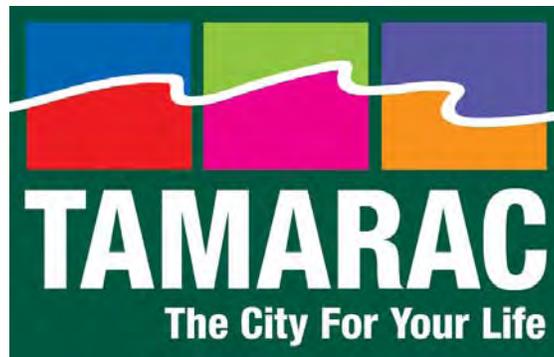
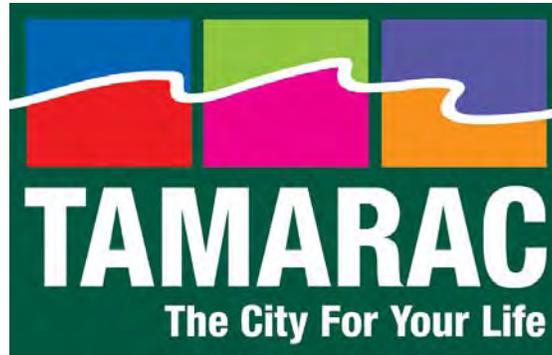


# COMPREHENSIVE ANNUAL FINANCIAL REPORT CITY OF TAMARAC, FLORIDA | FISCAL YEAR ENDED SEPTEMBER 30, 2010







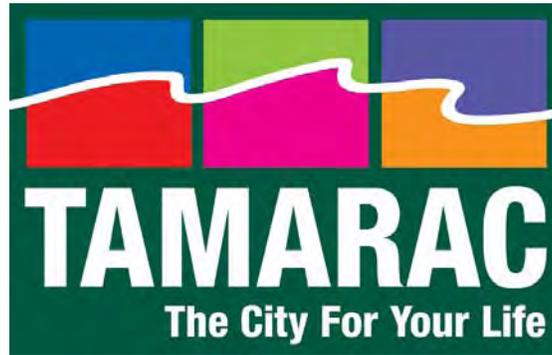
**2010**  
**COMPREHENSIVE**  
**ANNUAL FINANCIAL**  
**REPORT**

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

Fiscal Year Ended  
September 30, 2010

Prepared by  
FINANCIAL SERVICES

Mark C. Mason, CPA, Director of Financial Services  
Christine Josephs Cajuste, CPA, Controller



# **CITY OF TAMARAC, FLORIDA**

## **CITY COMMISSION**

**BETH TALABISCO, Mayor**

**PAMELA BUSHNELL, Vice Mayor**

**MICHELLE J. GOMEZ, Commissioner**

**HARRY DRESSLER, Commissioner**

**DIANE GLASSER, Commissioner**

### **ADMINISTRATIVE STAFF**

Michael C. Cernech  
City Manager

Samuel S. Goren  
City Attorney

Mark C. Mason, CPA  
Director of Financial Services

# *Vision, Mission & Values*

## **Our Vision:**

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

## **Our Mission:**

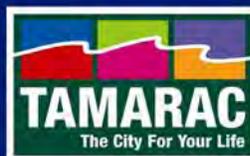
*We are:  
"Committed to Excellence . . . Always"*

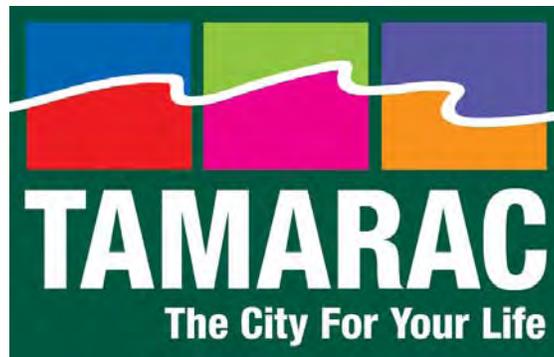
*It is our job to foster and create an environment that:*  
*Responds to the Customer*  
*Creates and Innovates*  
*Works as a Team*  
*Achieves Results*  
*Makes a Difference*

## **Our Values:**

*As Stewards of the public trust, we value:*

*Vision*  
*Integrity*  
*Efficiency*  
*Quality Service*





**CITY OF TAMARAC, FLORIDA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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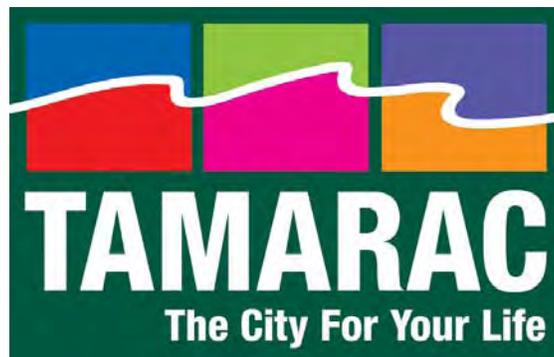
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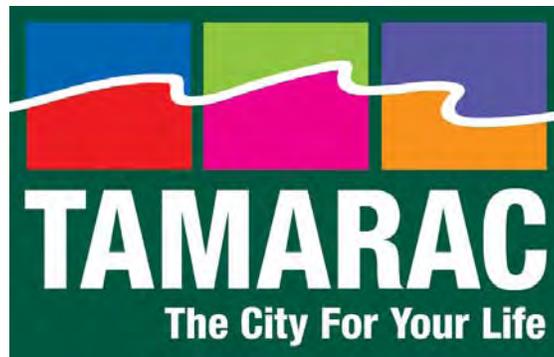
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## **INTRODUCTORY SECTION**

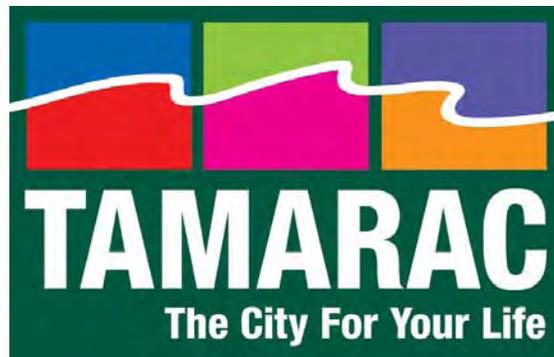
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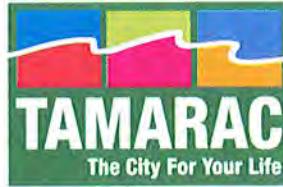


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## **LETTER OF TRANSMITTAL**

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March 15, 2011

Honorable Mayor, City Commissioners and Pension Trustees  
City of Tamarac, Florida

Dear Mayor, Commissioners and Pension Trustees:

We are pleased to present to you the Comprehensive Annual Financial Report (CAFR) of the City of Tamarac, Florida (the City) for the fiscal year ended September 30, 2010. Chapter 218.39, Florida Statutes and the City Charter require that a complete set of financial statements be published within one year of fiscal year end and presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America and those standards applicable to audits performed in accordance with Government Auditing Standards by licensed independent certified public accountants.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. We believe the data, as presented, is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and the results of operations of the City, on a Government-wide and Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that sufficient, reliable, adequate accounting data is compiled for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal accounting controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. We believe that the City's internal controls adequately safeguard assets and provide reasonable assurance of properly recorded financial transactions.

In addition, the City maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual budget approved by the City Commission. The City also maintains an encumbrance system that is employed as an extension of formal budgetary integration in all fund types. Encumbrances for governmental type funds outstanding at fiscal year-end are reported as spendable or nonspendable designations of fund balance, depending on whether they require re-appropriation.

In compliance with the laws of the State of Florida, the City's financial statements have been audited by GLSC & Company, a firm of licensed certified public accountants. The independent auditor has issued unqualified ("Clean") opinions that the City's financial statements for the fiscal year ended September 30, 2010 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

*"Committed to Excellence... Always."*

TAMARAC.ORG

7525 N.W. 88th Avenue | Tamarac, Florida 33321-2401 | P: 954.597.3550 | F: 954.597.3560

EQUAL OPPORTUNITY EMPLOYER

## **CITY PROFILE AND GOVERNMENTAL STRUCTURE**

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

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

The City provides many recreational facilities for residents. It is also home to the 500-acre Tamarac Commerce Park. Additionally, 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/ City Manager form of government. The policy-making body of the city is a City Commission composed of five members, four members elected by district on a nonpartisan basis and the Mayor. The Mayor is elected at-large on a nonpartisan basis and has one (1) vote. All terms run for a four (4) year period with the Mayor and two (2) commissioners being elected at one election and two years later, the remaining two (2) commissioners are elected. The City Commission is responsible for all policy-making functions of the government and retains the services of a City Manager and City Attorney. The City Manager is responsible for the administration of the City.

The City provides a comprehensive range of municipal services including general government, public safety (police and fire), public works, parks and recreation, community development, and utilities (water and sewer).

For additional information concerning our City, please visit our website at [www.tamarac.org](http://www.tamarac.org).

The City Commission is required to adopt a final budget no later than the close of the preceding fiscal year to which the budget applies. The annual budget serves as the foundation for the City of Tamarac's financial planning and control. The budget is prepared by fund, function (e.g. public safety), and department (e.g. police). Amendments to the City's operating budget in which appropriations are increased or decreased, or transfers between funds must be approved by the City Commission. The amendments are presented in ordinance form and allow for public input. The City Charter authorizes the City Manager to transfer appropriations within an operating department of the general fund and within the fund as a whole for all other funds. Transfers are requested by the relevant operating managers through the department director. Transfers are reviewed and processed by the budget staff and approved by the City Manager when required by administrative policy. For additional budgetary information please refer to the Notes to the Budgetary Comparison Schedule in the Required Supplementary Information Section.

## **LOCAL ECONOMY**

The City of Tamarac has had little growth in residential and commercial development this fiscal year. The real estate market has continued to decline. However, through the City's continued annexation efforts, additional commercial and industrial land was added to the eastside of Tamarac during fiscal year 2010. 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 and based upon evaluating median population age for the County the City has an estimated average age for 2010 of 47.6 years, versus 52.9 years in 2000. What began as a retirement community has become one of Broward County's most attractive areas for young families as well.

The City has focused its financial strategy on sustainability in the provision of services in the challenging economic climate that has affected Southeast Florida. This year has been very challenging with a further reduction in taxable

property values, very little construction activity, and the implementation of legislative measures that have placed limits on how local governments can levy ad valorem taxes today and into the future.

The total taxable assessed property value in Tamarac was \$4,402,093,105, \$3,883,284,328, \$3,229,109,048, and \$2,594,386,538 in calendar years 2007, 2008, 2009, and 2010 and for fiscal years 2008, 2009, 2010, and 2011, respectively. The total taxable assessed value from calendar year 2007 through calendar year 2010 and for fiscal year 2008 through fiscal year 2011, decreased 41.1%. New construction, annexations, etc. during that same period totaled \$184,852,120.

The reliance on ad valorem taxes has risen due to decreases in other revenue sources. Fiscal year 2010 ad valorem receipts of \$18,615,754 represented 42.8% of the total revenue sources for the general fund. As a result, revenue diversity was a concern; however the City Commission implemented a Public Service Tax for Electricity for fiscal year 2011 reallocating revenue sources and resulting in ad valorem taxes representing 35.8% of total estimated revenues.

The City's ability to expand and diversify its tax base will continue to be a major factor in providing financial resources to fund and maintain service levels. The City has embarked on a plan of development and redevelopment of a commercial area adjacent to Commercial Boulevard on the southwestern area of the City known as Tamarac Village. The City is in the process of purchasing land as an investment towards this endeavor which will provide an additional commercial area where residents can live, work and play.

Global, national and state economics continue to be key factors in assessing the City's future fiscal picture. Changes in the global, national, state and local economies can affect both revenues and expenditures, due to the impact on tax receipts, revenue sharing, and the costs of providing city services. The 2010 census, recently completed, is anticipated to have some impact on revenue sharing for the City.

The City has made and continues to make significant progress in supporting its mission to promote and enhance the City's economic vitality by attracting new businesses and providing a positive business environment. Occupational licenses provide a snapshot of new business activity in the City. In FY 2010, 2,201 business licenses were issued, 395 of these licenses were for new business. This compares to 2,136 issued in 2009. In 2010 several new businesses including Dunkin Donuts, Subway restaurant, KSM Electronics and the Charter School of Excellence have made Tamarac home. This is in addition to the continued success of established businesses that have contributed significantly to the local business community, including but not limited to, City Furniture (2001) (Corporate offices and an 800,000 warehouse and distribution facility), Cheddars Casual Café (2006), Applebee's Restaurant (2007), Fedex Kinko (2008), Hampton Inn Business Hotel (2009), TD Bank, NA (2008), Rotelli's Restaurant (2008), Chase Bank (2007), Arrigo Dodge Dealership (2008), Sawgrass Infiniti Dealership (2005), Bageland Deli Restaurant (1997), Publix Supermarket Chain (est. 1971), Walgreens Drug Store Chain (est. 1987), CVS Drug Store Chain (est. 2007), La Quinta Inn (2009) (formerly Baymont Inn est. 1999), Ocello's Automotive (est. 2000), Winn-Dixie Supermarket Chain (est. 1998), and UPS Store (2003) (formerly Mail Box Etc. est. 1997)

The City continues to market itself as a community of choice and we continue our partnership with the Tamarac Chamber of Commerce, while increasing our level of participation with the Greater Fort Lauderdale/Broward Economic Development Alliance (formerly the Broward Alliance).

In addition, the City provides support to low to moderate income Tamarac residents through housing rehabilitation and first time homebuyer assistance programs funded by the Community Development Grants programs including the State Housing Initiative Partnership (SHIP), Community Development Block Grants (CDBG), the Home Investments Partnership (HOME) and the Neighborhood Stabilization Program (NSP). NSP was established in FY 2008 to address issues pertaining to foreclosed and abandoned properties. In 2010, 28 homes were purchased with the assistance of this program.

## 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 strength, weaknesses, opportunities and threats (S.W.O.T.) analysis. Departments then develop action plans designed to achieve the City’s vision. The City then allocates resources providing for uniform progress towards the City’s stated strategic goals. Each goal further contributes to moving the City towards its long term vision.

### Strategic Goals

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

## LONG-TERM FINANCIAL PLANNING

A significant measure of the City’s financial strength is the level of its fund balances (i.e. the accumulation of revenues exceeding expenditures). The City’s general fund balance had demonstrated positive trends over the past several years and has maintained the same level in fiscal year 2010. Encumbrances are brought forward from the previous fiscal year and re-encumbered.

The City Council takes the responsibility of being stewards of the public’s funds very seriously and has adopted the following general fund reserve policy: reserve funds shall not be used to fund recurring expenditures. Fund balances should be maintained at fiscally sound levels in all funds. For the general fund, the minimum unassigned/undesignated fund balance should be no more than 10% of proposed expenditures of the general fund budget. Although this minimum requirement was repealed by referendum in November 2010, the City exceeded the 10% in fiscal year 2010; however, the City has adopted additional financial policies that will insure that the City maintains an appropriate fund balance in line with recommended best practices. The unassigned, undesignated amount of \$14.2 million is 31.8% of the proposed general fund operating expenditures (including recurring transfers), leaving the City in a solid financial position to adequately prepare for the expected reductions in revenues caused by the changes in the property tax laws and the economic environment.

The City’s staff is charged with daily operations and involved in a variety of projects which are in accordance with the City’s Strategic Plan. The FY 2010 budget focused on maintaining the service levels, completing projects in progress, improving processes and practices, replacing existing infrastructure and equipment, and improving our

financial position. Significant reduction in our revenue base has led to the implementation of aggressive steps to reduce our expenditures; these steps included a restriction on all overnight travel and elimination of all temporary staff. In addition, the City offered a voluntary separation program in fiscal year 2010 for employees that were retirement eligible of which fourteen employees took advantage of the program. The City Commission, through the budget process, has 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:

- Develop a water system master plan
- Complete the rehab of the West 8 MG Accelerator
- Continue planning and development of the N.W. 57<sup>th</sup> Street/Main Street project, also known as Tamarac Village.
- Continue to pursue the high performance initiatives and the Governor's Sterling Award through efficiencies and training.
- Maintain a vehicle and equipment replacement plan for the City's fleet, fire rescue apparatus, light vehicles and personal computers.
- Roadway resurfacing and Beautification Program
- Nob Hill Road Phase II Beautification Project

## **RELEVANT FINANCIAL POLICIES**

The City has adopted a comprehensive set of financial management policies in the areas of operating management, debt management, accounts management, financial planning, and economic resources. These policies were approved by the City Commission on September 22, 2010.

Economic conditions will affect the City's ability to realize its budgeted revenues in the categories of franchise fees and state-shared revenues. Therefore, quarterly monitoring and conservatism (95% budgeting of certain revenue sources) should mitigate any unforeseen circumstances.

The annual budget should be maintained in such a manner as to avoid an operating fund deficit. The annual budget should show fiscal restraint. Expenditures should be managed to create a positive cash balance (surplus) in each fund at the end of the fiscal year.

The City maintains a prudent cash management and investment program in order to meet daily cash requirements, increase the amount available for investment, and earn the maximum rate of return on invested funds commensurate with appropriate security.

The City should maintain sufficient reserves in accordance with established policy to maintain fiscally sound levels in all funds.

The City shall maintain adequate protection from loss due to property damage or liabilities of the City. The City shall maintain a risk fund for workers' compensation and property/liability and ensure adequate resources are available to support the value incurred but not reported (IBNR) claims.

The City is in compliance with its comprehensive debt management policy.

The City is in compliance with its investment policy.

## AWARDS

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, 2009. 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 22<sup>nd</sup> 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 2010 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 13<sup>th</sup> consecutive year Tamarac received the "Distinguished Budget Presentation Award."

In FY 2010, the City of Tamarac continued to make substantial progress on our journey to be a High Performance Organization (HPO). To further this initiative, the City utilizes the Florida Governor's Sterling framework, which focuses on leadership, strategic planning, focus on the customer and the workforce, information and knowledge management, process management, and results. As part of the Sterling process, the City undertook the Sterling Challenge in April 2008, an intermediate step to chart our progress toward becoming an HPO. The application and site visit resulted in a feedback report documenting both our Strengths and our Opportunities for improvement. The organization is currently using this report, combined with cross-functional improvement teams, to celebrate our strengths and address our Opportunities for improvement. We anticipate a follow-up site visit in the coming years to assess our progress as we move forward on our HPO journey.

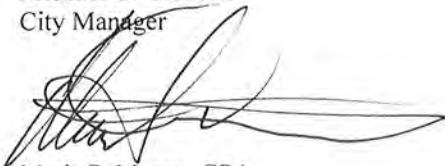
## ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Financial Services Department staff. Their continuing effort toward improving the accounting and financial reporting system improves the quality of information reported to the City Commission, State and Federal Agencies, and the citizens of the City of Tamarac. We sincerely appreciate and commend them for their contributions toward the success of the organization.

Respectfully submitted,



Michael C. Cernech  
City Manager



Mark C. Mason, CPA  
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, 2009

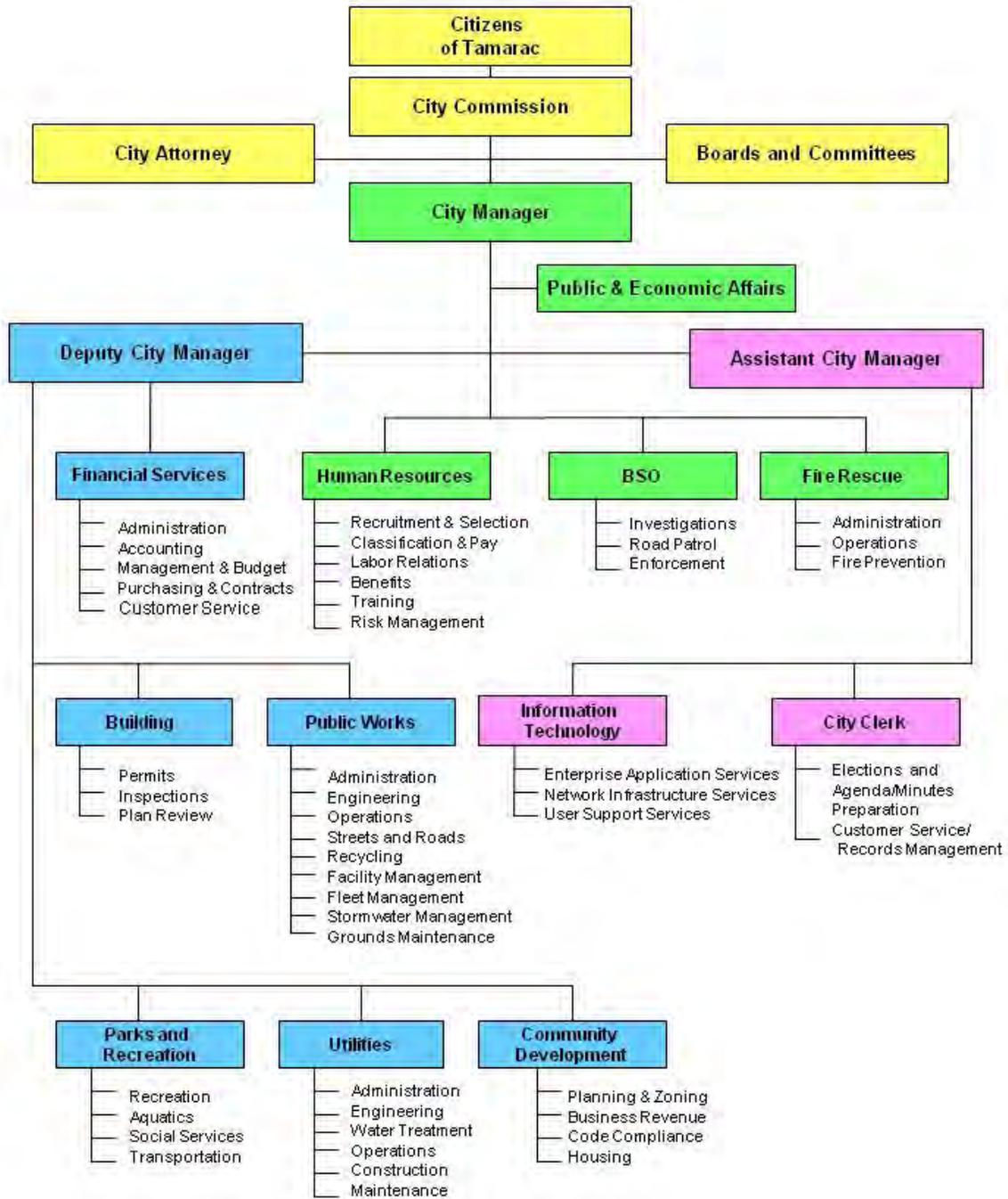
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

# City of Tamarac Organizational Chart



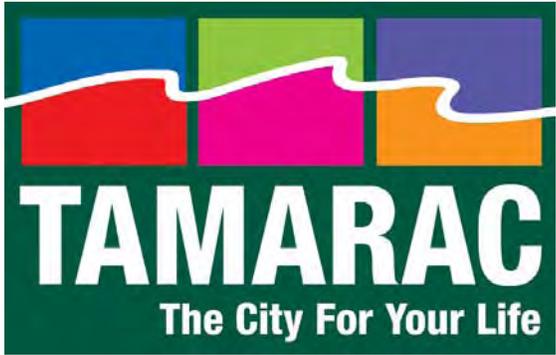
**City of Tamarac, Florida**  
**List of Principal Officers**  
September 30, 2010

**ELECTED OFFICIALS**

Mayor	Beth Talabisco
Vice-Mayor	Pamela Bushnell
Commissioner	Michelle J. Gomez
Commissioner	Harry Dressler
Commissioner	Diane Glasser

**APPOINTED OFFICIALS**

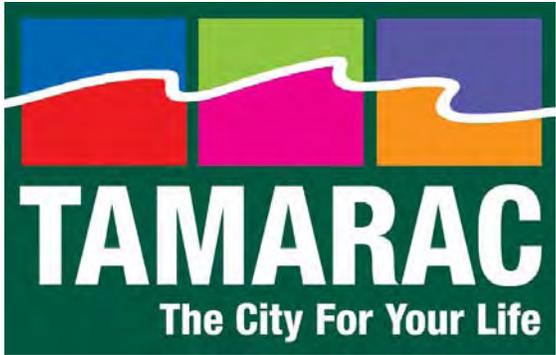
City Manager	Michael C. Cernech
City Attorney	Samuel Goren
Assistant City Manager	Diane Phillips
Chief Building Official	Claudio Grande
City Clerk	Peter M. Richardson
Director of Community Development	Jennifer Bramley
Director of Financial Services	Mark C. Mason, CPA
Director of Information Technology	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	Mike Burton



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## **FINANCIAL SECTION**

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## **INDEPENDENT AUDITORS' REPORT**

Honorable Mayor, City Commission, Pension Board of Trustees, 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 City of Tamarac, Florida (the "City"), as of and for the year ended September 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. We also have audited the Police Officers' Pension Trust Fund, the General Employees' Pension Trust Fund, the Elected and Appointed Officers and Non-Represented Employees Retirement Fund, and the Firefighters' Pension Trust Fund included in the accompanying notes to the financial statements as combining statements for the year ended September 30, 2010. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement referred to above present fairly, in all material respects, the financial position of the Police Officers' Pension Trust Fund, the General Employees' Pension Trust Fund, the Elected and Appointed Officers and Non-Represented Employees Retirement Fund, and the Firefighters' Pension Trust Fund of the City as of September 30, 2010, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2011, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules of funding progress and employer contributions on pages 3 through 17 and 74 through 81 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

GLSC & Company, PLLC

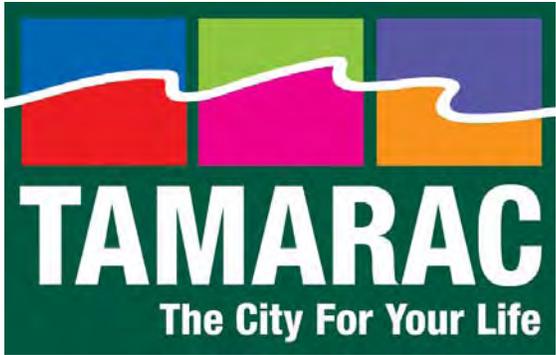
March 10, 2011



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

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# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

### MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Tamarac's (the "City") discussion and analysis is a narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2010. It 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, (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and current known facts, please read it in conjunction with the City's financial statements (beginning on page 18) and letter of transmittal.

