                       | -                                       | -                                     | (333,332)  | -                               | (333,332)              |
| Interest on long-term debt                            | 1,624,593            | -                       | -                                       | -                                     | (1,624,593)  | -                               | (1,624,593)            |
| Total governmental activities                         | <u>53,725,197</u>    | <u>14,360,883</u>       | <u>2,625,239</u>                        | <u>617,827</u>                        | <u>(36,121,248)</u>                                | <u>-</u>                        | <u>(36,121,248)</u>    |
| Business-type activities:                             |                      |                         |   |                                       |  |                                 |                        |
| Utilities   | 17,976,618           | 18,694,290              | -                                       | 348,154                               | -  | 1,065,826                       | 1,065,826              |
| Stormwater  | 3,017,732            | 4,383,991               | -                                       | -                                     | -  | 1,366,259                       | 1,366,259              |
| Total business activities                             | <u>20,994,350</u>    | <u>23,078,281</u>       | <u>-</u>                                | <u>348,154</u>                        | <u>-</u>   | <u>2,432,085</u>                | <u>2,432,085</u>       |
| Total primary government                              | <u>\$ 74,719,547</u> | <u>\$ 37,439,164</u>    | <u>\$ 2,625,239</u>                     | <u>\$ 965,981</u>                     | <u>\$ (36,121,248)</u>                             | <u>\$ 2,432,085</u>             | <u>\$ (33,689,163)</u> |
| General revenues:                                     |                      |                         |   |                                       |  |                                 |                        |
| Taxes:  |                      |                         |   |                                       |  |                                 |                        |
| Property taxes, levied for general purpose            |                      |                         |   |                                       | \$ 22,940,448                                      | \$ -                            | \$ 22,940,448          |
| Property taxes, levied for debt service               |                      |                         |   |                                       | 483,058  | -                               | 483,058                |
| Utility taxes   |                      |                         |   |                                       | 146,928  | -                               | 146,928                |
| Franchise taxes                                       |                      |                         |   |                                       | 4,842,600  | -                               | 4,842,600              |
| Communication service taxes                           |                      |                         |   |                                       | 2,954,346  | -                               | 2,954,346              |
| Gas taxes   |                      |                         |   |                                       | 1,081,652  | -                               | 1,081,652              |
| Intergovernmental not restricted to specific programs |                      |                         |   |                                       | 6,162,220  | -                               | 6,162,220              |
| Investment income                                     |                      |                         |   |                                       | 3,133,291  | 1,255,811                       | 4,389,102              |
| Miscellaneous   |                      |                         |   |                                       | 5,824,558  | -                               | 5,824,558              |
| Gain on sale of capital assets                        |                      |                         |   |                                       | 31,191   | 72,863                          | 104,054                |
| Transfers   |                      |                         |   |                                       | 297,200  | (297,200)                       | -                      |
| Total general revenues and transfers                  |                      |                         |   |                                       | <u>47,897,492</u>                                  | <u>1,031,474</u>                | <u>48,928,966</u>      |
| Change in net assets                                  |                      |                         |   |                                       | 11,776,244   | 3,463,559                       | 15,239,803             |
| Net assets, October 1                                 |                      |                         |   |                                       | <u>103,868,097</u>                                 | <u>67,201,085</u>               | <u>171,069,182</u>     |
| Net assets, September 30                              |                      |                         |   |                                       | <u>\$ 115,644,341</u>                              | <u>\$ 70,664,644</u>            | <u>\$ 186,308,985</u>  |

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

# CITY OF TAMARAC, FLORIDA

## BALANCE SHEET GOVERNMENTAL FUNDS SEPTEMBER 30, 2007

|  | Major Funds   |                                   |                                |   |                                   | Total<br>Governmental<br>Funds |
|--|---------------|-----------------------------------|--------------------------------|---|-----------------------------------|--------------------------------|
|  | General       | Special<br>Revenue<br>Fire Rescue | Capital Projects               |   | Nonmajor<br>Governmental<br>Funds |                                |
|  |               |                                   | General<br>Capital<br>Projects | 2005 Capital<br>Improvement<br>Projects |                                   |                                |
| <b>ASSETS</b>                                  |               |                                   |                                |   |                                   |                                |
| Cash and equity in pooled cash and investments | \$ 17,712,851 | \$ 1,719,870                      | \$ 10,759,535                  | \$ 13,126,139                           | \$ 8,903,268                      | \$ 52,221,663                  |
| Accounts receivable - net                      | 1,346,039     | 667,019                           | -                              | -                                       | 1,832,562                         | 3,845,620                      |
| Inventories                                    | 75,328        | -                                 | -                              | -                                       | -                                 | 75,328                         |
| Prepaid expenses                               | 19,696        | -                                 | -                              | -                                       | -                                 | 19,696                         |
| Due from other funds                           | 283,582       | -                                 | 76,882                         | -                                       | 4,680                             | 365,144                        |
| Advances to pension plan                       | 370,660       | -                                 | -                              | -                                       | -                                 | 370,660                        |
| Due from other governments                     | 769,752       | 12,439                            | -                              | -                                       | 493,155                           | 1,275,346                      |
| Total assets                                   | \$ 20,577,908 | \$ 2,399,328                      | \$ 10,836,417                  | \$ 13,126,139                           | \$ 11,233,665                     | \$ 58,173,457                  |
| <b>LIABILITIES AND FUND BALANCES</b>           |               |                                   |                                |   |                                   |                                |
| Accounts payable                               | \$ 1,483,722  | \$ 77,671                         | \$ 246,806                     | \$ 772,491                              | \$ 121,240                        | \$ 2,701,930                   |
| Accrued liabilities                            | 696,490       | 728,147                           | -                              | -                                       | 9,223                             | 1,433,860                      |
| Accrued bonds and interest payable             | -             | -                                 | -                              | -                                       | 1,110,013                         | 1,110,013                      |
| Due to other funds                             | -             | -                                 | 4,621                          | -                                       | 360,464                           | 365,085                        |
| Due to other governmental units                | 5,207         | -                                 | -                              | -                                       | 144,643                           | 149,850                        |
| Escrow deposits                                | 101,912       | -                                 | -                              | -                                       | -                                 | 101,912                        |
| Deferred revenue                               | 771,516       | -                                 | -                              | -                                       | 380,269                           | 1,151,785                      |
| Total liabilities                              | 3,058,847     | 805,818                           | 251,427                        | 772,491                                 | 2,125,852                         | 7,014,435                      |
| <b>FUND BALANCES</b>                           |               |                                   |                                |   |                                   |                                |
| Reserved for:                                  |               |                                   |                                |   |                                   |                                |
| Encumbrances                                   | 376,043       | 33,351                            | 1,840,766                      | 7,382,769                               | 75,825                            | 9,708,754                      |
| Inventories and prepayments                    | 95,024        | -                                 | -                              | -                                       | -                                 | 95,024                         |
| Advances to pension plan                       | 370,660       | -                                 | -                              | -                                       | -                                 | 370,660                        |
| Police training                                | 11,188        | -                                 | -                              | -                                       | -                                 | 11,188                         |
| Special revenue funds                          | -             | 1,560,159                         | -                              | -                                       | 4,211,245                         | 5,771,404                      |
| Capital projects funds                         | -             | -                                 | -                              | 1,455,388                               | 4,465,092                         | 5,920,480                      |
| Unreserved reported in:                        |               |                                   |                                |   |                                   |                                |
| Debt service funds                             | -             | -                                 | -                              | -                                       | 355,651                           | 355,651                        |
| General fund, designated                       | 10,898,495    | -                                 | -                              | -                                       | -                                 | 10,898,495                     |
| Capital project fund, designated               | -             | -                                 | 8,744,224                      | 3,515,491                               | -                                 | 12,259,715                     |
| General fund, undesignated                     | 5,767,651     | -                                 | -                              | -                                       | -                                 | 5,767,651                      |
| Total fund balances                            | 17,519,061    | 1,593,510                         | 10,584,990                     | 12,353,648                              | 9,107,813                         | 51,159,022                     |
| Total liabilities and fund balances            | \$ 20,577,908 | \$ 2,399,328                      | \$ 10,836,417                  | \$ 13,126,139                           | \$ 11,233,665                     | \$ 58,173,457                  |

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  
SEPTEMBER 30, 2007

|   |                       |
|---|-----------------------|
| Fund balances - total government funds (Page 21)  | \$ 51,159,022         |
| <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   | 120,361,334           |
| Less accumulated depreciation   | (25,584,897)          |
| <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   | 1,038,232             |
| Net pension obligation  | (324,583)             |
| <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>  |                       |
|   | (35,711,232)          |
| <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> |                       |
|   | <u>4,706,465</u>      |
| Net assets of governmental activities (Page 19)   | <u>\$ 115,644,341</u> |

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

**CITY OF TAMARAC, FLORIDA**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

|  | Major Funds          |                                   |                                |   |                                   | Total<br>Governmental<br>Funds |
|--|----------------------|-----------------------------------|--------------------------------|---|-----------------------------------|--------------------------------|
|  | General              | Special<br>Revenue<br>Fire Rescue | Capital Projects               |   | Nonmajor<br>Governmental<br>Funds |                                |
|  |                      |                                   | General<br>Capital<br>Projects | 2005 Capital<br>Improvement<br>Projects |                                   |                                |
| <b>Revenues:</b>   |                      |                                   |                                |   |                                   |                                |
| Taxes and franchise fees                                     | \$ 31,965,968        | \$ -                              | \$ -                           | \$ -                                    | \$ 483,057                        | \$ 32,449,025                  |
| Charges for services   | 1,646,515            | 1,889,046                         | -                              | -                                       | 159,058                           | 3,694,619                      |
| Payment in lieu of taxes                                     | 677,576              | -                                 | -                              | -                                       | -                                 | 677,576                        |
| Intergovernmental  | 6,162,211            | 39,746                            | 34,131                         | -                                       | 3,169,188                         | 9,405,276                      |
| Licenses and permits   | 2,671,892            | -                                 | -                              | -                                       | -                                 | 2,671,892                      |
| Fines and forfeitures  | 598,039              | -                                 | -                              | -                                       | -                                 | 598,039                        |
| Investment income  | 1,454,347            | 176,031                           | 250,204                        | 790,882                                 | 463,286                           | 3,134,750                      |
| Donations from private resources                             | -                    | -                                 | -                              | -                                       | 8,480                             | 8,480                          |
| Miscellaneous  | 5,857,756            | 677                               | 72,911                         | -                                       | -                                 | 5,931,344                      |
| Special assessments  | -                    | 6,681,809                         | -                              | -                                       | 42,082                            | 6,723,891                      |
| Total revenues   | <u>51,034,304</u>    | <u>8,787,309</u>                  | <u>357,246</u>                 | <u>790,882</u>                          | <u>4,325,151</u>                  | <u>65,294,892</u>              |
| <b>Expenditures:</b>   |                      |                                   |                                |   |                                   |                                |
| <b>Current:</b>  |                      |                                   |                                |   |                                   |                                |
| General government   | 10,692,895           | -                                 | -                              | -                                       | 5,000                             | 10,697,895                     |
| Public safety  | 12,109,116           | 16,222,950                        | -                              | -                                       | 56,381                            | 28,388,447                     |
| Transportation   | 1,334,610            | -                                 | -                              | -                                       | 84,092                            | 1,418,702                      |
| Culture / recreation   | 4,993,307            | -                                 | -                              | -                                       | 27,264                            | 5,020,571                      |
| Physical environment   | 2,654,791            | -                                 | -                              | -                                       | -                                 | 2,654,791                      |
| Economic environment   | 166,006              | -                                 | -                              | -                                       | 1,488,944                         | 1,654,950                      |
| Human services   | 309,291              | -                                 | -                              | -                                       | 45,155                            | 354,446                        |
| <b>Debt service:</b>   |                      |                                   |                                |   |                                   |                                |
| Principal retirement   | -                    | -                                 | -                              | -                                       | 1,400,658                         | 1,400,658                      |
| Interest and fiscal charges                                  | -                    | -                                 | -                              | -                                       | 1,625,551                         | 1,625,551                      |
| <b>Capital outlay:</b>                                       |                      |                                   |                                |   |                                   |                                |
| General government   | 719,072              | -                                 | 200,860                        | -                                       | -                                 | 919,932                        |
| Public safety  | 2,236                | 49,447                            | 42,919                         | -                                       | 202,054                           | 296,656                        |
| Transportation   | 19,750               | -                                 | 1,267,814                      | 73,910                                  | 17,807                            | 1,379,281                      |
| Physical environment   | 1,944                | -                                 | -                              | -                                       | -                                 | 1,944                          |
| Culture and recreation                                       | 176,267              | -                                 | 326,837                        | 3,463,428                               | 262,530                           | 4,229,062                      |
| Human services   | 1,986                | -                                 | -                              | -                                       | -                                 | 1,986                          |
| Total expenditures   | <u>33,181,271</u>    | <u>16,272,397</u>                 | <u>1,838,430</u>               | <u>3,537,338</u>                        | <u>5,215,436</u>                  | <u>60,044,872</u>              |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>17,853,033</u>    | <u>(7,485,088)</u>                | <u>(1,481,184)</u>             | <u>(2,746,456)</u>                      | <u>(890,285)</u>                  | <u>5,250,020</u>               |
| <b>Other financing sources (uses):</b>                       |                      |                                   |                                |   |                                   |                                |
| Transfers in   | 1,165,816            | 7,049,400                         | 8,480,714                      | -                                       | 4,171,855                         | 20,867,785                     |
| Transfers out  | <u>(18,218,315)</u>  | -                                 | -                              | -                                       | <u>(2,352,270)</u>                | <u>(20,570,585)</u>            |
| Total other financing sources (uses)                         | <u>(17,052,499)</u>  | <u>7,049,400</u>                  | <u>8,480,714</u>               | <u>-</u>                                | <u>1,819,585</u>                  | <u>297,200</u>                 |
| Net change in fund balances                                  | 800,534              | (435,688)                         | 6,999,530                      | (2,746,456)                             | 929,300                           | 5,547,220                      |
| Fund balances - beginning                                    | <u>16,718,527</u>    | <u>2,029,198</u>                  | <u>3,585,460</u>               | <u>15,100,104</u>                       | <u>8,178,513</u>                  | <u>45,611,802</u>              |
| Fund balances - ending                                       | <u>\$ 17,519,061</u> | <u>\$ 1,593,510</u>               | <u>\$ 10,584,990</u>           | <u>\$ 12,353,648</u>                    | <u>\$ 9,107,813</u>               | <u>\$ 51,159,022</u>           |

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

## CITY OF TAMARAC, FLORIDA

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2007

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) \$ 5,547,220

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.

|                                  |                    |           |
|----------------------------------|--------------------|-----------|
| Expenditures for capital outlays | \$ 6,203,206       |           |
| Less current year depreciation   | <u>(3,524,382)</u> | 2,678,824 |

The effect of various miscellaneous transactions involving capital assets

|                        |          |
|------------------------|----------|
| Sale of capital assets | (22,220) |
|------------------------|----------|

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.

#### BONDS

|                      |           |
|----------------------|-----------|
| Principal repayments | 1,400,658 |
|----------------------|-----------|

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are normally not 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.

201,849

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of certain activities in the internal service fund is reported with governmental activities.

1,969,913

Change in net assets of governmental activities (Page 20) \$11,776,244

# CITY OF TAMARAC, FLORIDA

## STATEMENT OF NET ASSETS

### PROPRIETARY FUNDS

SEPTEMBER 30, 2007

|   | Business- type activities<br>Enterprise Funds |              |               | Governmental<br>Activities<br>Internal Service<br>- Insurance<br>Service Fund |
|---|---|--------------|---------------|---|
| ASSETS  | Utilities                                     | Stormwater   | Total         |   |
| <b>Current assets:</b>                          |   |              |               |   |
| Cash and equity in pooled cash and investments  | \$ 10,643,437                                 | \$ 8,397,170 | \$ 19,040,607 | \$ 6,281,680  |
| Accounts receivable - net                       | 2,701,044                                     | 427,872      | 3,128,916     | 13,747  |
| Inventories                                     | 346,424                                       | 4,845        | 351,269       | -   |
| Prepaid expenses                                | -   | -            | -             | 3,990   |
| Total current assets                            | 13,690,905                                    | 8,829,887    | 22,520,792    | 6,299,417   |
| <b>Non-current assets:</b>                      |   |              |               |   |
| <b>Restricted assets:</b>                       |   |              |               |   |
| Cash and equity in pooled cash and investments  | 6,141,973                                     | 10,635       | 6,152,608     | -   |
| Unamortized costs/expenses                      | 7,444   | -            | 7,444         | -   |
| <b>Capital assets:</b>                          |   |              |               |   |
| Land  | 7,415,829                                     | 44,774       | 7,460,603     | -   |
| Construction in progress - infrastructure       | 2,308,975                                     | 237,497      | 2,546,472     | -   |
| Building  | 1,988,152                                     | 1,480,000    | 3,468,152     | -   |
| Equipment                                       | 2,812,282                                     | 1,294,343    | 4,106,625     | 15,766  |
| Improvements other than building                | 82,788,722                                    | 2,900,690    | 85,689,412    | -   |
| Infrastructure                                  | 58,974  | 27,819,714   | 27,878,688    | -   |
| Total capital assets                            | 97,372,934                                    | 33,777,018   | 131,149,952   | 15,766  |
| Less accumulated depreciation                   | (41,461,310)                                  | (27,008,515) | (68,469,825)  | (15,766)  |
| Total capital assets - net                      | 55,911,624                                    | 6,768,503    | 62,680,127    | -   |
| Total non-current assets                        | 62,061,041                                    | 6,779,138    | 68,840,179    | -   |
| Total assets                                    | 75,751,946                                    | 15,609,025   | 91,360,971    | 6,299,417   |
| <b>LIABILITIES</b>                              |   |              |               |   |
| <b>Current liabilities:</b>                     |   |              |               |   |
| Accounts payable                                | 1,180,380                                     | 116,767      | 1,297,147     | 30,462  |
| Accrued liabilities                             | 231,056                                       | 40,450       | 271,506       | 10,909  |
| Accrued interest payable                        | 285,708                                       | 85,945       | 371,653       | -   |
| Due to other funds                              | -   | 59           | 59            | -   |
| Unearned revenue                                | 104,204                                       | 76,028       | 180,232       | -   |
| Claims payable                                  | -   | -            | -             | 881,000   |
| Current portion of bonds payable                | 1,017,885                                     | 182,115      | 1,200,000     | -   |
| Customer deposits                               | 1,528,193                                     | 10,636       | 1,538,829     | -   |
| Compensated absences                            | 66,669  | 7,237        | 73,906        | 4,492   |
| Total current liabilities                       | 4,414,095                                     | 519,237      | 4,933,332     | 926,863   |
| <b>Non-current liabilities:</b>                 |   |              |               |   |
| Bonds payable                                   | 11,710,937                                    | 4,143,232    | 15,854,169    | -   |
| Compensated absences                            | 488,908                                       | 53,067       | 541,975       | 32,940  |
| Total noncurrent liabilities                    | 12,199,845                                    | 4,196,299    | 16,396,144    | 32,940  |
| Total liabilities                               | 16,613,940                                    | 4,715,536    | 21,329,476    | 959,803   |
| <b>NET ASSETS</b>                               |   |              |               |   |
| Invested in capital assets, net of related debt | 43,190,246                                    | 2,443,156    | 45,633,402    | -   |
| <b>Restricted for:</b>                          |   |              |               |   |
| 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                                    | 7,348,698                                     | 8,450,333    | 15,799,031    | 5,339,614   |
| Total net assets                                | \$59,138,006                                  | \$10,893,489 | 70,031,495    | \$ 5,339,614  |

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.

633,149

\$70,664,644

**CITY OF TAMARAC, FLORIDA**  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2007

|   | Business-type Activities -<br>Enterprise Funds |                      |                    | Governmental<br>Activities<br>Internal Service<br>- Insurance<br>Service Fund |
|---|--|----------------------|--------------------|---|
|   | Utilities                                      | Stormwater           | Total              |   |
| Operating revenues:                       |  |                      |                    |   |
| Charges for services                      | \$ 18,684,963                                  | \$ 4,383,991         | \$ 23,068,954      | \$ 2,326,800  |
| Other                                     | <u>9,327</u>                                   | <u>-</u>             | <u>9,327</u>       | <u>1,862,960</u>  |
| Total operating revenues                  | <u>18,694,290</u>                              | <u>4,383,991</u>     | <u>23,078,281</u>  | <u>4,189,760</u>  |
| Operating expenses:                       |  |                      |                    |   |
| Administrative costs                      | 342,519  | 1,237,867            | 1,580,386          | 1,651,227   |
| Operations and maintenance                | 10,294,380                                     | 1,277,115            | 11,571,495         | -   |
| Claims expense                            | -  | -                    | -                  | 391,070   |
| Depreciation and amortization             | 3,281,468                                      | 307,533              | 3,589,001          | -   |
| Other services and charges                | <u>3,864,981</u>                               | <u>23,258</u>        | <u>3,888,239</u>   | <u>-</u>  |
| Total operating expenses                  | <u>17,783,348</u>                              | <u>2,845,773</u>     | <u>20,629,121</u>  | <u>2,042,297</u>  |
| Operating income                          | <u>910,942</u>                                 | <u>1,538,218</u>     | <u>2,449,160</u>   | <u>2,147,463</u>  |
| Nonoperating revenues (expenses):         |  |                      |                    |   |
| Investment income                         | 853,282  | 402,529              | 1,255,811          | 225,960   |
| Interest expense and fees                 | (596,780)                                      | (171,959)            | (768,739)          | -   |
| Gain on disposal of fixed assets          | <u>50,930</u>                                  | <u>21,933</u>        | <u>72,863</u>      | <u>-</u>  |
| Total nonoperating revenues               | <u>307,432</u>                                 | <u>252,503</u>       | <u>559,935</u>     | <u>225,960</u>  |
| Income before contributions and transfers | <u>1,218,374</u>                               | <u>1,790,721</u>     | <u>3,009,095</u>   | <u>2,373,423</u>  |
| Capital contributions - impact fees       | 348,154  | -                    | 348,154            | -   |
| Transfer from other funds                 | 2,543,180                                      | -                    | 2,543,180          | -   |
| Transfer to other funds                   | <u>(2,427,480)</u>                             | <u>(412,900)</u>     | <u>(2,840,380)</u> | <u>-</u>  |
| Net contributions and transfers           | <u>463,854</u>                                 | <u>(412,900)</u>     | <u>50,954</u>      | <u>-</u>  |
| Change in net assets                      | 1,682,228                                      | 1,377,821            | 3,060,049          | 2,373,423   |
| Total net assets, October 1               | <u>57,455,778</u>                              | <u>9,515,668</u>     |                    | <u>2,966,191</u>  |
| Total net assets, September 30            | <u>\$ 59,138,006</u>                           | <u>\$ 10,893,489</u> |                    | <u>\$ 5,339,614</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.