### FINANCIAL HIGHLIGHTS

- At the close of fiscal year 2010, the City's assets exceeded its liabilities by \$211.8 million (net assets). Governmental and business-type assets exceeded liabilities by \$138.2 million and \$73.6 million, respectively. Of this amount, \$61.5 million (unrestricted net assets) may be used to meet the ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$2.4 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 decreased by \$0.4 million, net assets of our governmental activities increased by approximately \$2.8 million.
- During the year, the City had expenses that were \$2.4 million less than the \$61.0 million generated in taxes and other revenues for governmental programs, excluding transfers.
- In the City's business-type activities, revenues decreased by \$0.1 million while expenses increased by \$1.9 million.
- Total cost of all of the City's governmental activities increased by \$1.6 million or 2.8% percent as a result of the increased expenditures on Public Safety and Economic Environment.
- The General Fund's fund balance increased by \$1.8 million for the year ended September 30, 2010.
- At the end of the current year, fund balance for the General Fund was \$24.6 million, or 59 percent of total general fund expenditures and transfers. Of this amount, \$10.2 million is *assigned* for economic stabilization, capital projects, economic development, and disaster reserve. The remaining reserved fund balances of \$0.12 million are non spendable inventories and prepayments and amounts committed or restricted for public safety. These designations are in compliance with the City's fund balance and financial policies.
- The City's total debt decreased by \$0.2 million during the fiscal year.

# CITY OF TAMARAC, FLORIDA

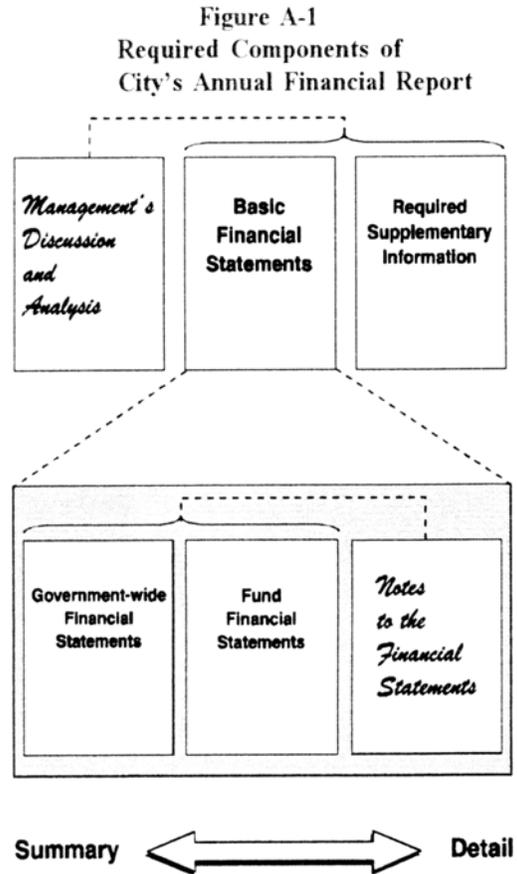
## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

### 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 an internal service fund. The basic financial statements include two kinds of statements that present different views of the City:

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

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



# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

### **Government-wide Financial Statements**

The government-wide financial statements (statement of net assets and statement of activities found on pages 18-19) are designed in a manner similar to a private-sector business in that all governmental and business-type activities are presented in separate columns which add to a total for the Primary Government. Fiduciary funds are not included in the government-wide statements.

The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be a bottom line for the City and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets, including infrastructure, and long-term obligations. Net assets are the difference between the City's assets and liabilities. Increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving.

The Statement of Activities reflects the expenses of a given function, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function.

Governmental activities are supported by taxes and intergovernmental revenues whereas the business-type activities are primarily supported by user fees and charges for services. The governmental activities of the City include general government, public safety, public works, community development, parks and recreation, and transportation. The business-type activities of the City reflect private sector type operations (water and sewer and stormwater utility) where the fee for service typically covers all or most of the cost of operation, including depreciation.

### **Fund Financial Statements**

Government resources are allocated to and accounted for in individual funds, based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations for each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures or expenses, as appropriate.

The City's funds are presented in separate fund financial statements. These funds are presented in a Governmental Fund Financial Statement and a Proprietary Fund (Business-type) Financial Statement. The City's major funds are presented in separate columns on the fund financial statements. The funds that do not meet the criteria of a major fund are considered nonmajor funds and are combined into a single column on the fund financial statements.

The total columns on the Governmental Funds and Proprietary Funds (Business-type) Financial Statements (see pages 20-26) are not the same as the Governmental Activities column and the Business-type column on the Government-wide Financial Statements. The Governmental Funds Total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 21 and 23). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations (bonds and others) into the Governmental Activities column in the Government-wide Statements. The Proprietary Funds (Business-type) total column requires reconciliation because the internal service fund is consolidated as part of the governmental activities, but a portion of the internal service funds is for business-type activities. This reconciliation is a result of the surplus elimination (see page 25).

### **Governmental Fund Financial Statements**

Governmental Fund Financial Statements (see pages 20-23) are prepared on the modified accrual basis using current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets.

# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

Three of the City's governmental funds, the General Fund, Fire Rescue Fund and General Capital Projects Fund, are classified as major funds. All other governmental funds are combined into a single column on the governmental funds financial statements. Individual fund data for the nonmajor funds is found in the combining statements as supplemental financial data (see pages 82-87).

The City adopts an annual appropriated budget for the General Fund and the following Special Revenue and Capital Projects Funds: Trafficways Improvements Fund, Public Arts Fund, Grants Fund, Community Development Block Grant Fund, Neighborhood Stabilization Fund, State Housing Initiative Partnership Fund, Debt Service Fund, Public Service Facilities Construction Fund and 2005 General Capital Projects Fund, Building Fund, and American Recovery and Reinvestment Act Fund. Budgetary comparisons have been presented for these funds which compare not only actual results to budget (budgetary basis), but also the original adopted budget to final budget. The budget to actual comparison for the General Fund and major Special Revenue-Fire Rescue Fund are presented on pages 74-75 of the required supplementary information and other governmental funds are presented on pages 88-99 of the combining statements.

### **Proprietary Fund Financial Statements**

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. 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 Fund Financial Statements (see pages 24-26), like government-wide financial statements, are prepared on the full accrual basis. Proprietary funds record both operating and nonoperating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund.

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.

### **Fiduciary Fund Financial Statement**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Tamarac's operations. 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 27 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 28 to 73 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 beginning on page 82 of this report.

# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

### GOVERNMENT-WIDE STATEMENTS

The Government-wide Financial Statements were designed so that the user can determine if the City is in a better or worse financial condition from the prior year. The City's overall financial condition has remained stable.

Effective October 1, 2009 the City reclassified the Building Department from the General Fund to a Special Revenue Fund. There was no effect on prior years' financial statements. The following tables have reflected these changes in the fiscal year 2010 numbers for comparative purposes.

#### Summary of Net Assets

The City's combined net assets increased to \$211.8 million between fiscal years 2009 and 2010.

#### City of Tamarac, Florida Summary of Net Assets (in millions)

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 70.1	\$ 69.6	\$ 34.1	\$ 31.8	\$ 104.2	\$ 101.4
Capital assets	112.5	113.0	61.2	63.4	173.7	176.4
<b>Total assets</b>	<b>182.6</b>	<b>182.6</b>	<b>95.3</b>	<b>95.2</b>	<b>277.9</b>	<b>277.8</b>
Long-term debt outstanding	40.3	39.0	18.2	18.1	58.5	57.1
Other liabilities	4.2	8.1	3.4	3.1	7.6	11.2
<b>Total liabilities</b>	<b>44.5</b>	<b>47.1</b>	<b>21.6</b>	<b>21.2</b>	<b>66.1</b>	<b>68.3</b>
Net assets						
Invested in capital assets, net of related debt	84.1	86.1	43.8	45.5	127.9	131.6
Restricted	14.0	17.4	8.4	6.9	22.4	24.3
Unrestricted	40.1	31.9	21.4	21.6	61.5	53.5
<b>Total net assets</b>	<b>\$ 138.2</b>	<b>\$ 135.4</b>	<b>\$ 73.6</b>	<b>\$ 74.0</b>	<b>\$ 211.8</b>	<b>\$ 209.4</b>

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

The largest portion of the net assets (60%) is restricted as to the purpose they can be used for or are invested in capital assets. The invested in capital assets, net of related debt is the largest portion of net assets. This represents capital assets (land, buildings, improvements, equipment, infrastructure, and construction in progress), net of accumulated depreciation, and the outstanding related debt used to acquire the assets. Unamortized bond issue costs "follow the debt" in calculating net asset components for the statement of net assets. That is, if debt is capital related, the deferred amounts are included in the calculation of invested in capital assets, net of related debt. If the debt is restricted for a specific purpose and the proceeds are unspent, the net proceeds affect restricted net assets. If the debt proceeds are not restricted for capital or other purposes, the unamortized costs are included in the calculation of unrestricted net assets. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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. Maintaining a positive fund balance is an indication that the government is not spending down all its available resources and is able to fund future temporary shortfalls.

# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

### Summary of Changes in Net Assets

The following table compares the Revenues and Expenses for the current and prior fiscal years.

#### City of Tamarac, Florida Summary of Changes in Net Assets (in millions)

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 23.0	\$ 22.9	\$ 24.6	\$ 24.5	\$ 47.6	\$ 47.4
Operating grants and contributions	4.5	2.8	-	-	4.5	2.8
Capital grants and contributions	0.1	4.0	-	-	0.1	4.0
<b>General revenues</b>					-	-
Property taxes	18.9	20.2	-	-	18.9	20.2
Other taxes	9.0	8.8	-	-	9.0	8.8
Intergovernmental	5.2	4.8	-	-	5.2	4.8
Investment income	0.3	0.9	0.1	0.3	0.4	1.2
<b>Total revenues</b>	<b>61.0</b>	<b>64.4</b>	<b>24.7</b>	<b>24.8</b>	<b>85.7</b>	<b>89.2</b>
<b>Expenses Program Activities</b>						
<b>Governmental Activities:</b>						
General government	11.0	12.6	-	-	11.0	12.6
Public safety	31.5	30.5	-	-	31.5	30.5
Physical Environment	3.3	3.3	-	-	3.3	3.3
Transportation	1.9	1.9	-	-	1.9	1.9
Culture and recreation	4.2	4.1	-	-	4.2	4.1
Economic environment	4.9	2.6	-	-	4.9	2.6
Human services	0.3	0.3	-	-	0.3	0.3
Interest on long-term debt	1.5	1.7	-	-	1.5	1.7
<b>Business-type Activities:</b>						
Utilities	-	-	20.7	19.4	20.7	19.4
Stormwater	-	-	4.0	3.4	4.0	3.4
<b>Total expenses</b>	<b>58.6</b>	<b>57.0</b>	<b>24.7</b>	<b>22.8</b>	<b>83.3</b>	<b>79.8</b>
Excess before transfers	2.4	7.4	-	2.0	2.4	9.4
Transfers in (out)	0.4	0.4	(0.4)	(0.4)	-	-
Increase (decrease) in net assets	<b>2.8</b>	<b>7.8</b>	<b>(0.4)</b>	<b>1.6</b>	<b>2.4</b>	<b>9.4</b>
Net assets, October 1	135.4	127.6	74.0	72.4	209.4	200.0
<b>Net assets, September 30</b>	<b>\$ 138.2</b>	<b>\$ 135.4</b>	<b>\$ 73.6</b>	<b>\$ 74.0</b>	<b>\$ 211.8</b>	<b>\$ 209.4</b>

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

There was a decrease of \$0.2 million in *unrestricted net assets* reported in connection with the City's business-type activities. This decrease is mainly due to increases in operating and non operating expenses in fiscal year 2010.

The unrestricted net assets of governmental activities showed an increase of \$8.2 million or 25.7% from last year due to net results of activities during the current fiscal year amounting to approximately \$2.8 million and a reduction in restricted net assets through expenditures in Special Revenue and Capital Projects Funds coupled by reductions in investment in capital assets through depreciation and principal payment on debt of approximately \$3.3 million and \$2 million respectively.

# CITY OF TAMARAC, FLORIDA

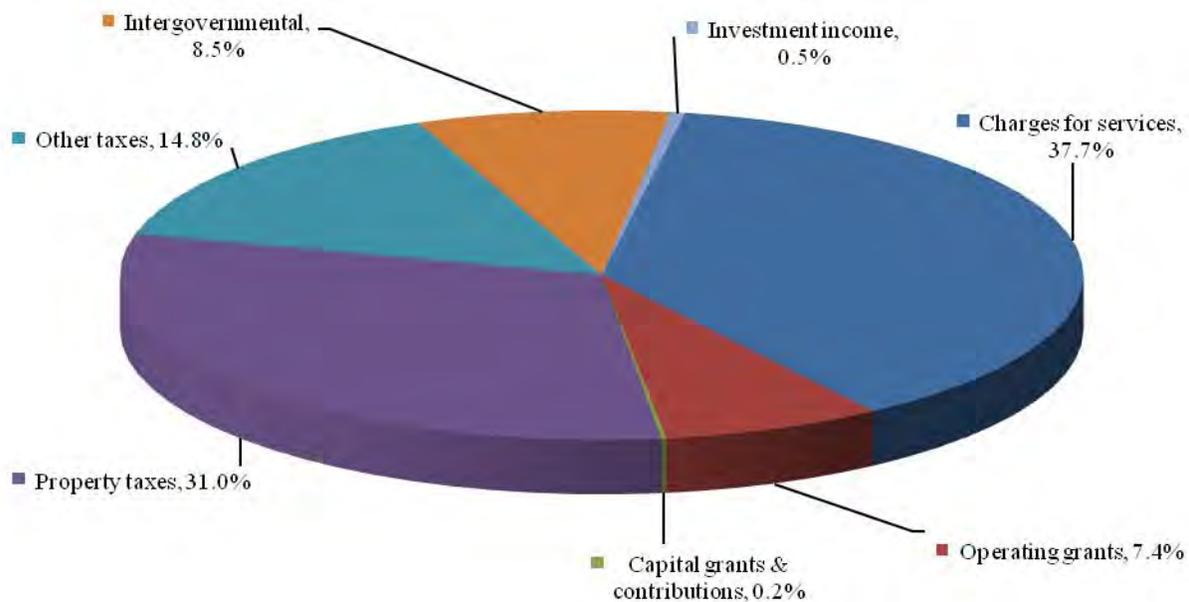
## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

### Governmental Activities

There was a decline in the City's governmental revenues in 2010, revenues decreased by 3.4 million to \$61.0 million. Approximately 31% of the Governmental Activity's revenues come from property taxes, and 15% from other taxes. Another 37.7% come from fees charged for services, and most of the rest is federal, state and local aid.

The following is a chart of revenues by source of governmental activities by percent of total revenues.

**Revenues by source-Governmental Activities**



Charges for services reported in the governmental activities increased slightly by \$0.1 million, or 0.4% in comparison to prior year.

Operating grants and contributions reported in the governmental activities increased \$1.7 million, or 60.7%, in comparison to prior year. This increase was primarily due to revenue from the Neighborhood Stabilization Grant realized in 2010 which provided assistance to 28 homeowners in 2010.

Capital grants and contributions reported in the governmental activities decreased by \$3.9 million, or 97% in comparison to prior year. This decrease was primarily due to the decrease in the volume of capital projects that were completed with Grant funding in 2010.

Property taxes reported in the governmental activities decreased \$1.3 million, or 6.4%, in comparison to the prior year. Taxable assessed property valuation of \$3,229,109,048 for fiscal year 2010 represents a 16.885% decrease from the previous fiscal year. The millage rate increased from 5.3215 in fiscal year 2009 to 5.9999 or by 0.6784 mills in fiscal year 2010. This however still resulted in a \$1.3 million decrease in the tax levy from property taxation and results from an amendment to the property tax laws in the State of Florida and the general decline in property value. This change in the property tax laws, Amendment 1, increased the homestead exemption on residential properties by \$25,000.

# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

Sales taxes reported in the governmental activities decreased \$28,700, or 0.63% in comparison to the prior year. This was a result of a decrease in consumer spending.

Fuel taxes reported in the governmental activities increased \$65,000, or 6.7% in comparison to the prior year. The fuel taxes are based on the number of gallons sold irrespective of the unit cost per gallon. As fuel prices decreased, consumer demand increased resulting in an increase in the number of gallons being sold.

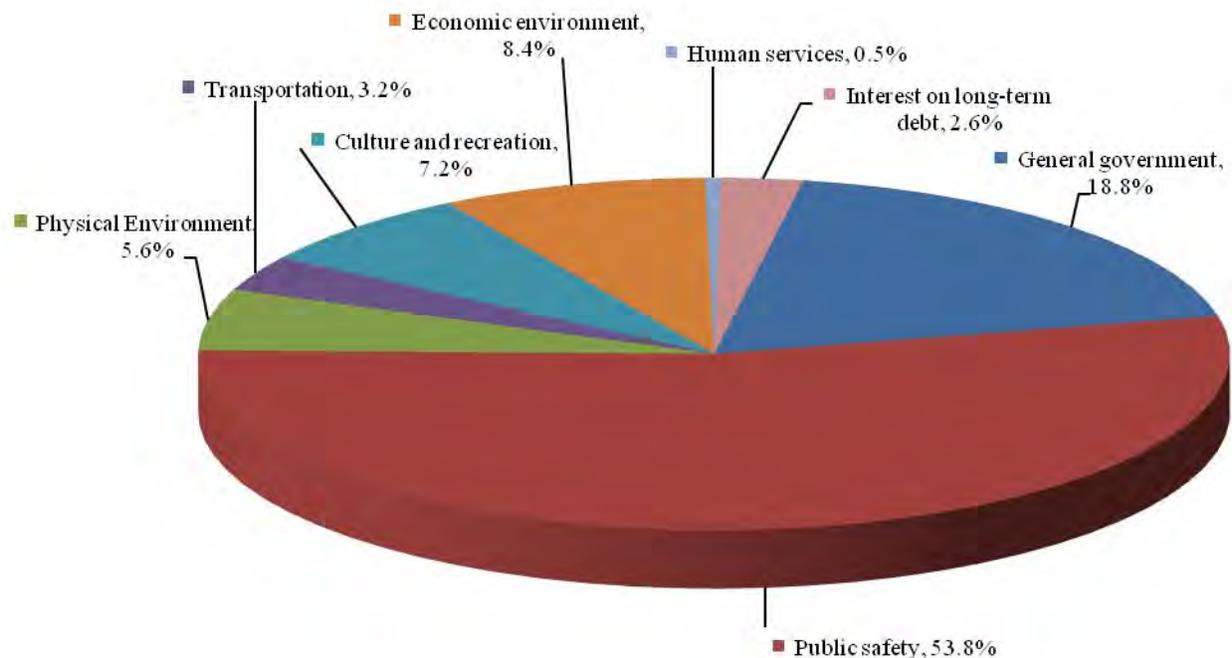
Franchise fees reported in the governmental activities increased \$47,000, or 0.99% in comparison to the prior year. Franchise fees are levied on a corporation or individual by the City in return for granting a privilege or permitting the use of public property subject to regulations. The City receives franchise fees for electricity, solid waste, and towing services.

Communication taxes reported in the governmental activities decreased \$18,000, or 0.57% in comparison to the prior year. In fiscal year 2001, the communications services tax replaced all local taxes on telephone and cable services. Due to the economy consumers are cutting back services they receive, for instance consumers are eliminating home phone service and utilizing cell phones, and cutting cable services to the basic plan.

Interest income reported in the governmental activities decreased \$0.6 million, or 66.7% from the prior year. Investment income decreased by \$0.6 million due to the fall in interest rates during fiscal year 2009 and remaining low in 2010, as well as the softening of the securities market.

The following is a chart of expenses by function of governmental activities by percent of total expenses.

**Functional Expenses for Fiscal Year 2010**



The City's governmental activities expenses cover a range of services with 53.8 percent related to public safety (see Figure A-3). The expenses for governmental activities increased by 2.8 percent (from \$57.0 million to \$58.6 million) in 2010. The increase in net assets for governmental activities was \$2.8 million in 2010.

The functional activities expenses were similar in most cases remaining even with last year's expenses. There were decreases in general government and interest on long-term debt of \$1.6 million and \$0.2 million respectively,

# CITY OF TAMARAC, FLORIDA

## MANAGEMENT’S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

Increases were: public safety (increased by \$1.0 million), culture and recreation (increased by \$0.1 million), economic environment (increased by \$2.3 million).

General government expenses reported in governmental activities decreased \$1.6 million, or 12.7%, in comparison to the prior year. This is a result of cost cutting measures that were implemented by all departments which decreased actual amounts expended.

Public Safety expenses reported in governmental activities increased \$1 million, or 3.3%, in comparison to prior year due to an increase and the addition of two School Resource Officers in the contract with Broward Sheriff’s Office.

Culture and Recreation expenses reported in governmental activities increased \$0.1 million, or 2.42%, in comparison to prior year due to construction of the new skate park at the Tamarac Sports Complex.

Economic Environment expenses reported in governmental activities increased \$2.3 million, or 88.5%, in comparison to the prior year as a result of the usage of Neighborhood Stabilization Program funds used to assist qualified recipients in the purchase and renovation of foreclosed homes.

The table below 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 on the City’s taxpayers by each of these services.

- The cost of all *governmental* activities this year was \$58.6 million. Some of that cost was financed by:
  - Those who directly benefited from the programs through charges for services (\$23.0 million), and
  - Other governments and organizations that subsidized certain programs from operating and capital grants and contributions (\$4.6 million).
- The City financed the remaining \$30.9 million “public benefit” portion of governmental activities with \$33.7 million in taxes, Franchise fees and other revenues such as interest and unrestricted state aid.

### City of Tamarac, Florida Net Cost of City’s Governmental Activities (in millions)

	Total Cost of Services		Net Cost of Services	
	2010	2009	2010	2009
Public safety	\$ 31.5	\$ 30.5	\$ 16.0	\$ 15.8
General government	11.0	12.6	5.4	11.0
Economic environment	4.9	2.6	0.7	0.7
Culture and recreation	4.2	4.1	3.4	2.8
Physical environment	3.3	3.3	1.5	-
Transportation	1.9	1.9	1.8	1.5
Other	1.8	2.0	2.1	2.2
<b>Total</b>	<b>\$ 58.6</b>	<b>\$ 57.0</b>	<b>\$ 30.9</b>	<b>\$ 34.0</b>

### Business-type Activities

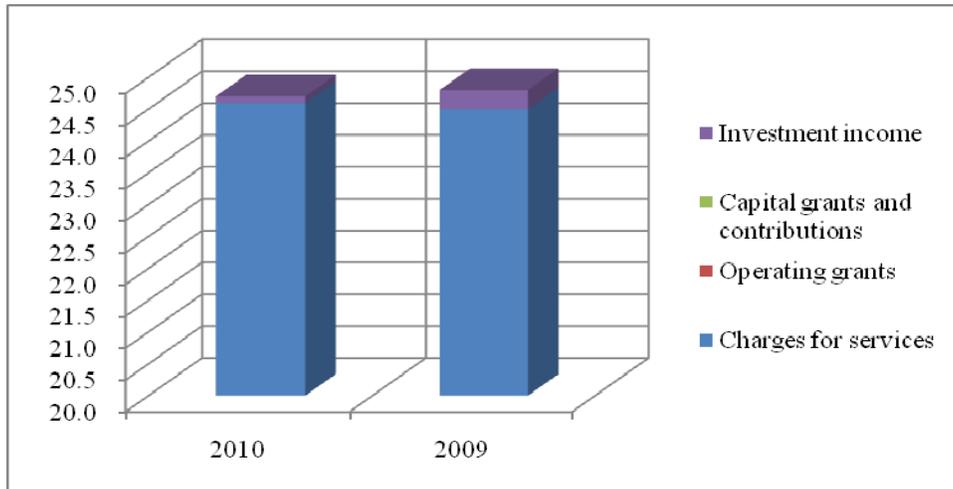
The business-type activities net assets decreased by \$0.4 million from the prior fiscal year. Revenues of the City’s business-type activities decreased slightly by 0.4 percent to \$24.7 million and expenses increased by 8.3 percent to \$24.7 million (see *Summary of Changes in Net Assets*).

# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

The following is a chart of revenues by source for business-type activities.

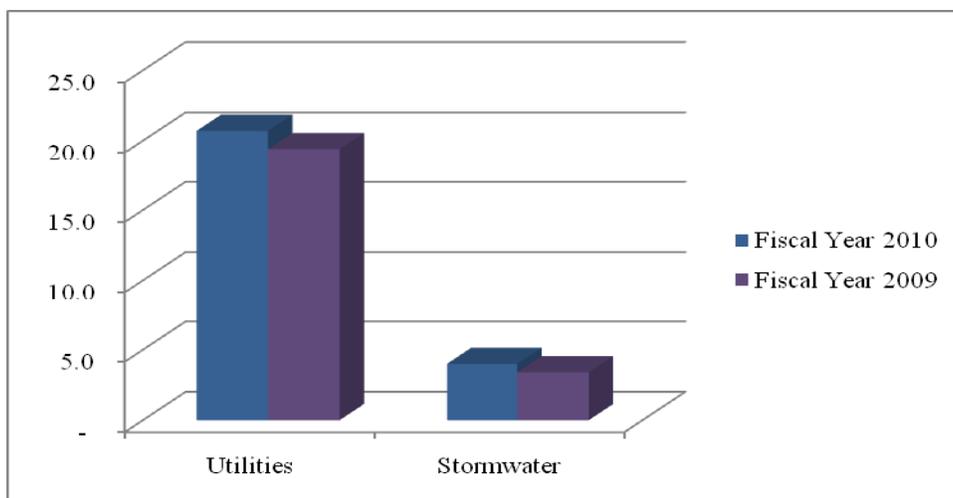
**Revenues by source- Business-type Activities**



For business-type activities Charges for services is the major source of revenues representing 99.5% of revenues in 2010. Charges for services reported had only a slight increase of \$100,000 mainly due to the elimination of the water surcharge in 2010 in the Utilities fund. There was no increase in user fees in Utilities fund however there was a 3% increase in user fees for the Stormwater fund in 2010

There was a decrease in investment interest earnings primarily due to a decline in interest rates and the softened securities market. The economic downturn has limited the City's ability to earn the usual returns of its investments. The amounts received for Capital Grants and Contributions as well as operating Grants and contributions of \$11,700 and \$13,500 respectively, had little impact on the results.

**Expenses by Program- Business-type Activities**



# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

Water and sewer expenses reported in business-type activities increased \$1.9 million, or 8.3%, in comparison to the prior year. The increase was primarily due to an increase of \$653,794 in interest expense related to the Utilities revenue bonds issued in late 2009, this compares to \$52,667 in 2009. Waste water disposal charges increased by \$820,000, this was a combination of an increase in the fees from Broward County and higher recorded flows. Other enterprise funds' expenses reported in business-type activities remained constant or had slight increases due to increases such as salaries, pension costs and some maintenance services.

### 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 \$56.0 million, or an increase of \$.2 million compared to last year's combined fund balances of \$55.8 million. Included in this year's total change in fund balances is a \$1.8 million excess of revenues over expenditures in the City's general fund. The primary reasons for these changes in fund balances should be noted:

- The fund balance of the General Fund increased by \$1.8 million mainly due to controlled spending. Among other initiatives, the City continues to place limitations on hiring and limitations on travel during 2010. The General Fund spent \$4.4 million less than the final budget of FY10.
- The Fire/Rescue Fund balance decreased by \$1.2 million due to increases in the fire pension obligations and a reduction in transfers in FY10. The transfer from the General Fund was \$5.2 million as compared to \$6.8 million in FY09.

#### Proprietary Funds

The City's Proprietary Funds include the City's Enterprise Funds – Water and Wastewater 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/or 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 stable in FY10 resulting in a small increase of \$0.1 million in operating revenues. Operating expenses including depreciation increase by \$0.8 million mainly due to increases in waste water fees.
- Stormwater operating revenues increased by \$0.1 million from the prior fiscal year. Operating expenses including depreciation increased by \$0.4 million.
- Investment income decreased by \$0.2 million or 62.5% from the prior year as a result of the lower interest rates.

#### General Fund Budgetary Highlights

Over the course of the year, the City amended the General Fund budget two 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 to recognize and appropriate grant revenues which were received after the adoption of the budget, and to provide appropriations for various other needs which had arisen since the adoption of the budget. Even with these adjustments, actual expenditures were \$4.4 million below final budgeted amounts. The most significant contributor to this variance was various departmental savings due to staff vacancies.

# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

The fiscal year 2010 amended final budget of \$46.7 million increased by 4.2 percent over the original General Fund budget of \$44.8 million primarily for the purposes of carrying over expenditures not completed during the previous fiscal year and various new projects undertaken during the fiscal year. With base revenues of \$46.1 million and \$612,100 in operating transfers from the Enterprise Funds, the Adopted Budget is balanced. The original General Fund budget consists of \$35.7 million base expenditures and \$9.1 million in operating transfers to the other funds.

Differences between the original budget and the final amended budget increased appropriations by \$1.7 million which primarily consists of a carry forward of prior year commitments and capital projects for all departments. The Building Department was move to the Special Revenue Funds, resulting in a shift of \$2,136,586 in allocated expenditure, despite this, there was still a net increase in the amended budget.

This increase was budgeted from available fund balance. During the year, expenditures were less than budgetary estimates, thus eliminating the need to draw upon the unreserved or designated fund balance. The difference between the appropriations and the actual expenditures in the General Fund was approximately \$1.8 million for fiscal year 2010 due mainly to various expenditures, capital outlay, and capital projects 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

The City's investment in capital assets, net of related debt, for its governmental and business-type activities as of September 30, 2010 amounts to \$127.9 million (net of accumulated depreciation), or a 3% decrease, in comparison to the prior year.

#### City of Tamarac, Florida Capital Assets (net of depreciation, in millions)

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	Activities		Activities			
	2010	2009	2010	2009	2010	2009
Land	\$ 23.8	\$ 23.8	\$ 7.5	\$ 7.5	\$ 31.3	\$ 31.3
Intangibles-right-of-ways	0.1	-	-	-	0.1	0.0
Buildings and improvements	25.9	17.0	7.0	7.2	32.9	24.2
Improvements other than buildings	11.1	10.2	42.2	43.1	53.3	53.3
Equipment	2.0	2.3	0.7	1.0	2.7	3.3
Infrastructure	48.4	49.0	2.5	2.6	50.9	51.6
Public arts	0.4	0.4	-	-	0.4	0.4
Construction in progress	0.8	10.4	1.3	2.0	2.1	12.4
<b>Total</b>	<u>\$ 112.5</u>	<u>\$ 113.1</u>	<u>\$ 61.2</u>	<u>\$ 63.4</u>	<u>\$ 173.7</u>	<u>\$ 176.5</u>

Major capital asset purchases and projects during the fiscal year included the following:

- Completion of the Tamarac Park Renovation
- Fire Stations #41 and # 78 Renovations
- Construction of the Sports Complex Expansion and a Skate Park
- Construction of the Florida Turnpike Widening
- Improvements to the Waste Water Treatment Plant Main Collection System
- Upgrades to the Water Treatment Plant Clearwell

Additional information on the City's Capital Assets can be found on pages 45-47 of this report.

# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

### Long-term debt

At year-end the City had \$54.5 million in bonds outstanding— a decrease of \$0.2 million from last year— as shown in following table. Of this amount, \$1.6 million comprises debt backed by the full faith and credit of the government and \$52.9 million is revenue bonds, notes, and capital leases backed by specific taxes and fee revenues. The debt position of the City is summarized below:

#### City of Tamarac, Florida Outstanding Debt (in millions)

	Governmental		Business-type		Total	
	2010	2009	2010	2009	2010	2009
General obligation bonds	\$ 1.6	\$ 1.7	\$ -	\$ -	\$ 1.6	\$ 1.7
Revenue bonds and notes	35.0	34.7	17.9	18.3	52.9	53.0
<b>Total</b>	<b>\$ 36.6</b>	<b>\$ 36.4</b>	<b>\$ 17.9</b>	<b>\$ 18.3</b>	<b>\$ 54.5</b>	<b>\$ 54.7</b>

In 2009, the City affirmed a general obligation 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 following table shows the latest ratings for the City by the major rating agencies.

	Rating Agency		
	Moody's	Fitch	Standard & Poor's
<u>General Obligation Bonds</u>			
Current Underlying	A1	AA-	AA+
<u>Capital Improvement Revenue</u>			
Current Underlying	A2	A+	A+
<u>Sales Tax Revenue (2002 &amp; 2009)</u>			
Current Underlying	A2	A+	A+
Insured	N/A	N/A	BB+
<u>Water &amp; Sewer Revenue</u>			
Current Underlying	A1	A+	AA-
Insured	Aa3	N/A	AA+
<u>Stormwater Assessment Revenue</u>			
Current Underlying	A1	A+	A+

Additional information on the City of Tamarac's long-term debt can be found in Note 9 beginning on page 50 of this report.

# CITY OF TAMARAC, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2010

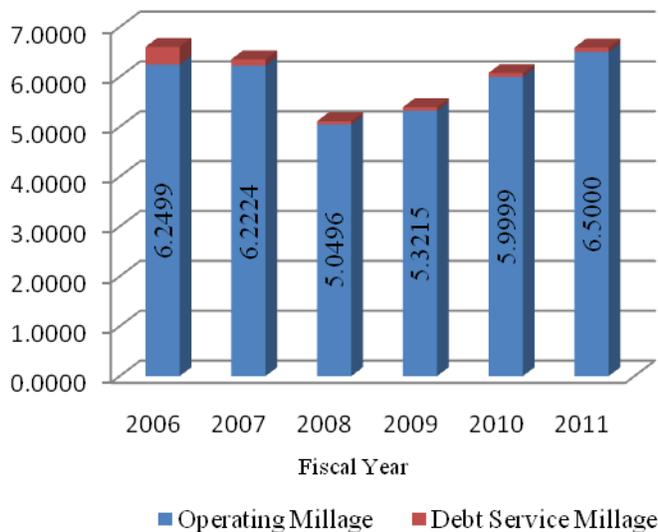
### Economic Factors and Next Year's Budget

According to the U.S. Bureau of Labor Statistics, the unemployment rate for the Broward County area in September 2010 was 10.4 percent, same as 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, 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 taxes and a limited array of permitted other taxes (sales, communication, gasoline, utilities services, etc.) and fees (franchise, building permits, occupational license, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments. For the business-type and certain governmental activities (building inspections, recreational programs, etc.) the user pays a related fee or charge associated with the service.

The City is considered to be built out due to its limited vacant land available for development. Taxable assessed value decreased 16.885% in calendar year 2009. Overall the total taxable assessed value decreased to \$2,593,110,930 in 2010 from a high of \$4,402,093,105 in 2007; this is a 41% decrease. The Broward County Property Appraiser is predicting further decline in both the market and taxable value of property for the City's property tax roll in calendar year 2011.

**Total City Millage**



<b>Fiscal Year</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Operating Millage	6.2499	6.2224	5.0496	5.3215	5.9999	6.5000
Debt Service Millage	0.3530	0.1305	0.0630	0.0701	0.0802	0.0894
<b>Total Millage</b>	<b>6.6029</b>	<b>6.3529</b>	<b>5.1126</b>	<b>5.3916</b>	<b>6.0801</b>	<b>6.5894</b>

The legislative changes that took place in 2007 with the subsequent statewide referendum in 2008 have had a major effect on the millage rates that are assessed to generate property tax revenues for the City. The legislature placed caps on the City's ability to increase the millage rate. The operating millage for fiscal year 2010 was 5.9999 per

# **CITY OF TAMARAC, FLORIDA**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**SEPTEMBER 30, 2010**

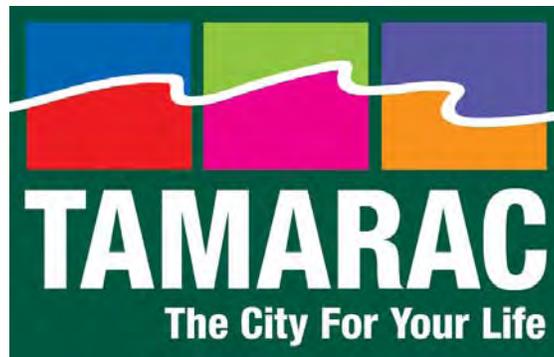
thousand dollars of taxable value and the rate set for 2011 is 6.5000 per thousand dollars of taxable value. Despite the increase in the millage rate, there was a decline in revenue in 2010 and another expected decrease in 2011 due to the decrease in the taxable assessed value.

City Staff recommended and the City Commission adopted on May 26, 2010, the Electric Public Service Tax. The Tax was effective on October 1, 2010 and is estimated at \$3.1 million. With the Electric Public Service Tax, the proposed property tax levy for the General Fund has been reduced from 41.11% to 35.76%.

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 2011 budgeted expenditures and transfers are expected to be \$44.7 million, or 4.2 percent, more than fiscal year 2010. 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**

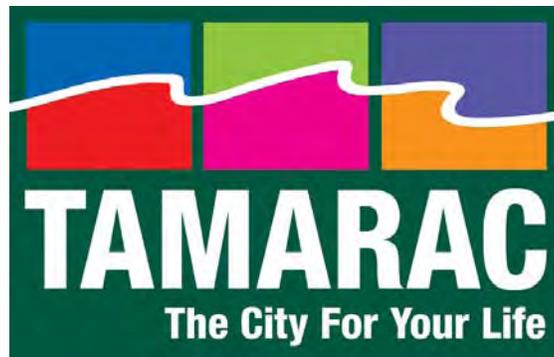
The City's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any information contained in this report or for additional financial information, contact the Financial Services Department, 7525 NW. 88<sup>th</sup> Ave, Tamarac, Florida 33321.



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# **BASIC FINANCIAL STATEMENTS**

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**CITY OF TAMARAC, FLORIDA**  
**STATEMENT OF NET ASSETS**  
 SEPTEMBER 30, 2010

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and equity in pooled cash	\$ 53,490,237	\$ 22,193,219	\$ 75,683,456
Investments	9,255,392	3,850,307	13,105,699
Accounts receivable - net	5,525,664	3,736,513	9,262,177
Internal balances	(1,023,895)	1,023,895	-
Inventories	99,023	299,994	399,017
Prepaid expenses	13,500	500	14,000
Deferred charges	313,927	1,444,202	1,758,129
Restricted assets:			
Cash and equity in pooled cash and investments	-	1,470,796	1,470,796
Net pension asset	2,485,492	-	2,485,492
Capital assets (net of accumulated depreciation):			
Land	23,801,162	7,460,603	31,261,765
Intangibles	67,090	-	67,090
Public art	462,480	-	462,480
Buildings and improvements	25,934,148	7,003,481	32,937,629
Improvements other than buildings	11,094,646	42,255,980	53,350,626
Equipment	1,988,333	705,865	2,694,198
Infrastructure	48,375,430	2,526,261	50,901,691
Construction in progress	781,823	1,273,358	2,055,181
Total assets	<u>182,664,452</u>	<u>95,244,974</u>	<u>277,909,426</u>
<b>LIABILITIES</b>			
Accounts payable and other accrued liabilities	1,074,952	893,031	1,967,983
Accrued payroll	923,021	126,466	1,049,487
Accrued interest payable	1,053,913	867,055	1,920,968
Customer deposits	80,347	1,470,796	1,551,143
Deferred revenue	1,018,221	-	1,018,221
Noncurrent liabilities:			
Due within one year	2,113,594	533,431	2,647,025
Due in more than one year	38,201,401	17,704,006	55,905,407
Total liabilities	<u>44,465,449</u>	<u>21,594,785</u>	<u>66,060,234</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	84,104,407	43,760,949	127,865,356
Restricted for:			
Renewal and replacement	-	3,647,164	3,647,164
Public safety	1,772,813	-	1,772,813
Culture and recreation	2,011,138	-	2,011,138
Capital improvement	9,769,147	3,433,869	13,203,016
Debt service funds	399,528	-	399,528
Other purposes	52,509	1,439,465	1,491,974
Unrestricted	<u>40,089,461</u>	<u>21,368,742</u>	<u>61,458,203</u>
Total net assets	<u>\$ 138,199,003</u>	<u>\$ 73,650,189</u>	<u>\$ 211,849,192</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, 2010

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contribution	Governmental Activities	Business- Type Activities	Total
<b>Functions/programs</b>							
Primary government:							
Governmental activities:							
General government	\$ 11,026,034	\$ 5,398,147	\$ 87,639	\$ 120,572	\$ (5,419,676)	\$ -	\$ (5,419,676)
Public safety	31,489,221	15,205,661	204,677	-	(16,078,883)	-	(16,078,883)
Transportation	1,904,168	20,732	-	-	(1,883,436)	-	(1,883,436)
Culture and recreation	4,249,737	688,892	134,970	-	(3,425,875)	-	(3,425,875)
Physical environment	3,276,239	1,721,461	-	-	(1,554,778)	-	(1,554,778)
Economic environment	4,869,005	-	4,095,297	-	(773,708)	-	(773,708)
Human services	294,665	-	-	-	(294,665)	-	(294,665)
Interest on long-term debt	1,482,104	-	-	-	(1,482,104)	-	(1,482,104)
Total governmental activities	<u>58,591,173</u>	<u>23,034,893</u>	<u>4,522,583</u>	<u>120,572</u>	<u>(30,913,125)</u>	<u>-</u>	<u>(30,913,125)</u>
Business-type activities:							
Utilities	20,726,556	19,743,109	13,047	11,700	-	(958,700)	(958,700)
Stormwater	3,894,763	4,824,703	-	-	-	929,940	929,940
Total business activities	<u>24,621,319</u>	<u>24,567,812</u>	<u>13,047</u>	<u>11,700</u>	<u>-</u>	<u>(28,760)</u>	<u>(28,760)</u>
Total primary government	<u>\$ 83,212,492</u>	<u>\$ 47,602,705</u>	<u>\$ 4,535,630</u>	<u>\$ 132,272</u>	<u>\$ (30,913,125)</u>	<u>\$ (28,760)</u>	<u>\$ (30,941,885)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purpose					\$ 18,615,754	\$ -	\$ 18,615,754
Property taxes, levied for debt service					249,729	-	249,729
Utility taxes					140,557	-	140,557
Franchise fees					4,680,810	-	4,680,810
Communication service taxes					3,077,739	-	3,077,739
Gas taxes					1,037,421	-	1,037,421
Intergovernmental not restricted to specific program					5,155,111	-	5,155,111
Investment income					308,708	117,618	426,326
Gain on disposal of capital assets					-	2,521	2,521
Transfers					412,100	(412,100)	-
Total general revenues and transfers					<u>33,677,929</u>	<u>(291,961)</u>	<u>33,385,968</u>
Change in net assets					2,764,804	(320,721)	2,444,083
Net assets, October 1					135,434,199	73,970,910	209,405,109
Net assets, September 30					<u>\$ 138,199,003</u>	<u>\$ 73,650,189</u>	<u>\$ 211,849,192</u>

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

**CITY OF TAMARAC, FLORIDA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
 SEPTEMBER 30, 2010

	<u>Major Funds</u>				
	<u>General</u>	<u>Special Revenue Fire Rescue</u>	<u>General Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and equity in pooled cash	\$ 19,933,060	\$ 695,408	\$ 13,501,858	\$ 12,176,535	\$ 46,306,861
Investments	3,815,668	-	2,288,868	1,966,453	8,070,989
Accounts receivable - net	1,240,371	1,409,804	50,000	1,244,941	3,945,116
Due from other funds	664,196	-	-	-	664,196
Due from other governments	421,169	81,336	75,000	1,003,041	1,580,546
Inventories	99,023	-	-	-	99,023
Prepaid expenses	13,500	-	-	-	13,500
Deferred charges	-	-	106,867	-	106,867
Total assets	<u>\$ 26,186,987</u>	<u>\$ 2,186,548</u>	<u>\$ 16,022,593</u>	<u>\$ 16,390,970</u>	<u>\$ 60,787,098</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable and other accrued liabilities	\$ 748,144	\$ 39,512	\$ 46,644	\$ 64,418	\$ 898,718
Accrued payroll	290,995	565,231	-	61,799	918,025
Accrued bonds and interest payable	-	-	-	1,053,913	1,053,913
Due to other funds	-	-	-	664,196	664,196
Due to other governmental units	1,932	45,000	-	129,283	176,215
Escrow deposits	80,347	-	-	-	80,347
Deferred revenue	471,275	-	-	546,946	1,018,221
Total liabilities	<u>1,592,693</u>	<u>649,743</u>	<u>46,644</u>	<u>2,520,555</u>	<u>4,809,635</u>
<b>Fund Balances:</b>					
Non spendable:					
Inventories and prepayments	112,523	-	106,867	-	219,390
Restricted for:					
Public safety	11,188	1,495,043	-	266,367	1,772,598
Debt service	-	-	-	399,528	399,528
Community development	-	-	-	3,800,485	3,800,485
Capital projects	-	-	-	9,160,308	9,160,308
Committed for:					
Community development	41,352	-	-	59,497	100,849
Public safety	-	41,762	-	-	41,762
Capital projects	-	-	257,958	174,697	432,655
Parks and recreation	-	-	-	9,533	9,533
Assigned:					
Capital projects	5,700,000	-	15,611,124	-	21,311,124
Economic stabilization	3,000,000	-	-	-	3,000,000
Economic development	500,000	-	-	-	500,000
Disaster reserve	1,000,000	-	-	-	1,000,000
Unassigned:					
General fund, undesignated	14,229,231	-	-	-	14,229,231
Total fund balances	<u>24,594,294</u>	<u>1,536,805</u>	<u>15,975,949</u>	<u>13,870,415</u>	<u>55,977,463</u>
Total liabilities and fund balances	<u>\$ 26,186,987</u>	<u>\$ 2,186,548</u>	<u>\$ 16,022,593</u>	<u>\$ 16,390,970</u>	<u>\$ 60,787,098</u>

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

**CITY OF TAMARAC, FLORIDA**  
**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS**  
**GOVERNMENTAL FUNDS**  
 SEPTEMBER 30, 2010

Fund balances - total government funds \$ 55,977,463

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets		147,309,104
Less accumulated depreciation		(34,803,995)

Net pension assets/obligations resulting from overfunding/underfunding of the police, fire, non-represented and general employees pension plans are not reported in the funds as they are not available to pay for current period expenditures.

Net pension asset		2,485,492
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Governmental bonds payable	(36,224,073)	
Parking lot	<u>(260,800)</u>	(36,484,873)
OPEB Obligations attributable to retiree benefits financed from governmental fund types		(226,908)
Bond issuance costs		207,060
Compensated absences		(2,392,181)

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

		<u>6,127,841</u>
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Net assets of governmental activities		<u>\$ 138,199,003</u>
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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, 2010

	<u>Major Funds</u>				
	<u>General</u>	<u>Fire Rescue</u>	<u>General Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>					
Taxes:					
Property	\$ 18,615,754	\$ -	\$ -	\$ 249,729	\$ 18,865,483
Utility tax	140,557	-	-	-	140,557
Fuel	1,037,421	-	-	-	1,037,421
Franchise	4,680,810	-	-	-	4,680,810
Communication	3,077,739	-	-	-	3,077,739
Charges for services	1,427,927	2,207,925	-	61,231	3,697,083
Payment in lieu of taxes	744,000	-	-	-	744,000
Intergovernmental	4,907,028	78,934	75,000	4,733,921	9,794,883
Licenses and permits	705,667	-	-	1,781,097	2,486,764
Fines and forfeitures	686,232	-	-	-	686,232
Investment income	156,594	19,345	71,452	61,323	308,714
Donations from private resources	3,386	-	-	22,637	26,023
Other income	6,725,922	2,218	-	383	6,728,523
Special assessments	-	8,704,112	-	-	8,704,112
Total revenues	<u>42,909,037</u>	<u>11,012,534</u>	<u>146,452</u>	<u>6,910,321</u>	<u>60,978,344</u>
<b>EXPENDITURES:</b>					
Current:					
General government	11,908,896	-	-	-	11,908,896
Public safety	12,568,154	17,390,818	-	1,851,858	31,810,830
Transportation	1,226,271	-	-	-	1,226,271
Culture and recreation	3,268,252	-	-	25,138	3,293,390
Physical environment	3,108,991	-	-	121,087	3,230,078
Economic environment	283,975	-	-	4,767,582	5,051,557
Human services	241,203	-	-	2,277	243,480
Debt service:					
Principal retirement	-	-	-	1,262,792	1,262,792
Interest and fiscal charges	-	-	74,760	1,384,337	1,459,097
Capital outlay	41,944	73,326	1,539,299	1,506,290	3,160,859
Total expenditures	<u>32,647,686</u>	<u>17,464,144</u>	<u>1,614,059</u>	<u>10,921,361</u>	<u>62,647,250</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,261,351</u>	<u>(6,451,610)</u>	<u>(1,467,607)</u>	<u>(4,011,040)</u>	<u>(1,668,906)</u>
Other financing sources (uses):					
Issuance of debt	-	-	1,074,760	-	1,074,760
Capital lease	-	-	-	370,520	370,520
Transfers in	612,100	5,273,810	1,005,000	3,028,377	9,919,287
Transfers out	(9,029,282)	-	(200,000)	(277,905)	(9,507,187)
Total other financing sources (uses)	<u>(8,417,182)</u>	<u>5,273,810</u>	<u>1,879,760</u>	<u>3,120,992</u>	<u>1,857,380</u>
Net change in fund balances	1,844,169	(1,177,800)	412,153	(890,048)	188,474
Fund balances - beginning	<u>22,750,125</u>	<u>2,714,605</u>	<u>15,563,796</u>	<u>14,760,463</u>	<u>55,788,989</u>
Fund balances - ending	<u>\$ 24,594,294</u>	<u>\$ 1,536,805</u>	<u>\$ 15,975,949</u>	<u>\$ 13,870,415</u>	<u>\$ 55,977,463</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, 2010**

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

Net change in fund balances - total government funds	\$	188,474
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Governmental funds report capital outlays as expenditures, however, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital outlays and capital transfers	\$ 2,682,196	
Less current year depreciation	(3,250,544)	(568,348)

The effect of various miscellaneous transactions involving capital assets

Net disposition of capital assets		13,201
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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, note and leases

Principal repayments		1,262,792
Payment of retainage on land purchase		1,000,000
Notes payable and capital lease proceeds		(1,074,760)
Capital lease financing		(370,520)

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.

Compensated absences	(52,546)	
Amortization of bond discount	(20,517)	
Deferred bond issuance costs	(23,007)	
Increase in net pension assets	2,105,920	2,009,850

Contributions to the retiree benefits do not use current financial resources and are not recorded in full as expenditures in the governmental funds, however these disbursements increase the net OPEB obligations in the statement of activities.		(78,076)
--	--	----------

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.		382,191
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Change in net assets of governmental activities	\$	2,764,804
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The notes to the financial statements are an integral part of this statement.