403,510  
\$ 3,463,559

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

**CITY OF TAMARAC, FLORIDA**  
 STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

|  | Business-type Activities -<br>Enterprise Funds |                     |                      | Governmental<br>Activities<br>Internal Service<br>- Insurance<br>Service Fund |
|--|--|---------------------|----------------------|---|
|  | <u>Utilities</u>                               | <u>Stormwater</u>   | <u>Total</u>         |   |
| <b>Cash flows from operating activities:</b>   |  |                     |                      |   |
| Cash received from customers, governments and other funds  | \$ 18,407,281                                  | \$ 4,322,663        | \$ 22,729,944        | \$ 2,326,800  |
| Other operating cash receipts  | 9,327  | -                   | 9,327                | 1,862,960   |
| Cash paid to suppliers   | (9,293,597)                                    | (1,756,285)         | (11,049,882)         | (1,381,530)   |
| Cash paid to claim recipients  | -  | -                   | -                    | (2,198,513)   |
| Cash paid to employees   | (4,979,703)                                    | (888,087)           | (5,867,790)          | (279,668)   |
| Net cash provided by operating activities  | <u>4,143,308</u>                               | <u>1,678,291</u>    | <u>5,821,599</u>     | <u>330,049</u>  |
| <b>Cash flows from noncapital financing activities:</b>  |  |                     |                      |   |
| Transfer from other funds  | 2,543,180                                      | -                   | 2,543,180            | -   |
| Transfer to other funds  | (2,427,480)                                    | (412,900)           | (2,840,380)          | -   |
| Net cash provided by (used in) noncapital financing activities   | <u>115,700</u>                                 | <u>(412,900)</u>    | <u>(297,200)</u>     | <u>-</u>  |
| <b>Cash flows from capital and related financing activities:</b>   |  |                     |                      |   |
| Acquisition and construction of fixed assets   | (3,970,496)                                    | (261,381)           | (4,231,877)          | -   |
| Proceeds from sale of fixed assets   | 50,930   | 21,933              | 72,863               | -   |
| Capital contributed by developers  | 171,450  | -                   | 171,450              | -   |
| Principal retirements of capital debt  | (909,569)                                      | (172,051)           | (1,081,620)          | -   |
| Interest paid on capital debt  | (559,474)                                      | (181,927)           | (741,401)            | -   |
| Net cash (used in) capital and related financing activities  | <u>(5,217,159)</u>                             | <u>(593,426)</u>    | <u>(5,810,585)</u>   | <u>-</u>  |
| <b>Cash flows from investing activities:</b>   |  |                     |                      |   |
| Sale of investments  | 1,179  | -                   | 1,179                | -   |
| Interest on investments  | 853,282  | 402,529             | 1,255,811            | 225,960   |
| Net cash provided by investing activities  | <u>854,461</u>                                 | <u>402,529</u>      | <u>1,256,990</u>     | <u>225,960</u>  |
| Net (decrease) increase in pooled cash and cash equivalents  | (103,690)                                      | 1,074,494           | 970,804              | 556,009   |
| Pooled cash and cash equivalents, October 1  | 16,889,100                                     | 7,333,311           | 24,222,411           | 5,725,671   |
| Pooled cash and cash equivalents, September 30   | <u>\$ 16,785,410</u>                           | <u>\$ 8,407,805</u> | <u>\$ 25,193,215</u> | <u>\$ 6,281,680</u>   |
| <b>Pooled cash and cash equivalents per statement of net assets:</b>                                     |  |                     |                      |   |
| Unrestricted   | \$ 10,643,437                                  | \$ 8,397,170        | \$ 19,040,607        | \$ 6,281,680  |
| Restricted   | 6,141,973                                      | 10,635              | 6,152,608            | -   |
| Total, September 30  | <u>\$ 16,785,410</u>                           | <u>\$ 8,407,805</u> | <u>\$ 25,193,215</u> | <u>\$ 6,281,680</u>   |
| <b>Reconciliation of operating income to net cash provided by operating activities:</b>                  |  |                     |                      |   |
| Operating income   | \$ 910,942                                     | \$ 1,538,218        | \$ 2,449,160         | \$ 2,147,463  |
| <b>Adjustments to reconcile operating income to net cash provided by (used in) operating activities:</b> |  |                     |                      |   |
| Depreciation   | 3,224,797                                      | 300,034             | 3,524,831            | -   |
| Amortization   | 56,671   | 7,499               | 64,170               | -   |
| Revenue reduced for uncollectible accounts   | 24,222   | -                   | 24,222               | -   |
| <b>Change in assets and liabilities:</b>   |  |                     |                      |   |
| (Increase) in accounts receivable  | (311,370)                                      | (56,805)            | (368,175)            | -   |
| Decrease in due from other governments   | 30,500   | -                   | 30,500               | -   |
| Decrease in inventories  | 3,731  | 605                 | 4,336                | -   |
| Increase (decrease) in accounts payable  | 146,638  | (113,832)           | 32,806               | (15,244)  |
| Increase (decrease) in accrued liabilities   | 64,633   | (141)               | 64,492               | 1,613   |
| (Decrease) in unearned revenues  | (16,936)                                       | (4,345)             | (21,281)             | -   |
| Increase in compensated absences   | 19,753   | 7,236               | 26,989               | 7,650   |
| (Decrease) in customer deposits  | (4,098)  | (178)               | (4,276)              | -   |
| (Increase) in prepaid expenses   | -  | -                   | -                    | (3,990)   |
| (Decrease) in due to other funds and governments   | (6,175)  | -                   | (6,175)              | -   |
| (Decrease) in claims payable   | -  | -                   | -                    | (1,807,443)   |
| Total adjustments  | <u>3,232,366</u>                               | <u>140,073</u>      | <u>3,372,439</u>     | <u>(1,817,414)</u>  |
| Net cash provided by operating activities  | <u>\$ 4,143,308</u>                            | <u>\$ 1,678,291</u> | <u>\$ 5,821,599</u>  | <u>\$ 330,049</u>   |
| <b>Non-cash investing, capital and financing activities:</b>   |  |                     |                      |   |
| Contributions of capital assets from developers  | <u>\$ 176,704</u>                              | <u>\$ -</u>         | <u>\$ 176,704</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, 2007**

| <u>ASSETS</u>                         |                  | <u>Employees<br/>Retirement<br/>Funds</u> |
|---------------------------------------|------------------|---|
| Equity in pooled cash and investments |                  | \$ 743,001                                |
| Receivables:                          |                  |   |
| Interest and dividend receivables     |                  | 192,404                                   |
| Contributions receivable              |                  | 181,476                                   |
| Total receivables                     |                  | <u>373,880</u>                            |
| Investments, at fair value            |                  |   |
| Common stock                          | \$ 37,587,405    |   |
| Government securities                 | 16,796,127       |   |
| Corporate bonds                       | 6,439,453        |   |
| Mutual funds                          | 17,766,233       |   |
| Money market funds                    | <u>4,169,580</u> | <u>82,758,798</u>                         |
| Total assets                          |                  | <u>83,875,679</u>                         |
| <br><u>LIABILITIES</u>                |                  |   |
| Accounts payable                      |                  | 101,050                                   |
| Deferred revenue                      |                  | 370,659                                   |
| Total liabilities                     |                  | <u>471,709</u>                            |
| <br><u>NET ASSETS</u>                 |                  |   |
| Held in trust for pension benefits    |                  | <u>83,403,970</u>                         |
| Total net assets                      |                  | <u>\$ 83,403,970</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, 2007

|   | <u>Employees<br/>Retirement<br/>Funds</u> |
|---|---|
| <b>ADDITIONS</b>                              |   |
| Contributions:                                |   |
| City  | \$ 5,185,371                              |
| Plan members                                  | 1,949,424                                 |
| State   | <u>1,057,089</u>                          |
| Total contributions                           | <u>8,191,884</u>                          |
| Investment income:                            |   |
| Net appreciation in fair value of investments | 7,394,346                                 |
| Interest and dividend income                  | <u>1,909,981</u>                          |
| Total investment income                       | 9,304,327                                 |
| Less investment expenses                      | <u>(356,513)</u>                          |
| Net investment income                         | <u>8,947,814</u>                          |
| Total additions                               | <u>17,139,698</u>                         |
| <b>DEDUCTIONS</b>                             |   |
| Benefits paid and refunds                     | 3,230,908                                 |
| Administrative expenses                       | <u>230,242</u>                            |
| Total deductions                              | <u>3,461,150</u>                          |
| Change in net assets                          | 13,678,548                                |
| Net assets, October 1                         | <u>69,725,422</u>                         |
| Net assets, September 30                      | <u>\$ 83,403,970</u>                      |

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

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## **NOTES TO BASIC FINANCIAL STATEMENTS**

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# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### 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, 2007

### 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, 2007

### 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 projects other than those financed by the proprietary fund.

The **2005 Capital Improvement (CIP) Projects 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 City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and 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, 2007

### **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. New Pronouncements**

Effective October 1, 2006, the City adopted GASB statement No. 45 (GASB 45) Accounting and Financial Reporting by Employers for Post employment Benefits Other Than Pensions. The adoption of GASB 45 resulted in content of the Notes to Financial statements only, and did not have an impact on the government-wide and fund financial statements.

#### **E. Assets, Liabilities, and Net Assets or Equity**

##### **1. Deposits and Investments**

Equity in pooled cash and cash equivalents includes cash on hand and investments with the State Board of Administration investment pool (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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

#### **E. Assets, Liabilities, and Net Assets or Equity** (Continued)

##### **1. Deposits and Investments** (Continued)

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.

##### **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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### E. Assets, Liabilities, and Net Assets or Equity (Continued)

##### 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.

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. Unearned/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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

#### **E. Assets, Liabilities, and Net Assets or Equity** (Continued)

##### **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.

##### **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.

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, 2007 was 6.2224 mills.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

#### **E. Assets, Liabilities, and Net Assets or Equity** (Continued)

##### **9. Property Taxes** (Continued)

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, 2007; therefore an allowance for uncollectible taxes has not been recorded.

##### **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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### E. Assets, Liabilities, and Net Assets or Equity (Continued)

##### 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.

### 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 \$35,711,232 are as follows:

|   |                      |
|---|----------------------|
| Bonds payable   | \$ 33,580,214        |
| Parking lot remediation   | 260,800              |
| Compensated absences  | <u>1,870,218</u>     |
| Net adjustment to reduce <i>fund balance-total governmental funds</i><br>to arrive at <i>net assets-governmental activities</i> | <u>\$ 35,711,232</u> |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

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

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

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 \$4,706,465 difference are as follows:

|  |                     |
|--|---------------------|
| Net assets of internal service funds   | \$ 5,339,614        |
| Less: Internal payable representing charges in excess of cost to business-type activities-prior year                           | (229,639)           |
| Less: Internal payable representing charges in excess of cost to business-type activities-current year                         | <u>(403,510)</u>    |
| Net adjustment to increase <i>fund balance-total governmental funds</i> to arrive at <i>net assets-governmental activities</i> | <u>\$ 4,706,465</u> |

#### 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 \$2,678,824 difference are as follows:

|   |                     |
|---|---------------------|
| Capital outlay  | \$ 6,203,206        |
| Depreciation expense  | <u>(3,524,382)</u>  |
| Net adjustment to increase net changes in <i>fund balance-total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i> | <u>\$ 2,678,824</u> |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### 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 “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 \$1,400,658 difference are as follows:

|  |                       |
|--|-----------------------|
| Principal repayments:  |                       |
| General obligation bonds   | (360,658)             |
| Revenue bonds  | (890,000)             |
| Capital improvement revenue bonds  | <u>(150,000)</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>\$ (1,400,658)</u> |

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 \$201,849 are as follows:

|  |                   |
|--|-------------------|
| Compensated absences   | \$ (285,136)      |
| Accrued interest   | 959               |
| Amortization of bond discount  | (20,517)          |
| Changes in pension assets/obligations  | <u>506,543</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>\$ 201,849</u> |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### 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 "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 \$1,969,913 difference are as follows:

|  |                     |
|--|---------------------|
| Change in net assets in the internal service fund  | \$ 2,373,423        |
| Less: Portion from charges to business-type activities-<br>current year  | <u>(403,510)</u>    |
| Net adjustment to decrease net changes in <i>fund balances -<br/>total governmental funds</i> to arrive at <i>changes in net assets<br/>of governmental activities</i> | <u>\$ 1,969,913</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.

#### a. Cash Deposits

The carrying amounts of the City's cash deposits were \$5,079,378 including petty cash on hand of \$2,625 as of September 30, 2007. Bank balance before reconciling items were \$5,627,440 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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

#### a. Cash Deposits (Continued)

*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.

As of September 30, 2007, the City had the following investments and maturities:

|   | <u>Fair Value</u> | <u>within 6 months</u> | <u>6 months to 1 year</u> | <u>1 to 3 years</u> |
|---|-------------------|------------------------|---------------------------|---------------------|
| State Board Administration (SBA)            | \$38,734,240      | \$38,734,240           | \$ -                      | \$ -                |
| US Treasury Securities                      | 7,456,875         | 4,485,000              | 2,971,875                 | -                   |
| US Government Securities - callable         | 16,907,500        | 6,976,250              | 3,953,750                 | 5,977,500           |
| US Government Securities                    | 13,410,396        | 13,410,396             | -                         | -                   |
| US Government Securities - Bank of New York | 2,621,510         | 2,621,510              | -                         | -                   |
|   | \$79,130,521      | \$66,227,396           | \$6,925,625               | \$5,977,500         |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

#### 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 issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State 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).

*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 | 7,588,375              | 10%      |
| FFCB          | Federal Agency Securities | 9,941,250              | 12%      |
| FNMA          | Federal Agency Securities | 8,986,831              | 11%      |
| United States | Treasury Notes/Bills      | 7,456,875              | 9%       |

*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, 2007 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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

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 Amsouth Bank, and State Street Global Advisors which consisted of the following:

|  | General<br>Employees<br><u>Pension</u> | Police<br><u>Pension</u> | Firefighters<br><u>Pension</u> | Non-represented<br>Employees<br><u>Pension</u> |
|--|--|--------------------------|--------------------------------|--|
| Common stock   | \$ 8,529,023                           | \$ 5,100,048             | \$ 23,958,334                  | \$ -   |
| Government securities, corporate bonds<br>and mortgage backed securities | 5,388,564                              | 200,195                  | 11,207,368                     | -  |
| Corporate bonds  | 3,936,158                              | 295,502                  | 2,207,793                      |  |
| Mutual funds   | 7,182,062                              | 1,893,608                | -                              | 8,690,563                                      |
| Money market funds   | 537,634                                | 2,374,420                | 1,257,526                      | -  |
| Total  | <u>\$ 25,573,441</u>                   | <u>\$ 9,863,773</u>      | <u>\$ 38,631,021</u>           | <u>\$ 8,690,563</u>                            |

### General Employees' Pension Trust Fund

The general employees' pension trust fund's investment 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        | \$ 3,936,158                            | \$ 1,610,691        | \$ 727,155          | \$ 1,303,978        | \$ 294,334          |
| US Treasuries          | 1,267,147                               | 64,876              | 128,122             | 354,213             | 719,936             |
| US Agencies            | 4,121,417                               | 2,658,021           | 920,263             | 27,839              | 515,294             |
| Total                  | <u>\$ 9,324,722</u>                     | <u>\$ 4,333,588</u> | <u>\$ 1,775,540</u> | <u>\$ 1,686,030</u> | <u>\$ 1,529,564</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.

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            | \$ 283,787          |
| A2            | 203,837             |
| A3            | 468,714             |
| Aa2           | 74,880              |
| Aa3           | 135,945             |
| Aaa           | 7,018,894           |
| Ba2           | 10,144              |
| Baa1          | 379,396             |
| Baa2          | 469,041             |
| Baa3          | 269,969             |
| Unrated       | 10,115              |
| <i>Total</i>  | <u>\$ 9,324,722</u> |

## CITY OF TAMARAC, FLORIDA

### NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

#### NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

##### General Employees' Pension Trust Fund (Continued)

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 investment 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>     |
| Corporate bonds        | \$ 295,502                              | \$ 99,044          | \$ 196,458        |
| US Agencies            | 100,125                                 | -                  | 100,125           |
| US Treasuries          | 100,070                                 | -                  | 100,070           |
| Total                  | <u>\$ 495,697</u>                       | <u>\$ 99,044</u>   | <u>\$ 396,653</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.

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> |
|---------------|-------------------|
| A3            | \$ 99,274         |
| AA3           | 99,044            |
| AAA           | 297,379           |
| <i>Total</i>  | <u>\$ 495,697</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        | \$ 2,207,793                            | \$ 726,028          | \$ 1,097,433        | \$ 193,826          | \$ 190,505          |
| US Treasuries          | 3,501,863                               | 767,336             | 455,565             | 1,864,318           | 414,644             |
| US Agencies            | 7,705,505                               | 4,289,075           | 965,832             | 1,717,418           | 733,181             |
| Total                  | <u>\$13,415,161</u>                     | <u>\$ 5,782,439</u> | <u>\$ 2,518,830</u> | <u>\$ 3,775,562</u> | <u>\$ 1,338,330</u> |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

#### Firefighters' Pension Trust Fund (Continued)

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.

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>    |
|---------------|----------------------|
| Aaa           | \$ 12,987,982        |
| Aa1           | 40,720               |
| Aa2           | 193,826              |
| A1            | 136,283              |
| Unrated       | 56,350               |
| <i>Total</i>  | <u>\$ 13,415,161</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 investments in mutual and money market funds as follows:

| <u>Investment Type</u> |                     |
|------------------------|---------------------|
| Mutual funds           | \$ 8,690,563        |
| Money market funds     | <u>165,810</u>      |
| Total                  | <u>\$ 8,856,373</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.

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                           | 1.15%  |
| Broad Market High Quality Bond | 39.82% |
| High Quality Growth            | 8.18%  |
| Diversified Large Cap Value    | 7.40%  |
| Russell 1000 Index             | 22.77% |
| Diversified Small Cap Equity   | 11.22% |
| International Blend            | 9.46%  |

The fair market value of this fund is \$8,690,563, which represents 102.5% of total plan net assets.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

#### Elected and Appointed Officers and Non-represented Employee Retirement Fund (Continued)

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, 2007 it reported to its investors a duration of 4.61 years and a weighted average maturity of 5.75 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.

### 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:

|                          | <u>Accounts</u>     | <u>Other</u>        | <u>Due from other<br/>Governments</u> | <u>Total</u>        | <u>Allowance for<br/>Uncollectible</u> | <u>Net</u>          |
|--------------------------|---------------------|---------------------|---------------------------------------|---------------------|--|---------------------|
| Governmental activities: |                     |                     |                                       |                     |  |                     |
| General                  | \$ 1,363,679        | \$ 2,500            | \$ 769,752                            | \$ 2,135,931        | (20,140)                               | \$ 2,115,791        |
| Fire rescue              | 3,248,998           | -                   | 12,439                                | 3,261,437           | (2,581,979)                            | 679,458             |
| Nonmajor government      | -                   | 1,832,562           | 493,155                               | 2,325,717           | -                                      | 2,325,717           |
| Internal service         | 13,747              | -                   | -                                     | 13,747              | -                                      | 13,747              |
| Total                    | <u>\$ 4,626,424</u> | <u>\$ 1,835,062</u> | <u>\$ 1,275,346</u>                   | <u>\$ 7,736,832</u> | <u>\$ (2,602,119)</u>                  | <u>\$ 5,134,713</u> |

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

|                                    | <u>Accounts</u>     | <u>Other</u>      | <u>Total</u>        |
|------------------------------------|---------------------|-------------------|---------------------|
| Business-type activities:          |                     |                   |                     |
| Utilities                          | \$ 2,607,066        | \$ 113,439        | \$ 2,720,505        |
| Stormwater                         | 432,762             | -                 | 432,762             |
| Gross receivables                  | 3,039,828           | 113,439           | 3,153,267           |
| Less: Allowance for uncollectibles | (24,351)            | -                 | (24,351)            |
| Net total receivables              | <u>\$ 3,015,477</u> | <u>\$ 113,439</u> | <u>\$ 3,128,916</u> |

The City reports revenues net of bad debt write-offs, total amounts written-off for the fiscal year are as follows:

|                                      |                  |
|--------------------------------------|------------------|
| Write-offs related to water revenues | \$ 10,584        |
| Write-offs related to sewer revenues | 13,638           |
| Total write-offs for the fiscal year | <u>\$ 24,222</u> |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 4. RECEIVABLES AND PAYABLES (Continued)

Payables at September 30, 2007 were as follows:

|                                   | <u>Vendors</u>      | <u>Due to other<br/>Governments</u> | <u>Total</u>        |
|-----------------------------------|---------------------|-------------------------------------|---------------------|
| Governmental activities:          |                     |                                     |                     |
| General                           | \$ 1,483,722        | \$ 5,207                            | \$ 1,488,929        |
| Fire rescue                       | 77,671              | -                                   | 77,671              |
| General Capital Projects          | 246,806             | -                                   | 246,806             |
| 2005 Capital Improvement Projects | 772,491             | -                                   | 772,491             |
| Nonmajor and other funds          | 151,702             | 144,643                             | 296,345             |
| Total governmental activities     | <u>\$ 2,732,392</u> | <u>\$ 149,850</u>                   | <u>\$ 2,882,242</u> |
| Business-type activities:         |                     |                                     |                     |
| Utilities                         | \$ 1,180,380        | \$ -                                | \$ 1,180,380        |
| Stormwater                        | 116,767             | -                                   | 116,767             |
| Total business-type activities    | <u>\$ 1,297,147</u> | <u>\$ -</u>                         | <u>\$ 1,297,147</u> |

### NOTE 5. CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2007 was as follows:

|  | Balance              |                     |                    | Balance              |
|--|----------------------|---------------------|--------------------|----------------------|
|  | October 1,           |                     |                    | September 30,        |
|  | <u>2006</u>          | <u>Increases</u>    | <u>Decreases</u>   | <u>2007</u>          |
| Governmental Activities<br>(Including Internal Service Fund) |                      |                     |                    |                      |
| Capital assets not being depreciated:                        |                      |                     |                    |                      |
| Land   | \$ 12,498,912        | \$ -                | \$ -               | \$ 12,498,912        |
| Construction in progress                                     | 3,425,307            | 851,865             | -                  | 4,277,172            |
| Total assets not being depreciated                           | <u>15,924,219</u>    | <u>851,865</u>      | <u>-</u>           | <u>16,776,084</u>    |
| Capital assets being depreciated:                            |                      |                     |                    |                      |
| Building and improvements                                    | 25,895,780           | 1,257,129           | -                  | 27,152,909           |
| Improvements other than building                             | 5,908,200            | 2,280,731           | -                  | 8,188,931            |
| Infrastructure   | 53,205,658           | 848,285             | -                  | 54,053,943           |
| Equipment  | 13,945,916           | 965,196             | (721,645)          | 14,189,467           |
| Total capital assets being depreciated                       | <u>98,955,554</u>    | <u>5,351,341</u>    | <u>(721,645)</u>   | <u>103,585,250</u>   |
| Less accumulated depreciation for:                           |                      |                     |                    |                      |
| Building   | (7,657,103)          | (897,375)           | -                  | (8,554,478)          |
| Improvements other than building                             | (989,468)            | (383,436)           | -                  | (1,372,904)          |
| Infrastructure   | (5,148,076)          | (696,438)           | -                  | (5,844,514)          |
| Equipment  | (8,965,293)          | (1,547,133)         | 699,425            | (9,813,001)          |
| Total accumulated depreciation                               | <u>(22,759,940)</u>  | <u>(3,524,382)</u>  | <u>699,425</u>     | <u>(25,584,897)</u>  |
| Net capital asset being depreciated                          | <u>76,195,614</u>    | <u>1,826,959</u>    | <u>(22,220)</u>    | <u>78,000,353</u>    |
| Governmental activity capital assets, net                    | <u>\$ 92,119,833</u> | <u>\$ 2,678,824</u> | <u>\$ (22,220)</u> | <u>\$ 94,776,437</u> |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 5. CAPITAL ASSETS (Continued)