**CITY OF TAMARAC, FLORIDA**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
 SEPTEMBER 30, 2010

ASSETS	<b>Business- type activities - Enterprise Funds</b>			<b>Governmental</b>
	<b>Utilities</b>	<b>Stormwater</b>	<b>Total</b>	<b>Activities</b>
				<b>Internal Service</b>
				<b>Insurance Service Fund</b>
<b>Current assets:</b>				
Cash and equity in pooled cash and investments	\$ 13,365,306	\$ 8,827,913	\$ 22,193,219	\$ 7,183,376
Investments	2,407,441	1,442,866	3,850,307	1,184,403
Accounts receivable - net	3,132,509	604,004	3,736,513	-
Inventories	295,149	4,845	299,994	-
Prepaid expenses	500	-	500	-
Total current assets	19,200,905	10,879,628	30,080,533	8,367,779
<b>Non-current assets:</b>				
<b>Restricted assets:</b>				
Cash and equity in pooled cash and investments	1,460,997	9,799	1,470,796	-
Deferred charges	1,011,347	432,855	1,444,202	-
<b>Capital assets:</b>				
Land	7,415,829	44,774	7,460,603	-
Buildings and improvements	7,328,350	1,480,000	8,808,350	-
Improvements other than building	86,249,818	2,988,801	89,238,619	-
Equipment	3,251,001	1,141,184	4,392,185	15,766
Infrastructure	58,974	28,479,682	28,538,656	-
Construction in progress	893,332	380,026	1,273,358	-
Total capital assets	105,197,304	34,514,467	139,711,771	15,766
Less accumulated depreciation	(50,590,272)	(27,895,951)	(78,486,223)	(15,766)
Total capital assets - net	54,607,032	6,618,516	61,225,548	-
Total non-current assets	57,079,376	7,061,170	64,140,546	-
Total assets	76,280,281	17,940,798	94,221,079	8,367,779
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable and other accrued liabilities	819,510	63,015	882,525	14
Accrued payroll	105,968	20,498	126,466	4,996
Accrued interest payable	561,897	305,158	867,055	-
Due to other governments	10,506	-	10,506	-
Claims payable	-	-	-	1,160,000
Bonds payable	245,000	225,000	470,000	-
Customer deposits	1,460,997	9,799	1,470,796	-
Compensated absences	69,988	9,146	79,134	5,342
Total current liabilities	3,273,866	632,616	3,906,482	1,170,352
<b>Non-current liabilities:</b>				
Bonds payable	13,201,021	3,793,578	16,994,599	-
Net OPEB obligations	51,794	1,644	53,438	2,467
Compensated absences	566,269	73,997	640,266	43,223
Total noncurrent liabilities	13,819,084	3,869,219	17,688,303	45,690
Total liabilities	17,092,950	4,501,835	21,594,785	1,216,042
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	41,161,011	2,599,938	43,760,949	-
<b>Restricted for:</b>				
Capital projects	3,433,869	-	3,433,869	-
Renewal and replacement	3,551,710	95,454	3,647,164	-
Debt service	896,953	542,512	1,439,465	-
Unrestricted	10,143,788	10,201,059	20,344,847	7,151,737
Total net assets	\$ 59,187,331	\$ 13,438,963	72,626,294	\$ 7,151,737

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.

1,023,895  
\$ 73,650,189

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

**CITY OF TAMARAC, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<b>Business-type Activities - Enterprise Funds</b>			<b>Governmental Activities Internal Service - Insurance Service Fund</b>
	<b>Utilities</b>	<b>Stormwater</b>	<b>Total</b>	
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 18,908,187	\$ 4,799,600	\$ 23,707,787	\$ 2,152,480
Other	834,922	25,103	860,025	5,432
Total operating revenues	19,743,109	4,824,703	24,567,812	2,157,912
<b>OPERATING EXPENSES:</b>				
Salaries, wages and employee benefits	987,590	1,628,081	2,615,671	555,776
Contractual services, materials and supplies	11,803,719	1,701,986	13,505,705	-
Claims and claims adjustments	-	-	-	1,177,534
Depreciation and amortization	3,132,215	340,587	3,472,802	-
Other services and charges	4,174,456	-	4,174,456	-
Total operating expenses	20,097,980	3,670,654	23,768,634	1,733,310
Operating income (loss)	(354,871)	1,154,049	799,178	424,602
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Intergovernmental	13,047	-	13,047	-
Investment income	73,825	43,793	117,618	35,538
Interest expense	(653,794)	(180,317)	(834,111)	-
Debt service cost	(52,731)	(43,792)	(96,523)	-
Gain on disposal of fixed assets	2,521	-	2,521	-
Total nonoperating revenues (expenses)	(617,132)	(180,316)	(797,448)	35,538
Income (loss) before contributions and transfers	(972,003)	973,733	1,730	460,140
Capital contributions - impact fees	11,700	-	11,700	-
Transfers in	663,360	-	663,360	-
Transfers out	(531,960)	(543,500)	(1,075,460)	-
Net contributions and transfers	143,100	(543,500)	(400,400)	-
Change in net assets	(828,903)	430,233	(398,670)	460,140
Total net assets, October 1	60,016,234	13,008,730		6,691,597
Total net assets, September 30	\$ 59,187,331	\$ 13,438,963		\$ 7,151,737

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.

77,949  
\$ (320,721)

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, 2010

	<u>Business-type Activities - Enterprise Funds</u>			<b>Governmental Activities</b>
	<u>Utilities</u>	<u>Stormwater</u>	<u>Total</u>	<b>Internal Service Insurance Service Fund</b>
<b>Cash flows from operating activities:</b>				
Cash received from customers (including other funds)	\$ 19,633,763	\$ 4,760,507	\$ 24,394,270	\$ 2,157,912
Payments to suppliers	(7,695,144)	(1,694,850)	(9,389,994)	(119,258)
Cash paid on claims	-	-	-	(908,534)
Payments to employees	(5,855,068)	(1,453,268)	(7,308,336)	(356,515)
Interfund service payments	(3,039,871)	(179,106)	(3,218,977)	(137,724)
Net cash provided by operating activities	<u>3,043,680</u>	<u>1,433,283</u>	<u>4,476,963</u>	<u>635,881</u>
<b>Cash flows from noncapital financing activities:</b>				
Operating grant	13,047	-	13,047	-
Transfers in	663,360	-	663,360	-
Transfers out	(531,960)	(543,500)	(1,075,460)	-
Net cash provided by (used in) noncapital financing activities	<u>144,447</u>	<u>(543,500)</u>	<u>(399,053)</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition and construction of capital assets	(1,062,745)	(183,240)	(1,245,985)	-
Proceeds from sale of capital assets	2,521	-	2,521	-
Principal paid on long-term debt	(222,894)	(206,429)	(429,323)	-
Interest paid	(197,295)	66,523	(130,772)	-
Net cash used in capital and related financing activities	<u>(1,480,413)</u>	<u>(323,146)</u>	<u>(1,803,559)</u>	<u>-</u>
<b>Cash flows from investing activities:</b>				
Proceeds from sales and maturities of investments	14,197,326	13,922,553	28,119,879	10,957,130
Purchases of investments	(9,658,850)	(9,471,914)	(19,130,764)	(7,454,452)
Interest income	73,825	43,793	117,618	35,538
Net cash provided by investing activities	<u>4,612,301</u>	<u>4,494,432</u>	<u>9,106,733</u>	<u>3,538,216</u>
Net increase in cash and cash equivalents	6,320,015	5,061,069	11,381,084	4,174,097
Cash and cash equivalents at beginning of year	<u>8,506,288</u>	<u>3,776,643</u>	<u>12,282,931</u>	<u>3,009,279</u>
Cash and cash equivalents at end of year	<u>\$ 14,826,303</u>	<u>\$ 8,837,712</u>	<u>\$ 23,664,015</u>	<u>\$ 7,183,376</u>
Pooled cash and cash equivalents per statement of net assets:				
Unrestricted	\$ 13,365,306	\$ 8,827,913	\$ 22,193,219	\$ 7,183,376
Restricted	1,460,997	9,799	1,470,796	-
Total, September 30	<u>\$ 14,826,303</u>	<u>\$ 8,837,712</u>	<u>\$ 23,664,015</u>	<u>\$ 7,183,376</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (354,871)	\$ 1,154,049	\$ 799,178	\$ 424,602
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	\$ 3,132,215	\$ 340,587	\$ 3,472,802	\$ -
Change in assets and liabilities:				
Increase in accounts receivable	(112,787)	(64,196)	(176,983)	-
Decrease in due from other funds	218,059	38,453	256,512	26,867
Decrease in inventories	16,296	-	16,296	-
Increase (decrease) in accounts payable	266,231	(45,514)	220,717	(78,111)
Decrease in accrued liabilities	(157,227)	(29,702)	(186,929)	(12,113)
Increase in due to other government	4,351	-	4,351	-
Decrease in due to other funds	-	(59)	(59)	-
Increase (decrease) in compensated absences	(22,195)	8,072	(14,123)	4,787
Decrease in deferred charges	32,345	31,027	63,372	-
Increase in OPEB obligation	17,822	566	18,388	849
Increase in estimated insurance claims payable	-	-	-	269,000
Increase in customer deposits	3,441	-	3,441	-
Total adjustments	<u>3,398,551</u>	<u>279,234</u>	<u>3,677,785</u>	<u>211,279</u>
Net cash provided by operating activities	<u>\$ 3,043,680</u>	<u>\$ 1,433,283</u>	<u>\$ 4,476,963</u>	<u>\$ 635,881</u>
Non-cash investing, capital and financing activities:				
Decrease in fair value of investments	\$ (24,366)	\$ (18,798)	\$ (43,164)	\$ -
Contributions of capital assets from developers	\$ 11,700	\$ -	\$ 11,700	\$ -

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, 2010

		Pension Trust Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$	4,860,595
Receivables:		
Interest and dividend receivables		7,661
Contributions receivable		129,021
Total receivables		136,682
Investments, at fair value		
Common stock	\$	43,177,924
Government securities		14,386,682
Corporate bonds		9,540,507
Mutual funds		25,601,881
		92,706,994
Total assets		97,704,271
<b>LIABILITIES</b>		
Accounts payable		110,817
<b>Net assets held in trust for pension benefits</b>		
<b>(A schedule of funding progress for each plan is presented on page 77-81)</b>		
		\$ 97,593,454

## CITY OF TAMARAC, FLORIDA

### STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

#### FIDUCIARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2010

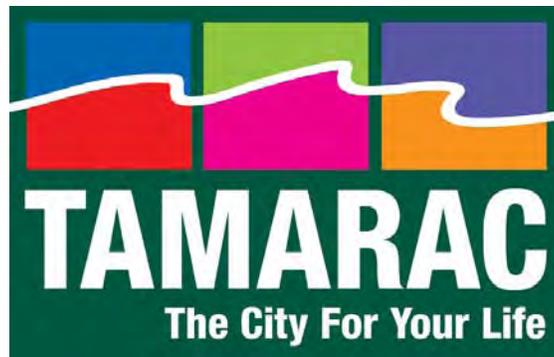
		Pension Trust Funds
<b>ADDITIONS</b>		
Contributions:		
Employer	\$	8,246,731
Employee		1,840,473
State		1,011,104
Total contributions		11,098,308
Investment income:		
Net appreciation in fair value of investments		6,574,533
Interest and dividends		1,623,764
Total investment income		8,198,297
Less investment expenses		(474,677)
Net investment income		7,723,620
Total additions		18,821,928
<b>DEDUCTIONS</b>		
Benefits paid and refunds		5,337,547
Administrative expenses		249,529
Total deductions		5,587,076
Change in net assets		13,234,852
Net assets, October 1		84,358,602
Net assets, September 30	\$	97,593,454

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, 2010

### NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Organization

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 range of municipal services authorized by its charter: public safety (Police and Fire), highways and streets, sanitation, health and social services, culture, recreation, bus transportation, planning and zoning, water and sewer, stormwater utility services 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.

#### B. 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 these criteria, one entity was evaluated for inclusion in the City's reporting entity with the following results:

The City passed ordinance number O-2010-14 on June 9, 2010, establishing "Woodlands Community Neighborhood Improvement District" (the "District"). The District, considered to be a component unit of the City, has not been included in the financial statements because there has been no financial activity during the fiscal year and the fund has no assets, liabilities, or fund balances.

#### C. 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. 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, 2010

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

### **D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The 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 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 **Fire Rescue Special Revenue Fund** accounts for revenue sources that are legally restricted for fire rescue purposes.

The **General Capital Project Fund** accounts for the construction of major capital project other than those financed by the proprietary funds.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

The City reports the following major proprietary funds:

The *Utilities Fund* is used to account for the provision of water and sewer services within the boundaries of the City.

The *Stormwater Management Fund* is used to account for the provision of stormwater maintenance and capital improvements within the City.

Additionally, the government reports the following fund types:

The *Debt Service Fund* accounts for resources accumulated and payments made for principal and interest on long-term debt, other than bonds which are payable from the enterprise funds.

The *Special Revenue Fund* accounts for resources that are legally restricted to expenditure for specified purposes.

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 employees, Elected Officials, Police Officers and Firefighters.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's utilities function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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 services. Operating expenses for enterprise funds and internal service funds include the cost of 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 necessary.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

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

#### **1. Cash, Cash Equivalents and Investments**

Equity in pooled cash and cash equivalents includes cash on hand, investments with the State Board of Administration (SBA) and Florida Surplus Asset Fund Trust (FLSAFE) investment pools ( Securities and Exchange Commission Rule 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. Each funds' equity in pooled investment is calculated based on the funds' pro rata share of equity in pooled cash. The Financial Services Director of the City of Tamarac is a member of the FLSAFE board of Trustees. The SBA was created by section 218.405, Florida Statutes and FLSAFE was created pursuant to Florida Statute 163.01 and 218.415. The investment pools operate under investment guidelines established by Section 215.47, Florida Statutes and are reported at amortized cost.

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

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

#### **2. Investments**

The City's investments are reported at fair value which is the amount a financial instrument could be exchanged for in a current transaction between willing parties. Generally, these are quoted market prices. Investments, including restricted investments, consist of mutual funds, U.S. Government securities, corporate debt and equity securities, mortgage-backed securities, asset-backed securities and securities of governmental agencies unconditionally guaranteed by the U.S. Government.

#### **3. 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 balances outstanding between the governmental activities and business-type 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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### 4. Inventories, Deferred Charges, Prepaid Items and Unamortized Costs

Inventories are valued at cost, which approximates market, using the “first-in, first out” (FIFO) method. Inventories, consisting primarily of expendable supplies held for consumption, the costs of inventories are recorded as expenditures when consumed rather than when purchased. The City’s Utilities Department maintains inventories for parts needs for line maintenance, additionally, the Information Technology Department maintain inventories for computer supplies.

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

### 5. 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.

### 6. Capital Assets

Capital assets, which include land, intangibles, buildings and improvements, improvements other than buildings, 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 cost if actual historical cost is unavailable. 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, but expensed as incurred.

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40-50
Improvements Other Than Buildings	20
Equipment	4-20
Infrastructure:	
Streets	35-40
Sidewalks	30
Light Poles (Concrete)	40
Pump Stations	30
Stormwater Lines	30
Culverts	30
Catch Basins	30

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### **7. Deferred Revenue**

Deferred revenues are recorded for governmental fund receivables that are not both measurable and available. Revenue cannot be recognized until it has been earned and is available to finance expenditures of the current fiscal period. In addition, inflows that do not yet meet the criteria for revenue recognition, such as occupational licenses collected in advance, or reimbursements due from Grantors are recorded as deferred revenue in the government-wide and the fund statements.

### **8. Deferred Gain/Loss from Current Refunding or Advance Refunding of Debt**

In the government-wide financial statements and enterprise funds, the difference between the re-acquisition price (new debt) and the net carrying value of the old debt on refunded debt transactions is deferred and amortized as a component of interest expense using the straight-line method over the shorter of the remaining life of the old debt or the life of the new debt. The deferred amount is offset against the new liability.

### **9. 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 and proprietary fund financial statements. The non-current portion for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations. A liability for these amounts is reported in governmental funds only if they matured, for example, as a result of employee resignation or retirements.

### **10. 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, and proprietary fund type statement of net assets. In the government-wide financial statements and proprietary funds, bond premiums and discounts, issuance costs, and deferred loss on defeasance are amortized over the life of the bonds using the straight-line method, which does not result in a material difference from the effective interest method. The face amount of the debt issued is reported net of bond premiums and discounts whereas issuance costs are recorded as other assets.

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

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

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### 11. New Accounting Standards

During the fiscal year ended June 30, 2010, the City adopted Statement No. 51 (GASB 51), Accounting and Financial Reporting for Intangibles Assets, establishing accounting and financial reporting for intangible assets. Examples of intangible assets are easements, patents, computer software either purchased or internally generated. As with other capital assets, the useful life of an intangible asset must be greater than one year. Intangible assets are classified as capital assets and are included in note 5. The City has recognized intangible assets in the statement of net assets in accordance with GASB 51.

Beginning with fiscal year 2010, the City implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- **Nonspendable fund balance**—amounts that cannot be spent either because they are not in spendable form (such as inventory) or because they are legally or contractually required to be maintained intact.
- **Restricted fund balance**—amounts constrained to specific purposes by their providers (such as grantors, bondholders, City Code, and higher levels of government), through constitutional provisions, or by enabling legislation.
- **Committed fund balance**—amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e., City Commission). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint.
- **Assigned fund balance**—amounts the City intends to use for a specific purpose. Intent can be expressed by the City Commission or by an official or body to which the City Commission delegates the authority.
- **Unassigned fund balance**—amounts that are available for any purpose which are not included in other spendable classifications.

In the general fund, the City strives to maintain an unassigned fund balance to be used for unanticipated emergencies of no more than 10% of total proposed expenditures of the General fund budget.

### 12. Special Assessments

The City levies a special assessment against benefited property owners for Fire Fees.

### 13. 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.

### 14. 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.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### **NOTE 2. 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, respectively. 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 up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The millage rate assessed by the City for the fiscal year ended September 30, 2010 was 5.9999 mills.

There were no material delinquent property taxes at September 30, 2009; therefore an allowance for uncollectible taxes has not been recorded.

### **NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

#### **1. Compliance with Finance-Related Legal and Contractual Provisions**

The City has no violations of finance-related legal and contractual provisions.

#### **2. Deficit Fund Balances of individual funds**

The City has no excess of expenditures over appropriations in the General Fund, Fire Rescue Fund, General Capital Projects Fund or Other Governmental funds.

#### **3. Prior Year's Net Assets and Fund Balances**

On October 1, 2010 the City reclassified the Building Fund from general fund to special revenue funds, this was done to satisfy new State requirements for the permit fees and assessments. The change has no effect on the Government Wide and Governmental Fund financial statements in the prior year.

#### **4. Compliance with Bond Rate Covenant**

##### **Water and Waste Water Revenues**

The water and sewer (Utility) revenue bond resolution requires the City to fix, establish and revise the same from time to time, whenever necessary, maintain and collect such fees, rates or other charges for the product, services and facilities of the system, which will always provide in each fiscal year (1) net revenues, each fiscal year sufficient to pay (110%) of the annual debt service on all outstanding bonds becoming due in such fiscal year and (2) net revenues in each fiscal year adequate to pay at least one hundred percent (100%) of (a) the annual debt service on all outstanding bonds becoming due in such fiscal year and (b) any amounts required to be deposited into the Reserve Fund, and the Reserve for Renewal, Replacement and Improvement Fund.

For fiscal year ended September 30, 2010, the water and sewer 110% test was 324% and the 100% test was 104%.

##### **Stormwater Revenues**

The Stormwater revenue Bond resolution requires the City to fix, establish, revise from time to time whenever necessary, maintain and collect always such fees, rates, rentals and other charges for the use of the products, services and facilities of

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

the System which will always provide Net Revenues in each fiscal year sufficient to pay 125% of the Bond Service Requirement in the applicable bond year, plus 100% of any amount required by the terms hereof to be deposited into the Reserve Fund, and the Reserve for Renewal, Replacement and Improvement Fund.

For fiscal year ended September 30, 2010, the stormwater test 110% calculation was 330% and the 100% test was 148%.

### Sales Tax Revenue

Sales Tax Bond Resolutions for the Series 2002 and the Series 2009 Sales Tax Bond covenants that (collectively, the "Bonds"), covenants that the estimated Pledged Revenues will be sufficient to pay the principal of and interest on the Bonds as the same become due.

For fiscal year ended September 30, 2010, the Sales Tax Revenue was 175% of the maximum annual debt service of the bonds.

### Covenant to Budget and Appropriate

Resolutions for the the City's 2005 Capital Improvement Bond and the 2008 Line of Credit are secured by Covenant to Budget and Appropriate (CB&A), additionally the City's Sales Tax Bonds and Stormwater Revenue Bond are covered by a back-up CB&A. Resolutions for the various Bonds and note require that the average of the Pledgeable Non-Ad Valorem Revenues for the two most recent Fiscal Years for which audited financial statements of the Issuer are available is equal to or greater than 2.0x the projected maximum annual debt service for all issues.

For fiscal year ended September 30, 2010 and 2009, the CB&A coverage for the City was 6.71 and 6.34 respectively

## NOTE 4. DETAILED NOTES

### 1. Deposits and Investments

#### a. Cash and Cash Equivalents

The City, for accounting and investment purposes, maintains a cash and investment pool for use by all City funds, excluding pension 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 each fund's equity balances.

As of September 30, 2010, the City had the following cash equivalents:

	<u>Amounts</u>
Demand Deposits	\$ 22,453,809
FLSAFE	30,343,520
Short term Portfolio	<u>25,430,350</u>
Total	<u>\$ 78,227,679</u>

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### Deposits

The carrying amounts of the City's cash deposits were \$22,236,642 including petty cash on hand of \$2,825 as of September 30, 2010. Bank balances before reconciling items were \$23,218,925 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.

*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 Portfolio

Section 218.415, Florida Statutes, limits the types of investments that a government can invest in unless specifically authorized in an investment policy. On June 9, 2010, the City of Tamarac adopted a revised comprehensive investment policy pursuant to Section 218.415, Florida Statutes that established permitted investments, asset allocation limits, issuer limits, credit rating requirements, and maturity limits to protect the City's cash and investment assets. The City maintains a common cash and investment pool for the use of all funds. The investment policy applies to all cash and investments held or controlled by the City with the exception of Pension Funds and funds related to the issuance of debt.

The City's investment policy allows for the following investments: The Florida State Board of Administration's Local Government Surplus Funds Trust Fund, United States Government Securities, United States Government Agencies, Federal Instrumentalities, Non-Negotiable Interest Bearing Time Certificates of Deposit or Saving Accounts, Repurchase Agreements, Commercial Paper, Bankers' Acceptances, State and/or Local Government Taxable and/or Tax-Exempt Debt, Money Market Mutual Funds, Intergovernmental Investment Pools, Corporate Obligations or Corporate Notes, Mortgage-Backed Securities (MBS), Asset-Backed Securities (ABS), and Bond Funds.

As of September 30, 2010, the City had the following investments types and effective duration presented in terms of years:

<u>Security Type</u>	<u>Fair Value</u>	<u>Weighted Average Duration (Years)</u>
Florida Prime (SBA)	\$ 82	0
Florida Safe Investment Pool	30,343,520	0
Certificates of Deposits	1,834,000	0.96
Money Market Fund	25,430,350	0
US Government Agency Securities	11,488,781	0.58
	<u>\$ 69,096,733</u>	
Portfolio Weighted Average Duration		0.10

### c. Interest Rate Risk.

Interest risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in interest rates. As a means of

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

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.

### **d. 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).

### **e. Concentration of Credit Risk.**

The City's investment policy has established asset allocation and issuer limits on the following investments, which are designed to reduce concentration of credit risk of the City's investment portfolio.

A maximum of 100% of available funds may be invested in United States Government Securities, 75% of available funds may be invested in United States Government Instrumentalities, 50% of available funds may be invested in the Florida Prime (formally SBA), in United States Government Obligations and in Intergovernmental investment pools, 25% of available funds may be invested in commercial papers by any US Corporation, bankers' acceptances, repurchase agreements, registered investment companies (mutual funds) and in bond funds, 20% of available funds may be invested in state and local government debts, and corporate obligations or corporate notes, 15% of available funds may be invested in mortgage-backed securities and 10% of available funds may be invested in certificates of deposits and asset backed securities.

The investment policy of the City contains limitations on the amount that can be invested in any one issuer beyond as stated above. Investments in any one issuer that represents 5% or more of total City investments are as follows:

FHLB	Federal Agency Securities	8,474,094	10%
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### **f. Custodial Credit Risk.**

Custodial credit risk for investments 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 investments at September 30, 2010 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.

### **g. Local Government Investment Pool.**

At September 30, 2010, the City had \$30,343,520 invested in the Florida Surplus Asset Fund Trust (FLSAFE), an investment vehicle established by state statute for local government entities in Florida to pool surplus funds. The Board of Trustees, which is primarily comprised of five (5) government officials of participating entities that have investment responsibility for their respective government entity, administers and enforces the requirements of creating and operating the FLSAFE. FLSAFE operates similarly to money market funds and each share is equal in value to \$1.00. FLSAFE is rate AAAM by Standard & Poor's. Investment are limited to those allowed by the State Statutes. A designated custodial

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodial's internal records identify the investments owned by the participating governments.

### **h. Employee Pension Plans**

The Employee Pension Plan investments are held separately from those of other City funds. As prescribed by the plan documents, the plan administrator is authorized to invest plan assets in obligations of the U.S. Government, stocks, corporate bonds, 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 Voyageur Asset Management, American Realty Advisors, Fifth Third Bank, Florida Municipal Pension Trust Fund, and State Street Global Advisors which consisted of the following:

	General Employees Pension	Police Pension	Firefighters Pension	Non-represented Employees Pension
Common stock	\$ 9,973,098	\$ 3,561,187	\$ 29,643,639	\$ -
Government securities, corporate bonds and mortgage backed securities	7,113,378	1,247,217	15,566,594	-
Mutual funds	9,753,778	826,094	-	15,022,009
Money market funds	1,142,873	471,894	2,172,401	-
Total	<u>\$ 27,983,127</u>	<u>\$ 6,106,392</u>	<u>\$ 47,382,634</u>	<u>\$ 15,022,009</u>

### **General Employees' Pension Trust Fund**

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

Investment type	Investment Maturities (in Years)				
	Fair value	Less than 1	1 to 5	6 to 10	More than 10
Corporate bonds	\$ 3,338,142	\$ 338,939	\$ 1,560,540	\$ 1,015,679	\$ 422,984
US Agencies	3,098,834	332,382	1,369,489	1,396,963	-
US Treasuries	676,402	-	-	543,827	132,575
Total	<u>\$ 7,113,378</u>	<u>\$ 671,321</u>	<u>\$ 2,930,029</u>	<u>\$ 2,956,469</u>	<u>\$ 555,559</u>

Although the Plan has a formal investment policy, it does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However all investment managers are fiduciaries of the fund and must meet the requirements of Chapter 112.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

The Plan's Investment Policy 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>
AAA	\$ 4,511,795
AA	425,540
A	1,462,357
BBB	713,686
<i>Total</i>	<u>\$ 7,113,378</u>

In accordance with the Plan's Investment Policy there was no investment in a single issuer exceeding 5% of Plan Net Assets, other than those of the US Government or its Agencies. Short term investments totaling \$1,142,873 are held in a money market fund at Fifth Third Bank rated AAAM by Standard & Poors. There is also a bond mutual fund with State Street Global Advisors with a market value of \$2,320,173 and an average rating AA2.

### **Police Officers' Pension Trust Fund**

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

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>				
	<u>Fair value</u>	<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Corporate bonds	\$ 1,136,755	\$ 301,417	\$ 517,736	\$ 215,130	\$ 102,472
US Treasuries	110,462	-	-	-	110,462
<b>Total</b>	<u>\$ 1,247,217</u>	<u>\$ 301,417</u>	<u>\$ 517,736</u>	<u>\$ 215,130</u>	<u>\$ 212,934</u>

Although the Plan has a formal investment policy, it does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However all investment managers are fiduciaries of the fund and must meet the requirements of Chapter 112.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

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>
A2	\$ 358,695
A3	212,449
Aa2	100,000
A2	49,790
AA2	103,270
AA3	110,545
Aaa	110,462
Baa1	102,472
Baa2	99,534
<i>Total</i>	\$ 1,247,217

In accordance with the Plan's Investment Policy there was no investment in a single issuer exceeding 5% of Plan Net Assets, other than those of the US Government or its Agencies. Short term investments totaling \$471,894 are held in a money market fund at Fifth Third Bank rated AAAM by Standard & Pooers.

### **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	\$ 4,586,239	\$ 267,202	\$ 2,626,126	\$ 1,677,907	\$ 15,004
US Treasuries	1,692,850	-	-	-	1,692,850
US Agencies	9,287,505	32	3,234,888	452,730	5,599,855
<i>Total</i>	\$ 15,566,594	\$ 267,234	\$ 5,861,014	\$ 2,130,637	\$ 7,307,709

Although the Plan has a formal investment policy, it does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However all investment managers are fiduciaries of the fund and must meet the requirements of Chapter 112.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

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 Standard and Poor's Investors Services as follows:

<u>Rating</u>	<u>Fair Value</u>
A	\$ 195,186
A-	211,570
A+	171,289
AA-	244,883
AA+	246,130
AAA	14,347,378
Unrated	150,158
<i>Total</i>	<u>\$ 15,566,594</u>

In accordance with the Plan's Investment Policy there was no investment in a single issuer exceeding 5% of Plan Net Assets, other than those of the US Government or its Agencies. Short term investments totaling \$2,172,401 are held in a money market fund at Fifth Third Bank rated AAAM by Standard & Poors.

### **Elected and Appointed Officers and Non-represented Employee Retirement Fund**

The Elected and Appointed Officers and Non-represented Employee Retirement Fund's total investments of \$15,022,009 is in mutual funds at September 30, 2010.

The Fund's Investment Guidelines regarding bond duration states that the Portfolio should maintain a duration equal to the Barclays Capital A+ Aggregate Index plus or minus 30% but no greater than seven years.

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	0.40%
Broad Market High Quality Bond	37.80%
High Quality Growth	8.20%
Diversified Large Cap Value	8.00%
Russell 1000 Index	23.50%
Diversified Small Cap Equity	11.40%
International Blend	10.70%

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, 2010 it reported to its investors a duration of 3.7 years and a weighted average maturity of 4.9 years. State law limits investment in debt securities to those with the top 3 ratings issued by the nationally recognized statistical rating organizations. The Florida Municipal Investment Trust Board Market High Quality Fund had a Fitch rating of AA/V4.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### 2. Receivables and payables

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

	General Fund	Fire Rescue Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Total
Receivables:					
Gross Accounts Receivable	\$ 1,250,516	\$ 5,119,615	\$ 50,000	\$ 2,554,721	\$ 8,974,852
Due from other governments	421,169	81,336	75,000	1,003,041	1,580,546
Gross receivables	<u>1,671,685</u>	<u>5,200,951</u>	<u>125,000</u>	<u>3,557,762</u>	<u>10,555,398</u>
Less: allowance for uncollectibles	(10,143)	(3,709,811)	-	(1,309,780)	(5,029,734)
Net total receivables	<u>\$ 1,661,542</u>	<u>\$ 1,491,140</u>	<u>\$ 125,000</u>	<u>\$ 2,247,982</u>	<u>\$ 5,525,664</u>

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

	Utilities Fund	Stormwater Fund	Total
Receivables:			
Customers, gross	\$ 3,154,536	\$ 608,893	\$ 3,763,429
Less: Allowance for uncollectibles	<u>(22,027)</u>	<u>(4,889)</u>	<u>(26,916)</u>
Net total receivables	<u>\$ 3,132,509</u>	<u>\$ 604,004</u>	<u>\$ 3,736,513</u>

Payables at September 30, 2010 were as follows:

	General Fund	Fire Rescue Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Internal Service Fund	Total
Governmental activities:						
Accounts & Contract Payables	\$ 748,144	\$ 39,512	\$ 46,644	\$ 64,418	\$ 14	\$ 898,732
Accrued Payroll	290,995	565,231	-	61,799	4,996	923,021
Due to other governments	1,932	45,000	-	129,283	-	176,215
Total governmental activities	<u>\$ 1,041,071</u>	<u>\$ 649,743</u>	<u>\$ 46,644</u>	<u>\$ 255,500</u>	<u>\$ 5,010</u>	<u>\$ 1,997,968</u>
Business-type activities:						
	Utilities Fund	Stormwater Fund	Total			
Accounts & Contract Payables	\$ 819,510	\$ 63,015	\$ 882,525			
Accrued Payroll	105,968	20,498	126,466			
Due to City of North Lauderdale	10,506	-	10,506			
Total business-type activities	<u>\$ 935,984</u>	<u>\$ 83,513</u>	<u>\$ 1,019,497</u>			

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### 3. Intergovernmental Revenue

Intergovernmental revenue at September 30, 2010 is as follows:

Governmental activities:

	General Fund	Fire Rescue Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Total
Shared Revenues					
Federal shared revenue	\$ 71,421	\$ 10,650	\$ -	\$ 4,182,315	\$ 4,264,386
State shared revenue	4,580,180	67,097	-	551,606	5,198,883
Local shared revenue	255,427	1,187	75,000	-	331,614
Total	<u>\$ 4,907,028</u>	<u>\$ 78,934</u>	<u>\$ 75,000</u>	<u>\$ 4,733,921</u>	<u>\$ 9,794,883</u>

Business-type activities:

	Utilities Fund
Local Government Grants	
Water incentive	<u>\$ 13,047</u>

### 4. Interest Income

Interest income as of September 30, 2010 is as follows:

	Governmental Funds	Enterprise Funds	Internal Service Fund	Total
Investment income	\$ 287,188	\$ 117,618	\$ 35,538	\$ 440,344
Interest received from tax collector	21,526	-	-	21,526
Total	<u>\$ 308,714</u>	<u>\$ 117,618</u>	<u>\$ 35,538</u>	<u>\$ 461,870</u>

### 5. Other Revenue

Other revenue as of September 30, 2010 is as follows:

	Governmental Funds	Enterprise Funds	Internal Service Fund	Total
Administrative charges	\$ 5,633,070	\$ -	\$ 5,432	\$ 5,638,502
Interfund transfers	612,100	-	-	612,100
Procurement card rebates	150,479	-	-	150,479
School board shared utilities costs	79,575	-	-	79,575
Other	253,299	860,025	-	1,113,324
Total	<u>\$ 6,728,523</u>	<u>\$ 860,025</u>	<u>\$ 5,432</u>	<u>\$ 7,593,980</u>

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### NOTE 5. CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2010 was as follows:

	Balance October 1, 2009	Increases	Decreases	Balance September 30, 2010
<b>Governmental Activities</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 23,801,162	\$ -	\$ -	\$ 23,801,162
Intangibles right-of-ways	-	67,090	-	67,090
Construction in progress	10,391,025	1,210,565	(10,819,767)	781,823
Public art	437,480	25,000	-	462,480
Total assets not being depreciated	<u>34,629,667</u>	<u>1,302,655</u>	<u>(10,819,767)</u>	<u>25,112,555</u>
<b>Capital assets being depreciated:</b>				
Buildings and improvements	27,295,420	9,764,195	(4,100)	37,055,515
Improvements other than buildings	12,497,778	1,534,015	(37,808)	13,993,985
Infrastructure	56,293,136	166,123	(16,324)	56,442,935
Equipment	14,081,797	802,065	(195,512)	14,688,350
Total capital assets being depreciated	<u>110,168,131</u>	<u>12,266,398</u>	<u>(253,744)</u>	<u>122,180,785</u>
<b>Less accumulated depreciation for:</b>				
Buildings and improvements	(10,285,598)	(837,420)	1,651	(11,121,367)
Improvements other than buildings	(2,347,092)	(560,972)	8,725	(2,899,339)
Infrastructure	(7,304,273)	(768,391)	5,159	(8,067,505)
Equipment	(11,800,579)	(1,083,761)	184,323	(12,700,017)
Total accumulated depreciation	<u>(31,737,542)</u>	<u>(3,250,544)</u>	<u>199,858</u>	<u>(34,788,228)</u>
Net capital assets being depreciated	<u>78,430,589</u>	<u>9,015,854</u>	<u>(53,886)</u>	<u>87,392,557</u>
Governmental activity capital assets, net	<u>\$ 113,060,256</u>	<u>\$ 10,318,509</u>	<u>\$ (10,873,653)</u>	<u>\$ 112,505,112</u>

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

The following is a summary of capital assets in the Enterprise Funds at September 30, 2010:

	Balance October 1, 2009	Increases	Decreases	Balance September 30, 2010
<b>Business-type activities</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 7,460,603	\$ -	\$ -	\$ 7,460,603
Construction in progress	1,999,520	665,003	(1,391,165)	1,273,358
Total assets not being depreciated	9,460,123	665,003	(1,391,165)	8,733,961
<b>Capital assets being depreciated:</b>				
Buildings and improvements	8,808,350	-	-	8,808,350
Improvements other than buildings	87,259,662	1,978,957	-	89,238,619
Infrastructure	28,538,656	-	-	28,538,656
Equipment	4,425,767	6,547	(40,129)	4,392,185
Total capital assets being depreciated	129,032,435	1,985,504	(40,129)	130,977,810
<b>Less accumulated depreciation for:</b>				
Buildings and improvements	(1,603,346)	(201,523)	-	(1,804,869)
Improvements other than buildings	(44,120,759)	(2,861,882)	-	(46,982,641)
Infrastructure	(25,912,969)	(99,426)	-	(26,012,395)
Equipment	(3,416,476)	(309,971)	40,129	(3,686,318)
Total accumulated depreciation	(75,053,550)	(3,472,802)	40,129	(78,486,223)
Net capital assets being depreciated	53,978,885	(1,487,298)	-	52,491,587
Business-type activity capital assets, net	<u>\$ 63,439,008</u>	<u>\$ (822,295)</u>	<u>\$ (1,391,166)</u>	<u>\$ 61,225,548</u>

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

General government	1,002,468
Public safety	622,871
Transportation	730,991
Culture/recreation	877,449
Physical environment	16,092
Human services	674
Total depreciation expense - governmental activities	<u>\$ 3,250,544</u>

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

Business-type activities:	
Utlites	\$ 3,132,215
Stormwater	340,587
Total depreciation expense-business-type activities	<u>\$ 3,472,802</u>

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### NOTE 6. CONSTRUCTION COMMITMENTS

The City has active construction projects as of September 30, 2010. The projects include culverts, headwalls and sidewalks installations, infrastructure improvements, roof replacements, building modifications, and water and sewer improvements. At the end of the current fiscal year, the City's commitments with contractors are as follows:

		<u>Total Contract</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
<b>Governmental activities:</b>				
Grants Fund:				
Citywide culvert/headwall installations	(1)	\$ 299,141	\$ (120,572)	\$ 178,569
CDBG Fund:				
Sidewalk installation at Lagos de Campo Blvd	(2)	250,000	-	250,000
General Capital Project Fund:				
Tamarac village infrastructure improvements	(3)	126,739	(30,947)	95,792
Roof replacement at multi-purpose center	(4)	99,225	(64,316)	34,909
Broward Sheriff's Office impact windows	(5)	67,170	-	67,170
Revenue Bond Fund:				
Skate park at sports complex	(6)	180,220	(90,110)	90,110
Multi-Purpose Center building modification	(7)	65,000	(3,375)	61,625
Total governmental activities		<u>1,087,495</u>	<u>(309,320)</u>	<u>778,175</u>
<b>Business-type activities:</b>				
Stormwater Fund:				
Citywide culvert/headwall installations	(1)	282,841	(59,107)	223,734
Utilities Fund:				
Water treatment plant clearwell addition	(8)	1,954,934	(481,481)	1,473,453
Filter backwash water recovery	(9)	93,000	(27,900)	65,100
8MG accelerator and filter	(10)	103,370	(42,000)	61,370
Total business-type activities		<u>\$ 2,434,145</u>	<u>\$ (610,488)</u>	<u>\$ 1,823,657</u>

- (1) The citywide culvert and headwall installations are funded by federal grants and the stormwater fund.
- (2) The sidewalk installation at Lagos de Campo Blvd is funded by federal grants in the community development block grant fund.
- (3) The infrastructure design of the Tamarac village is funded by the general capital project fund.
- (4) The roof replacement at the multi-purpose center is funded by the general capital project fund.
- (5) The Broward Sheriff's Office impact windows is funded by the general capital project fund.
- (6) The construction of the skate park at the sports complex is funded by debt proceeds and the general fund.
- (7) The multi-purpose center building modification is funded by debt proceeds.
- (8) Construction of the water treatment plant clearwell addition is funded by the debt proceeds and will be repaid by water and sewer user fees.
- (9) The design of the filter backwash water recovery is funded by debt proceeds and will be repaid by water and sewer user fees.
- (10) The rehabilitation of the east/west 8MG accelerator and greenleaf filter at the water treatment plant is funded by the utilities fund.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### NOTE 7. OPERATING LEASES

The City has entered into various lease agreements for copiers and towers. These leases are accounted for as operating leases. The leases are generally for a 3, 4 or 5-year term and include renewal option. The following schedule reflects the operating lease obligations for governmental activities and business-type activities for the next four years. The leases do not extend beyond 2014.

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
2011	\$ 33,039	\$ 1,511	\$ 34,550
2012	13,113	-	13,113
2013	2,693	-	2,693
2014	2,094	-	2,094
	<u>\$ 50,939</u>	<u>\$ 1,511</u>	<u>\$ 52,450</u>

### NOTE 8. INTERFUND BALANCES AND TRANSFERS

Interfund balances at September 30, 2010 consisted of the following:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Purpose for Balance</u>	<u>Amount</u>
General	Non-major Governmental Fund (Grants Fund)	Unreimbursed expense payments	\$ 81,311
	Non-major Governmental Fund (Community Development Block Grant Fund)	Unreimbursed expense payments	453,275
	Non-major Governmental Fund (Neighborhood Stabilization Grant)	Unreimbursed expense payments	<u>129,610</u>
Total			<u>\$ 664,196</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, 2010

Interfund Transfers for the year ended September 30, 2010, 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 Project</u>	<u>Nonmajor Governmental</u>	<u>Utilities Fund</u>	
General fund	\$ -	\$ 5,273,810 <sup>(1)</sup>	\$ 1,005,000 <sup>(3)</sup>	\$ 2,750,472 <sup>(5)</sup>	\$ -	\$ 9,029,282
General capital projects fund	200,000 <sup>(4)</sup>	-	-	-	-	200,000
Stormwater fund	412,100 <sup>(2)</sup>	-	-	-	131,400 <sup>(6)</sup>	543,500
Total	\$ 612,100	\$ 5,273,810	\$ 1,005,000	\$ 2,750,472	\$ 131,400	\$ 9,772,782

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:

- (1) \$5,273,810 was transferred from General Fund to Fire Rescue Fund to supplement the cost of fire services;
- (2) \$412,100 was transferred from Stormwater Management Fund to General Fund to cover the cost of street repairs;
- (3) \$1,005,000 was transferred from General Fund to General Capital Projects Fund to fund certain capital projects;
- (4) \$200,000 was transferred from General Capital Projects Fund to General Fund to fund a Grant to the Tamarac Economic Development Foundation;
- (5) \$2,750,472 was transferred from General Fund to Revenue Bond Fund to cover the cost of debt service for the 2005 Capital Improvement Revenue Bond and the 2002 and 2009 Sales Tax Revenue Bond;
- (6) \$131,400 was transferred from Stormwater Management Fund to Utilities Operating Fund to cover the cost of customer billing services.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### NOTE 9. LONG-TERM DEBT

Long-term Debt at September 30, 2010 is comprised of the following:

#### General 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 matures in varying annual installments through 2018. Bond proceeds were used to build the City of Tamarac Community Center. The bonds will be repaid from ad valorem taxes levied by the City upon the taxable real property within the City.

\$ 1,559,240

#### Revenue Bonds

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

##### Governmental

Sales Tax Revenue Bonds, Series 2002 in the amount of \$13,410,000 used to 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 are secured by a lien on a pledge of the half-cent sales tax revenues.

\$ 9,385,000

Capital Improvement Revenue Bonds Series 2005 issued 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.

14,210,000

Sales Tax Revenue Refunding Bonds, Series 2009 in the amount of \$5,350,000 issued to refund the Series 1999 Sales Tax Bond. The 2009 Refunding Revenue bonds bear an interest rate of 3.7% and matures in varying annual installments through 2019. The bonds will be repaid solely from and is secured by a lien on and pledge of the half-cent sales tax revenues.

5,040,000

\$ 28,635,000

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### Revenue Note

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

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

The Note was issued to finance the cost of acquisition of real property within the City to be used for community redevelopment purposes and is secured by non-ad valorem revenues. As of September 30, 2010, the City has \$6,017,414 in loans outstanding relating to the line of credit, this amount represents \$5,972,817 in borrowed funds and \$44,595 in capitalized interest.

### **Business-type**

Water and Sewer Utility Revenue Refunding Bonds, Series 2009 in the amount of \$14,020,000.

The bonds were a combined refunding and new money issue, partial refunding of the Capital Improvement Revenue Bond Series 2004 and refunding of the Capital Improvement Revenue Note Series 2006. The 2009 Revenue bonds bear interest at rates varying from 3% to 5% and mature in varying annual installments through 2039. The New Money as well as the refunding of the Capital Improvement Note will finance acquisition, construction and equipping of certain capital improvements to the City's water and waste water facilities. The bonds will be repaid from revenues derived from water and sewer service charges.

\$ 13,785,000

Stormwater System Refunding Bond, Series 2009 in the amount of \$4,345,000. The Bond was a partial refunding of the Capital Improvement Revenue Bonds, Series 2004. The 2009 Revenue bonds bear an interest rate of 4.15% and matures in varying annual installments through 2024.

These bonds were issued to finance the acquisition, construction and equipping of certain capital improvements to the City's stormwater utility system and related capital expenditures. The bonds and the interest are secured by and payable from revenues derived from the storm water service charges and, if necessary, from Non Ad Valorem Revenues budgeted and appropriated by the City in accordance with the Resolution.

4,130,000

\$ 17,915,000

As of September 30, 2010, the City was in compliance with all revenue bond covenants.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

Summary of debt service requirements to maturity are as follows:

	Governmental Activities				Business-type activities	
	General Obligation Bonds		Revenue Bonds		Principal	Interest
	Principal	Interest	Principal	Interest		
Year ending September 30,						
2011	\$ 195,809	\$ 66,564	\$ 1,300,000	\$ 1,271,845	\$ 470,000	\$ 818,139
2012	204,168	58,205	1,380,000	1,220,243	485,000	801,451
2013	212,884	49,489	1,460,000	1,164,908	500,000	781,699
2014	221,972	40,401	1,545,000	1,105,228	520,000	761,339
2015	231,448	30,925	1,635,000	1,041,040	550,000	738,814
2016-2020	492,959	31,787	9,130,000	4,069,168	3,120,000	3,315,849
2021-2025	-	-	6,020,000	2,238,163	3,440,000	2,603,350
Thereafter	-	-	6,165,000	969,550	8,830,000	3,641,081
<b>Total</b>	<b>\$ 1,559,240</b>	<b>\$ 277,371</b>	<b>\$ 28,635,000</b>	<b>\$ 13,080,145</b>	<b>\$ 17,915,000</b>	<b>\$ 13,461,722</b>

As of September 30, 2010, 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, 2009, there is no rebatable arbitrage liability for any of the outstanding bond issues.

### Parking Lot Remediation

As of September 30, 2010, 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, 2010, the City of Tamarac has issued \$18,100,000 of Industrial Revenue Bonds.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

Long-term liability activity for the year ended September 30, 2010 was as follows:

	October 1, <u>2009</u>	<u>Additions</u>	<u>Reductions</u>	September 30, <u>2010</u>	Due within <u>One Year</u>
<b>Governmental activities:</b>					
Bonds, notes and leases payable					
General obligation	\$ 1,747,032	\$ -	\$ (187,792)	\$ 1,559,240	\$ 195,809
Revenue bonds	29,710,000	-	(1,075,000)	28,635,000	1,300,000
Redevelopment note	4,942,654	1,074,760	-	6,017,414	-
Capital lease	-	370,520	-	370,520	370,520
Less: deferred amounts on refunding	(378,617)	-	20,517	(358,100)	(21,217)
Total bonds and notes payable	<u>36,021,069</u>	<u>1,445,280</u>	<u>(1,242,275)</u>	<u>36,224,074</u>	<u>1,845,112</u>
Other liabilities:					
Compensated absences	2,383,413	238,806	(181,473)	2,440,746	268,482
Retainage on land purchase	1,000,000	-	(1,000,000)	-	-
Claims and judgments	891,000	269,000	-	1,160,000	-
OPEB obligations	150,450	78,925	-	229,375	-
Parking lot remediation	260,800	-	-	260,800	-
Total other liabilities	<u>4,685,663</u>	<u>586,731</u>	<u>(1,181,473)</u>	<u>4,090,921</u>	<u>268,482</u>
Governmental activity long-term liabilities	<u>\$ 40,706,732</u>	<u>\$ 2,032,011</u>	<u>\$ (2,423,748)</u>	<u>\$ 40,314,995</u>	<u>\$ 2,113,594</u>
<b>Business-type activities:</b>					
Bonds and notes payable					
Water and sewer revenue refunding bonds	\$ 14,020,000	\$ -	\$ (235,000)	\$ 13,785,000	\$ 245,000
Stormwater Refunding Revenue Note	4,345,000	-	(215,000)	4,130,000	225,000
Less: deferred amounts:					
For issuance discounts	(188,162)	-	6,487	(181,675)	(6,272)
On refunding	(282,916)	-	14,190	(268,726)	(9,431)
Total bonds and notes payable	<u>17,893,922</u>	<u>-</u>	<u>(429,323)</u>	<u>17,464,599</u>	<u>454,297</u>
Other liabilities:					
Compensated absences	733,523	63,634	(77,757)	719,400	79,134
OPEB Obligations	35,050	-	18,388	53,438	-
Total other liabilities	<u>768,573</u>	<u>63,634</u>	<u>(59,369)</u>	<u>772,838</u>	<u>79,134</u>
Business-type activity long-term liabilities	<u>\$ 18,662,495</u>	<u>\$ 63,634</u>	<u>\$ (488,692)</u>	<u>\$ 18,237,437</u>	<u>\$ 533,431</u>

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

The 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.

### NOTE 10. CAPITAL LEASE

\$544,555 capital lease to Motorola, Inc to finance Supervisory Control and Data Acquisition (SCADA) radio equipment. The lease is collateralized by the related equipment. The lease requires two annual payments of \$197,124, and one payment of \$201,421 including principal and interests accruing at \$4.24% through July 2011. Gross amount of assets acquired was \$595,669.

\$370,520

### NOTE 11. FUTURE REVENUES THAT ARE PLEDGED

The City has pledged various future revenue sources for various debt issues. For the water and sewer system and the stormwater system, the City has pledged future customer revenues, net of certain operating expenses. The following table provides a summary of the pledged revenues for the City's outstanding debt issues. Additional information regarding the City's pledged revenue can be found in note 3.