The following is a summary of capital assets in the Enterprise Funds at September 30, 2007:

|  | Balance<br>October 1,<br><u>2006</u> | <u>Increases</u>    | <u>Decreases</u>    | Balance<br>September 30,<br><u>2007</u> |
|--|--------------------------------------|---------------------|---------------------|---|
| Business-type activities                   |                                      |                     |                     |   |
| Capital assets not being depreciated:      |                                      |                     |                     |   |
| Land                                       | \$ 7,460,603                         | \$ -                | \$ -                | \$ 7,460,603                            |
| Construction in progress                   | <u>1,353,582</u>                     | <u>1,997,208</u>    | <u>(804,318)</u>    | <u>2,546,472</u>                        |
| Total assets not being depreciated         | <u>8,814,185</u>                     | <u>1,997,208</u>    | <u>(804,318)</u>    | <u>10,007,075</u>                       |
| Capital assets being depreciated:          |                                      |                     |                     |   |
| Building                                   | 3,468,152                            | -                   | -                   | 3,468,152                               |
| Improvements other than building           | 82,632,838                           | 3,103,961           | (47,387)            | 85,689,412                              |
| Infrastructure                             | 27,878,688                           | -                   | -                   | 27,878,688                              |
| Machinery and equipment                    | <u>4,228,718</u>                     | <u>112,672</u>      | <u>(234,765)</u>    | <u>4,106,625</u>                        |
| Total capital assets being depreciated     | <u>118,208,396</u>                   | <u>3,216,633</u>    | <u>(282,152)</u>    | <u>121,142,877</u>                      |
| Less accumulated depreciation for:         |                                      |                     |                     |   |
| Building                                   | (1,175,790)                          | (113,798)           | -                   | (1,289,588)                             |
| Improvements other than building           | (35,096,655)                         | (3,016,332)         | -                   | (38,112,987)                            |
| Infrastructure                             | (25,672,455)                         | (123,717)           | 46,445              | (25,749,727)                            |
| Equipment                                  | <u>(3,281,304)</u>                   | <u>(270,984)</u>    | <u>234,765</u>      | <u>(3,317,523)</u>                      |
| Total accumulated depreciation             | <u>(65,226,204)</u>                  | <u>(3,524,831)</u>  | <u>281,210</u>      | <u>(68,469,825)</u>                     |
| Net capital asset being depreciated        | <u>52,982,192</u>                    | <u>(308,198)</u>    | <u>(942)</u>        | <u>52,673,052</u>                       |
| Business-type activity capital assets, net | <u>\$ 61,796,377</u>                 | <u>\$ 1,689,010</u> | <u>\$ (805,260)</u> | <u>\$ 62,680,127</u>                    |

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

|   |                     |
|---|---------------------|
| General government                                    | \$ 1,128,422        |
| Public Safety   | 1,026,459           |
| Transportation  | 671,416             |
| Culture/recreation                                    | 665,214             |
| Physical environment                                  | 32,472              |
| Human services  | 399                 |
| Total depreciation expense - governmental activities  | <u>\$ 3,524,382</u> |
| Business-type activities:                             |                     |
| Utilities   | \$ 3,224,797        |
| Stormwater  | 300,034             |
| Total depreciation expense - business-type activities | <u>\$ 3,524,831</u> |

**CITY OF TAMARAC, FLORIDA**

NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2007

**NOTE 5. CAPITAL ASSETS** (Continued)

***Construction Commitments***

The following is a summary of active construction projects as of September 30, 2007:

| <u>Project</u>          | <u>Spent-to-Date</u> | <u>Remaining<br/>Commitment</u> |
|-------------------------|----------------------|---------------------------------|
| Sportsplex Expansion    | \$ 2,279,444         | \$ 3,771,131                    |
| Utilities Complex       | 1,748,670            | 3,649,099                       |
| Southgate Linear Park   | 1,267,607            | 1,656,615                       |
| Tamarac Park Renovation | <u>184,619</u>       | <u>3,410,381</u>                |
| Total                   | <u>\$ 5,480,340</u>  | <u>\$ 12,487,226</u>            |

The Series 2006 Capital Improvement Revenue Notes are financing the Utilities Complex. The Series 2005 Capital Improvement Revenue Bonds are funding the remainder of the projects.

**NOTE 6. INTERFUND BALANCES AND TRANSFERS**

Interfund balances at September 30, 2007 consisted of the following:

| <u>Due to/from other funds</u> |                          | <u>Payable Fund</u> | <u>Amount</u>     |
|--------------------------------|--------------------------|---------------------|-------------------|
| <u>Receivable Fund</u>         |                          |                     |                   |
| General                        | Nonmajor governmental    |                     | \$ 283,582        |
| Nonmajor governmental          | General Capital Projects |                     | 4,621             |
|                                | Stormwater               |                     | 59                |
| General Capital Projects       | Nonmajor governmental    |                     | <u>76,882</u>     |
| Total                          |                          |                     | <u>\$ 365,144</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, 2007

### NOTE 6. INTERFUND BALANCES AND TRANSFERS (Continued)

Interfund Transfers for the year ended September 30, 2007, consisted of the following:

| <u>Transfer Out</u> | <u>Transfer In</u>  |                     |                                 |                              |                       | <u>Total</u>         |
|---------------------|---------------------|---------------------|---------------------------------|------------------------------|-----------------------|----------------------|
|                     | <u>General Fund</u> | <u>Fire Rescue</u>  | <u>General Capital Projects</u> | <u>Nonmajor Governmental</u> | <u>Utilities Fund</u> |                      |
| General fund        | \$ -                | \$ 7,049,400        | \$ 8,480,714                    | \$ 2,688,201                 | \$ -                  | \$ 18,218,315        |
| Nonmajor funds      |                     |                     |                                 |                              |                       |                      |
| Stormwater          | 297,200             | -                   | -                               | -                            | 115,700               | 412,900              |
| Governmental funds  | <u>868,616</u>      | <u>-</u>            | <u>-</u>                        | <u>1,483,654</u>             | <u>-</u>              | <u>2,352,270</u>     |
| Total               | <u>\$ 1,165,816</u> | <u>\$ 7,049,400</u> | <u>\$ 8,480,714</u>             | <u>\$ 4,171,855</u>          | <u>\$ 115,700</u>     | <u>\$ 20,983,485</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:

- \$7,049,400 was transferred from General Fund to Fire Rescue Fund;
- \$297,200 was transferred from Stormwater Management Fund to General Fund;
- \$868,616 was transferred from General Fund to Nonmajor fund;
- \$8,480,715 was transferred from General Fund to General Capital Projects Fund;
- \$1,483,654 was transferred from State Housing Initiative Partnership Fund to State Affordable Housing Assistance Fund;
- \$115,700 was transferred from Stormwater Fund to Utilities Fund.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### 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.

\$ 2,265,523

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>   |
| 2008                      | 165,658                        | 93,179            |
| 2009                      | 172,730                        | 85,957            |
| 2010                      | 180,103                        | 78,425            |
| 2011                      | 187,792                        | 70,572            |
| 2012                      | 195,809                        | 62,384            |
| 2013-2017                 | 1,111,800                      | 176,333           |
| 2018                      | 251,631                        | 5,371             |
| Total                     | <u>\$ 2,265,523</u>            | <u>\$ 572,221</u> |

As of September 30, 2007, the City was in compliance with all general obligation bond covenants.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### 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.

\$ 6,145,000

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.

11,055,000

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 Non-Ad Valorem Revenues appropriated by the City.

14,850,000

\$ 32,050,000

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### 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, 2006, the balance of unamortized discount, issuance costs, and deferred loss was \$40,449. 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.

\$ 2,705,000

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, 2006, the balance of unamortized discount and bond issuance costs was \$248,523. 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.

8,680,000  
\$ 11,385,000

As of September 30, 2007, the City was in compliance with all revenue bond covenants.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### 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>     |
| 2008                      | 1,075,000                      | 1,489,558            | 1,200,000                       | 510,895             |
| 2009                      | 1,115,000                      | 1,444,968            | 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             |
| 2013-2017                 | 7,940,000                      | 5,471,010            | 2,210,000                       | 1,249,189           |
| 2018-2022                 | 8,660,000                      | 3,395,659            | 2,685,000                       | 780,865             |
| 2023-2027                 | 4,425,000                      | 1,812,112            | 1,905,000                       | 174,150             |
| 2028-2031                 | 5,125,000                      | 538,375              | -                               | -                   |
| Total                     | <u>\$ 32,050,000</u>           | <u>\$ 18,185,678</u> | <u>\$ 11,385,000</u>            | <u>\$ 4,143,880</u> |

All revenues from the City's Utilities Enterprise Fund are pledged as collateral for the Water and Sewer Utility Refunding Bonds.

#### 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, 2007, the balance of unamortized note issuance costs was \$41,858. 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.

\$ 6,000,000

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>   |
| 2008                      | -                               | 232,410           |
| 2009                      | 910,000                         | 214,247           |
| 2010                      | 945,000                         | 178,420           |
| 2011                      | 980,000                         | 141,241           |
| 2012                      | 1,015,000                       | 102,938           |
| 2013-2014                 | 2,150,000                       | 83,939            |
| Total                     | <u>\$ 6,000,000</u>             | <u>\$ 953,195</u> |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 7. LONG-TERM DEBT (Continued)

As of September 30, 2007, 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, 2006, there is no rebatable arbitrage liability for any of the outstanding bond issues.

#### Parking Lot Remediation

As of September 30, 2007, 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, 2007, the City of Tamarac has issued \$18,100,000 worth of Industrial Revenue Bonds.

#### 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  | \$ 18,694,290       | \$ 18,694,290       |
| Operating expenses before depreciation,<br>amortization, and payment in lieu of taxes | <u>13,824,304</u>   | <u>13,824,304</u>   |
| Operating income  | 4,869,986           | 4,869,986           |
| Other income:   |                     |                     |
| Interest earnings   | 853,282             | 853,282             |
| Contributed impact fees   | <u>-</u>            | <u>348,154</u>      |
| Amount available for debt coverage  | <u>\$ 5,723,268</u> | <u>\$ 6,071,422</u> |
| Debt payments   |                     |                     |
| Principal   | \$ 1,140,000        | \$ 1,140,000        |
| Interest  | <u>667,747</u>      | <u>667,747</u>      |
| Amount to be covered  | <u>\$ 1,807,747</u> | <u>\$ 1,807,747</u> |
| <br>  |                     |                     |
| Debt coverage   | 317%                | 336%                |
| Minimum coverage  | <u>110%</u>         | <u>120%</u>         |
| Excess coverage   | <u>207%</u>         | <u>216%</u>         |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 7. LONG-TERM DEBT (Continued)

Long-term liability activity for the year ended September 30, 2007 was as follows:

|  | October 1,<br><u>2006</u> | <u>Additions</u>  | <u>Reductions</u>     | September 30,<br><u>2007</u> | <u>Due within<br/>One Year</u> |
|--|---------------------------|-------------------|-----------------------|------------------------------|--------------------------------|
| <b>Governmental activities:</b>                  |                           |                   |                       |                              |                                |
| Bonds and notes payable                          |                           |                   |                       |                              |                                |
| General obligation debt                          | \$ 2,619,398              | \$ -              | \$ (353,875)          | \$ 2,265,523                 | \$ 165,658                     |
| Revenue bonds                                    | 33,090,000                | -                 | (1,040,000)           | 32,050,000                   | 1,075,000                      |
| Less: deferred amounts<br>for issuance discounts | <u>(440,168)</u>          | <u>-</u>          | <u>20,517</u>         | <u>(419,651)</u>             | <u>(20,517)</u>                |
| Total bonds and notes payable                    | <u>35,269,230</u>         | <u>-</u>          | <u>(1,373,358)</u>    | <u>33,895,872</u>            | <u>1,220,141</u>               |
| Other liabilities:                               |                           |                   |                       |                              |                                |
| Compensated absences                             | 1,801,230                 | 393,773           | (256,855)             | 1,938,148                    | 260,538                        |
| Claims and judgments                             | 2,688,443                 | 64,000            | (1,871,443)           | 881,000                      | -                              |
| Parking lot remediation                          | <u>260,800</u>            | <u>-</u>          | <u>-</u>              | <u>260,800</u>               | <u>-</u>                       |
| Total other liabilities                          | <u>4,750,473</u>          | <u>457,773</u>    | <u>(2,128,298)</u>    | <u>3,079,948</u>             | <u>260,538</u>                 |
| Governmental activity<br>Long-term liabilities   | <u>\$ 40,019,703</u>      | <u>\$ 457,773</u> | <u>\$ (3,501,656)</u> | <u>\$ 36,975,820</u>         | <u>\$ 1,480,679</u>            |
| <b>Business-type activities:</b>                 |                           |                   |                       |                              |                                |
| Bonds and notes payable                          |                           |                   |                       |                              |                                |
| Water and sewer revenue<br>refunding bonds       | \$ 3,495,000              | \$ -              | \$ (790,000)          | \$ 2,705,000                 | \$ 845,000                     |
| Capital improvement revenue<br>bonds             | 9,030,000                 | -                 | (350,000)             | 8,680,000                    | 355,000                        |
| Capital improvement revenue<br>note              | 6,000,000                 | -                 | -                     | 6,000,000                    | -                              |
| Less: deferred amounts<br>for issuance discounts | <u>(389,211)</u>          | <u>-</u>          | <u>58,380</u>         | <u>(330,831)</u>             | <u>-</u>                       |
| Total bond and notes payable                     | 18,135,789                | -                 | (1,081,620)           | 17,054,169                   | 1,200,000                      |
| Other liabilities                                |                           |                   |                       |                              |                                |
| Compensated absences                             | <u>588,892</u>            | <u>56,423</u>     | <u>(29,434)</u>       | <u>615,881</u>               | <u>73,906</u>                  |
| Business-type activity<br>Long-term liabilities  | <u>\$ 18,724,681</u>      | <u>\$ 56,423</u>  | <u>\$ (1,111,054)</u> | <u>\$ 17,670,050</u>         | <u>\$ 1,273,906</u>            |

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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 8. RESTRICTED ASSETS

The balances of the restricted asset accounts in the enterprise funds are as follows:

|                                 |                            |
|---------------------------------|----------------------------|
| Customer deposits               | \$ 1,538,829               |
| Renewal and replacement         | 500,000                    |
| Working capital bond reserve    | 2,981,583                  |
| Capital improvement replacement | <u>1,132,196</u>           |
| Total restricted assets         | <u><u>\$ 6,152,608</u></u> |

### NOTE 9. FUND BALANCE RESERVED/UNRESERVED

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

|                                  | General<br><u>Fund</u>      | Fire rescue<br><u>Fund</u> | General<br>Capital<br><u>Projects</u> | 2005 Capital<br>Improvement<br>Projects<br><u>Fund</u> | Nonmajor<br><u>Governmental</u> | <u>Total</u>                |
|----------------------------------|-----------------------------|----------------------------|---------------------------------------|--|---------------------------------|-----------------------------|
| Reserved for:                    |                             |                            |                                       |  |                                 |                             |
| Encumbrances                     | \$ 376,043                  | \$ 33,351                  | \$ 1,840,766                          | \$ 7,382,769   | \$ 75,825                       | \$ 9,708,754                |
| Inventories and prepayments      | 95,024                      | -                          | -                                     | -  | -                               | 95,024                      |
| Advances to pension plan         | 370,660                     | -                          | -                                     | -  | -                               | 370,660                     |
| Police training                  | 11,188                      | -                          | -                                     | -  | -                               | 11,188                      |
| Capital projects funds           | -                           | -                          | -                                     | 1,455,388  | 4,465,092                       | 5,920,480                   |
| Special revenue expenditures     | <u>-</u>                    | <u>1,560,159</u>           | <u>-</u>                              | <u>-</u>   | <u>4,211,245</u>                | <u>5,771,404</u>            |
| Total                            | <u>852,915</u>              | <u>1,593,510</u>           | <u>1,840,766</u>                      | <u>8,838,157</u>                                       | <u>8,752,162</u>                | <u>21,877,510</u>           |
| Unreserved:                      |                             |                            |                                       |  |                                 |                             |
| Debt service funds               | -                           | -                          | -                                     | -  | 355,651                         | 355,651                     |
| General fund, designated         | 10,898,495                  | -                          | -                                     | -  | -                               | 10,898,495                  |
| Capital project fund, designated | -                           | -                          | 8,744,224                             | 3,515,491  | -                               | 12,259,715                  |
| General fund, undesignated       | <u>5,767,651</u>            | <u>-</u>                   | <u>-</u>                              | <u>-</u>   | <u>-</u>                        | <u>5,767,651</u>            |
| Total                            | <u>16,666,146</u>           | <u>-</u>                   | <u>8,744,224</u>                      | <u>3,515,491</u>                                       | <u>355,651</u>                  | <u>29,281,512</u>           |
| Total                            | <u><u>\$ 17,519,061</u></u> | <u><u>\$ 1,593,510</u></u> | <u><u>\$ 10,584,990</u></u>           | <u><u>\$ 12,353,648</u></u>                            | <u><u>\$ 9,107,813</u></u>      | <u><u>\$ 51,159,022</u></u> |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### **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**

The City of Tamarac previously had four (4) defined contribution 401(A) Money Purchase Retirement Plans through ICMA-RC for elected and appointed officials, executive, managerial/professional and administrative employees. Effective January 24, 2007, these four (4) plans were approved for consolidation. This consolidation allowed active participants who elected to participate in the defined benefit plan as of October 1, 2005 the option to cash out, or rollover to the amended 401(A) Plan 109972, or to any other eligible plan, all or a portion of their balances in these plans. 401(A) Plan 109972 was amended to allow for participant contribution levels of 5% or 10%, for eligible employees who were hired prior to October 1, 2005 and did not elect to participate in the City's defined benefit pension plan. Any assets remaining in the other three ICMA Plans participant accounts were transferred to ICMA Plan 109972 effective May 1, 2007. 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, 2007, the City's contribution to the Plan was \$99,774 and the plan members' contribution was \$57,316.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### **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 covers 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 Chapter 16 of the City Ordinance. The Plans provide that a cost-of-living adjustment of up to 2% may be payable for any year in which the 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 2007, the Firefighters' Pension Fund implemented an annual cost-of-living adjustment (COLA) of 2.25% to those participants who retire on or after March 1, 2007, 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 60 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.

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 created 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 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, 2007

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

#### **B. EMPLOYEE PENSION SYSTEM** (Continued)

##### (a) Plan Descriptions (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 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 1<sup>st</sup> 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 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, 2007

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

#### B. EMPLOYEE PENSION SYSTEM (Continued)

##### (b) Funding Policy (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 are made by the Broward Sheriff's Office based on rates determined by Florida Statute. The current rate is 20.92%. The City's annual pension cost for the current year and related information for each plan is as follows:

|                                    | Elected and<br>Appointed and Non-<br>Represented<br>Employees'<br><u>Pension Plan</u> | General<br>Employees'<br><u>Pension Plan</u> | Police<br>Officers'<br><u>Pension Plan</u> | Firefighters'<br><u>Pension Plan</u> |
|------------------------------------|---|--|--|--------------------------------------|
| Contribution rates (% of Payroll): |   |  |  |                                      |
| City*                              | 28.10%  | 23.22%                                       | 13.80%                                     | 46.93%                               |
| State of Florida*                  | 0.00%   | 0.00%  | 477.18%                                    | 11.47%                               |
| Plan Members*                      | 10.00%  | 5.00%  | 5.00%                                      | 9.00%                                |
| Annual Pension cost*               | \$1,249,855   | \$1,473,177                                  | \$725,267                                  | \$2,336,492                          |
| Contributions made                 | \$1,200,981   | \$1,457,692                                  | \$455,653                                  | \$3,128,134                          |
| Actuarial valuation date           | 10/01/06  | 10/01/06                                     | 10/01/06                                   | 10/01/06                             |
| Actuarial cost method*             | Entry age normal  | Entry age normal                             | Entry age normal                           | Entry age normal                     |
| Amortization method*               | Level dollar, open  | Level dollar, open                           | Level dollar, closed                       | Level dollar, open                   |
| Asset valuation method             | Market value  | 3-year smoothed<br>market                    | 4-year smoothed<br>market                  | 3-year smoothed<br>market            |
| Remaining amortization period*     | 30 years  | 40 years                                     | 4-30 years                                 | 40 years                             |
| Actuarial assumptions:             |   |  |  |                                      |
| Investment rate of return*         | 7.00%   | 7.00%  | 7.25%                                      | 7.00%                                |
| Projected salary increases*        | 5.00%   | 5.00%  | 7.00%                                      | 5.00%                                |
| Includes inflation at *            | 2.00%   | 3.50%  | 4.00%                                      | 3.00%                                |
| Cost-of-living adjustments**       | 2.00%   | None   | None                                       | 2.25%                                |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

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

#### B. EMPLOYEE PENSION SYSTEM (Continued)

##### (b) Funding Policy

In 2007, 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 Plan amounting to \$614,240 and \$442,849, respectively. The monies were deposited within 5 days from their receipt in accordance with provisions of the law.

\*Per Actuarial Valuation Report on Actuarial valuation date.

\*\* The General Employees' and Police Officers' pension plans provide for a 2% cost-of-living adjustment for any year in which the plan has an actuarial gain at the discretion of the Boards of Trustees. The Professional, Managerial, and Non-Represented Employees' pension plan provides for an annual compounded 2% cost-of-living adjustment after January of each year after 60 months of retirement benefits. The Firefighters' pension plan provides for a 2% cost-of-living adjustment for any year in which the plan has an actuarial gain at the discretion of the Board of Trustees for retirees who retired prior to October 1, 2002. The Firefighters' pension plan provides for an automatic compounded annual cost-of-living adjustment effective January 1, 2007 for all participants who retired between October 1, 2002 and February 28, 2007, and who have been retired for at least three years. The Firefighters' pension plan provides for an automatic 2.25% compounded annual cost-of-living adjustment effective January 1, 2007 for all participants who retire on or after March 1, 2007, and who have been retired for at least three years.

##### (c) 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, 2007 is as follows:

|   | Elected and<br>Appointed<br>and Non-rep.<br><u>Employees</u> | General<br><u>Employees</u> | Police<br><u>Officers</u> | <u>Firefighters</u> |
|---|--|-----------------------------|---------------------------|---------------------|
| Annual required contribution                          | \$ 1,249,855   | \$ 1,473,927                | \$ 291,964                | \$ 2,335,191        |
| Interest on net pension obligation/(asset)            | -  | 10,468                      | (33,868)                  | (18,182)            |
| Adjustment to annual required contribution            | <u>(48,874)</u>  | <u>(11,218)</u>             | <u>467,171</u>            | <u>19,483</u>       |
| Annual pension cost                                   | 1,200,981  | 1,473,177                   | 725,267                   | 2,336,492           |
| Contributions made                                    | <u>1,200,981</u>   | <u>1,457,692</u>            | <u>455,653</u>            | <u>3,128,134</u>    |
| Increase (decrease) in net pension obligation/(asset) | -  | 15,485                      | 269,614                   | (791,642)           |
| Net pension obligation/(asset) at beginning of year   | <u>-</u>   | <u>(289,718)</u>            | <u>54,969</u>             | <u>27,643</u>       |
| Net pension obligation/(asset) at end of year         | <u>\$ -</u>  | <u>\$ (274,233)</u>         | <u>\$ 324,583</u>         | <u>\$ (763,999)</u> |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

(d) Three-Year Trend Information

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

| <u>Fiscal<br/>Year Ended</u> | <u>Annual<br/>Pension<br/>Cost</u> | <u>Percentage<br/>Of APC<br/>Contributed</u> | <u>Net Pension<br/>(Asset)/<br/>Obligation</u> |
|------------------------------|------------------------------------|--|--|
| 9/30/06                      | 1,173,947                          | 100%   | -  |
| 9/30/07                      | 1,200,981                          | 100%   | -  |

General Employees' Pension Plan

| <u>Fiscal<br/>Year Ended</u> | <u>Annual<br/>Pension<br/>Cost</u> | <u>Percentage<br/>Of APC<br/>Contributed</u> | <u>Net Pension<br/>(Asset)/<br/>Obligation</u> |
|------------------------------|------------------------------------|--|--|
| 9/30/05                      | \$ 1,089,125                       | 96%  | \$ 197,639                                     |
| 9/30/06                      | 787,518                            | 162%   | (289,718)                                      |
| 9/30/07                      | 1,473,177                          | 99%  | (274,233)                                      |

Police Officers' Pension Plan

| <u>Fiscal<br/>Year Ended</u> | <u>Annual<br/>Pension<br/>Cost</u> | <u>Percentage<br/>Of APC<br/>Contributed</u> | <u>Net Pension<br/>(Asset)/<br/>Obligation</u> |
|------------------------------|------------------------------------|--|--|
| 9/30/05                      | \$ 422,927                         | 59%  | \$ (168,951)                                   |
| 9/30/06                      | 513,356                            | 56%  | 54,969   |
| 9/30/07                      | 725,267                            | 63%  | 324,583  |

Firefighters' Pension Plan

| <u>Fiscal<br/>Year Ended</u> | <u>Annual<br/>Pension<br/>Cost</u> | <u>Percentage<br/>Of APC<br/>Contributed</u> | <u>Net Pension<br/>(Asset)/<br/>Obligation</u> |
|------------------------------|------------------------------------|--|--|
| 9/30/05                      | \$ 2,177,777                       | 101%   | \$ 42,134                                      |
| 9/30/06                      | 2,115,731                          | 101%   | 27,643   |
| 9/30/07                      | 2,336,492                          | 134%   | (763,999)                                      |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 11. OTHER POST EMPLOYMENT BENEFITS

The City of Tamarac provides Post Employment Benefits Other than Pensions 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 2007.

*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 post-employment 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 \$63,000 during the fiscal year 2007 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 2007 ranges from \$333 to \$526 for single coverage and from \$865 to \$1,282 for family coverage. The monthly dental insurance premium rates for the fiscal year 2007 were \$25 for retiree up to \$70 for retiree and 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, the amount actually contributed and the changes in the City's net OPEB obligation:

|                              |                   |
|------------------------------|-------------------|
| Annual required contribution | <u>\$ 114,783</u> |
| Annual OPEB Cost             | 114,783           |
| Contribution made            | <u>62,979</u>     |
| Net OPEB obligation          | <u>\$ 51,804</u>  |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### 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, 2007 are as follows:

|  |            |
|--|------------|
| Annual OPEB Cost                           | \$ 114,783 |
| Percentage of Annual OPEB Cost Contributed | 55%        |
| Net OPEB Obligation                        | 51,804     |

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 September 30, 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.

In the September 30, 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, 2007

### 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    |
| Property damage and workers' compensation | 25,000    |
| Crime                                     | 10,000    |

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.

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 \$881,000 reported at September 30, 2007 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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 12. RISK MANAGEMENT (Continued)

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

| <u>Year Ended<br/>September 30</u> | <u>Beginning of<br/>Year Liability</u> | <u>Current Year<br/>Claims and Changes<br/>In Estimate</u> | <u>Claim<br/>Payments<br/>(Credits)</u> | <u>End of Year<br/>Liability</u> |
|------------------------------------|--|--|---|----------------------------------|
| 2006                               | 4,496,360                              | 417,606  | 2,225,523                               | 2,688,443                        |
| 2007                               | 2,688,443                              | (1,416,373)  | (391,070)                               | 881,000                          |

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. Litigation

##### Britt vs. City of Tamarac

The Fire and Rescue Special Revenue Fund is partially funded by a fire assessment that is a consolidated fire rescue program, which includes fire suppression, first response medical stabilization and emergency medical transport. Plaintiff is seeking refund of all that portion of the assessment paid by residential property owners which funded emergency medical transport. The lawsuit sought to declare the assessments for fiscal year 1996 forward to be invalid and requested a refund of the amounts paid. The Court certified a class consisting of residential property owners with the City of Tamarac as part of this lawsuit.

On March 1, 2005, the City received an order from the Court to refund to the residents the assessment for the years 1997 through 1999 in the amount of \$3,717,360 and to pay the costs of the plaintiff's attorney. The City recorded as a loss contingency accrual for the total amount of the refund. The management of the City did file an appeal in this matter; however, the appeal has been concluded adverse to the City and the appellate court issued its mandate concluding the appeal on March 3, 2006. Thereafter, pursuant to further order of the trial court, the City implemented a procedure to process the refunds ordered by the trial court.

On January 30, 2007, the City received the agreed order for completing refund and closing out order from the Court providing procedures for the remaining unresolved refund of approximately \$32,000, extending the application and processing of refund until April 30, 2007. After such date, the City is released from further obligation from this class suit and any balance of the Class Fund shall be released to the City.

During the fiscal year 2007, the City reversed approximately \$1.8 million from claims liability relative to this case and reported as other operating revenue in the statement of revenues, expenses and changes in net assets.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### **NOTE 13. COMMITMENTS AND CONTINGENCIES** (Continued)

#### **A. Litigation** (Continued)

In the year 2000, the City modified its fire assessment to exclude any consideration of emergency medical transport costs from its special assessment and, therefore, it is the City's management opinion that the assessment for the year 2000 is subsequently valid.

The City is a defendant in other 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.

#### **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 new five-year contract ending September 30, 2009. The City recorded expenses of \$9,450,500 under this contract for the fiscal year ended September 30, 2007.

#### **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, 2007, the City recorded expenses of \$3,512,542 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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 13. COMMITMENTS AND CONTINGENCIES (Continued)

#### 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) Taxable Water and Sewer Utility Revenue Refunding Bonds, Series 1996, (2) Sales Tax Revenue Bonds, Series 1999, (3) Sales Tax Revenue Bonds, Series 2002, (4) 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.

J.P. Morgan is only authorized to invest in 100% U.S. Treasury Securities Money Market Fund Agency Shares. As of September 30, 2007, the City of Tamarac has a balance of \$2,621,510 at J.P. Morgan, and is required to make scheduled deposits as follows:

|                           | <u>Deposits</u>      |
|---------------------------|----------------------|
| Year ending September 30, |                      |
| 2008                      | \$ 3,463,164         |
| 2009                      | 3,464,430            |
| 2010                      | 2,440,800            |
| 2011                      | 2,442,978            |
| 2012                      | 2,438,724            |
| 2013-2017                 | 12,202,068           |
| 2018-2022                 | 9,245,046            |
| 2023-2024                 | <u>1,388,436</u>     |
| Total                     | <u>\$ 37,085,646</u> |

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 14. SUBSEQUENT EVENTS

#### A. State Board of Administration

As discussed in Note 3, at September 30, 2007, the City had \$38,734,240 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool (Pool). On November 29, 2007, the State Board of Administration implemented a temporary freeze on the assets held in the Pool due to an unprecedented amount of withdrawals from the Fund coupled with the absence of market liquidity for certain securities within the Pool. The significant amount of withdrawals followed reports that the Pool held asset-backed commercial paper that was subject to sub prime mortgage risk. On December 4, 2007, based on recommendations from an outside financial advisor, the State Board of Administration restructured the Pool into two separate pools. Pool A consisted of all money market appropriate assets, which was approximately \$12 billion or 86% of Pool assets. Pool B consisted of assets that defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk, which was approximately \$2 billion or 14% of Pool assets. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Pool A and Pool B.

Currently, Pool A participants may withdraw 15% of their balance or \$2 million, whichever is greater, without penalty. Withdrawals from Pool A in excess of the above limit are subject to a 2% redemption fee. New investments in Pool A are not subject to the redemption fee or withdrawal restrictions. Future withdrawal provisions from Pool A will be subject to further evaluation based on the maturities of existing investments and the liquidity requirements of the Pool. On December 21, 2007, Standard and Poor's Ratings Services assigned its "AAAM" principal stability fund rating to Pool A.

Currently, Pool B participants are prohibited from withdrawing any amount from the Pool and a formal withdrawal policy has not yet been developed. Market valuations of the assets held in Pool B are not readily available. In addition, full realization of the principle value of Pool B assets is not readily determinable.

The City exercised its option to withdraw its funds and on November 28, 2007, all funds less \$100 were withdrawn from the pool. No total redemption fees were assessed or paid.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2007

### NOTE 14. SUBSEQUENT EVENTS (Continued)

#### B. Property Tax Reform

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

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

Amendment 1 becomes effective on October 1, 2008, with the exception of the ten percent (10%) assessment cap on non-homestead property which becomes effective on January 1, 2009.

Based on information received from the Broward County Property Appraiser's Office, the estimated annual loss of property tax revenues for our city from the additional homestead exemption and the \$25,000 exemption for tangible personal property is approximately \$2,358,000. At present, there is no accurate way to determine the impact of the portability and assessment cap on non-homestead property provisions in terms of potential loss of property tax revenues. The City estimates a range from 5% to 15% annually, which would translate into an additional loss of property tax revenues of \$1,140,000 to \$3,400,000.

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

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**CITY OF TAMARAC, FLORIDA**  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 YEAR ENDED SEPTEMBER 30, 2007

|                                      | <u>Budgeted Amounts</u> |                      | Actual<br>Amounts<br>Budgetary<br>Basis | Variance<br>with<br>Final<br>Budget<br>Positive<br>(Negative) |
|--------------------------------------|-------------------------|----------------------|---|---|
|                                      | <u>Original</u>         | <u>Final</u>         |   |   |
| Revenues:                            |                         |                      |   |   |
| Taxes                                | \$ 30,930,200           | \$ 30,930,200        | \$ 31,965,968                           | \$ 1,035,768  |
| Charges for services                 | 1,756,100               | 1,760,110            | 1,646,515                               | (113,595)   |
| Payment in lieu of taxes             | 681,100                 | 681,100              | 677,576                                 | (3,524)   |
| Intergovernmental                    | 5,886,800               | 5,886,800            | 6,162,211                               | 275,411   |
| Licenses and permits                 | 2,276,600               | 2,276,600            | 2,671,892                               | 395,292   |
| Fines and forfeitures                | 540,500                 | 540,500              | 598,039                                 | 57,539  |
| Miscellaneous                        | 5,679,500               | 5,679,500            | 5,857,756                               | 178,256   |
| Investment income                    | 419,000                 | 419,000              | 1,454,347                               | 1,035,347   |
| Total revenues                       | <u>48,169,800</u>       | <u>48,173,810</u>    | <u>51,034,304</u>                       | <u>2,860,494</u>  |
| Expenditures:                        |                         |                      |   |   |
| Current:                             |                         |                      |   |   |
| General government:                  |                         |                      |   |   |
| Commission                           | 799,100                 | 843,645              | 836,045                                 | 7,600   |
| City manager                         | 1,351,000               | 1,426,550            | 1,303,064                               | 123,486   |
| City attorney                        | 516,200                 | 516,200              | 520,941                                 | (4,741)   |
| City clerk                           | 656,800                 | 684,750              | 582,697                                 | 102,053   |
| Human resources                      | 1,022,500               | 1,065,000            | 917,963                                 | 147,037   |
| Finance                              | 1,921,800               | 1,930,193            | 1,858,957                               | 71,236  |
| Public works                         | 1,240,000               | 1,243,972            | 1,155,311                               | 88,661  |
| Custodial and building maintenance   | 1,260,500               | 1,273,561            | 1,135,851                               | 137,710   |
| Boards and committees                | 105,600                 | 105,600              | 96,331                                  | 9,269   |
| Fleet management                     | 1,363,300               | 2,572,205            | 822,561                                 | 1,749,644   |
| Information technology               | 1,373,300               | 1,532,092            | 1,290,163                               | 241,929   |
| Non-departmental                     | 2,165,550               | 1,884,387            | 898,208                                 | 986,179   |
| Total general government             | <u>13,775,650</u>       | <u>15,078,155</u>    | <u>11,418,092</u>                       | <u>3,660,063</u>  |
| Public safety:                       |                         |                      |   |   |
| Police                               | 9,614,500               | 9,614,500            | 9,612,245                               | 2,255   |
| Building                             | 1,709,700               | 1,761,743            | 1,912,215                               | (150,472)   |
| Community development                | 762,800                 | 762,407              | 585,395                                 | 177,012   |
| Total public safety                  | <u>12,087,000</u>       | <u>12,138,650</u>    | <u>12,109,855</u>                       | <u>28,795</u>   |
| Transportation                       | <u>1,474,000</u>        | <u>1,610,000</u>     | <u>1,354,360</u>                        | <u>255,640</u>  |
| Culture / recreation:                |                         |                      |   |   |
| Recreation activities                | 2,449,400               | 2,484,046            | 2,343,555                               | 140,491   |
| Park facilities                      | 2,039,200               | 2,322,356            | 2,123,031                               | 199,325   |
| Transport services                   | 820,700                 | 795,700              | 700,698                                 | 95,002  |
| Total culture/recreation             | <u>5,309,300</u>        | <u>5,602,102</u>     | <u>5,167,284</u>                        | <u>434,818</u>  |
| Physical environment:                |                         |                      |   |   |
| Engineering                          | 476,800                 | 520,198              | 469,193                                 | 51,005  |
| Landscape and irrigation             | 1,299,700               | 1,420,900            | 1,164,561                               | 256,339   |
| Planning                             | 761,200                 | 929,439              | 712,208                                 | 217,231   |
| Recycling services                   | 327,000                 | 327,620              | 308,824                                 | 18,796  |
| Total physical environment           | <u>2,864,700</u>        | <u>3,198,157</u>     | <u>2,654,786</u>                        | <u>543,371</u>  |
| Economic environment                 | <u>207,600</u>          | <u>273,600</u>       | <u>165,616</u>                          | <u>107,984</u>  |
| Human services                       | <u>349,750</u>          | <u>362,850</u>       | <u>311,278</u>                          | <u>51,572</u>   |
| Debt service:                        |                         |                      |   |   |
| Principal retirement                 | -                       | -                    | -                                       | -   |
| Interest and fiscal charges          | -                       | -                    | -                                       | -   |
| Total expenditures                   | <u>36,068,000</u>       | <u>38,263,514</u>    | <u>33,181,271</u>                       | <u>5,082,243</u>  |
| Excess of revenues over expenditures | <u>12,101,800</u>       | <u>9,910,296</u>     | <u>17,853,033</u>                       | <u>7,942,737</u>  |
| Other financing sources (uses):      |                         |                      |   |   |
| Operating transfer in                | 297,200                 | 8,708,019            | 1,165,816                               | (7,542,203)   |
| Operating transfer out               | <u>(12,399,000)</u>     | <u>(18,618,315)</u>  | <u>(18,218,315)</u>                     | <u>400,000</u>  |
| Total other financing (uses)         | <u>(12,101,800)</u>     | <u>(9,910,296)</u>   | <u>(17,052,499)</u>                     | <u>(7,142,203)</u>  |
| Net change in fund balance           | -                       | -                    | 800,534                                 | 800,534   |
| Fund balances, October 1             | <u>16,718,527</u>       | <u>16,718,527</u>    | <u>16,718,527</u>                       | -   |
| Fund balances, September 30          | <u>\$ 16,718,527</u>    | <u>\$ 16,718,527</u> | <u>\$ 17,519,061</u>                    | <u>\$ 800,534</u>   |

**CITY OF TAMARAC, FLORIDA**  
 BUDGETARY COMPARISON SCHEDULE  
 FIRE AND RESCUE SPECIAL REVENUE FUND  
 YEAR ENDED SEPTEMBER 30, 2007

|   | <u>Budgeted Amounts</u> |                    | Actual<br>Amounts<br>Budgetary<br>Basis | Variance<br>with<br>Final<br>Budget<br>Positive<br>Negative<br><u>(Negative)</u> |
|---|-------------------------|--------------------|---|--|
|   | <u>Original</u>         | <u>Final</u>       |   |  |
| Revenues:                                     |                         |                    |   |  |
| Charges for services                          | \$2,125,000             | \$2,125,000        | \$1,889,046                             | \$ (235,954)   |
| Intergovernmental                             | 25,000                  | 25,000             | 39,746                                  | 14,746   |
| Fire rescue assessment                        | 6,911,100               | 6,911,100          | 6,681,809                               | (229,291)  |
| Investment income                             | 65,300                  | 64,300             | 176,031                                 | 111,731  |
| Miscellaneous                                 | -                       | 1,030,540          | 677                                     | (1,029,863)  |
| Total revenues                                | <u>9,126,400</u>        | <u>10,155,940</u>  | <u>8,787,309</u>                        | <u>(1,368,631)</u>   |
| Expenditures:                                 |                         |                    |   |  |
| Current:                                      |                         |                    |   |  |
| Public safety                                 | <u>15,675,800</u>       | <u>17,205,340</u>  | <u>16,272,397</u>                       | <u>932,943</u>   |
| (Deficiency) of revenues (under) expenditures | <u>(6,549,400)</u>      | <u>(7,049,400)</u> | <u>(7,485,088)</u>                      | <u>(435,688)</u>   |
| Other financing sources:                      |                         |                    |   |  |
| Operating transfer in                         | <u>6,549,400</u>        | <u>7,049,400</u>   | <u>7,049,400</u>                        | <u>-</u>   |
| Total other financing sources                 | <u>6,549,400</u>        | <u>7,049,400</u>   | <u>7,049,400</u>                        | <u>-</u>   |
| Net change in fund balance                    | -                       | -                  | (435,688)                               | (435,688)  |
| Fund balances, October 1                      | <u>2,029,198</u>        | <u>2,029,198</u>   | <u>2,029,198</u>                        | <u>-</u>   |
| Fund balances, September 30                   | <u>\$2,029,198</u>      | <u>\$2,029,198</u> | <u>\$1,593,510</u>                      | <u>\$ (435,688)</u>  |

See notes to budgetary comparison schedules

# CITY OF TAMARAC, FLORIDA

## NOTES TO BUDGETARY COMPARISON SCHEDULES FISCAL YEAR ENDED SEPTEMBER 30, 2007

### 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 eight 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 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 \$5.8 million below final budgeted amounts. Of this amount, \$2.5 million is designated for future projects and prior year's encumbrances. The most significant contributor to this variance was various departmental savings due to staff vacancies and turnover.

# CITY OF TAMARAC, FLORIDA

## NOTE TO BUDGETARY COMPARISON SCHEDULE FISCAL YEAR ENDED SEPTEMBER 30, 2007

### **B. Excess of expenditures over appropriations**

For the year ended September 30, 2007 expenditures exceeded appropriations in the following departments:

| <u>Department</u>        | <u>Excess<br/>Expenditures<br/>Over Budget</u> |
|--------------------------|--|
| City Attorney            | \$ 4,741                                       |
| Public Safety - Building | 150,742  |

These over expenditures were funded by a combination of greater than anticipated revenues and 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 Liability (AAL) - Entry Age | Unfunded Actuarial Accrued Liability (UAAL)(3)-(2) | Funded (2)/(3) | Ratio 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                                |

\* Pension Plan's effective date was 10/1/2005

General Employees' Pension Fund:

| (1)                      | (2)                             | (3)                                   | (4)  | (5)            | (6)                   | (7)                                  |
|--------------------------|---------------------------------|---------------------------------------|--|----------------|-----------------------|--------------------------------------|
| Actuarial Valuation Date | Actuarial Value of Assets (AVA) | Actuarial Liability (AAL) - Entry Age | Unfunded Actuarial Accrued Liability (UAAL)(3)-(2) | Funded (2)/(3) | Ratio Covered Payroll | UAAL As % of Covered Payroll (4)/(6) |
| 10/1/04                  | 16,827,267                      | \$23,160,488                          | \$6,333,221  | 72.7%          | \$6,087,937           | 104.0%                               |
| 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                                 |

Police Officers' Pension Fund:

| (1)                      | (2)                             | (3)                                   | (4)  | (5)            | (6)                   | (7)                                  |
|--------------------------|---------------------------------|---------------------------------------|--|----------------|-----------------------|--------------------------------------|
| Actuarial Valuation Date | Actuarial Value of Assets (AVA) | Actuarial Liability (AAL) - Entry Age | Unfunded Actuarial Accrued Liability (UAAL)(3)-(2) | Funded (2)/(3) | Ratio Covered Payroll | UAAL As % of Covered Payroll (4)/(6) |
| 10/1/04                  | \$8,598,813                     | \$11,336,920                          | \$2,738,107  | 75.8%          | \$226,090             | 1,211.1%                             |
| 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                              |

Firefighters' Pension Fund:

| (1)                      | (2)                             | (3)                                   | (4)  | (5)            | (6)                   | (7)                                  |
|--------------------------|---------------------------------|---------------------------------------|--|----------------|-----------------------|--------------------------------------|
| Actuarial Valuation Date | Actuarial Value of Assets (AVA) | Actuarial Liability (AAL) - Entry Age | Unfunded Actuarial Accrued Liability (UAAL)(3)-(2) | Funded (2)/(3) | Ratio Covered Payroll | UAAL As % of Covered Payroll (4)/(6) |
| 10/1/04                  | \$21,969,095                    | \$35,242,773                          | \$13,273,678                                       | 62.3%          | \$5,706,950           | 232.6%                               |
| 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                                |

City of Tamarac Other Post Employment Benefits

| (1)                      | (2)                             | (3)                                   | (4)  | (5)            | (6)                   | (7)                                  |
|--------------------------|---------------------------------|---------------------------------------|--|----------------|-----------------------|--------------------------------------|
| Actuarial Valuation Date | Actuarial Value of Assets (AVA) | Actuarial Liability (AAL) - Entry Age | Unfunded Actuarial Accrued Liability (UAAL)(3)-(2) | Funded (2)/(3) | Ratio Covered Payroll | UAAL As % of Covered Payroll (4)/(6) |
| 10/1/07                  | \$ -                            | \$ 1,250,166                          | \$ 1,250,166                                       | 0.0%           | \$ 19,761,770         | 6.3%                                 |

**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<br/>Year</u> | <u>Annual<br/>Required<br/>Contribution</u> | <u>Percentage<br/>Contributed</u> |
| 2005/06*               | 1,173,947                                   | 100%                              |
| 2006/07                | 1,249,855                                   | 96                                |

• Pension Plan's effective date was 10/1/2005.