Pledged Revenue	Total Principal and Interest Outstanding	Current Year Principal and Interest Paid	Current Year Revenue	% of Revenues to Principal and Interest Paid
Water and Sewer Net Revenue	\$ 25,848,794	\$ 888,794	\$ 2,898,655	31%
Stormwater Net Revenue	5,527,928	395,318	1,310,942	30%
Half Cent Sales Tax	18,565,370	1,556,335	3,016,203	52%
Covenant to Budget and Appropriate	29,167,189	910,602	24,293,223	4%

### NOTE 12. RESTRICTED ASSETS

The balances of the restricted asset accounts in the enterprise funds at September 30, 2010 pertains to the following:

Customer deposits	\$ <u>1,470,796</u>
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# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### NOTE 13. FUND BALANCE

As of September 30, 2010, fund balances are composed of the following:

	General	Fire Rescue	General Capital Projects	Nonmajor Governmental	Total Governmental Funds
<b>Nonspendable:</b>					
Inventories	\$ 99,023	\$ -	\$ -	\$ -	\$ 99,023
Prepaid items	13,500	-	-	-	13,500
Advances to pension plan	-	-	-	-	-
Deferred charges	-	-	106,867	-	106,867
<b>Restricted:</b>					
Law enforcement	11,188	-	-	266,367	277,555
Debt service	-	-	-	399,528	399,528
Culture and recreation	-	-	-	-	-
Community development	-	1,495,043	-	3,800,485	5,295,528
Capital projects	-	-	-	9,160,308	9,160,308
Other Purposes	-	-	-	-	-
Other Purposes	-	-	-	-	-
<b>Committed:</b>					
Community development	41,352	-	-	59,497	100,849
Public safety	-	41,762	-	-	41,762
Economic stabilization	-	-	-	-	-
Culture and recreation	-	-	-	9,533	9,533
Capital projects	-	-	257,958	174,697	432,655
<b>Assigned:</b>					
Capital:					
Capital vehicles and equipment	\$ 1,500,000				
Facilities maintenance	400,000				
Land acquisition	3,000,000				
Technology replacement	800,000	5,700,000	-	-	5,700,000
Computer software	500,000				
Mainland parks	250,000				
Tamarac village	400,000				
Solar panels	410,000				
Induction lighting	390,000				
Musco lighting tennis court	25,120				
Musco lighting multipurpose fields	140,000				
Other projects	13,496,004		15,611,124		15,611,124
Economic stabilization	3,000,000	-	-	-	3,000,000
Economic development	500,000	-	-	-	500,000
Disaster reserve	1,000,000	-	-	-	1,000,000
<b>Unassigned</b>	<b>14,229,231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,229,231</b>
<b>Total fund balances</b>	<b>\$ 24,594,294</b>	<b>\$ 1,536,805</b>	<b>\$ 15,975,949</b>	<b>\$ 13,870,415</b>	<b>\$ 55,977,463</b>

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### **NOTE 14. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

The City has four defined benefit single-employer pension plans:

- General Employees' Pension Plan
- Police Officers' Pension Plan
- Firefighters' Pension Plan
- Elected and Appointed Officers and Non-Represented Employees' Pension Plan

The City accounts for all four plans as pension trust funds; therefore, they are accounted for in substantially the same manner as proprietary funds with an economic resources measurement focus and the accrual basis of accounting. Plan member contributions, employer contributions, and contributions from other entities are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with terms of the plans. Plan assets are valued at fair value for financial statement purposes, as reported within the annual trustee statements.

The defined benefit plans do not issue stand-alone financial reports and are not included in any other retirement system's or entity's financial report. Financial statements for the individual pension plans are presented below since separate GAAP financial reports have not been issued for the individual plans.

The City also has some employees who are in a defined contributions plan established under the provisions of Section 401(a) of the Internal Revenue Code.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### COMBINING STATEMENT OF FIDUCIARY NET ASSETS FIDUCIARY FUNDS September 30, 2010

	Pension Trust Funds				Total
	General Employees Retirement	Police Officers Retirement	Firefighters Retirement	Elected and Appointed and Non-represented Employees Retirement	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,466,150	\$ 476,848	\$ 2,669,620	\$ 247,977	\$ 4,860,595
Receivables:					
Interest and dividends	-	7,661	-	-	7,661
Contributions receivable	17,455	-	89,698	21,868	129,021
Investments, at fair value:					
Common stock	9,973,098	3,561,187	29,643,639	-	43,177,924
Government securities	3,775,236	110,462	10,500,984	-	14,386,682
Corporate bonds	3,338,142	1,136,755	5,065,610	-	9,540,507
Mutual funds	9,753,778	826,094	-	15,022,009	25,601,881
Total investments, at fair value	<u>26,840,254</u>	<u>5,634,498</u>	<u>45,210,233</u>	<u>15,022,009</u>	<u>92,706,994</u>
Total assets	<u>28,323,859</u>	<u>6,119,007</u>	<u>47,969,551</u>	<u>15,291,854</u>	<u>97,704,271</u>
<b>LIABILITIES</b>					
Accounts payable	26,188	11	77,360	7,258	110,817
<b>Net assets held in trust for pension benefits</b>					
<b>(A schedule of funding progress for each plan is presented on page 77-81)</b>					
	<u>\$ 28,297,671</u>	<u>\$ 6,118,996</u>	<u>\$ 47,892,191</u>	<u>\$ 15,284,596</u>	<u>\$ 97,593,454</u>

### CITY OF TAMARAC, FLORIDA COMBINING STATEMENT OF CHANGES IN NET ASSETS FIDUCIARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2010

	Pension Trust Funds				Total
	General Employees Retirement	Police Officers Retirement	Firefighters Retirement	Elected and Appointed and Non-represented Employees Retirement	
<b>ADDITIONS</b>					
Contributions:					
Employer	\$ 1,832,030	\$ 130,308	\$ 3,927,689	\$ 2,356,704	\$ 8,246,731
Employee	555,013	-	659,401	626,059	1,840,473
State	-	433,912	577,192	-	1,011,104
Total contributions	<u>2,387,043</u>	<u>564,220</u>	<u>5,164,282</u>	<u>2,982,763</u>	<u>11,098,308</u>
Investment income:					
Net appreciation in fair value of investments	2,159,044	451,849	2,796,716	1,166,924	6,574,533
Interest and dividend income	504,592	147,841	969,647	1,684	1,623,764
Total investment income	<u>2,663,636</u>	<u>599,690</u>	<u>3,766,363</u>	<u>1,168,608</u>	<u>8,198,297</u>
Less investment expenses	(134,651)	(60,331)	(257,604)	(22,091)	(474,677)
Net investment income	<u>2,528,985</u>	<u>539,359</u>	<u>3,508,759</u>	<u>1,146,517</u>	<u>7,723,620</u>
Total additions	<u>4,916,028</u>	<u>1,103,579</u>	<u>8,673,041</u>	<u>4,129,280</u>	<u>18,821,928</u>
<b>DEDUCTIONS</b>					
Benefits paid and refunds	1,319,935	1,263,815	2,509,069	244,728	5,337,547
Administrative expenses	80,954	58,305	76,315	33,955	249,529
Total deductions	<u>1,400,889</u>	<u>1,322,120</u>	<u>2,585,384</u>	<u>278,683</u>	<u>5,587,076</u>
Change in net assets	3,515,139	(218,541)	6,087,657	3,850,597	13,234,852
Net assets, October 1	24,782,532	6,337,537	41,804,534	11,433,999	84,358,602
Net assets, September 30	<u>\$ 28,297,671</u>	<u>\$ 6,118,996</u>	<u>\$ 47,892,191</u>	<u>\$ 15,284,596</u>	<u>\$ 97,593,454</u>

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### A. General Employees' Pension Plan

Current membership is comprised of the following:

Retirees and beneficiaries of deceased retirees currently receiving benefits	120
Employees no longer with the City entitled to benefits but not yet receiving them	42
Active employees	180

#### Plan Description

All City full-time permanent employees, except for certain administrative employees, management employees, and Firefighters are required to participate in the General Employees' Pension Plan (General Plan). The Plan was established by the City in accordance with City ordinance and Florida Statutes. The Plan provides retirement, death and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance. The General Plan provides that a cost-of-living adjustment of up to 2% may be payable for any year in which the Plan has an actuarial gain. A Board of Trustees administers the General Plan. All costs of administering the plan are paid from plan assets.

#### Funded Status and Funding Policy

The funded status as of October 1, 2009, the most recent actuarial valuation date, is as follows (dollar amounts in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/09	\$ 25,078	\$ 31,414	\$ 6,336	80%	\$ 6,544	97%

Employees contribute 7% of their compensation. The City contributes the remaining amounts at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. The current rate is 23.1% of annual covered payroll.

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

#### Annual Pension Cost and Net Pension Asset

The City has no net pension obligation (calculated in accordance with GASB No. 27, *Accounting for Pensions by State and Local Governmental Employers*) as actuarially determined amounts are contributed each year. The annual required contribution for the current year was determined as part of the October 1, 2009 actuarial

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7% rate of return, (b) 5% projected salary increase, (c) inflation at 3.5%, (d) 2% cost of living adjustment lump sum in any year in which the plan has an actuarial gain. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. The unfunded actuarial accrued liability (UAAL) is being amortized over periods that vary from six to thirty years. The City's annual pension cost for the fiscal year ended September 30, 2010 was \$1,510,011.

Fiscal year ending	Annual pension cost	Percentage of APC contributed	Net pension (asset)/ obligation
9/30/08	\$ 1,354,217	91%	\$ (156,645)
9/30/09	1,506,585	104%	168,005
9/30/10	1,510,011	121%	(154,014)

### Development of Net Pension Asset (NPA)

This municipal Defined Benefit Plan has been subject to the minimum funding standards since the adoption of the "Florida Protections of Public Employee Retirement Benefits Act" (Part VII of Chapter 112, Florida Statutes) in 1980.

The annual pension cost and net pension asset for the General Plan for fiscal year ended September 30, 2010 is as follows:

	<u>General Employees</u>
Annual required contribution	\$ 1,511,787
Interest on net pension obligation/(assets)	23,400
Adjustment to annual required contribution	<u>(25,176)</u>
Annual pension cost	1,510,011
Contributions made	<u>1,832,030</u>
(Increase) decrease in net pension obligation/(asset)	(322,019)
Net pension obligation/(asset) at beginning of year	<u>168,005</u>
Net pension obligation/(asset) at end of year	<u>\$ (154,014)</u>

### Concentration of Investments

This plan does not have a concentration of investments that are not direct governmental obligations or agency securities that exceed 5% or more of plan net assets.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### B. Police Officers' Pension Plan

The Police Officers' Pension Plan is a closed plan. Current membership is comprised of the following:

Retirees and beneficiaries of deceased retirees currently receiving benefits	40
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#### Plan Description

Certain members of the Broward Sheriffs Office who were formerly City of Tamarac Police Officers, who chose to stay in the City's Pension Plan are the only participants of the Tamarac Police Officers' Pension Plan (Police Plan). This is a closed plan with no active employees. All participants are retirees, beneficiaries or vested terminated employees. The Police Plan was established by the City in accordance with City ordinance and Florida Statutes. The Plan provides retirement, death and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance. The Police Plan provides that a cost-of-living adjustment of up to 2% may be payable for any year in which the Plan has an actuarial gain. A Board of Trustees administers the Police Plan. All costs of administering the plan are paid from plan assets.

#### Funded Status and Funding Policy

The funded status as of October 1, 2009, the most recent actuarial valuation date, is as follows (dollar amounts in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/09	\$ 7,381	\$ 11,029	\$ 3,648	67%	\$ N/A	N/A

Employees (previously active) effectively contributed 5% of their compensation by taking a 5% reduction in pay upon transferring to the Broward Sheriffs Office. The State of Florida makes contributions from taxes on casualty insurance premiums. The State of Florida's contribution to the Police Officers' Pension Plan for fiscal year 2010 was \$433,912. The City recognized \$233,874 of these funds as part of the required contribution for fiscal year 2010. The remaining amount of \$200,038 was held for distribution to retirees and beneficiaries according to plan provisions. The City contributes the remaining amounts at actuarially determined rates that are designated to accumulate sufficient assets to pay benefits when due. The current year's required contribution was \$130,308.

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### Annual Pension Cost and Net Pension Asset

The City has no net pension obligation (calculated in accordance with GASB No. 27, *Accounting for Pensions by State and Local Governmental Employers*) as actuarially determined amounts are contributed each year. The annual required contribution for the current year was determined as part of the October 1, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.25% rate of return, (b) No projected salary increase, (c) inflation at 3.5%, (d) 2% cost of living adjustment lump sum in any year in which the plan has an actuarial gain. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The unfunded actuarial accrued liability (UAAL) is being amortized over an equivalent single amortization period of twenty five years. The City's annual pension cost for the fiscal year ended September 30, 2010 was \$314,853.

Fiscal year ending	Annual pension cost	Percentage of APC contributed	Net pension (asset)/ obligation
9/30/08	\$ 463,949	11 8%	\$ 241,494
9/30/09	309,330	79%	7,972
9/30/10	314,853	11 2%	(29,118)

### Development of Net Pension Asset (NPA)

This municipal Defined Benefit Plan has been subject to the minimum funding standards since the adoption of the "Florida Protections of Public Employee Retirement Benefits Act" (Part VII of Chapter 112, Florida Statutes) in 1980.

The annual pension cost and net pension asset for the General Plan for fiscal year ended September 30, 2010 is as follows:

	<u>Police Officers</u>
Annual required contribution	\$ 364,182
Interest on net pension obligation/(assets)	3,856
Adjustment to annual required contribution	(53,185)
Annual pension cost	314,853
Contributions made	351,943
(Increase) decrease in net pension obligation/(asset)	(37,090)
Net pension obligation/(asset) at beginning of year	7,972
Net pension obligation/(asset) at end of year	\$ (29,118)

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### Concentration of Investments

This plan does not have a concentration of investments that are not direct governmental obligations or agency securities that exceed 5% or more of plan net assets.

### C. Firefighters' Pension Plan

Current membership is comprised of the following:

Retirees and beneficiaries of deceased retirees currently receiving benefits	16
Employees no longer with the City entitled to benefits but not yet receiving them	2
Employees participating in Deferred Retirement Option Plan (DROP)	13
Active employees	84

### Plan Description

All City full-time permanent firefighters, and certain Fire Department management employees are required to participate in the Firefighters' Pension Plan (Fire Plan). The Fire Plan was established by the City in accordance with City ordinance and Florida Statutes. The Plan provides retirement, death and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance. The Fire Plan provides that a cost-of-living adjustment of up to 2% may be payable for any year in which the Plan has an actuarial gain. During fiscal year 2005, the Firefighters' Pension Fund implemented an annual cost-of-living adjustment (COLA) of 2% to those participants who retire on or after October 1, 2002, which replaces the cost-of-living adjustment described above for eligible retirees. The new COLA is payable each January 1 to those eligible participants who retired at least three years prior to such January 1. The cost-of-living adjustment was increased to 2.25% for participants who retire on or after March 1, 2007. And a supplemental benefit (additional benefit) was implemented for eligible active participants based on accrued, unused sick leave at 3% of average final compensation. The Firefighters' Pension Fund also implemented a Deferred Retirement Option Plan (DROP) for participants attaining 25 years of service. Participation may be up to 36 months. DROP payments are held in the fund and earn interest until termination of employment, at which time the balance including interest is paid in a lump sum amount. In 2007, the DROP participation period was increased from 36 months to 60 months with a maximum of 30 years of service. A Board of Trustees administers the Firefighters' Plan. All costs of administering the plan are paid from plan assets.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### Funded Status and Funding Policy

The funded status as of October 1, 2009, the most recent actuarial valuation date, is as follows (dollar amounts in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/09	\$ 39,571	\$ 61,732	\$ 22,161	64%	\$ 6,839	324%

Employees contribute 9% of their compensation. The State of Florida makes contributions from taxes on casualty insurance premiums. The State of Florida's contribution to the Firefighters' Pension Plan for fiscal year 2010 was \$577,192. The City recognized these funds as part of the required contribution for fiscal year 2010. The City contributes the remaining amounts at actuarially determined rates that are designated to accumulate sufficient assets to pay benefits when due. The current rate is 52.26% of annual covered payroll.

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

### Annual Pension Cost and Net Pension Asset

The City has no net pension obligation (calculated in accordance with GASB No. 27, *Accounting for Pensions by State and Local Governmental Employers*) as actuarially determined amounts are contributed each year. The annual required contribution for the current year was determined as part of the October 1, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7% rate of return, (b) 5% projected salary increase, (c) inflation at 3.5%, (d) 2.25% cost of living adjustment. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. The unfunded actuarial accrued liability (UAAL) is being amortized over periods that vary from seven to thirty years. The City's annual pension cost for the fiscal year ended September 30, 2010 was \$3,586,458.

Fiscal year ending	Annual pension cost	Percentage of APC contributed	Net pension (asset)/ obligation
9/30/08	\$ 3,085,881	104%	\$ (897,335)
9/30/09	3,295,056	98%	(293,279)
9/30/10	3,586,458	126%	(1,211,703)

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### Development of Net Pension Asset (NPA)

This municipal Defined Benefit Plan has been subject to the minimum funding standards since the adoption of the "Florida Protections of Public Employee Retirement Benefits Act" (Part VII of Chapter 112, Florida Statutes) in 1980.

The annual pension cost and net pension asset for the General Plan for fiscal year ended September 30, 2010 is as follows:

	<u>Firefighters</u>
Annual required contribution	\$ 3,585,160
Interest on net pension obligation/(assets)	(17,092)
Adjustment to annual required contribution	<u>18,390</u>
Annual pension cost	3,586,458
Contributions made	<u>4,504,882</u>
(Increase) decrease in net pension obligation/(asset)	(918,424)
Net pension obligation/(asset) at beginning of year	<u>(293,279)</u>
Net pension obligation/(asset) at end of year	<u>\$ (1,211,703)</u>

### Concentration of Investments

This plan does not have a concentration of investments that are not direct governmental obligations or agency securities that exceed 5% or more of plan net assets.

### D. Elected and Appointed Officers and Non-Represented Employees' Pension Plan

Current membership is comprised of the following:

Retirees and beneficiaries of deceased retirees currently receiving benefits	8
Employees no longer with the City entitled to benefits but not yet receiving them	15
Active employees	79

### Plan Description

All City full-time permanent employees who are not part of a bargaining unit, except for certain administrative and management employees who were participating in the defined contribution plan prior to 10/1/06 who elected to remain in the defined contribution plan are required to participate in the Elected and Appointed

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

Officers and Non-Represented Employees' Pension Plan (Management Plan). The Plan was established by the City in accordance with City ordinance and Florida Statutes. The Plan provides retirement, death and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance. The Management Plan provides that a 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 Board of Trustees administers the Management Plan. All costs of administering the plan are paid from plan assets.

### Funded Status and Funding Policy

The funded status as of October 1, 2009, the most recent actuarial valuation date, is as follows (dollar amounts in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/09	\$ 11,196	\$ 22,028	\$ 10,832	51%	\$ 4,834	224%

Employees contribute 10% of their compensation. The City contributes the remaining amounts at actuarially determined rates that are designated to accumulate sufficient assets to pay benefits when due. The current rate is 31.62% of annual covered payroll.

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

### Annual Pension Cost and Net Pension Asset

The City has no net pension obligation (calculated in accordance with GASB No. 27, *Accounting for Pensions by State and Local Governmental Employers*) as actuarially determined amounts are contributed each year. The annual required contribution for the current year was determined as part of the October 1, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7% rate of return, (b) 5% projected salary increase, (c) inflation at 3.5%, (d) 2% cost of living adjustment. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability (UAAL) is being amortized over periods that vary from six to thirty years. The City's annual pension cost for the fiscal year ended September 30, 2010 was \$1,528,317.

(1) Fiscal year ending	(2) Annual pension cost	(3) Percentage of APC contributed	(4) Net pension (asset)/ obligation
9/30/08	\$ 1,358,721	100%	\$ -
9/30/09	1,430,941	118%	(292,270)
9/30/10	1,528,317	154%	(1,090,657)

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### Development of Net Pension Asset (NPA)

This municipal Defined Benefit Plan has been subject to the minimum funding standards since the adoption of the "Florida Protections of Public Employee Retirement Benefits Act" (Part VII of Chapter 112, Florida Statutes) in 1980.

The annual pension cost and net pension asset for the General Plan for fiscal year ended September 30, 2010 is as follows:

	Elected and Appointed and Non-Rep. <u>Employees</u>
Annual required contribution	\$ 1,528,317
Interest on net pension obligation/(assets)	-
Adjustment to annual required contribution	-
Annual pension cost	1,528,317
Contributions made	<u>2,356,704</u>
(Increase) decrease in net pension obligation/(asset)	(828,387)
Net pension obligation/(asset) at beginning of year	<u>(262,270)</u>
Net pension obligation/(asset) at end of year	<u>\$ (1,090,657)</u>

### Concentration of Investments

This plan does not have a concentration of investments that are not direct governmental obligations or agency securities that exceed 5% or more of plan net assets.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

The actuarial assumptions presented below were determined as part of the actuarial valuations at the dates indicated.

	Elected and Appointed and Non-represented Employees' Pension Plan	General Employees' Pension Plan	Police Officers' Pension Plan	Firefighters' Pension Plan
Contribution rates (% of Payroll):				
City*	31.62%	23.10%	N/A***	52.42%
State of Florida*	0.00%	0.00%	N/A***	8.44%
Plan members*	10.00%	7.00%	N/A***	9.00%
Annual pension cost*	\$1,528,317	\$1,510,011	\$314,853	\$3,586,458
Contributions made	\$2,356,704	\$1,832,030	\$351,943	\$4,504,882
Actuarial valuation date	10/1/2009	10/1/2009	10/1/2009	10/1/2009
Actuarial cost method*	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method*	Level percentage, closed	Level dollar, open	Level dollar, closed	Level dollar, open
Asset Valuation Method	5-year smoothed market	3-year smoothed market	4-year smoothed market	3-year smoothed market
Remaining amortization period*	30 years	30 years	25 years	30 years
Actuarial assumptions:				
Investment rate of return*	7.00%	7.00%	7.25%	7.00%
Projected salary increases*	5.00%	5.00%	N/A	5.00%
Includes inflation at *	3.50%	3.50%	3.50%	3.00%
Cost-of-living adjustments**	2.00%	None	None	2.25%

\*Per Actuarial Valuation Report on Actuarial valuation date.

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

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

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### C. OTHER POST EMPLOYMENT BENEFITS

The City of Tamarac provides Post Employment Benefits Other than Pensions (OPEB) to employees as mandated by Florida Statutes 112.0801. The City of Tamarac, Florida has no formal plan that administers the City's post-employment healthcare, dental and life insurance coverage to eligible individuals and includes all regular employees of the City who retire from active service and are eligible for retirement or disability benefits under the general employee, management and pension plan. Under certain conditions, eligible individuals for healthcare coverage also include spouses and dependent children. The retiree healthcare and life insurance plan does not issue a financial report since there are no significant assets and liabilities to report as of the end of the fiscal year 2010.

*Funding Policy.* The cost of retiree healthcare and life insurance benefits for certain retirees who were covered by the early retirement program window are eligible to receive subsidized postemployment health care up to age 65. The subsidy varies by individual depending on the retiree's election to use his/her early retirement window "point" to receive a partial or full subsidy toward the regular monthly premium. The City contributed approximately \$38,000 during the fiscal year 2010 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 elects single or family coverage. The monthly health insurance premium rates for retirees for the fiscal year 2010 ranges from \$422 to \$474 for single coverage, from \$1,051 to \$1,180 for retiree and spousal coverage, from \$911 to \$1,023 for retiree and children, and from \$1,144 to 1,285 for family coverage. The monthly dental insurance premium rates for the fiscal year 2010 were \$13 for retiree up to \$68 for retiree with two or more family members.

*Annual OPEB Cost and Net OPEB Obligation.* The City's annual other post employment benefit (OPEB) cost is calculated based in annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year ended September 30, 2010, the amount actually contributed and the changes in the City's net OPEB obligation:

Annual required contributions	\$ <u>140,000</u>
Annual OPEB Cost	135,000
Contribution made	<u>37,687</u>
Increase in Net OPEB obligation	97,313
Net OPEB obligation at beginning of the year	<u>185,500</u>
Net OPEB obligation at end of the year	<u>\$ 282,813</u>

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

The City's annual OPEB cost, the percentage of annual OPEB cost contribution and the net OPEB obligation for fiscal year ended September 30, 2010 are as follows:

Annual OPEB Cost	\$ 135,000
Percentage of Annual OPEB Cost Contributed	28%
Net OPEB Obligation	282,813

*Funded Status and Funding Progress.* As of October 1, 2009, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$1,041,000, all of which was unfunded. The covered payroll (annual payroll of active employees) was \$18,633,000 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 5.6 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 assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

On the October 1, 2009 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 4 percent investment rate of return and annual healthcare costs trend rate of 10 percent initially, reduced by decrements to an ultimate rate of 5 percent after 9 years, investment rate of return included a 2.75 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, 2010

### NOTE 15. OTHER INFORMATION

#### A. 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, and general safety and loss prevention programs. The City purchases commercial insurance for all types of claims with nominal deductible amounts except for self-insurance risks discussed below.

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

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

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

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

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

General and auto liability	\$ 25,000
Automobile physical damage	10,000
Workers' compensation	25,000
Crime	10,000
Property damage	50,000
Property damage (named storm) - 5% of the total insured value per damaged location subject to the minimum property damage deductible of \$50,000 whichever is greater in any one occurrence.	

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

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

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 \$1,160,000 reported at September 30, 2010 in the Insurance Services Fund is based on GASB No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues" which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

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

<u>Year Ended September 30</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments (Credits)</u>	<u>End of Year Liability</u>
2009	\$ 970,000	\$ 1,026,483	\$ (1,105,483)	891,000
2010	891,000	1,177,534	(908,534)	1,160,000

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.