General Employees' Pension Fund:

| (1)                    | (2)   | (3)                               |
|------------------------|---|-----------------------------------|
| <u>Fiscal<br/>Year</u> | <u>Annual<br/>Required<br/>Contribution</u> | <u>Percentage<br/>Contributed</u> |
| 2004/05                | \$ 1,089,674                                | 99%                               |
| 2005/06                | 788,126                                     | 96                                |
| 2006/07                | 1,473,927                                   | 99                                |

Police Officers' Pension Fund:

| (1)                    | (2)   | (3)                               |
|------------------------|---|-----------------------------------|
| <u>Fiscal<br/>Year</u> | <u>Annual<br/>Required<br/>Contribution</u> | <u>Percentage<br/>Contributed</u> |
| 2004/05                | \$ 267,427                                  | 94%                               |
| 2005/06                | 268,566                                     | 108                               |
| 2006/07                | 291,964                                     | 156                               |

Firefighters' Pension Fund:

| (1)                    | (2)   | (3)                               |
|------------------------|---|-----------------------------------|
| <u>Fiscal<br/>Year</u> | <u>Annual<br/>Required<br/>Contribution</u> | <u>Percentage<br/>Contributed</u> |
| 2004/05                | \$ 2,177,432                                | 101`%                             |
| 2005/06                | 2,114,870                                   | 101                               |
| 2006/07                | 2,335,191                                   | 134                               |

City of Tamarac Other Post Employment Benefits

| (1)                    | (2)   | (3)                               |
|------------------------|---|-----------------------------------|
| <u>Fiscal<br/>Year</u> | <u>Annual<br/>Required<br/>Contribution</u> | <u>Percentage<br/>Contributed</u> |
| 2007                   | \$ 114,783                                  | 55%                               |

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# **COMBINING FINANCIAL STATEMENTS**

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# NONMAJOR GOVERNMENTAL FUNDS

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## 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** – 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, 2007

|  | <u>Special<br/>Revenue<br/>Funds</u> | <u>Debt<br/>Service<br/>Funds</u> | <u>Capital Projects<br/>Fund-Public<br/>Service Facilities</u> | <u>Total<br/>Nonmajor<br/>Governmental<br/>Funds</u> |
|--|--------------------------------------|-----------------------------------|--|--|
| <u>ASSETS</u>                                  |                                      |                                   |  |  |
| Cash and equity in pooled cash and investments | \$4,457,066                          | \$1,465,091                       | \$ 2,981,111   | \$ 8,903,268   |
| Accounts receivable - net                      | 1,832,562                            | -                                 | -  | 1,832,562  |
| Due from other funds                           | -                                    | -                                 | 4,680  | 4,680  |
| Due from other governments                     | <u>492,582</u>                       | <u>573</u>                        | -  | <u>493,155</u>                                       |
| Total assets                                   | <u>\$6,782,210</u>                   | <u>\$1,465,664</u>                | <u>\$ 2,985,791</u>  | <u>\$ 11,233,665</u>                                 |
| <u>LIABILITIES</u>                             |                                      |                                   |  |  |
| Accounts payable                               | \$ 121,240                           | \$ -                              | \$ -   | \$ 121,240   |
| Accrued liabilities                            | 9,223                                | -                                 | -  | 9,223  |
| Accrued bonds and interest payable             | -                                    | 1,110,013                         | -  | 1,110,013  |
| Due to other funds                             | 360,464                              | -                                 | -  | 360,464  |
| Due to other governments                       | 144,643                              | -                                 | -  | 144,643  |
| Deferred revenues                              | <u>380,269</u>                       | -                                 | -  | <u>380,269</u>                                       |
| Total liabilities                              | <u>1,015,839</u>                     | <u>1,110,013</u>                  | <u>-</u>   | <u>2,125,852</u>                                     |
| <u>FUND BALANCES</u>                           |                                      |                                   |  |  |
| Reserved for:                                  |                                      |                                   |  |  |
| Encumbrances                                   | 75,825                               | -                                 | -  | 75,825   |
| Special revenue funds                          | 4,211,245                            | -                                 | -  | 4,211,245  |
| Capital projects funds                         | 1,479,301                            | -                                 | 2,985,791  | 4,465,092  |
| Unreserved reported in:                        |                                      |                                   |  |  |
| Debt service funds                             | -                                    | <u>355,651</u>                    | -  | <u>355,651</u>                                       |
| Total fund balances                            | <u>5,766,371</u>                     | <u>355,651</u>                    | <u>2,985,791</u>   | <u>9,107,813</u>                                     |
| Total liabilities and fund balances            | <u>\$6,782,210</u>                   | <u>\$1,465,664</u>                | <u>\$ 2,985,791</u>  | <u>\$ 11,233,665</u>                                 |

**CITY OF TAMARAC, FLORIDA**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 SEPTEMBER 30, 2007

|  | 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 |                     |
| <b>ASSETS</b>                                  |                       |                       |                                   |                          |                     |                   |                                 |                                      |                           |                          |                                     |                     |
| Cash and equity in pooled cash and investments | \$ 43,973             | \$ 232,548            | \$ 353,012                        | \$ 1,082,195             | \$ 1,539,712        | \$ -              | \$ 230,669                      | \$ 333,387                           | \$ 36,719                 | \$ 604,851               | \$ -                                | \$ 4,457,066        |
| Accounts receivable - net                      | -                     | -                     | -                                 | -                        | -                   | -                 | -                               | -                                    | -                         | -                        | 1,832,562                           | 1,832,562           |
| Due from other governments                     | 176                   | -                     | -                                 | -                        | -                   | 492,406           | -                               | -                                    | -                         | -                        | -                                   | 492,582             |
| <b>Total assets</b>                            | <b>\$ 44,149</b>      | <b>\$ 232,548</b>     | <b>\$ 353,012</b>                 | <b>\$ 1,082,195</b>      | <b>\$ 1,539,712</b> | <b>\$ 492,406</b> | <b>\$ 230,669</b>               | <b>\$ 333,387</b>                    | <b>\$ 36,719</b>          | <b>\$ 604,851</b>        | <b>\$ 1,832,562</b>                 | <b>\$ 6,782,210</b> |
| <b>LIABILITIES</b>                             |                       |                       |                                   |                          |                     |                   |                                 |                                      |                           |                          |                                     |                     |
| Accounts payable                               | \$ -                  | \$ -                  | \$ -                              | \$ -                     | \$ 13,710           | \$ -              | \$ 76,866                       | \$ 29,733                            | \$ 931                    | \$ -                     | \$ -                                | \$ 121,240          |
| Accrued liabilities                            | -                     | -                     | -                                 | -                        | -                   | 1,102             | 4,058                           | 4,063                                | -                         | -                        | -                                   | 9,223               |
| Due to other funds                             | -                     | -                     | -                                 | -                        | -                   | 283,479           | 76,985                          | -                                    | -                         | -                        | -                                   | 360,464             |
| Due to other governments                       | -                     | -                     | -                                 | -                        | -                   | 144,643           | -                               | -                                    | -                         | -                        | -                                   | 144,643             |
| Deferred revenues                              | -                     | -                     | -                                 | -                        | -                   | 10,937            | 71,682                          | 297,650                              | -                         | -                        | -                                   | 380,269             |
| <b>Total liabilities</b>                       | <b>-</b>              | <b>-</b>              | <b>-</b>                          | <b>-</b>                 | <b>13,710</b>       | <b>440,161</b>    | <b>229,591</b>                  | <b>331,446</b>                       | <b>931</b>                | <b>-</b>                 | <b>-</b>                            | <b>1,015,839</b>    |
| <b>FUND BALANCES</b>                           |                       |                       |                                   |                          |                     |                   |                                 |                                      |                           |                          |                                     |                     |
| Reserved for:                                  |                       |                       |                                   |                          |                     |                   |                                 |                                      |                           |                          |                                     |                     |
| Encumbrances                                   | -                     | -                     | -                                 | 2,509                    | 18,051              | 52,245            | 1,079                           | 1,941                                | -                         | -                        | -                                   | 75,825              |
| Special revenue funds                          | 44,149                | 232,548               | 353,012                           | 954,686                  | 153,650             | -                 | -                               | -                                    | 35,787                    | 604,851                  | 1,832,562                           | 4,211,245           |
| Capital projects funds                         | -                     | -                     | -                                 | 125,000                  | 1,354,301           | -                 | -                               | -                                    | -                         | -                        | -                                   | 1,479,301           |
| <b>Total fund balances</b>                     | <b>44,149</b>         | <b>232,548</b>        | <b>353,012</b>                    | <b>1,082,195</b>         | <b>1,526,002</b>    | <b>52,245</b>     | <b>1,079</b>                    | <b>1,941</b>                         | <b>35,787</b>             | <b>604,851</b>           | <b>1,832,562</b>                    | <b>5,766,371</b>    |
| <b>Total liabilities and fund balances</b>     | <b>\$ 44,149</b>      | <b>\$ 232,548</b>     | <b>\$ 353,012</b>                 | <b>\$ 1,082,195</b>      | <b>\$ 1,539,712</b> | <b>\$ 492,406</b> | <b>\$ 230,670</b>               | <b>\$ 333,387</b>                    | <b>\$ 36,718</b>          | <b>\$ 604,851</b>        | <b>\$ 1,832,562</b>                 | <b>\$ 6,782,210</b> |

**CITY OF TAMARAC, FLORIDA**  
 COMBINING BALANCE SHEET  
 NONMAJOR DEBT SERVICE FUNDS  
 SEPTEMBER 30, 2007

|   | Debt Service                         |                        |                     |
|---|--------------------------------------|------------------------|---------------------|
|   | General<br>Obligation<br><u>Bond</u> | Revenue<br><u>Bond</u> | <u>Total</u>        |
| <u>ASSETS</u>                                     |                                      |                        |                     |
| Cash and equity in pooled<br>cash and investments | \$ 316,772                           | \$ 1,148,319           | \$ 1,465,091        |
| Due from other governments                        | <u>573</u>                           | <u>-</u>               | <u>573</u>          |
| Total assets                                      | <u>\$ 317,345</u>                    | <u>\$ 1,148,319</u>    | <u>\$ 1,465,664</u> |
| <u>LIABILITIES</u>                                |                                      |                        |                     |
| Accrued bonds and interest payable                | <u>\$ 214,015</u>                    | <u>\$ 895,998</u>      | <u>\$ 1,110,013</u> |
| Total liabilities                                 | <u>214,015</u>                       | <u>895,998</u>         | <u>1,110,013</u>    |
| <u>FUND BALANCES</u>                              |                                      |                        |                     |
| Reserved for:                                     |                                      |                        |                     |
| Unreserved reported in:                           |                                      |                        |                     |
| Debt service funds                                | <u>103,330</u>                       | <u>252,321</u>         | <u>355,651</u>      |
| Total fund balances                               | <u>103,330</u>                       | <u>252,321</u>         | <u>355,651</u>      |
| Total liabilities and<br>fund balances            | <u>\$ 317,345</u>                    | <u>\$ 1,148,319</u>    | <u>\$ 1,465,664</u> |

**CITY OF TAMARAC, FLORIDA**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

|  | Special<br>Revenue<br><u>Funds</u> | Debt<br>Service<br><u>Funds</u> | Capital Projects<br>Fund-Public<br><u>Service Facilities</u> | Total<br>Nonmajor<br>Governmental<br><u>Funds</u> |
|--|------------------------------------|---------------------------------|--|---|
| <b>Revenues:</b>                                     |                                    |                                 |  |   |
| Taxes  | \$ -                               | \$ 483,057                      | \$ -   | \$ 483,057  |
| Charges for services                                 | 159,058                            | -                               | -  | 159,058   |
| Intergovernmental                                    | 3,169,188                          | -                               | -  | 3,169,188   |
| Investment Income                                    | 273,601                            | 29,307                          | 160,378  | 463,286   |
| Donations from private sources                       | 8,480                              | -                               | -  | 8,480   |
| Special assessments                                  | 42,082                             | -                               | -  | 42,082  |
| Total revenues                                       | <u>3,652,409</u>                   | <u>512,364</u>                  | <u>160,378</u>   | <u>4,325,151</u>                                  |
| <b>Expenditures:</b>                                 |                                    |                                 |  |   |
| Current:   |                                    |                                 |  |   |
| General government                                   | 5,000                              | -                               | -  | 5,000   |
| Public safety  | 56,381                             | -                               | -  | 56,381  |
| Transportation                                       | 84,092                             | -                               | -  | 84,092  |
| Culture / recreation                                 | 27,264                             | -                               | -  | 27,264  |
| Economic environment                                 | 1,488,944                          | -                               | -  | 1,488,944   |
| Human services                                       | 45,155                             | -                               | -  | 45,155  |
| Debt service:  |                                    |                                 |  |   |
| Principal retirement                                 | -                                  | 1,400,658                       | -  | 1,400,658   |
| Interest and fiscal charges                          | -                                  | 1,625,551                       | -  | 1,625,551   |
| Capital outlay:                                      |                                    |                                 |  |   |
| Public safety  | 202,054                            | -                               | -  | 202,054   |
| Transportation                                       | 13,791                             | -                               | 4,016  | 17,807  |
| Culture and recreation                               | 177,682                            | -                               | 84,848   | 262,530   |
| Total expenditures                                   | <u>2,100,363</u>                   | <u>3,026,209</u>                | <u>88,864</u>  | <u>5,215,436</u>                                  |
| Excess (deficiency) of revenues<br>over expenditures | <u>1,552,046</u>                   | <u>(2,513,845)</u>              | <u>71,514</u>  | <u>(890,285)</u>                                  |
| <b>Other financing sources (uses):</b>               |                                    |                                 |  |   |
| Operating transfers in                               | 1,483,655                          | 2,688,200                       | -  | 4,171,855   |
| Operating transfers out                              | <u>(2,352,270)</u>                 | <u>-</u>                        | <u>-</u>   | <u>(2,352,270)</u>                                |
| Total other financing<br>sources (uses)              | <u>(868,615)</u>                   | <u>2,688,200</u>                | <u>-</u>   | <u>1,819,585</u>                                  |
| Net change in fund balance                           | 683,431                            | 174,355                         | 71,514   | 929,300   |
| Fund balances, October 1                             | 5,082,940                          | 181,296                         | 2,914,277  | 8,178,513   |
| Fund balances, September 30                          | <u>\$ 5,766,371</u>                | <u>\$ 355,651</u>               | <u>\$ 2,985,791</u>  | <u>\$ 9,107,813</u>                               |

**CITY OF TAMARAC, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2007**

|   | 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                              | \$ -                  | \$ -                  | \$ -                              | \$ -                     | \$ 159,058          | \$ -             | \$ -                            | \$ -                                 | \$ -                      | \$ -                     | \$ -                                | \$ 159,058          |
| Intergovernmental                                 | 22,255                | -                     | -                                 | -                        | -                   | 793,031          | 1,088,238                       | 1,265,664                            | -                         | -                        | -                                   | 3,169,188           |
| Investment Income                                 | 1,694                 | 12,096                | 18,305                            | 56,202                   | 76,289              | 23,316           | -                               | 52,356                               | 1,916                     | 31,427                   | -                                   | 273,601             |
| Donations from private sources                    | -                     | -                     | -                                 | -                        | -                   | -                | -                               | -                                    | 8,480                     | -                        | -                                   | 8,480               |
| Special assessments                               | -                     | -                     | 6,439                             | 30,843                   | -                   | -                | -                               | -                                    | -                         | 4,800                    | -                                   | 42,082              |
| <b>Total revenues</b>                             | <b>23,949</b>         | <b>12,096</b>         | <b>24,744</b>                     | <b>87,045</b>            | <b>235,347</b>      | <b>816,347</b>   | <b>1,088,238</b>                | <b>1,318,020</b>                     | <b>10,396</b>             | <b>36,227</b>            | <b>-</b>                            | <b>3,652,409</b>    |
| Expenditures:                                     |                       |                       |                                   |                          |                     |                  |                                 |                                      |                           |                          |                                     |                     |
| Current:  |                       |                       |                                   |                          |                     |                  |                                 |                                      |                           |                          |                                     |                     |
| General government                                | -                     | -                     | -                                 | -                        | -                   | -                | 5,000                           | -                                    | -                         | -                        | -                                   | 5,000               |
| Public safety                                     | -                     | -                     | -                                 | -                        | -                   | 51,322           | 2,321                           | -                                    | 2,738                     | -                        | -                                   | 56,381              |
| Transportation                                    | -                     | -                     | -                                 | -                        | -                   | 84,092           | -                               | -                                    | -                         | -                        | -                                   | 84,092              |
| Culture / recreation                              | -                     | -                     | -                                 | -                        | 16,610              | -                | 9,439                           | -                                    | 1,215                     | -                        | -                                   | 27,264              |
| Economic environment                              | -                     | -                     | -                                 | -                        | -                   | -                | 1,037,643                       | 78,367                               | -                         | -                        | 372,934                             | 1,488,944           |
| Human services                                    | -                     | -                     | -                                 | -                        | -                   | -                | 42,610                          | -                                    | 2,545                     | -                        | -                                   | 45,155              |
| Capital outlay:                                   |                       |                       |                                   |                          |                     |                  |                                 |                                      |                           |                          |                                     |                     |
| Public safety                                     | -                     | -                     | -                                 | -                        | -                   | 202,054          | -                               | -                                    | -                         | -                        | -                                   | 202,054             |
| Transportation                                    | -                     | -                     | -                                 | 13,791                   | -                   | -                | -                               | -                                    | -                         | -                        | -                                   | 13,791              |
| Culture and recreation                            | -                     | -                     | -                                 | -                        | -                   | 177,682          | -                               | -                                    | -                         | -                        | -                                   | 177,682             |
| <b>Total expenditures</b>                         | <b>-</b>              | <b>-</b>              | <b>-</b>                          | <b>13,791</b>            | <b>16,610</b>       | <b>515,150</b>   | <b>1,097,013</b>                | <b>78,367</b>                        | <b>6,498</b>              | <b>-</b>                 | <b>372,934</b>                      | <b>2,100,363</b>    |
| Excess (deficiency) of revenues over expenditures | 23,949                | 12,096                | 24,744                            | 73,254                   | 218,737             | 301,197          | (8,775)                         | 1,239,653                            | 3,898                     | 36,227                   | (372,934)                           | 1,552,046           |
| Other financing sources (uses):                   |                       |                       |                                   |                          |                     |                  |                                 |                                      |                           |                          |                                     |                     |
| Operating transfers in                            | -                     | -                     | -                                 | -                        | -                   | -                | -                               | 20,081                               | -                         | -                        | 1,463,574                           | 1,483,655           |
| Operating transfers out                           | -                     | -                     | -                                 | -                        | -                   | (868,615)        | -                               | (1,463,574)                          | -                         | -                        | (20,081)                            | (2,352,270)         |
| <b>Total other financing sources (uses)</b>       | <b>-</b>              | <b>-</b>              | <b>-</b>                          | <b>-</b>                 | <b>-</b>            | <b>(868,615)</b> | <b>-</b>                        | <b>(1,443,493)</b>                   | <b>-</b>                  | <b>-</b>                 | <b>1,443,493</b>                    | <b>(868,615)</b>    |
| Net change in fund balance                        | 23,949                | 12,096                | 24,744                            | 73,254                   | 218,737             | (567,418)        | (8,775)                         | (203,840)                            | 3,898                     | 36,227                   | 1,070,559                           | 683,431             |
| Fund balances, October 1                          | 20,200                | 220,452               | 328,268                           | 1,008,941                | 1,307,265           | 619,663          | 9,854                           | 205,781                              | 31,889                    | 568,624                  | 762,003                             | 5,082,940           |
| <b>Fund balances, September 30</b>                | <b>\$ 44,149</b>      | <b>\$ 232,548</b>     | <b>\$ 353,012</b>                 | <b>\$ 1,082,195</b>      | <b>\$ 1,526,002</b> | <b>\$ 52,245</b> | <b>\$ 1,079</b>                 | <b>\$ 1,941</b>                      | <b>\$ 35,787</b>          | <b>\$ 604,851</b>        | <b>\$ 1,832,562</b>                 | <b>\$ 5,766,371</b> |

**CITY OF TAMARAC, FLORIDA**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR DEBT SERVICE FUNDS  
 YEAR ENDED SEPTEMBER 30, 2007

|   | Debt Service                         |                        |              |
|---|--------------------------------------|------------------------|--------------|
|   | General<br>Obligation<br><u>Bond</u> | Revenue<br><u>Bond</u> | <u>Total</u> |
| Revenues:                                     |                                      |                        |              |
| Taxes   | \$ 483,057                           | \$ -                   | \$ 483,057   |
| Investment Income                             | 21,338                               | 7,969                  | 29,307       |
| Total revenues                                | 504,395                              | 7,969                  | 512,364      |
| Expenditures:                                 |                                      |                        |              |
| Current:                                      |                                      |                        |              |
| Debt service:                                 |                                      |                        |              |
| Principal retirement                          | 360,658                              | 1,040,000              | 1,400,658    |
| Interest and fiscal charges                   | 109,264                              | 1,516,287              | 1,625,551    |
| Total expenditures                            | 469,922                              | 2,556,287              | 3,026,209    |
| (Deficiency) of revenues<br>over expenditures | 34,473                               | (2,548,318)            | (2,513,845)  |
| Other financing sources:                      |                                      |                        |              |
| Operating transfers in                        | -                                    | 2,688,200              | 2,688,200    |
| Total other financing sources                 | -                                    | 2,688,200              | 2,688,200    |
| Net change in fund balance                    | 34,473                               | 139,882                | 174,355      |
| Fund balances, October 1                      | 68,857                               | 112,439                | 181,296      |
| Fund balances, September 30                   | \$ 103,330                           | \$ 252,321             | \$ 355,651   |

**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, 2007**

|   | <u>Budgeted Amounts</u> |                    |  | Variance<br>with<br>Final<br>Budget<br>Positive<br><u>(Negative)</u> |
|---|-------------------------|--------------------|--|--|
|   | <u>Original</u>         | <u>Final</u>       | Actual<br>Amounts<br>Budgetary<br><u>Basis</u> |  |
| Revenues:                               |                         |                    |  |  |
| Special assessments                     | \$ -                    | \$ -               | \$ 30,843                                      | \$ 30,843  |
| Investment income                       | -                       | -                  | 56,202   | 56,202   |
| Miscellaneous                           | -                       | 125,000            | -  | (125,000)  |
| Total revenues                          | <u>-</u>                | <u>125,000</u>     | <u>87,045</u>                                  | <u>(37,955)</u>  |
| Expenditures:                           |                         |                    |  |  |
| Current:                                |                         |                    |  |  |
| Transportation                          | -                       | 125,000            | 13,791   | 111,209  |
| Total expenditures                      | <u>-</u>                | <u>125,000</u>     | <u>13,791</u>                                  | <u>111,209</u>   |
| Excess of revenues<br>over expenditures | -                       | -                  | 73,254   | 73,254   |
| Fund balances at beginning of year      | <u>1,008,941</u>        | <u>1,008,941</u>   | <u>1,008,941</u>                               | <u>-</u>   |
| Fund balances at end of year            | <u>\$1,008,941</u>      | <u>\$1,008,941</u> | <u>\$1,082,195</u>                             | <u>\$ 73,254</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, 2007**

|   | <u>Budgeted Amounts</u> |                    |   | Variance<br>with<br>Final<br>Budget<br>Positive<br>(Negative) |
|---|-------------------------|--------------------|---|---|
|   | <u>Original</u>         | <u>Final</u>       | Actual<br>Amounts<br>Budgetary<br>Basis |   |
| Revenues:                               |                         |                    |   |   |
| Charges for services                    | \$ -                    | \$ 162,682         | \$ 159,058                              | \$ (3,624)  |
| Investment income                       | -                       | -                  | 76,289                                  | 76,289  |
| Total revenues                          | <u>-</u>                | <u>162,682</u>     | <u>235,347</u>                          | <u>72,665</u>   |
| Expenditures:                           |                         |                    |   |   |
| Current:                                |                         |                    |   |   |
| Culture / recreation                    | -                       | <u>162,682</u>     | <u>16,610</u>                           | <u>146,072</u>  |
| Total expenditures                      | <u>-</u>                | <u>162,682</u>     | <u>16,610</u>                           | <u>146,072</u>  |
| Excess of revenues<br>over expenditures | -                       | -                  | 218,737                                 | 218,737   |
| Fund balances at beginning of year      | <u>1,307,265</u>        | <u>1,307,265</u>   | <u>1,307,265</u>                        | <u>-</u>  |
| Fund balances at end of year            | <u>\$1,307,265</u>      | <u>\$1,307,265</u> | <u>\$1,526,002</u>                      | <u>\$ 218,737</u>   |