At the end of Fiscal Year 2010 the City has certain amounts set aside for the payments of claims, these claims are being evaluated but have not yet been settled and the amount attributable to the short-term liability is not determinable.

### **B COMMITMENTS AND CONTINGENCIES**

#### **1. Pending litigation**

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

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### **2. Interlocal Agreement with Broward County Sheriff's Office**

A contract exists between Broward County Sheriff's Office and the City, whereby Broward County Sheriff's Office provides police officers to serve the City of Tamarac. These police officers are paid on Broward County Sheriff's Office payroll. The City of Tamarac pays Broward County for the police services based on a five-year contract ending September 30, 2009. The City recorded expenses of \$11,699,797 under this contract for the fiscal year ended September 30, 2010. A new contract is being negotiated.

### **3. 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, 2010, the City recorded expenses of \$4,842,920 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.

### **4. Termination Benefits**

In June 2010 the City offered to Employees a Voluntary Separation Incentive Plan (VSIP). The purpose of the plan was to reduce and contain costs through savings in personnel expenses. Eligible employees were offered incentives for participating in the plan, the incentives consisted of twenty (20) weeks of base pay or the continuation of insurance coverage for up to (3) years or a combination of pay and insurance coverage. A total of fourteen (14) employees were approved for VSIP resulting in a total payout of \$227,520 in base salary and \$6,433 in insurance premium benefits, an additional \$51,058, \$22,168 and \$10,799 in insurance premium is expected to be paid in fiscal year 2011, 2012 and 2013 respectively. A total of \$51,058 has been accrued in fiscal year 2010.

As of September 30, 2010, a number of positions were eliminated from the budget, resulting in the involuntary termination of six (6) employees. The termination agreements signed by the affected employees, included provisions for the payment of four weeks salary and twelve (12) months continuation of health insurance. The affected employees were paid a total of \$22,461 in salary benefits and a total of \$27,482 in insurance premium is expected to be paid in fiscal year 2011, the full amount of salary and insurance premiums have been accrued in fiscal year 2010.

## **C. SUBSEQUENT EVENTS**

### **A. Investment in Real Property**

In December 2010 the City Commission adopted Resolution R-2010-158 approving the purchase of real property consisting of eight vacant lots located between 91<sup>st</sup> and 94<sup>th</sup> Avenues on the North side of Commercial Boulevard. The City closed on the purchase on December 15, 2010 for a total cost of \$3,488,538. This amount will be recorded in fiscal year 2011 as an investment in real property.

In December 2010 the City Commission adopted Resolution R-2010-163 approving the purchase of real property consisting of vacant land located immediately East and West of 91<sup>st</sup> Avenue on the North side of Commercial Boulevard. The City closed on the purchase on December 29, 2010 for a total cost of \$3,535,902. This amount will be recorded in fiscal year 2011 as an investment in real property.

# CITY OF TAMARAC, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2010

### **B. Sales Tax Refunding Revenue Bond, Series 2010**

On December 8, 2010, the City Commission adopted Resolution R-2010-161, the City issued Sales Tax Refunding Revenue Bond, Series 2010 in the amount of \$9,501,000. The purpose is to provide a partial refunding of the Sales Tax Revenue Bond, Series 2002 in order to take advantage of favorable market conditions, to achieve interest savings on the existing bond and to provide new money in the amount of \$703,127 to refund a note payable related to real property slated for a passive park. The bond was issued at an interest rate of 2.25% with no extension of the Series 2002 maturity date of April 1, 2022.

The refunding, along with the new money, will yield budgetary savings in years 2013 through 2019 of approximately \$180,000 per year, an overall savings of approximately \$1500 and an economic gain of approximately \$88,690.

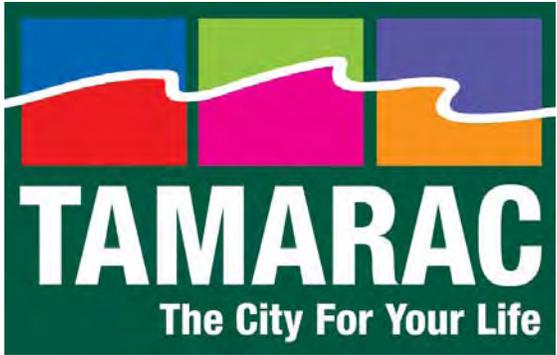
### **C. Taxable Redevelopment Note, Series 2011**

On January 20, 2011 the City Commission adopted Resolution R-2011-10, authorizing the issuance of a Taxable Redevelopment Revenue Note, Series 2011 in the principal amount not to exceed \$20,000,000. Initially as a line of credit the Note bears a variable interest rate of One Month LIBOR plus 1.35% per annum and will automatically convert to a term loan on April 1, 2014 at a fixed interest rate of (1) the Post-Conversion variable interest rate of LIBOR plus 1.35% or (2) the Post –Conversion fixed interest rate which would be determined by Resolution; at the election of the Director of Financial Services. The Note is secured by legally available non ad valorem revenues budgeted and appropriated and will be used to finance and/or refinance the acquisition and redevelopment of real property within the City to be used for community redevelopment purposes.

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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, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
<b>Revenues:</b>				
Taxes	\$ 27,529,970	\$ 27,529,970	\$ 27,552,281	\$ 22,311
Charges for services	1,476,900	1,468,900	1,427,927	(40,973)
Payment in lieu of taxes	704,000	704,000	744,000	40,000
Intergovernmental	4,893,620	4,902,845	4,907,028	4,183
Licenses and permits	2,224,470	714,470	705,667	(8,803)
Fines and forfeitures	443,050	419,550	686,232	266,682
Donations from private resources	-	10,000	3,386	(6,614)
Investment income	565,920	565,920	156,594	(409,326)
Miscellaneous	6,526,170	9,822,243	6,725,922	(3,096,321)
Total revenues	<u>44,364,100</u>	<u>46,137,898</u>	<u>42,909,037</u>	<u>(3,228,861)</u>
<b>Expenditures:</b>				
Commission	703,330	703,330	644,925	58,405
City manager	1,812,320	1,780,320	1,635,670	144,650
City attorney	497,100	677,100	634,688	42,412
City clerk	686,190	810,165	800,079	10,086
Human resources	909,960	957,417	863,771	93,646
Finance	1,826,520	1,858,520	1,761,529	96,991
Information technology	1,104,860	1,518,420	1,067,352	451,068
Public works	7,270,200	9,538,675	6,670,351	2,868,324
Parks and recreation	3,998,770	4,040,315	3,832,512	207,803
Police	10,916,050	12,001,005	11,995,260	5,745
Building	1,763,800	-	-	-
Community development	1,322,210	1,331,645	1,174,924	156,721
Non-departmental	2,899,380	1,872,490	1,566,625	305,865
Total expenditures	<u>35,710,690</u>	<u>37,089,402</u>	<u>32,647,686</u>	<u>4,441,716</u>
Excess of revenues over expenditures	<u>8,653,410</u>	<u>9,048,496</u>	<u>10,261,351</u>	<u>1,212,855</u>
<b>Other financing sources (uses):</b>				
Operating transfers in	412,100	612,100	612,100	-
Operating transfers out	(9,065,510)	(9,660,596)	(9,029,282)	631,314
Total other financing (uses)	<u>(8,653,410)</u>	<u>(9,048,496)</u>	<u>(8,417,182)</u>	<u>631,314</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,844,169	<u>\$ 1,844,169</u>
Budgetary fund balances, October 1			<u>22,750,125</u>	
Budgetary fund balances, September 30			<u>\$ 24,594,294</u>	

See notes to required supplementary information.

**CITY OF TAMARAC, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**FIRE AND RESCUE SPECIAL REVENUE FUND**  
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>Budgetary Basis</u>	<b>Variance with</b>
	<u>Original</u>	<u>Final</u>		<b>Final Budget</b> <b>Positive</b> <b>(Negative)</b>
<b>Revenues:</b>				
Charges for services	\$ 1,991,940	\$ 1,991,940	\$ 2,207,925	\$ 215,985
Intergovernmental	38,280	177,934	78,934	(99,000)
Fire rescue assessment	8,785,400	8,785,400	8,704,112	(81,288)
Investment income	56,000	53,500	19,345	(34,155)
Miscellaneous	<u>2,000</u>	<u>1,891,943</u>	<u>2,218</u>	<u>(1,889,725)</u>
Total revenues	<u>10,873,620</u>	<u>12,900,717</u>	<u>11,012,534</u>	<u>(1,888,183)</u>
<b>Expenditures:</b>				
Current:				
Public safety	<u>16,132,430</u>	<u>18,159,527</u>	<u>17,464,144</u>	<u>695,383</u>
Total expenditures	<u>16,132,430</u>	<u>18,159,527</u>	<u>17,464,144</u>	<u>695,383</u>
(Deficiency) of revenues (under) expenditures	<u>(5,258,810)</u>	<u>(5,258,810)</u>	<u>(6,451,610)</u>	<u>(1,192,800)</u>
Other financing sources:				
Operating transfers in	<u>5,258,810</u>	<u>5,258,810</u>	<u>5,273,810</u>	<u>(15,000)</u>
Total other financing sources	<u>5,258,810</u>	<u>5,258,810</u>	<u>5,273,810</u>	<u>(15,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(1,177,800)	<u>\$ (1,207,800)</u>
Budgetary fund balances, October 1			<u>2,714,605</u>	
Budgetary fund balances, September 30			<u>\$ 1,536,805</u>	

See notes to required supplementary information.

# CITY OF TAMARAC, FLORIDA

## NOTE TO BUDGETARY COMPARISON SCHEDULE FISCAL YEAR ENDED SEPTEMBER 30, 2010

### 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.
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 the budget is at the departmental level. The City Commission approves these levels annually by Ordinance. The City Manager is authorized to transfer budgeted amounts within individual departments; any revisions that alter the total expenditures of any department 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. Over the course of the year, the City amended the General Fund budget two (2) times. The budget amendments fall into two categories: (1) Amendments are approved for rollovers related to capital improvement projects, tasks and projects in progress, and prior year encumbrances; and (2) supplemental appropriations were made to recognize and appropriate grant expenditures for which revenues were received after the Adopted Budget, and to provide appropriations for various other needs which have arisen since the adoption of the budget.

**City of Tamarac, Florida**  
**EMPLOYEES' PENSION FUNDS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS  
(Unaudited)

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

**Schedule of Funding Progress**

(1) Actuarial Valuation Date	(2) Actuarial Value of Assets (AVA)	(3) Actuarial Accrued Liability (AAL) - Entry Age	(4) Unfunded Actuarial Accrued Liability (UAAL)(3)-(2)	(5) Funded Ratio (2)/(3)	(6) Covered Payroll	(7) UAAL As % of Covered Payroll (4)/(6)
10/1/04	\$ N/A	\$ N/A	\$ N/A	N/A	\$ N/A	N/A
10/1/05	3,695,925	12,112,950	8,427,025	30.5%	3,796,333	222.0%
10/1/06	6,051,404	14,140,443	8,089,039	42.8	4,157,248	194.6%
10/1/07	8,287,371	17,271,459	8,984,088	48.0	4,701,787	191.1%
10/1/08	9,628,373	19,348,956	9,720,583	49.8	4,517,584	215.2%
10/1/09	11,195,853	22,028,355	10,832,502	50.8	4,833,856	224.1%

**Schedule of Contributions from Employer**

Year ended September 30,	Annual Required Contribution	City Contribution	Percentage Contributed
2005	\$ N/A	\$ N/A	N/A
2006	1,173,947	1,173,947	100%
2007	924,832	924,832	100%
2008	1,423,538	1,423,538	100%
2009	1,363,166	1,693,211	124%
2010	1,528,317	2,356,704	154%

**City of Tamarac, Florida**  
**EMPLOYEES' PENSION FUNDS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS  
(Unaudited)

**General Employees' Pension Fund**

Schedule of Funding Progress

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded Actuarial Accrued Liability (UAAL)(3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL As % of Covered Payroll (4)/(6)
10/1/04	\$ 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%
10/1/07	23,422,600	28,221,518	4,798,918	83.0	6,189,215	77.5%
10/1/08	24,439,985	30,788,532	6,348,547	79.4	6,222,769	102.0%
10/1/09	25,078,465	31,414,192	6,335,727	79.8	6,544,201	96.8%

Schedule of Contributions from Employer

Year ended September 30,	Annual Required Contribution	City Contribution	Percentage Contributed
2005	\$ 1,089,674	\$ 1,077,311	99%
2006	788,126	759,534	96%
2007	1,473,927	1,454,833	99%
2008	1,272,374	1,210,466	95%
2009	1,508,999	1,556,604	103%
2010	1,511,787	1,832,030	121%

**City of Tamarac, Florida**  
**EMPLOYEES' PENSION FUNDS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS  
(Unaudited)

**Police Officers' Pension Fund**

**Schedule of Funding Progress**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded Actuarial Accrued Liability (UAAL)(3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL As % of Covered Payroll (4)/(6)
10/1/04	\$ 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%
10/1/07	8,755,871	11,182,761	2,426,890	78.3	0	N/A
10/1/08	8,414,770	10,919,691	2,504,921	77.1	0	N/A
10/1/09	7,381,283	11,029,438	3,648,155	66.9	0	N/A

**Schedule of Contributions from Employer and Other Contributing Parties**

Year ended September 30,	Annual Required Contribution	City Contribution	State Contribution	Percentage Contributed
2005	\$ 270,107	\$ 36,233	\$ 375,378	152%
2006	268,566	34,962	381,440	155%
2007	280,740	46,866	442,849	174%
2008	238,889	5,015	505,905	214%
2009	247,146	10,215	233,874	214%
2010	364,182	130,308	233,874	100%

**City of Tamarac, Florida**  
**EMPLOYEES' PENSION FUNDS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS

(Unaudited)

**Firefighters' Pension Fund**

**Schedule of Funding Progress**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded Actuarial Accrued Liability (UAAL)(3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL As % of Covered Payroll (4)/(6)
10/1/04	\$ 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%
10/1/07	34,978,331	50,390,174	15,411,843	69.4	6,815,386	226.1%
10/1/08	37,279,328	55,016,609	17,737,281	67.8	6,721,811	263.9%
10/1/09	39,571,421	61,732,038	22,160,662	64.1	6,839,210	324.0%

**Schedule of Contributions from Employer and Other Contributing Parties**

Year ended September 30,	Annual Required Contribution	City Contribution	State Contribution	Percentage Contributed
2005	\$ 2,177,432	\$ 1,875,217	\$ 405,609	105%
2006	2,114,870	1,776,532	436,987	104%
2007	2,335,191	1,840,192	607,139	105%
2008	3,073,819	2,369,256	688,142	99%
2009	3,291,348	2,638,716	599,378	98%
2010	3,585,160	3,927,689	577,192	126%

**City of Tamarac, Florida**  
**EMPLOYEES' PENSION FUNDS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS  
(Unaudited)

**City of Tamarac Other Post Employment Benefits (OPEB)**

**Schedule of Funding Progress**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded Actuarial Accrued Liability (UAAL)(3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL As % of Covered Payroll (4)/(6)
10/1/07	\$ -	\$1,250,000	\$1,250,000	0%	\$19,762,000	6.3%
10/1/08	\$ -	1,041,000	1,041,000	0	18,633,000	5.6%

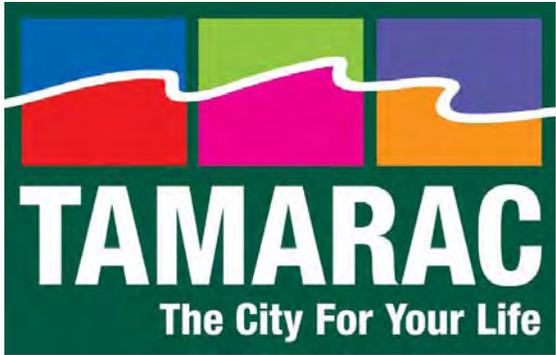
**Schedule of Contributions from Employer**

Year ended September 30,	Annual Required Contribution	City Contribution	Percentage Contributed
2008	\$ 107,000	\$ 58,267	54%
2009	140,000	52,374	37%
2010	140,000	37,687	27%

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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.

**Building Department Fund** – to account for the collection of permit fees, inspection fees, and other fees and charges, and for the operational expenditures related to the Building Department.

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

**Community 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.

**Neighborhood Stabilization Program** – to account for funds received from the U.S. Department of Housing and Urban Development to address foreclosures and abandoned properties within the City.

**American Recovery and Reinvestment Act (ARRA) Fund** – to account for funds received from the U.S. Department of Energy under the American Recovery and Reinvestment Act.

**State Housing 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.

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

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

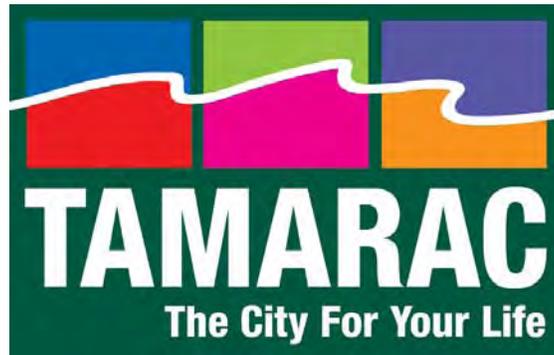
## Debt Service Fund

**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 and the City's revenue bonds (Street Improvement Program) which are payable from sales tax revenue.

## Capital Projects Funds

**Public Service Facilities Construction 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.

**2005 Capital Improvement Projects Fund** – to account for the proceeds from the Series 2005 Capital Improvement Revenue Bonds used for various construction projects including the Sports Complex Expansion and the Recreation center Demolition/Construction..



**CITY OF TAMARAC, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
 SEPTEMBER 30, 2010

**Special Revenue**

	<b>Law Enforcement Trust-State</b>	<b>Law Enforcement Trust-Federal</b>	<b>Drainage Improvements</b>	<b>Parks and Recreation Improvements</b>	<b>Trafficways Improvements</b>	<b>Public Arts</b>	<b>Building Department</b>
<b>ASSETS</b>							
Cash and equity in pooled cash	\$ 198,704	\$ 30,359	\$ 210,035	\$ 318,130	\$ 885,826	\$ 1,355,064	\$ 129,482
Investments	37,304	-	34,639	53,291	146,551	225,156	63,950
Accounts receivable - net	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Total assets	<u>\$ 236,008</u>	<u>\$ 30,359</u>	<u>\$ 244,674</u>	<u>\$ 371,421</u>	<u>\$ 1,032,377</u>	<u>\$ 1,580,220</u>	<u>\$ 193,432</u>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,725
Accrued liabilities	-	-	-	-	-	-	61,504
Accrued bonds and interest payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	911
Deferred revenues	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,140</u>
<b>FUND BALANCES</b>							
Restricted for:							
Community development	-	-	244,674	371,421	907,377	216,386	127,292
Capital improvements	-	-	-	-	125,000	1,354,301	-
Public safety	236,008	30,359	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Committed for:							
Community development	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	9,533	-
Total fund balances	<u>236,008</u>	<u>30,359</u>	<u>244,674</u>	<u>371,421</u>	<u>1,032,377</u>	<u>1,580,220</u>	<u>127,292</u>
Total liabilities and fund balances	<u>\$ 236,008</u>	<u>\$ 30,359</u>	<u>\$ 244,674</u>	<u>\$ 371,421</u>	<u>\$ 1,032,377</u>	<u>\$ 1,580,220</u>	<u>\$ 193,432</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
 SEPTEMBER 30, 2010

**Special Revenue**

	<u>Grants</u>	<u>Community Development Block Grant Program</u>	<u>Neighborhood Stabilization Grant</u>	<u>ARRA</u>	<u>State Housing Initiative Partnership</u>	<u>Donations and Sponsorship</u>	<u>Streetscape Improvements</u>
<b>ASSETS</b>							
Cash and equity in pooled cash	\$ -	\$ -	\$ -	\$ 393,578	\$ 21,810	\$ 44,519	\$ 636,392
Investments	5,329			65,282	3,997	7,994	
Accounts receivable - net	511						
Due from other funds	-						
Due from other governments	268,069	516,799	136,960				
Total assets	<u>\$ 273,909</u>	<u>\$ 516,799</u>	<u>\$ 136,960</u>	<u>\$ 458,860</u>	<u>\$ 25,807</u>	<u>\$ 52,513</u>	<u>\$ 636,392</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 4,729	\$ 1,030	\$ 7,270	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	197	80		18		
Accrued bonds and interest payable	-						
Due to other funds	81,311	453,275	129,610				
Due to other governments	128,372						
Deferred revenues	-	62,297		458,860	25,789		
Total liabilities	<u>214,412</u>	<u>516,799</u>	<u>136,960</u>	<u>458,860</u>	<u>25,807</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>							
Restricted for:							
Community development	-					52,513	636,392
Capital improvements	-						
Public safety	-						
Debt service	-						
Committed for:							
Community development	59,497						
Capital projects	-						
Parks and recreation	-						
Total fund balances	<u>59,497</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,513</u>	<u>636,392</u>
Total liabilities and fund balances	<u>\$ 273,909</u>	<u>\$ 516,799</u>	<u>\$ 136,960</u>	<u>\$ 458,860</u>	<u>\$ 25,807</u>	<u>\$ 52,513</u>	<u>\$ 636,392</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (continued)**  
 SEPTEMBER 30, 2010

	<u>Special Revenue</u>	<u>Debt Service Fund</u>	<u>Capital Projects Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>State Affordable Housing Assistance</u>	<u>Debt Service Fund</u>	<u>Public Services Facilities Construction</u>	<u>2005 Capital Improvement Projects</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and equity in pooled cash	\$ -	\$ 1,247,056	\$ 2,617,272	\$ 4,088,308	\$ 12,176,535
Investments	-	205,172	431,661	686,127	1,966,453
Accounts receivable - net	1,244,430	-	-	-	1,244,941
Due from other funds	-	-	-	-	-
Due from other governments	-	1,213	-	80,000	1,003,041
Total assets	<u>\$ 1,244,430</u>	<u>\$ 1,453,441</u>	<u>\$ 3,048,933</u>	<u>\$ 4,854,435</u>	<u>\$ 16,390,970</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 47,664	\$ 64,418
Accrued liabilities	-	-	-	-	61,799
Accrued bonds and interest payable	-	1,053,913	-	-	1,053,913
Due to other funds	-	-	-	-	664,196
Due to other governments	-	-	-	-	129,283
Deferred revenues	-	-	-	-	546,946
Total liabilities	<u>-</u>	<u>1,053,913</u>	<u>-</u>	<u>47,664</u>	<u>2,520,555</u>
<b>FUND BALANCES</b>					
Restricted for:					
Community development	1,244,430	-	-	-	3,800,485
Capital improvements	-	-	3,048,933	4,632,074	9,160,308
Public safety	-	-	-	-	266,367
Debt service	-	399,528	-	-	399,528
Committed for:					
Community development	-	-	-	-	59,497
Capital projects	-	-	-	174,697	174,697
Parks and recreation	-	-	-	-	9,533
Total fund balances	<u>1,244,430</u>	<u>399,528</u>	<u>3,048,933</u>	<u>4,806,771</u>	<u>13,870,415</u>
Total liabilities and fund balances	<u>\$ 1,244,430</u>	<u>\$ 1,453,441</u>	<u>\$ 3,048,933</u>	<u>\$ 4,854,435</u>	<u>\$ 16,390,970</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

**Special Revenue**

	<b>Law Enforcement Trust-State</b>	<b>Law Enforcement Trust-Federal</b>	<b>Drainage Improvements</b>	<b>Parks and Recreation Improvements</b>	<b>Trafficways Improvements</b>	<b>Public Arts</b>	<b>Building Department</b>
<b>Revenues:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	61,231	-
Intergovernmental	203,437	30,310	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	1,781,097
Investment Income	839	49	1,091	1,657	4,604	7,147	303
Donations from private sources	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	383
Total revenues	<u>204,276</u>	<u>30,359</u>	<u>1,091</u>	<u>1,657</u>	<u>4,604</u>	<u>68,378</u>	<u>1,781,783</u>
<b>Expenditures:</b>							
Current:							
Public safety	25,000	-	-	-	-	-	1,803,263
Physical Environment	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	21,055	-
Economic environment	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-
Debt service:							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Capital outlay:							
Public safety	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	43,640	-
Economic environment	-	-	-	-	-	-	-
Total expenditures	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,695</u>	<u>1,803,263</u>
Excess (deficiency) of revenues over expenditures	<u>179,276</u>	<u>30,359</u>	<u>1,091</u>	<u>1,657</u>	<u>4,604</u>	<u>3,683</u>	<u>(21,480)</u>
Other financing sources (uses):							
Issuance of debt	-	-	-	-	-	-	-
Operating transfers in	-	-	-	-	-	-	148,772
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>148,772</u>
Net change in fund balance	179,276	30,359	1,091	1,657	4,604	3,683	127,292
Fund balances, October 1	56,732	-	243,583	369,764	1,027,773	1,576,537	-
Fund balances, September 30	<u>\$ 236,008</u>	<u>\$ 30,359</u>	<u>\$ 244,674</u>	<u>\$ 371,421</u>	<u>\$ 1,032,377</u>	<u>\$ 1,580,220</u>	<u>\$ 127,292</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