**CITY OF TAMARAC, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRANTS SPECIAL REVENUE FUND**  
**YEAR ENDED SEPTEMBER 30, 2007**

|  | <u>Budgeted Amounts</u> |                   | Actual<br>Amounts<br>Budgetary<br>Basis | Variance<br>with<br>Final<br>Budget<br>Positive<br>(Negative) |
|--|-------------------------|-------------------|---|---|
|  | <u>Original</u>         | <u>Final</u>      |   |   |
| Revenues:  |                         |                   |   |   |
| Intergovernmental  | \$ -                    | \$ 1,722,413      | \$ 793,031                              | \$ (929,382)  |
| Investment income  | -                       | -                 | 23,316                                  | 23,316  |
| Miscellaneous  | -                       | <u>539,875</u>    | -                                       | <u>(539,875)</u>  |
| Total revenues   | <u>-</u>                | <u>2,262,288</u>  | <u>816,347</u>                          | <u>(1,445,941)</u>  |
| Expenditures:  |                         |                   |   |   |
| Current:   |                         |                   |   |   |
| General government   | 200,000                 | 114,118           | -                                       | 114,118   |
| Public safety  | -                       | 567,594           | 253,376                                 | 314,218   |
| Transportation   | -                       | 663,693           | 84,092                                  | 579,601   |
| Culture / recreation   | -                       | 935,626           | 177,682                                 | 757,944   |
| Physical environment   | -                       | <u>204,937</u>    | -                                       | <u>204,937</u>  |
| Total expenditures   | <u>200,000</u>          | <u>2,485,968</u>  | <u>515,150</u>                          | <u>1,970,818</u>  |
| Excess (Deficiency) of revenues<br>over (under) expenditures | (200,000)               | (223,680)         | 301,197                                 | 524,877   |
| Other financing sources (uses):                              |                         |                   |   |   |
| Operating transfers in                                       | 200,000                 | 223,680           | -                                       | (223,680)   |
| Operating transfers out                                      | -                       | -                 | <u>(868,615)</u>                        | <u>(868,615)</u>  |
| Total other financing sources (uses)                         | <u>200,000</u>          | <u>223,680</u>    | <u>(868,615)</u>                        | <u>(1,092,295)</u>  |
| Net change in fund balance                                   | -                       | -                 | (567,418)                               | (567,418)   |
| Fund balances at beginning of year                           | <u>619,663</u>          | <u>619,663</u>    | <u>619,663</u>                          | <u>-</u>  |
| Fund balances at end of year                                 | <u>\$ 619,663</u>       | <u>\$ 619,663</u> | <u>\$ 52,245</u>                        | <u>\$ (567,418)</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, 2007

|   | <u>Budgeted Amounts</u> |                  |  | Variance<br>with<br>Final<br>Budget<br>Positive<br>(Negative) |
|---|-------------------------|------------------|--|---|
|   | <u>Original</u>         | <u>Final</u>     | Actual<br>Amounts<br>Budgetary<br><u>Basis</u> |   |
| Revenues:                                     |                         |                  |  |   |
| Intergovernmental                             | \$434,900               | \$1,424,001      | \$1,088,238                                    | \$ (335,763)  |
| CDBG program repayment                        | -                       | 82,513           | -  | (82,513)  |
| Investment income                             | -                       | 1,593            | -  | (1,593)   |
| Total revenues                                | <u>434,900</u>          | <u>1,508,107</u> | <u>1,088,238</u>                               | <u>(419,869)</u>  |
| Expenditures:                                 |                         |                  |  |   |
| Current:                                      |                         |                  |  |   |
| General government                            | 87,000                  | 29,457           | 5,000  | 24,457  |
| Public safety                                 | -                       | 2,080            | 2,321  | (241)   |
| Transportation                                | -                       | (2)              | -  | (2)   |
| Culture / recreation                          | 67,100                  | 17,130           | 9,439  | 7,691   |
| Economic environment                          | 280,800                 | 1,381,803        | 1,037,643                                      | 344,160   |
| Human services                                | -                       | 77,639           | 42,610   | 35,029  |
| Total expenditures                            | <u>434,900</u>          | <u>1,508,107</u> | <u>1,097,013</u>                               | <u>411,094</u>  |
| (Deficiency) of revenues (under) expenditures | -                       | -                | (8,775)  | (8,775)   |
| Fund balances at beginning of year            | <u>9,854</u>            | <u>9,854</u>     | <u>9,854</u>                                   | <u>-</u>  |
| Fund balances at end of year                  | <u>\$ 9,854</u>         | <u>\$ 9,854</u>  | <u>\$ 1,079</u>                                | <u>\$ (8,775)</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, 2007

|  | <u>Budgeted Amounts</u> |                    |  | Variance<br>with<br>Final<br>Budget<br>Positive<br>(Negative) |
|--|-------------------------|--------------------|--|---|
|  | <u>Original</u>         | <u>Final</u>       | Actual<br>Amounts<br>Budgetary<br><u>Basis</u> |   |
| Revenues:  |                         |                    |  |   |
| Intergovernmental  | \$ -                    | \$1,982,002        | \$1,265,664                                    | \$ (716,338)  |
| Investment income  | -                       | 133,325            | 52,356   | (80,969)  |
| Total revenues   | <u>-</u>                | <u>2,115,327</u>   | <u>1,318,020</u>                               | <u>(797,307)</u>  |
| Expenditures:  |                         |                    |  |   |
| Current:   |                         |                    |  |   |
| Economic environment:  | -                       | 200,147            | 78,367   | 121,780   |
| Total expenditures   | <u>-</u>                | <u>200,147</u>     | <u>78,367</u>                                  | <u>121,780</u>  |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>-</u>                | <u>1,915,180</u>   | <u>1,239,653</u>                               | <u>(675,527)</u>  |
| Other financing sources (uses):                              |                         |                    |  |   |
| Operating transfers in                                       | -                       | 224,552            | 20,081   | (204,471)   |
| Operating transfers out                                      | -                       | (2,212,101)        | (1,463,574)                                    | 748,527   |
| Total other financing sources (uses)                         | <u>-</u>                | <u>(1,987,549)</u> | <u>(1,443,493)</u>                             | <u>544,056</u>  |
| Net change in fund balance                                   | -                       | (72,369)           | (203,840)                                      | (131,471)   |
| Fund balances at beginning of year                           | <u>-</u>                | <u>205,781</u>     | <u>205,781</u>                                 | <u>-</u>  |
| Fund balances at end of year                                 | <u>\$ -</u>             | <u>\$ 133,412</u>  | <u>\$ 1,941</u>                                | <u>\$ (131,471)</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, 2007

|                                      | <u>Budgeted Amounts</u> |                  | Actual<br>Amounts<br>Budgetary<br>Basis | Variance<br>with<br>Final<br>Budget<br>Positive<br>(Negative) |
|--------------------------------------|-------------------------|------------------|---|---|
|                                      | <u>Original</u>         | <u>Final</u>     |   |   |
| Revenues:                            |                         |                  |   |   |
| Taxes                                | \$ 477,600              | \$ 477,600       | \$ 483,057                              | \$ 5,457  |
| Investment income                    | -                       | -                | 21,338                                  | 21,338  |
| Total revenues                       | <u>477,600</u>          | <u>477,600</u>   | <u>504,395</u>                          | <u>26,795</u>   |
| Expenditures:                        |                         |                  |   |   |
| Debt service:                        |                         |                  |   |   |
| Principal                            | 353,900                 | 353,900          | 360,658                                 | (6,758)   |
| Interest and fiscal charges          | 123,700                 | 123,700          | 109,264                                 | 14,436  |
| Total expenditures                   | <u>477,600</u>          | <u>477,600</u>   | <u>469,922</u>                          | <u>7,678</u>  |
| Excess of revenues over expenditures | -                       | -                | 34,473                                  | 34,473  |
| Fund balances at beginning of year   | <u>68,857</u>           | <u>68,857</u>    | <u>68,857</u>                           | -   |
| Fund balances at end of year         | <u>\$ 68,857</u>        | <u>\$ 68,857</u> | <u>\$ 103,330</u>                       | <u>\$ 34,473</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, 2007

|  | <u>Budgeted Amounts</u> |                    |   | Variance<br>with<br>Final<br>Budget<br>Positive<br>(Negative) |
|--|-------------------------|--------------------|---|---|
|  | <u>Original</u>         | <u>Final</u>       | Actual<br>Amounts<br>Budgetary<br>Basis |   |
| Revenues:                                  |                         |                    |   |   |
| Investment income                          | \$ -                    | \$ -               | \$ 7,969                                | \$ 7,969  |
| Total revenues                             | <u>-</u>                | <u>-</u>           | <u>7,969</u>                            | <u>7,969</u>  |
| Expenditures:                              |                         |                    |   |   |
| Debt service:                              |                         |                    |   |   |
| Principal                                  | 1,125,000               | 1,025,000          | 1,040,000                               | (15,000)  |
| Interest and fiscal charges                | <u>1,563,200</u>        | <u>1,663,200</u>   | <u>1,516,287</u>                        | <u>146,913</u>  |
| Total expenditures                         | <u>2,688,200</u>        | <u>2,688,200</u>   | <u>2,556,287</u>                        | <u>131,913</u>  |
| (Deficiency) of revenues over expenditures | <u>(2,688,200)</u>      | <u>(2,688,200)</u> | <u>(2,548,318)</u>                      | <u>139,882</u>  |
| Other financing sources:                   |                         |                    |   |   |
| Operating transfers in                     | <u>2,688,200</u>        | <u>2,688,200</u>   | <u>2,688,200</u>                        | <u>-</u>  |
| Total other financing sources              | <u>2,688,200</u>        | <u>2,688,200</u>   | <u>2,688,200</u>                        | <u>-</u>  |
| Net change in fund balance                 | -                       | -                  | 139,882                                 | 139,882   |
| Fund balances at beginning of year         | <u>112,439</u>          | <u>112,439</u>     | <u>112,439</u>                          | <u>-</u>  |
| Fund balances at end of year               | <u>\$ 112,439</u>       | <u>\$ 112,439</u>  | <u>\$ 252,321</u>                       | <u>\$ 139,882</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, 2007

|   | <u>Budgeted Amounts</u> |                     |   | Variance<br>with<br>Final<br>Budget<br>Positive<br>(Negative) |
|---|-------------------------|---------------------|---|---|
|   | <u>Original</u>         | <u>Final</u>        | Actual<br>Amounts<br>Budgetary<br>Basis |   |
| Revenues:                               |                         |                     |   |   |
| Investment income                       | \$ -                    | \$ -                | \$ 160,378                              | \$ 160,378  |
| Total revenues                          | <u>-</u>                | <u>-</u>            | <u>160,378</u>                          | <u>160,378</u>  |
| Expenditures:                           |                         |                     |   |   |
| Transportation                          | -                       | 12,041              | 4,016                                   | 8,025   |
| Physical environment                    | -                       | 233,888             | -                                       | 233,888   |
| Culture/recreation                      | -                       | 190,458             | 84,848                                  | 105,610   |
| Total expenditures                      | <u>-</u>                | <u>436,387</u>      | <u>88,864</u>                           | <u>347,523</u>  |
| Excess of revenues<br>over expenditures | -                       | 436,387             | 71,514                                  | 507,901   |
| Fund balances at beginning of year      | <u>-</u>                | <u>2,914,277</u>    | <u>2,914,277</u>                        | <u>-</u>  |
| Fund balances at end of year            | <u>\$ -</u>             | <u>\$ 3,350,664</u> | <u>\$ 2,985,791</u>                     | <u>\$ 507,901</u>   |

## TRUST AND AGENCY FUNDS

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### 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, 2007

|                                       | <u>Pension Trust Funds</u>         |                                  |                            | Elected and<br>Appointed and<br>Non-represented<br>Employees<br>Retirement | <u>Total</u>         |
|---------------------------------------|------------------------------------|----------------------------------|----------------------------|--|----------------------|
|                                       | General<br>Employees<br>Retirement | Police<br>Officers<br>Retirement | Firefighters<br>Retirement |  |                      |
| <u>ASSETS</u>                         |                                    |                                  |                            |  |                      |
| Equity in pooled cash and investments | \$ 266,598                         | \$ 15,534                        | \$ 295,059                 | \$ 165,810   | \$ 743,001           |
| Receivables:                          |                                    |                                  |                            |  |                      |
| Interest and dividends                | 70,140                             | 14,258                           | 108,006                    | -  | 192,404              |
| Contributions receivable              | -                                  | -                                | 181,476                    | -  | 181,476              |
| Investments, at fair value:           |                                    |                                  |                            |  |                      |
| Common stock                          | 8,529,023                          | 5,100,048                        | 23,958,334                 | -  | 37,587,405           |
| Government securities                 | 5,388,564                          | 200,195                          | 11,207,368                 | -  | 16,796,127           |
| Corporate bonds                       | 3,936,158                          | 295,502                          | 2,207,793                  | -  | 6,439,453            |
| Mutual funds                          | 7,182,062                          | 1,893,608                        | -                          | 8,690,563  | 17,766,233           |
| Money market funds                    | 537,634                            | 2,374,420                        | 1,257,526                  | -  | 4,169,580            |
| Total investments, at fair value      | <u>25,573,441</u>                  | <u>9,863,773</u>                 | <u>38,631,021</u>          | <u>8,690,563</u>   | <u>82,758,798</u>    |
| Total assets                          | <u>25,910,179</u>                  | <u>9,893,565</u>                 | <u>39,215,562</u>          | <u>8,856,373</u>   | <u>83,875,679</u>    |
| <u>LIABILITIES</u>                    |                                    |                                  |                            |  |                      |
| Accounts payable                      | 32,658                             | 20,345                           | 43,647                     | 4,400  | 101,050              |
| Unearned revenues/future benefits     | -                                  | -                                | -                          | 370,659  | 370,659              |
| Total liabilities                     | <u>32,658</u>                      | <u>20,345</u>                    | <u>43,647</u>              | <u>375,059</u>   | <u>471,709</u>       |
| <u>NET ASSETS</u>                     |                                    |                                  |                            |  |                      |
| Held in trust for pension benefits    | <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>    |
| Total net assets                      | <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> |

**CITY OF TAMARAC, FLORIDA**  
 COMBINING STATEMENT OF CHANGES IN NET ASSETS  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2007

|  | <u>General<br/>Employees<br/>Retirement</u> | <u>Police<br/>Officers<br/>Retirement</u> | <u>Firefighters<br/>Retirement</u> | <u>Elected and<br/>Appointed and<br/>Non-represented<br/>Employees<br/>Retirement</u> | <u>Total</u>        |
|--|---|---|------------------------------------|---|---------------------|
| <b>ADDITIONS</b>                                 |   |   |                                    |   |                     |
| Contributions:                                   |   |   |                                    |   |                     |
| City   | \$ 1,457,692                                | \$ 12,804                                 | \$ 2,513,894                       | \$ 1,200,981  | \$ 5,185,371        |
| Plan members                                     | 499,504                                     | 4,304                                     | 697,273                            | 748,343   | 1,949,424           |
| State  | -   | 442,849                                   | 614,240                            | -   | 1,057,089           |
| Total contributions                              | <u>1,957,196</u>                            | <u>459,957</u>                            | <u>3,825,407</u>                   | <u>1,949,324</u>  | <u>8,191,884</u>    |
| Investment income:                               |   |   |                                    |   |                     |
| Net appreciation in fair value<br>of investments | 2,237,275                                   | 1,177,129                                 | 3,155,819                          | 824,123   | 7,394,346           |
| Interest and dividend income                     | <u>579,750</u>                              | <u>347,745</u>                            | <u>976,943</u>                     | <u>5,543</u>  | <u>1,909,981</u>    |
| Total investment income                          | 2,817,025                                   | 1,524,874                                 | 4,132,762                          | 829,666   | 9,304,327           |
| Less investment expenses                         | <u>(131,797)</u>                            | <u>(45,628)</u>                           | <u>(174,379)</u>                   | <u>(4,709)</u>  | <u>(356,513)</u>    |
| Net investment income                            | <u>2,685,228</u>                            | <u>1,479,246</u>                          | <u>3,958,383</u>                   | <u>824,957</u>  | <u>8,947,814</u>    |
| Total additions                                  | <u>4,642,424</u>                            | <u>1,939,203</u>                          | <u>7,783,790</u>                   | <u>2,774,281</u>  | <u>17,139,698</u>   |
| <b>DEDUCTIONS</b>                                |   |   |                                    |   |                     |
| Benefits paid and refunds                        | 1,210,459                                   | 1,148,733                                 | 716,730                            | 154,986   | 3,230,908           |
| Administrative expenses                          | <u>79,598</u>                               | <u>46,752</u>                             | <u>62,275</u>                      | <u>41,617</u>   | <u>230,242</u>      |
| Total deductions                                 | <u>1,290,057</u>                            | <u>1,195,485</u>                          | <u>779,005</u>                     | <u>196,603</u>  | <u>3,461,150</u>    |
| Change in net assets                             | 3,352,367                                   | 743,718                                   | 7,004,785                          | 2,577,678   | 13,678,548          |
| Net assets, October 1                            | <u>22,525,154</u>                           | <u>9,129,502</u>                          | <u>32,167,130</u>                  | <u>5,903,636</u>  | <u>69,725,422</u>   |
| Net assets, September 30                         | <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> |

## **CAPITAL ASSETS**

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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, 2007 AND 2006**

|  | <u>2007</u>          | <u>2006</u>          |
|--|----------------------|----------------------|
| Governmental funds capital assets:                         |                      |                      |
| Land   | \$ 12,498,912        | \$ 12,498,912        |
| Buildings  | 27,152,909           | 25,895,780           |
| Improvements other than buildings                          | 8,188,931            | 5,908,200            |
| Machinery and equipment                                    | 14,173,701           | 13,930,150           |
| Infrastructure   | 54,053,943           | 53,205,658           |
| Construction in progress                                   | 4,277,172            | 3,425,307            |
| Total governmental funds capital assets                    | <u>\$120,345,568</u> | <u>\$114,864,007</u> |
| Investment in governmental funds capital assets by source: |                      |                      |
| General fund   | \$ 17,839,373        | \$ 17,020,859        |
| Special revenue funds                                      | 9,501,946            | 9,739,597            |
| Capital projects funds                                     | 25,702,769           | 24,450,135           |
| Federal grants   | 878,208              | 978,208              |
| State grants   | 1,719,015            | 1,351,512            |
| Local grants   | 4,342,972            | 4,235,836            |
| Donations and other funds                                  | 32,564,801           | 32,895,578           |
| General obligation bonds                                   | 3,250,000            | 3,250,000            |
| Revenue bonds  | 24,546,484           | 20,942,282           |
| Total governmental funds capital assets                    | <u>\$120,345,568</u> | <u>\$114,864,007</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, 2007**

| <u>FUNCTION AND ACTIVITY</u> | Governmental<br>Funds Capital<br>Assets<br>October 1,<br><u>2006</u> | <u>Additions</u>    | <u>Deductions</u>   | Governmental<br>Funds Capital<br>Assets<br>September 30,<br><u>2007</u> |
|------------------------------|--|---------------------|---------------------|---|
| Legislative and judicial:    |  |                     |                     |   |
| Legislative                  | \$ 11,413  | \$ 26,950           | \$ (2,367)          | \$ 35,996   |
| City attorney                | 17,180   | -                   | -                   | 17,180  |
|                              | <u>28,593</u>  | <u>26,950</u>       | <u>(2,367)</u>      | <u>53,176</u>   |
| Operational services:        |  |                     |                     |   |
| Community development        | 994,778  | 4,180               | -                   | 998,958   |
| Fire protection              | 6,984,334  | 63,043              | (291,597)           | 6,755,780   |
| Public works                 | 11,538,509   | 185,710             | (37,731)            | 11,686,488  |
| City engineer                | 80,330   | -                   | (19,236)            | 61,094  |
| IT                           | 2,228,247  | 241,750             | (169,223)           | 2,300,774   |
| Fleet                        | 4,003,847  | 408,616             | (175,169)           | 4,237,294   |
| Parks and recreation         | 19,742,413   | 3,564,251           | (30,150)            | 23,276,514  |
| Police services              | 87,886   | 4,089               | (3,099)             | 88,876  |
|                              | <u>45,660,344</u>  | <u>4,471,639</u>    | <u>(726,205)</u>    | <u>49,405,778</u>   |
| Administrative services:     |  |                     |                     |   |
| General and administration   | 12,220,269   | 8,107               | -                   | 12,228,376  |
| Personnel and insurance      | 23,947   | -                   | -                   | 23,947  |
| City manager                 | 68,813   | 1                   | -                   | 68,814  |
| Satellite city hall          | 24,120   | -                   | (3,076)             | 21,044  |
| City clerk                   | 117,343  | -                   | -                   | 117,343   |
| Finance                      | 89,613   | 6,362               | -                   | 95,975  |
|                              | <u>12,544,105</u>  | <u>14,470</u>       | <u>(3,076)</u>      | <u>12,555,499</u>   |
| Highways and streets:        |  |                     |                     |   |
| Street system                | 53,205,658   | 848,285             | -                   | 54,053,943  |
|                              | <u>53,205,658</u>  | <u>848,285</u>      | <u>-</u>            | <u>54,053,943</u>   |
| Construction in progress     | 3,425,307  | 851,865             | -                   | 4,277,172   |
|                              | <u>\$114,864,007</u>   | <u>\$ 6,213,209</u> | <u>\$ (731,648)</u> | <u>\$120,345,568</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, 2007

| FUNCTION AND ACTIVITY            | Land                | Buildings           | Improvements<br>Other Than<br>Buildings | Machinery<br>and<br>Equipment | Infrastructure      | Total                |
|----------------------------------|---------------------|---------------------|---|-------------------------------|---------------------|----------------------|
| <b>Legislative and judicial:</b> |                     |                     |   |                               |                     |                      |
| 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>        |
| <b>Operational services:</b>     |                     |                     |   |                               |                     |                      |
| Community development            | 772,121             | 35,435              | -                                       | 191,402                       | -                   | 998,958              |
| Fire protection                  | 156,079             | 1,197,216           | 141,230                                 | 5,261,255                     | -                   | 6,755,780            |
| Public works                     | 171,392             | 7,763,661           | 3,328,807                               | 422,628                       | 349,528             | 12,036,016           |
| City engineer                    | -                   | -                   | -                                       | 61,094                        | -                   | 61,094               |
| IT                               | -                   | -                   | -                                       | 2,300,774                     | -                   | 2,300,774            |
| Fleet                            | -                   | -                   | 218,683                                 | 4,018,611                     | -                   | 4,237,294            |
| Parks and recreation             | 10,095,414          | 7,323,106           | 4,500,211                               | 1,357,783                     | 480,377             | 23,756,891           |
| Police services                  | -                   | 8,927               | -                                       | 79,949                        | -                   | 88,876               |
|                                  | <u>11,195,006</u>   | <u>16,328,345</u>   | <u>8,188,931</u>                        | <u>13,693,496</u>             | <u>829,905</u>      | <u>50,235,683</u>    |
| <b>Administrative services:</b>  |                     |                     |   |                               |                     |                      |
| General and administration       | 1,303,906           | 10,800,284          | -                                       | 124,186                       | -                   | 12,228,376           |
| Personnel                        | -                   | -                   | -                                       | 23,947                        | -                   | 23,947               |
| City manager                     | -                   | -                   | -                                       | 68,814                        | -                   | 68,814               |
| Satellite city hall              | -                   | 2,475               | -                                       | 18,569                        | -                   | 21,044               |
| City clerk                       | -                   | -                   | -                                       | 117,343                       | -                   | 117,343              |
| Finance                          | -                   | 21,805              | -                                       | 74,170                        | -                   | 95,975               |
|                                  | <u>1,303,906</u>    | <u>10,824,564</u>   | <u>-</u>                                | <u>427,029</u>                | <u>-</u>            | <u>12,555,499</u>    |
| <b>Transportation:</b>           |                     |                     |   |                               |                     |                      |
| Roads and streets                | -                   | -                   | -                                       | -                             | 53,224,038          | 53,224,038           |
|                                  | <u>-</u>            | <u>-</u>            | <u>-</u>                                | <u>-</u>                      | <u>53,224,038</u>   | <u>53,224,038</u>    |
|                                  | <u>\$12,498,912</u> | <u>\$27,152,909</u> | <u>\$ 8,188,931</u>                     | <u>\$14,173,701</u>           | <u>\$54,053,943</u> | 116,068,396          |
| <b>Construction in progress</b>  |                     |                     |   |                               |                     | <u>4,277,172</u>     |
|                                  |                     |                     |   |                               |                     | <u>\$120,345,568</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.

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## **STATISTICAL SECTION**

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# STATISTICAL SECTION

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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.

| <b>Contents</b>  | <b>Page</b> |
|--|-------------|
| <b>Financial Trends</b>  | 98-105      |
| These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.  |             |
| <b>Revenue Capacity</b>  |             |
| These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.  |             |
|  | 106-109     |
| <b>Debt Capacity</b>   |             |
| 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.                    |             |
|  | 110-114     |
| <b>Demographic and Economic Information</b>  |             |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.   |             |
|  | 115-116     |
| <b>Operating Information</b>   |             |
| 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. |             |
|  | 117-119     |

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

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**CITY OF TAMARAC**  
**Net Assets by Component**  
**Last Six Fiscal Years**

|  | <b>Fiscal Year</b>           |                              |                              |                              |                              |                              |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
|  | <u>2002</u>                  | <u>2003</u>                  | <u>2004</u>                  | <u>2005</u>                  | <u>2006</u>                  | <u>2007</u>                  |
| <b>Governmental activities</b>                   |                              |                              |                              |                              |                              |                              |
| Invested in capital assets, net of related debt  | \$ 54,747,128                | \$ 48,847,411                | \$ 62,168,884                | \$ 65,002,740                | \$ 71,850,603                | \$ 74,006,704                |
| Restricted                                       | 7,643,386                    | 11,288,555                   | 12,872,078                   | 13,448,003                   | 27,735,550                   | 33,639,956                   |
| Unrestricted                                     | 11,148,176                   | 19,432,477                   | 9,713,054                    | 14,230,658                   | 4,281,944                    | 7,997,681                    |
| <b>Total governmental activities net assets</b>  | <u><u>\$ 73,538,690</u></u>  | <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> |
| <b>Business-type activities</b>                  |                              |                              |                              |                              |                              |                              |
| Invested in capital assets, net of related debt  | \$ 33,636,226                | \$ 33,307,204                | \$ 25,984,601                | \$ 33,846,176                | \$ 49,673,822                | \$ 45,633,402                |
| Restricted                                       | 3,070,214                    | 3,119,513                    | 4,454,050                    | 5,427,955                    | 7,313,121                    | 8,599,062                    |
| Unrestricted                                     | 18,272,643                   | 19,862,949                   | 28,631,132                   | 23,815,785                   | 10,214,142                   | 16,432,180                   |
| <b>Total business-type activities net assets</b> | <u><u>\$ 54,979,083</u></u>  | <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>  |
| <b>Primary Government</b>                        |                              |                              |                              |                              |                              |                              |
| Invested in capital assets, net of related debt  | \$ 88,383,354                | \$ 82,154,615                | \$ 88,153,485                | \$ 98,848,916                | \$ 121,524,425               | \$ 119,640,106               |
| Restricted                                       | 10,713,600                   | 14,408,068                   | 17,326,128                   | 18,875,958                   | 35,048,671                   | 42,239,018                   |
| Unrestricted                                     | 29,420,819                   | 39,295,426                   | 38,344,186                   | 38,046,443                   | 14,496,086                   | 24,429,861                   |
| <b>Total primary government net assets</b>       | <u><u>\$ 128,517,773</u></u> | <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> |

**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          |                      |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | 2002                 | 2003                 | 2004                 | 2005                 | 2006                 | 2007                 |
| <b>Expenses</b>                                 |                      |                      |                      |                      |                      |                      |
| Governmental activities:                        |                      |                      |                      |                      |                      |                      |
| General government                              | \$ 7,246,294         | \$ 8,917,459         | \$ 9,792,447         | \$ 9,948,165         | \$ 10,688,546        | \$ 11,504,582        |
| Public safety                                   | 17,190,446           | 19,110,595           | 21,529,131           | 24,681,261           | 35,495,924           | 28,264,994           |
| Transportation                                  | 1,283,083            | 1,739,082            | 1,676,983            | 2,518,737            | 2,699,076            | 2,330,808            |
| Economic environment                            | 906,736              | 777,812              | 894,713              | 599,886              | 4,511,057            | 1,559,614            |
| Culture and recreation                          | 3,377,508            | 3,641,777            | 3,757,060            | 4,210,762            | 2,226,264            | 5,496,590            |
| Physical environment                            | 2,111,072            | 1,898,374            | 1,980,646            | 2,542,286            | 703,430              | 2,610,684            |
| Human services                                  | 262,382              | 245,344              | 236,262              | 304,155              | 319,229              | 333,332              |
| Interest on long-term debt                      | 1,264,084            | 1,311,236            | 1,232,534            | 1,176,005            | 1,591,058            | 1,624,593            |
| Total governmental activities expenses          | <u>33,641,605</u>    | <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>    |
| Business-type activities:                       |                      |                      |                      |                      |                      |                      |
| Water and sewer                                 | 14,918,834           | 15,614,983           | 16,874,535           | 17,122,674           | 18,212,679           | 17,976,618           |
| Stormwater                                      | 2,763,021            | 3,220,903            | 2,978,171            | 3,124,179            | 3,660,473            | 3,017,732            |
| Total business-type activities expenses         | <u>17,681,855</u>    | <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>    |
| Total primary government expenses               | <u>\$ 51,323,460</u> | <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> |
| <b>Program Revenues</b>                         |                      |                      |                      |                      |                      |                      |
| Governmental activities:                        |                      |                      |                      |                      |                      |                      |
| Charges for services:                           |                      |                      |                      |                      |                      |                      |
| General government                              | 2,972,921            | 1,304,092            | 1,433,280            | 1,479,201            | 1,372,508            | 872,023              |
| Public safety                                   | 4,639,051            | 6,845,427            | 9,114,697            | 10,169,124           | 11,998,145           | 11,859,118           |
| Culture and recreation                          | 376,211              | 388,791              | 570,217              | 1,082,523            | 1,154,936            | 830,025              |
| Transportation                                  | 27,224               | 26,134               | 29,430               | 34,978               | 30,067               | 66,357               |
| Physical environment                            | 680,382              | 827,001              | 963,729              | 1,017,446            | 683,942              | 733,360              |
| Operating grants and contributions              | 2,278,128            | 2,198,201            | 3,094,050            | 550,203              | 9,507,364            | 2,625,239            |
| Capital grants and contributions                | 100,000              | 2,858,712            | 388,364              | 2,897,854            | 1,476,469            | 617,827              |
| Total governmental activities program revenues  | <u>11,073,917</u>    | <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>    |
| Business-type activities:                       |                      |                      |                      |                      |                      |                      |
| Charges for services:                           |                      |                      |                      |                      |                      |                      |
| Water and sewer                                 | 14,619,599           | 14,946,465           | 16,722,369           | 17,199,830           | 17,939,735           | 18,694,290           |
| Stormwater                                      | 2,031,287            | 3,045,327            | 3,080,911            | 3,122,657            | 4,190,487            | 4,383,991            |
| Capital grants and contributions                | 2,036,617            | 2,026,906            | 2,645,990            | 3,650,141            | 3,283,961            | 348,154              |
| Total business-type activities program revenues | <u>18,687,503</u>    | <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>    |
| Total primary government program revenues       | <u>\$ 29,761,420</u> | <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> |

**CITY OF TAMARAC**  
Changes in Net Assets  
Last Six Fiscal Years

|  | Fiscal Year         |                     |                     |                      |                      |                      |
|--|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
|  | 2002                | 2003                | 2004                | 2005                 | 2006                 | 2007                 |
| <b>Net (Expense) Revenue</b>                           |                     |                     |                     |                      |                      |                      |
| Governmental activities                                | \$ (22,567,688)     | \$ (23,193,321)     | \$ (25,506,009)     | \$ (28,749,928)      | \$ (32,011,153)      | \$ (36,121,248)      |
| Business-type activities                               | 1,005,648.00        | 1,182,812           | 2,596,564           | 3,725,775            | 3,541,031            | 2,432,085            |
| Total primary government net expense                   | <u>(21,562,040)</u> | <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>  |
| <b>General Revenue and Other Changes in Net Assets</b> |                     |                     |                     |                      |                      |                      |
| Governmental activities:                               |                     |                     |                     |                      |                      |                      |
| Taxes:   |                     |                     |                     |                      |                      |                      |
| Property taxes, levied for general purpose             | 11,511,572          | 12,739,885          | 13,956,061          | 15,594,820           | 18,765,605           | 22,940,448           |
| Property taxes, levied for debt service                | 1,042,792           | 1,049,703           | 1,058,410           | 1,065,167            | 1,060,180            | 483,058              |
| Franchise taxes  | 3,451,223           | 3,517,044           | 4,397,549           | 4,053,946            | 141,717              | 146,928              |
| Utility taxes  | 108,298             | 99,435              | 106,512             | 123,694              | 4,676,348            | 4,842,600            |
| Communication service taxes                            | 2,446,329           | 2,636,575           | 2,615,867           | 2,790,051            | 2,871,885            | 2,954,346            |
| Gas taxes  | n/a                 | n/a                 | n/a                 | 1,088,730            | 1,094,177            | 1,081,652            |
| Unrestricted grants and contributions                  | 4,727,232           | 4,928,268           | 7,020,532           | 5,937,072            | 6,278,084            | 6,162,220            |
| Interest earnings                                      | 990,370             | 658,510             | 478,187             | 665,611              | 2,074,320            | 3,133,291            |
| Miscellaneous  | 2,812,504           | 2,952,900           | 4,418,024           | 5,088,722            | 5,997,907            | 5,824,558            |
| Transfers  | 241,787             | 244,410             | 256,600             | 269,500              | 283,000              | 297,200              |
| Gain (loss) on sale of capital assets                  | -                   | -                   | 101,200             | -                    | (45,374)             | 31,191               |
| <sup>a</sup> Special item: Claims expense              | -                   | -                   | (3,717,360)         | -                    | -                    | -                    |
| Total governmental activities                          | <u>27,332,107</u>   | <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>    |
| Business-type activities:                              |                     |                     |                     |                      |                      |                      |
| Investment earnings                                    | 715,116             | 372,181             | 414,853             | 560,893              | 854,005              | 1,255,811            |
| Transfers  | (242,156)           | (244,410)           | (256,600)           | (269,500)            | (283,000)            | (297,200)            |
| Gain on sale of capital assets                         | 2,981               | -                   | 25,300              | 2,965                | (867)                | 72,863               |
| Total business-type activities                         | <u>475,941</u>      | <u>127,771</u>      | <u>183,553</u>      | <u>294,358</u>       | <u>570,138</u>       | <u>1,031,474</u>     |
| Total primary government                               | <u>27,808,048</u>   | <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>    |
| <b>Change in Net Assets</b>                            |                     |                     |                     |                      |                      |                      |
| Governmental activities                                | 4,764,419           | 5,633,409           | 5,185,573           | 7,927,385            | 11,186,696           | 11,776,244           |
| Business-type activities                               | 1,481,589           | 1,310,583           | 2,780,117           | 4,020,133            | 4,111,169            | 3,463,559            |
| Total primary governmental                             | <u>\$ 6,246,008</u> | <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> |

Notes:

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

<sup>a</sup> 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, 2007

|   | 1998                 | 1999                 | 2000                 | 2001                 | 2002                 | 2003                 | 2004                 | 2005                 | 2006                 | 2007                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>General Fund</b>                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Reserved                                | \$ 155,273           | \$ 55,709            | \$ 275,302           | \$ 99,301            | \$ 60,678            | \$ 873,997           | \$ 3,424,101         | \$ 105,414           | \$ 973,332           | \$ 833,219           |
| Unreserved                              | 6,727,727            | 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           |
| <b>Total general fund</b>               | <b>\$ 6,883,000</b>  | <b>\$ 6,740,632</b>  | <b>\$ 5,999,500</b>  | <b>\$ 6,023,455</b>  | <b>\$ 9,480,850</b>  | <b>\$ 10,225,380</b> | <b>\$ 13,711,359</b> | <b>\$ 14,348,261</b> | <b>\$ 16,718,527</b> | <b>\$ 17,519,061</b> |
| <b>All Other Governmental Funds</b>     |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Reserved                                | \$ 720,696           | \$ 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        |
| Unreserved, reported in                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Special revenue funds                   | 4,035,491            | 5,041,832            | 6,136,347            | 3,129,494            | 242,999              | 2,359,916            | -                    | -                    | -                    | -                    |
| Capital projects funds                  | 83,528               | 8,817,063            | 5,890,142            | 7,982,735            | 17,817,956           | -                    | -                    | -                    | -                    | -                    |
| Debt service funds                      | (442,728)            | (493,042)            | (718,597)            | (689,136)            | (455,391)            | (740,606)            | 37,230               | 60,119               | 181,296              | 12,615,366           |
| <b>Total all other government funds</b> | <b>\$ 4,396,987</b>  | <b>\$ 16,939,503</b> | <b>\$ 12,718,309</b> | <b>\$ 11,414,506</b> | <b>\$ 24,014,965</b> | <b>\$ 18,526,013</b> | <b>\$ 11,404,643</b> | <b>\$ 12,617,256</b> | <b>\$ 28,893,275</b> | <b>\$ 33,639,961</b> |
| <b>Total Government Funds</b>           | <b>\$ 11,279,987</b> | <b>\$ 23,680,135</b> | <b>\$ 18,717,809</b> | <b>\$ 17,437,961</b> | <b>\$ 33,495,815</b> | <b>\$ 28,751,393</b> | <b>\$ 25,116,002</b> | <b>\$ 26,965,517</b> | <b>\$ 45,611,802</b> | <b>\$ 51,159,022</b> |

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

|   | 1998                 | 1999                 | 2000                 | 2001                 | 2002                 | 2003                 | 2004                 | 2005                 | 2006                    | 2007                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------------|----------------------|
| <b>REVENUES</b>                                 |                      |                      |                      |                      |                      |                      |                      |                      |                         |                      |
| Taxes   | \$ 12,593,592        | \$ 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        |
| Licenses and permits                            | 1,770,970            | 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            |
| Intergovernmental                               | 4,769,933            | 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            |
| Charges for Services                            | 4,141,624            | 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            |
| Fines and forfeitures                           | 429,065              | 460,966              | 481,785              | 480,744              | 500,849              | 526,531              | 563,373              | 539,811              | 678,751                 | 598,039              |
| Investment earnings                             | 898,367              | 756,430              | 1,499,254            | 1,354,930            | 866,183              | 591,918              | 431,597              | 632,007              | 2,074,322               | 3,134,750            |
| Special assessments                             | 2,598,735            | 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            |
| Miscellaneous                                   | 3,460,889            | 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            |
| <b>Total revenues</b>                           | <b>\$ 30,663,175</b> | <b>\$ 31,916,876</b> | <b>\$ 34,001,347</b> | <b>\$ 36,082,251</b> | <b>\$ 39,111,137</b> | <b>\$ 44,180,660</b> | <b>\$ 50,548,546</b> | <b>\$ 53,639,144</b> | <b>\$ 69,183,654</b>    | <b>\$ 65,294,892</b> |
| <b>EXPENDITURES</b>                             |                      |                      |                      |                      |                      |                      |                      |                      |                         |                      |
| General government                              | \$ 6,626,483         | \$ 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        |
| Public safety                                   | 13,872,796           | 15,257,236           | 16,445,488           | 17,677,687           | 17,367,132           | 19,492,930           | 22,411,503           | 23,821,796           | 34,172,300 <sup>a</sup> | 28,388,447           |
| Transportation                                  | 2,298,041            | 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            |
| Economic environment                            | 48,622               | 20,729               | 106,038              | 467,170              | 893,209              | 784,722              | 914,845              | 604,221              | 708,196                 | 1,654,950            |
| Physical environment                            | 2,685,070            | 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            |
| Human Services                                  | 222,323              | 292,974              | 257,715              | 377,850              | 243,726              | 254,154              | 248,825              | 308,985              | 325,499                 | 354,446              |
| Culture and recreation                          | 1,767,946            | 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            |
| 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            |
| Debt service                                    |                      |                      |                      |                      |                      |                      |                      |                      |                         |                      |
| Principal                                       | 507,214              | 523,456              | 952,932              | 999,156              | 1,189,545            | 1,583,487            | 1,985,876            | 2,080,674            | 2,339,619               | 1,400,658            |
| Interest  | 309,560              | 595,083              | 873,553              | 764,648              | 1,203,278            | 1,252,306            | 1,229,864            | 1,157,672            | 1,990,171               | 1,625,551            |
| <b>Total expenditures</b>                       | <b>\$ 28,338,055</b> | <b>\$ 31,439,771</b> | <b>\$ 39,255,673</b> | <b>\$ 34,287,451</b> | <b>\$ 36,589,335</b> | <b>\$ 49,169,492</b> | <b>\$ 55,861,717</b> | <b>\$ 48,859,129</b> | <b>\$ 65,848,066</b>    | <b>\$ 60,044,872</b> |
| Excess of revenues<br>over (under) expenditures | 2,325,120            | 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            |

Note

<sup>a</sup> 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

|                                       | 1998         | 1999          | 2000           | 2001         | 2002          | 2003           | 2004           | 2005         | 2006          | 2007         |
|---------------------------------------|--------------|---------------|----------------|--------------|---------------|----------------|----------------|--------------|---------------|--------------|
| <b>Other financing sources (uses)</b> |              |               |                |              |               |                |                |              |               |              |
| Bonds issued                          | -            | 11,923,043    | -              | -            | 13,293,896    | -              | -              | -            | 15,027,697    | -            |
| Payments to escrow agent              | -            | -             | -              | -            | -             | -              | -              | -            | -             | -            |
| Proceeds from capital leases          | 641,975      | -             | 292,000        | 196,100      | -             | -              | -              | -            | -             | -            |
| Transfers in                          | 2,218,092    | 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   |
| Transfers out                         | (2,218,092)  | (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) |
| Total other financing sources (uses)  | 641,975      | 11,923,043    | 292,000        | 396,100      | 13,536,052    | 244,410        | 1,677,780      | (2,930,500)  | 15,310,697    | 297,200      |
| Net changes in fund balance           | \$ 2,967,095 | \$ 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 |

Ratio of total debt service to noncapital expenditures

|                               |            |              |              |              |              |              |              |              |              |              |
|-------------------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total debt service            | \$ 816,774 | \$ 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 |
| Total noncapital expenditures | 28,338,055 | 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   |
| Ratio                         | 3%         | 4%           | 6%           | 5%           | 7%           | 7%           | 7%           | 7%           | 7%           | 6%           |

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

|  | <b>Program Revenues</b> |                      |                      |                      |                      |                      |
|--|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | 2002                    | 2003                 | 2004                 | 2005                 | 2006                 | 2007                 |
| <b>Function/Program</b>                  |                         |                      |                      |                      |                      |                      |
| <b>Governmental activities:</b>          |                         |                      |                      |                      |                      |                      |
| General government                       | \$ 2,976,621            | \$ 1,304,092         | \$ 1,433,280         | \$ 1,479,201         | \$ 1,372,508         | \$ 872,023           |
| Public Safety                            | 4,935,418               | 6,884,070            | 10,228,121           | 10,720,180           | 20,945,895           | 12,549,719           |
| Transportation                           | 27,224                  | 26,134               | 29,430               | 34,978               | 306,880              | 66,357               |
| Culture/recreation                       | 503,535                 | 3,444,072            | 1,028,276            | 3,851,587            | 2,362,405            | 994,457              |
| Physical environment                     | 1,733,158               | 1,891,203            | 2,058,608            | 1,027,446            | 683,942              | 767,491              |
| Economic environment                     | 896,307                 | 891,362              | 816,052              | 117,937              | 551,801              | 2,353,902            |
| Human services                           | 1,654                   | 7,425                | -                    | -                    | -                    | -                    |
| <b>Subtotal governmental activities</b>  | <b>11,073,917</b>       | <b>14,448,358</b>    | <b>15,593,767</b>    | <b>17,231,329</b>    | <b>26,223,431</b>    | <b>17,603,949</b>    |
| <b>Business-type activities</b>          |                         |                      |                      |                      |                      |                      |
| Water/wastewater                         | 16,656,216              | 16,970,766           | 19,360,363           | 20,149,971           | 19,923,696           | 19,042,444           |
| Stormwater                               | 2,031,287               | 3,047,932            | 3,088,907            | 3,822,657            | 5,490,487            | 4,383,991            |
| <b>Subtotal business-type activities</b> | <b>18,687,503</b>       | <b>20,018,698</b>    | <b>22,449,270</b>    | <b>23,972,628</b>    | <b>25,414,183</b>    | <b>23,426,435</b>    |
| <b>Total primary government</b>          | <b>\$ 29,761,420</b>    | <b>\$ 34,467,056</b> | <b>\$ 38,043,037</b> | <b>\$ 41,203,957</b> | <b>\$ 51,637,614</b> | <b>\$ 41,030,384</b> |

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

| <b>Fiscal Year</b>            | <b>Property<sup>a</sup></b> | <b>Sales &amp; Use</b> | <b>Franchise</b> | <b>Motor Fuel</b> | <b>Total</b>  |
|-------------------------------|-----------------------------|------------------------|------------------|-------------------|---------------|
| 1998                          | \$ 8,462,588                | \$ 2,636,045           | \$ 3,070,174     | \$ 14,820         | \$ 14,183,627 |
| 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                  | 3,966,063              | 4,676,348        | 141,717           | 28,609,913    |
| 2007                          | 23,423,506                  | 4,035,998              | 4,842,600        | 146,928           | 32,449,032    |
| <b>Change<br/>1998 - 2007</b> | <b>176.8%</b>               | <b>53.1%</b>           | <b>57.7%</b>     | <b>891.4%</b>     | <b>128.8%</b> |

Note :

<sup>a</sup> The City was able to keep its property tax rates fairly stable during the last five years of the schedule because of substantial growth in property tax values.

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

| Tax Year | Fiscal Year | <u>Real Property</u> |                          |                   |            | Less: Tax Exemptions | Total Taxable Value | Total Direct Tax Rate | Estimated Actual Market Value | Taxable Value as a Percentage of Market Value |
|----------|-------------|----------------------|--------------------------|-------------------|------------|----------------------|---------------------|-----------------------|-------------------------------|---|
|          |             | Residential Property | Non-Residential Property | Personal Property |            |                      |                     |                       |                               |   |
| 1997     | 1998        | \$ 1,756,728         | \$ 311,400               | \$ 116,354        | \$ 565,839 | \$ 1,618,643         | 5.5099              | \$ 2,184,482          | 74.10%                        |   |
| 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%                        |   |

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   |                      |                      | Children's Services | 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 |                     |   |                |                                    |                                  |
| 1998        | 4.9999            | 0.5100               | 5.5099             | 7.1487            | 0.6893               | 7.8380               | 9.4460            | 0.5285               | 9.9745               | -                   | 0.6970                                  | 2.4087         | 0.0500                             | 26.4781                          |
| 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               | 7.6790            | 0.1897               | 7.8687               | 0.4073              | 0.6970                                  | 1.8317         | 0.0385                             | 23.2622                          |

**CITY OF TAMARAC**  
Principal Property Taxpayers  
Current and Ten Years Ago

| Taxpayer                     | 2007                   |      |   | 1998                   |      |   |
|------------------------------|------------------------|------|---|------------------------|------|---|
|                              | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Advanced Business Assoc      | \$ 53,323,920          | 1    | 1.38%   |                        |      |   |
| Florida Power & Light, Co.   | 49,356,003             | 2    | 1.28%   | \$ 33,735,557          | 2    | 2.08%   |
| University Hospital, Ltd.    | 42,826,478             | 3    | 1.11%   | 33,823,902             | 1    | 2.09%   |
| BH IGF Hidden Harbor Apt LLC | 29,877,243             | 4    | 0.78%   | 17,040,976             | 4    | 1.05%   |
| Inland Southeast Midway LLC  | 27,121,410             | 5    | 0.70%   |                        |      |   |
| Monadnock Property Trust LLC | 25,852,349             | 6    | 0.67%   |                        |      |   |
| Alliance Partners LTD        | 25,544,334             | 7    | 0.66%   |                        |      |   |
| Jasmine at Tamarac           | 24,304,516             | 8    | 0.63%   |                        |      |   |
| Lexington Developers LLC     | 20,728,580             | 9    | 0.54%   |                        |      |   |
| T T of Commercial Inc.       | 19,726,690             | 10   | 0.51%   |                        |      |   |
| Total                        | <u>\$ 265,337,603</u>  |      | <u>6.88%</u>                                    | <u>\$ 84,600,435</u>   |      | <u>5.22%</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<br/>Ended<br/>September 30</u> | <u>Total Tax<br/>Levy for<br/>Fiscal Year</u> | <u>Collected within the Fiscal<br/>Year of the Levy</u> |                                 |  | <u>Total Collections to Date</u> |                               |  |
|---|---|---|---------------------------------|--|----------------------------------|-------------------------------|--|
|   |   | <u>Amount</u>   | <u>Percentage<br/>Collected</u> | <u>Collections in<br/>Subsequent Years</u> | <u>Amount</u>                    | <u>Percentage of<br/>Levy</u> |  |
| 1998  | \$ 8,852                                      | \$ 8,831  | 99.8%                           | \$ 10                                      | \$ 8,841                         | 99.9%                         |  |
| 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%                         |  |

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

| Fiscal Year | Governmental Activities  |                           |                           | Business-Type Activities    |           |                                   |                |                                       |       |           | Percentage of Personal Income <sup>c</sup> | Per Capita <sup>b</sup> |
|-------------|--------------------------|---------------------------|---------------------------|-----------------------------|-----------|-----------------------------------|----------------|---------------------------------------|-------|-----------|--|-------------------------|
|             | General Obligation Bonds | Sales Tax Increment Bonds | Capital Improvement Bonds | Water & Sewer Revenue Bonds | Term Loan | Capital Improvement Revenue Bonds | Capital Leases | Total Primary Government <sup>d</sup> |       |           |  |                         |
| 1998        | \$ 5,090,000             | \$ -                      | \$ -                      | \$ 19,815,000               | \$ -      | \$ -                              | \$ 306,928     | \$ 25,211,928                         | 2.26% | \$ 489.67 |  |                         |
| 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    |  |                         |

Notes:

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

<sup>a</sup> See Page 106, Assessed Value of Taxable Property for property value data

<sup>b</sup> Population data can be found on Page 115, Demographic Statistics and Information

<sup>c</sup> Personal Income based on an estimate of 2007 median household income (\$42,092) of the City of Tamarac.

<sup>d</sup> 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 <sup>a</sup> of Property | Per Capita <sup>b</sup> |
|-------------|--------------------------|--|-------------------------------------|---|-------------------------|
| 1998        | \$ 5,090,000             | (442,727)                                    | \$ 5,532,727                        | 3.418   | \$ 107.46               |
| 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                   |

Notes:

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

<sup>a</sup> See Page 106, Assessed Value of Taxable Property for property value data

<sup>b</sup> See the Schedule of Demographic and Economic Statistics for population data

**City of Tamarac**  
 Direct and Overlapping Governmental Debt  
 September 30, 2007

| <u>Name of Government</u>         | <u>Net Debt Outstanding</u> | <u>Estimated Percentage Applicable<sup>1</sup></u> | <u>Estimated Share of Overlapping Debt</u> |
|-----------------------------------|-----------------------------|--|--|
| Broward County                    | \$ 532,535,994              | 2.38%  | \$ 12,674,357                              |
| Broward County School District    | <u>27,949,000</u>           | 2.38%  | <u>665,186</u>                             |
| Total Overlapping Debt            | <u>560,484,994</u>          |  | <u>13,339,543</u>                          |
| City of Tamarac - Direct Debt     | <u>2,162,193</u>            | 100.00%  | <u>2,162,193</u>                           |
| Total Direct and Overlapping Debt | <u>\$ 562,647,187</u>       |  | <u>\$ 15,501,736</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.

<sup>1</sup> 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, 2007

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 <sup>a</sup> | Less: Operating Expenses <sup>b</sup> | Net Available Revenue | Debt Service |              | Total        | Coverage |
|-------------|--------------------------------------|---------------------------------------|-----------------------|--------------|--------------|--------------|----------|
|             |                                      |                                       |                       | Principal    | Interest     |              |          |
| 1998        | \$ 13,857,147                        | \$ 10,545,509                         | \$ 3,311,638          | \$ 1,045,000 | \$ 1,178,811 | \$ 2,223,811 | 1.49     |
| 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     |

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.

c Principal payments for FY 2003 thru 2007 were made on October 1st.

**City of Tamarac**  
Demographic and Economic Statistics  
Last Ten Calendar Years

| Year | Population | Median Household Income | Per Capita Income | Median Age | Percent High School Graduate or Higher | School Enrollment | Unemployment Rate |
|------|------------|-------------------------|-------------------|------------|--|-------------------|-------------------|
| 1998 | 51,488     | \$ 33,364               | \$ 21,642         | n/a        | n/a                                    | 1,326             | 4.9%              |
| 1999 | 52,413     | 34,290                  | 22,243            | n/a        | n/a                                    | 1,326             | 4.4%              |
| 2000 | 55,588     | 36,004                  | 23,355            | 52.9       | 83.5%                                  | 1,454             | 3.5%              |
| 2001 | 56,248     | 36,724                  | 23,822            | 52.9       | 83.5%                                  | 1,454             | 4.4%              |
| 2002 | 56,915     | 37,385                  | 24,251            | 52.9       | 83.5%                                  | 2,081             | 5.7%              |
| 2003 | 57,591     | 38,282                  | 24,833            | 52.9       | 83.5%                                  | 3,772             | 5.2%              |
| 2004 | 58,274     | 39,201                  | 25,528            | 52.9       | 83.5%                                  | 3,929             | 4.5%              |
| 2005 | 58,887     | 40,141                  | 26,243            | 52.9       | 83.5%                                  | 3,929             | 4.3%              |
| 2006 | 59,586     | 41,104                  | 26,978            | 52.9       | 83.5%                                  | 3,792             | 3.5%              |
| 2007 | 59,949     | 42,092                  | 22,308            | 45.5       | 83.5%                                  | 3,792             | 4.7%              |

*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                                | Number of Employees |      |      |       |       |       |       |       |       |       |
|---|---------------------|------|------|-------|-------|-------|-------|-------|-------|-------|
|   | 1998                | 1999 | 2000 | 2001  | 2002  | 2003  | 2004  | 2005  | 2006  | 2007  |
| <b>*City Furniture (Opened in 2001)</b> | 0                   | 0    | 0    | 920   | 1,070 | 1,150 | 1,380 | 1,550 | 1,800 | 1,800 |
| <b>*Convergys Customer Mgmt CP</b>      | N/A                 | N/A  | N/A  | 1,290 | 1,290 | 1,290 | 1,290 | 1,290 | 1,290 | 1,290 |
| <b>*University Hospital</b>             | N/A                 | N/A  | N/A  | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| <b>*Technion Communications</b>         | N/A                 | N/A  | N/A  | 650   | 650   | 650   | 650   | 650   | 650   | 650   |
| <b>*Publix Supermarkets (3)</b>         | N/A                 | N/A  | N/A  | 625   | 625   | 625   | 625   | 625   | 510   | 510   |
| <b>City of Tamarac</b>                  | 344                 | 334  | 359  | 370   | 372   | 377   | 396   | 369   | 398   | 403   |
| <b>*Arch Aluminum &amp; Glass Co CP</b> | N/A                 | N/A  | N/A  | 160   | 160   | 160   | 160   | 160   | 290   | 275   |
| <b>*Aurafin CP</b>                      | N/A                 | N/A  | N/A  | 250   | 250   | 250   | 250   | 250   | 250   | 250   |
| <b>*Heartland of Tamarac</b>            | 145                 | 150  | 155  | 161   | 161   | 172   | 185   | 201   | 220   | 210   |
| <b>*Toshiba CP (Opened in 2006)</b>     | 0                   | 0    | 0    | 0     | 0     | 0     | 0     | 0     | 185   | 185   |
| <b>*Walgreens (4)</b>                   | N/A                 | N/A  | N/A  | 87    | 87    | 87    | 87    | 87    | 185   | 185   |

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> |             |             |             |             |             |             |             |             |             |
|-------------------------------|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                               | <b>1998</b>        | <b>1999</b> | <b>2000</b> | <b>2001</b> | <b>2002</b> | <b>2003</b> | <b>2004</b> | <b>2005</b> | <b>2006</b> | <b>2007</b> |
| <b>General Government</b>     |                    |             |             |             |             |             |             |             |             |             |
| Management Services           | 8                  | 11          | 12          | 10          | 10          | 10          | 10          | 10          | 10          | 10          |
| Finance                       | 29                 | 29          | 29          | 29          | 29          | 29          | 29          | 29          | 29          | 29          |
| Planning                      | 11                 | 11          | 9           | 10          | 7           | 8           | 8           | 8           | 8           | 7           |
| Building                      | 24                 | 25          | 25          | 25          | 24          | 25          | 24          | 25          | 24          | 24          |
| Other                         | 28                 | 26          | 28          | 28          | 32          | 32          | 35          | 34          | 31          | 33          |
| <b>Police*</b>                |                    |             |             |             |             |             |             |             |             |             |
| <b>Fire</b>                   | 75                 | 76          | 93          | 93          | 93          | 93          | 106         | 108         | 108         | 109         |
| <b>Public Works</b>           |                    |             |             |             |             |             |             |             |             |             |
| Engineering                   | 5                  | 5           | 5           | 5           | 3           | 4           | 6           | 6           | 6           | 6           |
| Other                         | 61                 | 51          | 53          | 56          | 58          | 58          | 61          | 61          | 62          | 63          |
| <b>Parks, Recreation, Bus</b> | 30                 | 31          | 35          | 44          | 46          | 48          | 49          | 49          | 52          | 53          |
| <b>Transportation</b>         |                    |             |             |             |             |             |             |             |             |             |
| <b>Water and Wastewater</b>   | 73                 | 69          | 70          | 70          | 70          | 70          | 68          | 68          | 68          | 69          |
| <b>Total</b>                  | <b>344</b>         | <b>334</b>  | <b>359</b>  | <b>370</b>  | <b>372</b>  | <b>377</b>  | <b>396</b>  | <b>398</b>  | <b>398</b>  | <b>403</b>  |

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 1998-2007*

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

| Function/Program   | Fiscal Year |        |        |        |        |         |        |        |        |        |
|--|-------------|--------|--------|--------|--------|---------|--------|--------|--------|--------|
|  | 1998        | 1999   | 2000   | 2001   | 2002   | 2003    | 2004   | 2005   | 2006   | 2007   |
| <b>General Government</b>  |             |        |        |        |        |         |        |        |        |        |
| Building Permits Issued  | 5,776       | 5,268  | 5,071  | 5,388  | 5,064  | 5,821   | 5,785  | 6,649  | 9,843  | 7,587  |
| Building Inspections Conducted   | 30,698      | 36,638 | 25,670 | 26,646 | 25,425 | 34,501  | 43,473 | 27,870 | 43,649 | 33,215 |
| <b>Police</b>  |             |        |        |        |        |         |        |        |        |        |
| Physical Arrests   | 297         | 272    | 325    | 565    | 1,042  | 1,026   | 1,244  | 1,073  | 874    | 1,197  |
| Traffic Violations   | n/a         | n/a    | n/a    | 126    | 5,162  | 5,256   | 5,199  | 5,235  | 3,514  | 4,908  |
| <b>Fire</b>  |             |        |        |        |        |         |        |        |        |        |
| Emergency Responses  | 8,666       | 9,230  | 10,277 | 11,093 | 10,560 | 10,281  | 11,172 | 15,725 | 8,563  | 10,694 |
| Inspections  | 2,110       | 4,455  | 4,296  | 3,589  | 4,304  | 4,798   | 4,472  | 2,551  | 1,669  | 1,684  |
| <b>Refuse Collection</b>   |             |        |        |        |        |         |        |        |        |        |
| Recyclables Collected (tons)   | 5,448       | 5,158  | 5,030  | 4,723  | 4,632  | 4,622   | 4,333  | 4,163  | 3,800  | 3,439  |
| <b>Other Public Works</b>  |             |        |        |        |        |         |        |        |        |        |
| Street Resurfacing (miles)   | 10.33       | 20.65  | 36.53  | 34.04  | 20.48  | n/a     | 7.60   | 0.50   | 3.00   | 2.00   |
| Potholes Repaired <sup>(b)</sup>                                       | n/a         | n/a    | n/a    | 1,093  | 2,136  | 186     | 305    | 100    | 6      | 64     |
| <b>Parks and Recreation</b>  |             |        |        |        |        |         |        |        |        |        |
| Athletic Field Permits Issued  | 90          | 90     | 115    | 120    | 121    | 103     | 81     | 85     | 28     | 87     |
| <b>Water</b>   |             |        |        |        |        |         |        |        |        |        |
| New Connections  | 193         | 217    | 143    | 37     | 63     | 54      | 739    | 145    | 727    | 350    |
| Water Main Breaks <sup>(d)</sup>                                       | n/a         | n/a    | 12     | 31     | 35     | 21      | 30     | 21     | 35     | 18     |
| Average Daily Consumption<br>(millions of gallons)                     | 6.1         | 5.7    | 5.9    | 5.6    | 6.4    | 6.4     | 6.5    | 6.2    | 6.5    | 5.7    |
| Peak Daily Consumption<br>(millions of gallons)                        | 9.1         | 9.1    | 9.2    | 9.5    | 9.5    | 10.0    | 10.0   | 10.0   | 10.0   | 11.2   |
| <b>Wastewater</b>  |             |        |        |        |        |         |        |        |        |        |
| Average Daily Sewage Treatment<br>(millions of gallons) <sup>(e)</sup> | 6.71        | 6.31   | 7.79   | 7.91   | 7.642  | 7.406   | 7.607  | 7.538  | 6.767  | 6.480  |
| <b>Transit <sup>(f)</sup></b>  |             |        |        |        |        |         |        |        |        |        |
| Total Route Miles  | -           | -      | 36,773 | 84,480 | 85,997 | 106,740 | 84,913 | 79,663 | 78,022 | 80,244 |
| Passengers   | -           | -      | 3,788  | 20,488 | 30,068 | 37,422  | 35,973 | 43,401 | 43,781 | 47,145 |

Sources:

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

Notes:

<sup>(b)</sup> no data before fiscal year 2001

<sup>(d)</sup> no data before fiscal year 2000

<sup>(e)</sup> no data for Tamarac East to Fort Lauderdale Wastewater before fiscal year 2002

<sup>(f)</sup> transit service began April 2000

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

| <b>Function</b>                                 | 1998  | 1999  | 2000  | 2001  | 2002  | 2003  | 2004  | 2005  | 2006  | 2007   |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| Public safety                                   |       |       |       |       |       |       |       |       |       |        |
| Police:   |       |       |       |       |       |       |       |       |       |        |
| Stations  | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1     | 1      |
| Patrol units                                    |       |       |       |       | 85    | 85    | 85    | 85    | 90    | 89     |
| Fire stations                                   | 2     | 2     | 2     | 2     | 2     | 2     | 3     | 3     | 3     | 3      |
| Highways and Streets                            |       |       |       |       |       |       |       |       |       |        |
| Streets (miles)                                 | 140   | 140   | 140   | 140   | 140   | 140   | 136   | 136   | 120   | 136    |
| Street lights                                   | 380   | 380   | 380   | 380   | 380   | 380   | 384   | 385   | 385   | 239    |
| Culture and recreation                          |       |       |       |       |       |       |       |       |       |        |
| Parks acreage                                   | 53.5  | 61.5  | 62.0  | 62.0  | 77.1  | 62.0  | 93.2  | 145.6 | 147.6 | 150.55 |
| Parks   | 5     | 6     | 6     | 6     | 6     | 6     | 10    | 10    | 10    | 10     |
| Tennis courts                                   | 4     | 4     | 4     | 4     | 4     | 4     | 4     | 4     | 4     | 4      |
| Community centers                               | 0     | 0     | 0     | 1     | 1     | 1     | 1     | 1     | 1     | 1      |
| Aquatic Center                                  |       |       |       |       |       |       |       |       | 1     | 1      |
| Water   |       |       |       |       |       |       |       |       |       |        |
| Water mains (miles)                             | 220   | 223.5 | 227.3 | 231.4 | 233.2 | 233.2 | 236.8 | 243.0 | 249.7 | 250.9  |
| Fire hydrants                                   | 1,708 | 1,731 | 1,765 | 1,769 | 1,857 | 1,893 | 1,944 | 1,893 | 2,029 | 2,043  |
| Maximum daily capacity<br>(millions of gallons) | 20    | 20    | 20    | 20    | 20    | 20    | 20    | 20    | 20    | 20     |
| Sewer   |       |       |       |       |       |       |       |       |       |        |
| Sanitary Sewers (miles)                         | 172   | 175.4 | 176.4 | 177.4 | 178.8 | 180.6 | 182.2 | 181.0 | 185   | 185.5  |
| Storm Sewers (miles)                            | 96    | 96    | 96    | 96    | 96    | 96    | 77    | 76    | 76    | 95     |
| Maximum daily capacity<br>(millions of gallons) | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 0     | 8.04  | 8.04   |

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## **COMPLIANCE SECTION**

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

To the Honorable Mayor, 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, 2007, and have issued our report thereon dated March 14, 2008. 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 opinions, 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.

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.

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 or material weakness. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

BKR Garcia & Company PLLC

March 14, 2008





**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, 2007, and have issued our report thereon dated March 14, 2008. 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 opinions, 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 14, 2008, 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.

*BKR Garcia & Company PLLC*

March 14, 2008

## LETTER TO MANAGEMENT

### I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

### 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. There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2006.
2. The City of Tamarac complied with Section 218.415, Florida Statutes, regarding the investment of public funds.
3. There were no significant findings and recommendations to improve the City's financial management, accounting procedures, and internal control for the fiscal year ended September 30, 2007.
4. There were no violations of provisions of contracts and grant agreements or abuse that have an effect on the financial statements that is less than material but more than inconsequential.
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, and contractual provisions or abuse that have occurred, or were likely to have occurred, and would have an immaterial effect on the financial statements; (b) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (c) 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) other 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, 2007 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, 2007. 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, 2007.

### **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.

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.

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.

Our consideration of internal control over compliance 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 or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of 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.

BKR Garcia & Company PLLC

March 14, 2008



**CITY OF TAMARAC**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE PROJECT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2007**

| <b>Federal Agency,<br/>Pass-through Entity<br/>Federal Program</b>                                    | <b>CFDA<br/>Number</b> | <b>Contract<br/>Grant<br/>Number</b> | <b>Expenditures</b>        |
|---|------------------------|--------------------------------------|----------------------------|
| <b><i>U.S. Department of Agriculture</i></b>  |                        |                                      |                            |
| Urban Forestry Grant  | 10.664                 | 05-20<br>05H-162                     | \$ 13,250<br><u>75,000</u> |
| <b><i>Total U.S. Department of Agriculture</i></b>  |                        |                                      | <u>88,250</u>              |
| <b><i>U.S. Department of Housing and Urban Development</i></b>  |                        |                                      |                            |
| Pass-Through Broward County<br>Community Development Block Grant                                      | 14.218                 | FY2006-2007                          | <u>1,028,598</u>           |
| <b><i>U.S. Department of Justice</i></b>  |                        |                                      |                            |
| Pass-Through Florida Department of Law Enforcement<br>Edwards Byrne Memorial Justice Assistance Grant | 16.738                 | 2007-JAGD-<br>BROW-5-P4-111          | <u>9,255</u>               |
| <b><i>U.S. Department of Transportation</i></b>   |                        |                                      |                            |
| Highway Planning and Construction   | 20.205                 | ANY97                                | <u>16,905</u>              |
| <b><i>TOTAL EXPENDITURES OF FEDERAL AWARDS</i></b>  |                        |                                      | <u>\$ 1,143,008</u>        |

**CITY OF TAMARAC**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE PROJECT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2007**

| <b>State Agency<br/>Pass-through Entity<br/><u>Program Title</u></b>  | <b><u>CSFA<br/>Number</u></b> | <b><u>Contract<br/>Grant<br/>Number</u></b> | <b><u>Expenditures</u></b> |
|---|-------------------------------|---|----------------------------|
| <b><i>Florida Department of Environmental Protection</i></b><br>Florida Recreation Development Assistance Program | 37.017                        | F6276                                       | \$ <u>164,432</u>          |
| <b><i>Florida Housing Finance Agency</i></b><br>State Housing Initiatives Partnership (S.H.I.P.)-F/Y 06-07        | 52.901                        | N/A   | <u>1,338,100</u>           |
| <b><i>Florida Department of Community Affairs</i></b><br>Fire Management Assistance                               | 52.008                        | 2689-FL                                     | <u>44,834</u>              |
| <b><i>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</i></b>  |                               |   | <b><u>\$ 1,547,366</u></b> |

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, 2007**

**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 2007, 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 2007 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 90 percent of total cash and noncash Federal program expenditures.

| <u>Major Federal Program Description</u> | <u>Federal CFDA<br/>Number</u> | <u>Fiscal 2007<br/>Expenditures</u> |
|--|--------------------------------|-------------------------------------|
| Community Development Block Grant        | 14.218                         | \$ 1,028,598                        |

**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 2007 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 86 percent of total cash and noncash State financial assistance projects.

| <u>Major State Program Description</u> | <u>State CSFA<br/>Number</u> | <u>Fiscal 2007<br/>Expenditures</u> |
|--|------------------------------|-------------------------------------|
| State Housing Initiative Partnership   | 52.901                       | \$ 1,338,100                        |

**CITY OF TAMARAC, FLORIDA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE PROJECTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2007**  
(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, 2007. The basis of accounting is described in Note 1 to the City of Tamarac, Florida's basic financial statements.

**NOTE C - FINDINGS OF NONCOMPLIANCE**

There were no findings of noncompliance identified in connection with the 2007 Federal or Florida Single Audit.

**NOTE D - AUDITS PERFORMED BY OTHER ORGANIZATIONS**

Florida Housing Finance Agency (Agency) conducted an audit of the State Housing Initiative Partnership (SHIP) for 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, 2007**

**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. No 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*.
3. No significant deficiencies relating to the audit of the major federal award programs or State financial assistance projects are 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.
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                |
|  |                       |
| <u>State Program</u>                                       | <u>State CSFA #</u>   |
| State Housing Initiative Partnership                       | 52.901                |
|  |                       |
| 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, 2007**  
**(Continued)**

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

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

None

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