**Special Revenue**

	<u>Grants</u>	<u>Community Development Block Grant Program</u>	<u>Neighborhood Stabilization Grant</u>	<u>ARRA</u>	<u>State Housing Initiative Partnership</u>	<u>Donations and Sponsorship</u>	<u>Streetscape Improvements</u>
<b>Revenues:</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Intergovernmental	237,236	774,198	3,144,168	87,639	176,933	-	-
Licenses and permits	-	-	-	-	-	-	-
Investment Income	-	48	-	-	2,504	220	2,838
Donations from private sources	-	-	-	-	-	22,637	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>237,236</u>	<u>774,246</u>	<u>3,144,168</u>	<u>87,639</u>	<u>179,437</u>	<u>22,857</u>	<u>2,838</u>
<b>Expenditures:</b>							
Current:							
Public safety	20,077	-	-	-	-	3,518	-
Physical Environment	120,572	-	-	515	-	-	-
Culture and recreation	-	-	-	-	-	4,083	-
Economic environment	-	630,899	3,144,168	-	16,603	-	-
Human services	-	-	-	-	-	2,277	-
Debt service:							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Capital outlay:							
Public safety	418,523	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Physical Environment	-	-	-	87,124	-	-	-
Culture and recreation	48,584	-	-	-	-	-	-
Economic environment	-	143,888	-	-	-	-	-
Total expenditures	<u>607,756</u>	<u>774,787</u>	<u>3,144,168</u>	<u>87,639</u>	<u>16,603</u>	<u>9,878</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(370,520)</u>	<u>(541)</u>	<u>-</u>	<u>-</u>	<u>162,834</u>	<u>12,979</u>	<u>2,838</u>
Other financing sources (uses):							
Issuance of debt	370,520	-	-	-	-	-	-
Operating transfers in	-	-	-	-	52,855	-	-
Operating transfers out	-	-	-	-	(225,050)	-	-
Total other financing sources (uses)	<u>370,520</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(172,195)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	(541)	-	-	(9,361)	12,979	2,838
Fund balances, October 1	59,497	541	-	-	9,361	39,534	633,554
Fund balances, September 30	<u>\$ 59,497</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,513</u>	<u>\$ 636,392</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	Special Revenue	Debt Service Fund	Capital Projects Fund		Total Nonmajor Governmental Funds
			Public Services Facilities Construction	2005 Capital Improvement Projects	
	State Affordable Housing Assistance	Debt Service Fund			
<b>Revenues:</b>					
Taxes	\$ -	\$ 249,729	\$ -	\$ -	\$ 249,729
Charges for services	-	-	-	-	61,231
Intergovernmental	-	-	-	80,000	4,733,921
Licenses and permits	-	-	-	-	1,781,097
Investment Income	-	3,295	13,576	23,152	61,323
Donations from private sources	-	-	-	-	22,637
Miscellaneous	-	-	-	-	383
Total revenues	-	253,024	13,576	103,152	6,910,321
<b>Expenditures:</b>					
Current:					
Public safety	-	-	-	-	1,851,858
Physical Environment	-	-	-	-	121,087
Culture and recreation	-	-	-	-	25,138
Economic environment	975,912	-	-	-	4,767,582
Human services	-	-	-	-	2,277
Debt service:					
Principal retirement	-	1,262,792	-	-	1,262,792
Interest and fiscal charges	-	1,384,337	-	-	1,384,337
Capital outlay:					
Public safety	-	-	-	610,330	1,028,853
Transportation	-	-	-	2,960	2,960
Physical Environment	-	-	-	-	87,124
Culture and recreation	-	-	-	151,241	243,465
Economic environment	-	-	-	-	143,888
Total expenditures	975,912	2,647,129	-	764,531	10,921,361
Excess (deficiency) of revenues over expenditures	(975,912)	(2,394,105)	13,576	(661,379)	(4,011,040)
Other financing sources (uses):					
Issuance of debt	-	-	-	-	370,520
Operating transfers in	225,050	2,601,700	-	-	3,028,377
Operating transfers out	(52,855)	-	-	-	(277,905)
Total other financing sources (uses)	172,195	2,601,700	-	-	3,120,992
Net change in fund balance	(803,717)	207,595	13,576	(661,379)	(890,048)
Fund balances, October 1	2,048,147	191,933	3,035,357	5,468,150	14,760,463
Fund balances, September 30	\$ 1,244,430	\$ 399,528	\$ 3,048,933	\$ 4,806,771	\$ 13,870,415

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**TRAFFICWAYS IMPROVEMENTS SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 4,604	\$ 4,604
Total revenues	<u>-</u>	<u>-</u>	<u>4,604</u>	<u>4,604</u>
Excess of revenues over expenditures	-	-	4,604	4,604
Fund balances at beginning of year	<u>1,027,773</u>	<u>1,027,773</u>	<u>1,027,773</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,027,773</u>	<u>\$ 1,027,773</u>	<u>\$ 1,032,377</u>	<u>\$ 4,604</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**PUBLIC ARTS SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>Budgetary Basis</u>	<b>Variance with</b>
	<u>Original</u>	<u>Final</u>		<b>Final Budget</b>
				<b>Positive</b>
<b>Revenues:</b>				
Charges for services	\$ -	\$ 478,018	\$ 61,231	\$ (416,787)
Investment income	-	-	7,147	7,147
Total revenues	<u>-</u>	<u>478,018</u>	<u>68,378</u>	<u>(409,640)</u>
<b>Expenditures:</b>				
Current:				
Culture / recreation	-	47,100	21,055	26,045
Capital Outlay:				
Culture / recreation	<u>-</u>	<u>430,918</u>	<u>43,640</u>	<u>387,278</u>
Total expenditures	<u>-</u>	<u>478,018</u>	<u>64,695</u>	<u>413,323</u>
Excess of revenues over expenditures	-	-	3,683	3,683
Fund balances at beginning of year	<u>1,576,537</u>	<u>1,576,537</u>	<u>1,576,537</u>	-
Fund balances at end of year	<u>\$ 1,576,537</u>	<u>\$ 1,576,537</u>	<u>\$ 1,580,220</u>	<u>\$ 3,683</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**BUILDING DEPARTMENT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>Budgetary Basis</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Licenses and permits	\$ -	\$ 1,541,500	\$ 1,781,097	\$ 239,597
Investment Income	-	-	303	303
Miscellaneous	-	-	383	383
Total revenues	-	<u>1,541,500</u>	<u>1,781,783</u>	<u>240,283</u>
<b>Expenditures:</b>				
Current:				
Public safety	-	<u>2,136,586</u>	<u>1,803,263</u>	<u>333,323</u>
Total expenditures	-	<u>2,136,586</u>	<u>1,803,263</u>	<u>333,323</u>
Deficiency of revenues under expenditures	-	(595,086)	(21,480)	573,606
Other financing sources:				
Operating transfers in	-	<u>595,086</u>	<u>148,772</u>	<u>(446,314)</u>
Total other financing sources	-	<u>595,086</u>	<u>148,772</u>	<u>(446,314)</u>
Net change in fund balance	-	-	127,292	127,292
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	\$ -	\$ -	\$ 127,292	\$ 127,292

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**GRANTS SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues:				
Intergovernmental	\$ -	\$ 966,060	\$ 237,236	\$ (728,824)
Miscellaneous	-	246	-	(246)
Total revenues	<u>-</u>	<u>966,306</u>	<u>237,236</u>	<u>(729,070)</u>
Expenditures:				
Current:				
General government	200,000	503,121	-	503,121
Public safety	-	-	20,077	(20,077)
Transportation	-	18,695	-	18,695
Physical environment	-	300,000	120,572	179,428
Capital Outlay:				
Public safety	-	85,295	418,523	(333,228)
Culture/recreation	-	259,195	48,584	210,611
Total expenditures	<u>200,000</u>	<u>1,166,306</u>	<u>607,756</u>	<u>558,550</u>
Deficiency of revenues under expenditures	(200,000)	(200,000)	(370,520)	(170,520)
Other financing sources:				
Issuance of debt	-	-	370,520	370,520
Transfers in	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
Total other financing sources	<u>200,000</u>	<u>200,000</u>	<u>370,520</u>	<u>170,520</u>
Net change in fund balance	-	-	-	-
Fund balances at beginning of year	<u>59,497</u>	<u>59,497</u>	<u>59,497</u>	<u>-</u>
Fund balances at end of year	<u>\$ 59,497</u>	<u>\$ 59,497</u>	<u>\$ 59,497</u>	<u>\$ -</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues:				
Intergovernmental	\$ 392,720	\$ 2,244,498	\$ 774,198	\$ (1,470,300)
Investment income	-	-	48	48
Total revenues	<u>392,720</u>	<u>2,244,498</u>	<u>774,246</u>	<u>(1,470,252)</u>
Expenditures:				
Current:				
Economic environment	392,720	1,734,032	630,899	1,103,133
Capital Outlay:				
Economic environment	-	510,466	143,888	366,578
Total expenditures	<u>392,720</u>	<u>2,244,498</u>	<u>774,787</u>	<u>1,469,711</u>
Deficiency of revenues under expenditures	-	-	(541)	(541)
Fund balances at beginning of year	<u>541</u>	<u>541</u>	<u>541</u>	<u>-</u>
Fund balances at end of year	<u>\$ 541</u>	<u>\$ 541</u>	<u>\$ -</u>	<u>\$ (541)</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**NEIGHBORHOOD STABILIZATION GRANT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Intergovernmental	\$ 265,670	\$ 4,046,446	\$ 3,144,168	\$ (902,278)
Total revenues	<u>265,670</u>	<u>4,046,446</u>	<u>3,144,168</u>	<u>(902,278)</u>
<b>Expenditures:</b>				
Current:				
Economic environment	<u>265,670</u>	<u>4,046,446</u>	<u>3,144,168</u>	<u>902,278</u>
Total expenditures	<u>265,670</u>	<u>4,046,446</u>	<u>3,144,168</u>	<u>902,278</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**AMERICAN RECOVERY AND REINVESTMENT ACT GRANT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 544,900	\$ 87,639	\$ (457,261)
Total revenues	<u>-</u>	<u>544,900</u>	<u>87,639</u>	<u>(457,261)</u>
<b>Expenditures:</b>				
Current:				
General government	-	301,675	-	301,675
Physical Environment	-	3,600	515	3,085
Capital Outlay:				
Physical Environment	<u>239,625</u>	<u>239,625</u>	<u>87,124</u>	<u>152,501</u>
Total expenditures	<u>-</u>	<u>544,900</u>	<u>87,639</u>	<u>457,261</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**STATE HOUSING INITIATIVE PARTNERSHIP SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
<b>Revenues:</b>				
Intergovernmental	\$ 6,430	\$ 221,251	\$ 176,933	\$ (44,318)
Investment income	-	-	2,504	2,504
Miscellaneous	-	2,032	-	(2,032)
Total revenues	<u>6,430</u>	<u>223,283</u>	<u>179,437</u>	<u>(43,846)</u>
<b>Expenditures:</b>				
Current:				
Economic environment	<u>6,430</u>	<u>22,134</u>	<u>16,603</u>	<u>5,531</u>
Total expenditures	<u>6,430</u>	<u>22,134</u>	<u>16,603</u>	<u>5,531</u>
Excess of revenues over expenditures	<u>-</u>	<u>201,149</u>	<u>162,834</u>	<u>(38,315)</u>
Other financing sources (uses):				
Transfers in	-	44,855	52,855	8,000
Transfers out	<u>-</u>	<u>(246,004)</u>	<u>(225,050)</u>	<u>20,954</u>
Total other financing uses	<u>-</u>	<u>(201,149)</u>	<u>(172,195)</u>	<u>28,954</u>
Net change in fund balance	-	-	(9,361)	(9,361)
Fund balances at beginning of year	<u>-</u>	<u>9,361</u>	<u>9,361</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 9,361</u>	<u>\$ -</u>	<u>\$ (9,361)</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**DEBT SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>Budgetary Basis</u>	<b>Variance with</b>
	<u>Original</u>	<u>Final</u>		<b>Final Budget</b>
				<b>Positive</b>
<b>Revenues:</b>				
Taxes	\$ 258,700	\$ 258,700	\$ 249,729	\$ (8,971)
Investment income	<u>-</u>	<u>-</u>	<u>3,295</u>	<u>3,295</u>
Total revenues	<u>258,700</u>	<u>258,700</u>	<u>253,024</u>	<u>(5,676)</u>
<b>Expenditures:</b>				
Debt service:				
Principal	1,370,200	1,370,200	1,262,792	107,408
Interest and fiscal charges	<u>1,490,200</u>	<u>1,490,200</u>	<u>1,384,337</u>	<u>105,863</u>
Total expenditures	<u>2,860,400</u>	<u>2,860,400</u>	<u>2,647,129</u>	<u>213,271</u>
Deficiency of revenues under expenditures	<u>(2,601,700)</u>	<u>(2,601,700)</u>	<u>(2,394,105)</u>	<u>207,595</u>
Other financing sources:				
Operating transfers in	<u>2,601,700</u>	<u>2,601,700</u>	<u>2,601,700</u>	<u>-</u>
Total other financing sources	<u>2,601,700</u>	<u>2,601,700</u>	<u>2,601,700</u>	<u>-</u>
Net change in fund balance	-	-	207,595	207,595
Fund balances at beginning of year	<u>191,933</u>	<u>191,933</u>	<u>191,933</u>	<u>-</u>
Fund balances at end of year	<u>\$ 191,933</u>	<u>\$ 191,933</u>	<u>\$ 399,528</u>	<u>\$ 207,595</u>

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**PUBLIC SERVICE FACILITIES CONSTRUCTION CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2010**

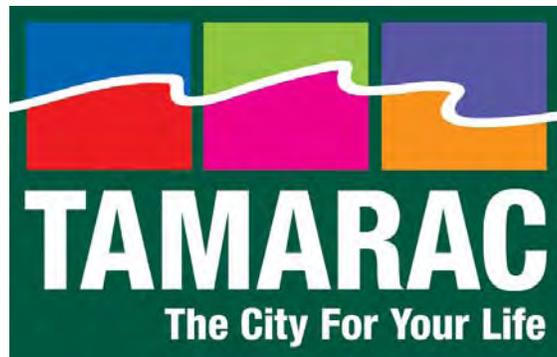
	<u>Prior</u> <u>Years</u>	<u>Current</u> <u>Year</u>	<u>Total to</u> <u>Date</u>	<u>Project</u> <u>Authorization</u>
<b>Revenues:</b>				
Intergovernmental	\$ 3,966,875	\$ -	\$ 3,966,875	\$ -
Investment income	<u>795,510</u>	<u>13,576</u>	<u>809,086</u>	<u>50,000</u>
Total revenues	<u>4,762,385</u>	<u>13,576</u>	<u>4,775,961</u>	<u>50,000</u>
<b>Expenditures:</b>				
Transportation	114,832	-	114,832	-
Culture and recreation	21,599	-	21,599	15,045
Capital improvements	14,605,155	-	14,605,155	12,986,025
Debt service:				
Interest and fiscal charges	<u>395,442</u>	<u>-</u>	<u>395,442</u>	<u>-</u>
Total expenditures	<u>15,137,028</u>	<u>-</u>	<u>15,137,028</u>	<u>13,001,070</u>
Excess (deficiency) of revenues over (under) expenditures	(10,374,643)	13,576	(10,361,067)	(12,951,070)
<b>Other financing sources (uses):</b>				
Proceeds from issuance of debt	13,410,000	-	13,410,000	13,001,070
Contingencies	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>
Total other financing sources	<u>13,410,000</u>	<u>-</u>	<u>13,410,000</u>	<u>12,951,070</u>
Net change in fund balances	<u>\$ 3,035,357</u>	13,576	<u>\$ 3,048,933</u>	<u>\$ -</u>
Fund balances at beginning of year		<u>3,035,357</u>		
Fund balances at end of year		<u>\$ 3,048,933</u>		

See accompanying independent auditors' report.

**CITY OF TAMARAC, FLORIDA**  
**2005 CAPITAL IMPROVEMENT PROJECT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2010**

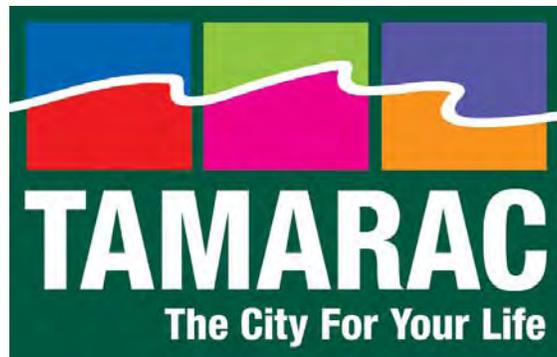
	<u>Prior</u> <u>Years</u>	<u>Current</u> <u>Year</u>	<u>Total to</u> <u>Date</u>	<u>Project</u> <u>Authorization</u>
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 80,000	\$ 80,000	\$ -
Investment income	<u>1,703,071</u>	<u>23,152</u>	<u>1,726,223</u>	<u>-</u>
Total revenues	<u>1,703,071</u>	<u>103,152</u>	<u>1,806,223</u>	<u>-</u>
<b>Expenditures:</b>				
General government	4,000	-	4,000	-
Public safety	-	1,036	1,036	-
Transportation	18,900	-	18,900	100,000
Culture and recreation	73,223	14,241	87,464	591,900
Capital improvements	10,770,997	749,254	11,520,251	13,367,200
Debt service:				
Interest and fiscal charges	<u>395,498</u>	<u>-</u>	<u>395,498</u>	<u>349,803</u>
Total expenditures	<u>11,262,618</u>	<u>764,531</u>	<u>12,027,149</u>	<u>14,408,903</u>
Deficiency of revenues under expenditures	<u>(9,559,547)</u>	<u>(661,379)</u>	<u>(10,220,926)</u>	<u>(14,408,903)</u>
<b>Other financing sources (uses):</b>				
Proceeds from issuance of debt	15,027,697	-	15,027,697	15,000,000
Contingencies	<u>-</u>	<u>-</u>	<u>-</u>	<u>(591,097)</u>
Total other financing sources	<u>15,027,697</u>	<u>-</u>	<u>15,027,697</u>	<u>14,408,903</u>
Net change in fund balances	<u>\$ 5,468,150</u>	(661,379)	<u>\$ 4,806,771</u>	<u>\$ -</u>
Fund balances at beginning of year		<u>5,468,150</u>		
Fund balances at end of year		<u>\$ 4,806,771</u>		

See accompanying independent auditors' report.



**MAJOR CAPITAL PROJECTS FUND  
BUDGETARY COMPARISON SCHEDULE**

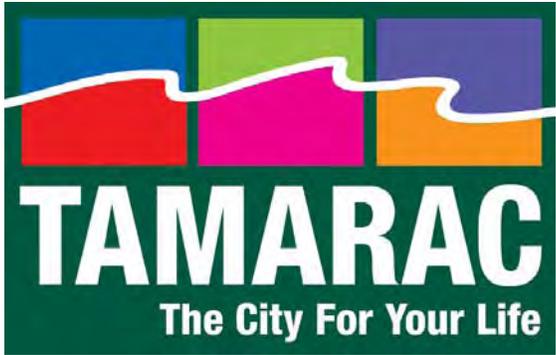
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**CITY OF TAMARAC, FLORIDA**  
**GENERAL CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2010**

	<u>Prior</u> <u>Years</u>	<u>Current</u> <u>Year</u>	<u>Total to</u> <u>Date</u>	<u>Project</u> <u>Authorization</u>
<b>Revenues:</b>				
Intergovernmental	\$ 2,672,701	\$ 75,000	\$ 2,747,701	\$ 3,138,730
Investment income	1,443,667	71,452	1,515,119	205,053
Miscellaneous	275,108	-	275,108	341,535
Total revenues	<u>4,391,476</u>	<u>146,452</u>	<u>4,537,928</u>	<u>3,685,318</u>
<b>Expenditures:</b>				
General government	1,078,810	43,665	1,122,475	890,778
Public safety	32,520	-	32,520	976,498
Transportation	83,238	-	83,238	100,700
Culture and recreation	921,934	11,150	933,084	518,888
Capital improvements	23,953,670	1,484,484	25,438,154	40,613,797
Debt service:				
Principal	2,000,000	-	2,000,000	2,000,000
Interest and fiscal charges	169,141	74,760	243,901	243,900
Total expenditures	<u>28,239,313</u>	<u>1,614,059</u>	<u>29,853,372</u>	<u>45,344,561</u>
Deficiency of revenues under expenditures	<u>(23,847,837)</u>	<u>(1,467,607)</u>	<u>(25,315,444)</u>	<u>(41,659,243)</u>
Proceeds from issuance of debt	10,192,654	1,074,760	11,267,414	11,267,413
Transfers in	29,337,926	1,005,000	30,342,926	30,614,610
Transfers out	(118,947)	(200,000)	(318,947)	(222,780)
Total other financing sources	<u>39,411,633</u>	<u>1,879,760</u>	<u>41,291,393</u>	<u>41,659,243</u>
Net change in fund balances	<u>\$ 15,563,796</u>	412,153	<u>\$ 15,975,949</u>	<u>\$ -</u>
Fund balances at beginning of year		<u>15,563,796</u>		
Fund balances at end of year		<u>\$ 15,975,949</u>		

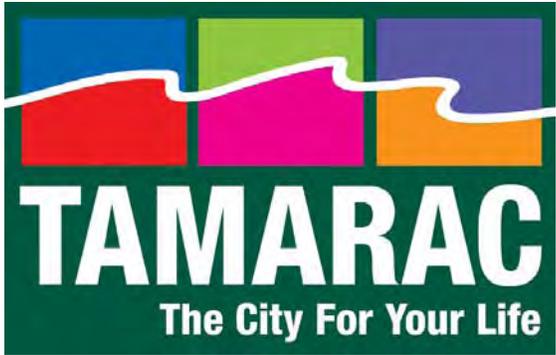
See accompanying independent auditors' report.



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## **STATISTICAL SECTION**

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# STATISTICAL SECTION

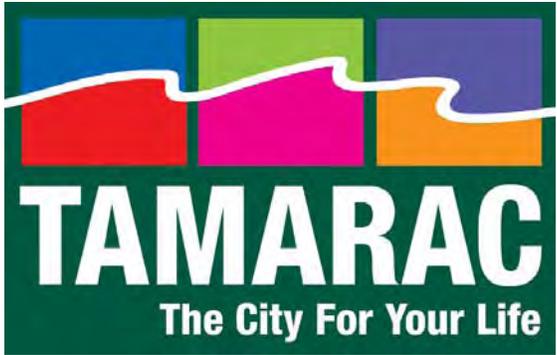
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This part of the City of Tamarac’s comprehensive annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s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

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b>	100-107
These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.	108-111
<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.	112-116
<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.	117-118
<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.	119-121

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

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

	<b>Fiscal Year</b>								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
<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	\$ 77,300,114	\$ 86,076,841	\$ 84,104,407
Restricted	7,643,386	11,288,555	12,872,078	13,448,003	27,735,550	33,639,956	17,497,293	17,675,068	14,005,135
Unrestricted	11,148,176	19,432,477	9,713,054	14,230,658	4,281,944	7,997,681	32,787,159	31,682,290	40,089,461
<b>Total governmental activities net assets</b>	<b>\$ 73,538,690</b>	<b>\$ 79,568,443</b>	<b>\$ 84,754,016</b>	<b>\$ 92,681,401</b>	<b>\$ 103,868,097</b>	<b>\$ 115,644,341</b>	<b>\$ 127,584,566</b>	<b>\$ 135,434,199</b>	<b>\$ 138,199,003</b>
<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	\$ 50,273,220	\$ 45,546,743	\$ 43,760,949
Restricted	3,070,214	3,119,513	4,454,050	5,427,955	7,313,121	8,599,062	8,599,062	6,909,717	8,520,498
Unrestricted	18,272,643	19,862,949	28,631,132	23,815,785	10,214,142	16,432,180	13,542,094	21,514,450	21,368,742
<b>Total business-type activities net assets</b>	<b>\$ 54,979,083</b>	<b>\$ 56,289,666</b>	<b>\$ 59,069,783</b>	<b>\$ 63,089,916</b>	<b>\$ 67,201,085</b>	<b>\$ 70,664,644</b>	<b>\$ 72,414,376</b>	<b>\$ 73,970,910</b>	<b>\$ 73,650,189</b>
<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	\$ 127,573,334	\$ 131,623,584	\$ 127,865,356
Restricted	10,713,600	14,408,068	17,326,128	18,875,958	35,048,671	42,239,018	26,096,355	24,584,785	22,525,633
Unrestricted	29,420,819	39,295,426	38,344,186	38,046,443	14,496,086	24,429,861	46,329,253	53,196,740	61,458,203
<b>Total primary government net assets</b>	<b>\$ 128,517,773</b>	<b>\$ 135,858,109</b>	<b>\$ 143,823,799</b>	<b>\$ 155,771,317</b>	<b>\$ 171,069,182</b>	<b>\$ 186,308,985</b>	<b>\$ 199,998,942</b>	<b>\$ 209,405,109</b>	<b>\$ 211,849,192</b>

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

**CITY OF TAMARAC**

Changes in Net Assets

Last Nine Fiscal Years

	<b>Fiscal Year</b>								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Expenses</b>									
Governmental activities:									
General government	\$ 7,245,389	\$ 8,917,459	\$ 9,792,447	\$ 9,948,165	\$ 10,688,546	\$ 11,504,582	\$ 11,432,868	\$ 12,597,059	\$ 11,026,034
Public safety	17,190,446	19,110,595	21,529,131	24,681,261	35,495,924	28,264,994	28,472,914	30,471,668	31,489,221
Transportation	1,283,083	1,739,082	1,676,983	2,518,737	2,699,076	2,330,808	1,748,860	1,881,356	1,904,168
Economic environment	906,736	777,812	894,713	599,886	4,511,057	1,559,614	1,263,812	2,600,159	4,869,005
Culture and recreation	3,377,508	3,641,777	3,757,060	4,210,762	2,226,264	5,496,590	5,168,340	4,097,080	4,249,737
Physical environment	2,111,072	1,898,374	1,980,646	2,542,286	703,430	2,610,684	2,452,233	3,319,120	3,276,239
Human services	262,382	245,344	236,262	304,155	319,229	333,332	286,630	335,523	294,665
Interest on long-term debt	1,264,084	1,311,236	1,232,534	1,176,005	1,591,058	1,624,593	1,607,303	1,727,200	1,482,104
Total governmental activities expenses	<u>33,640,700</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>	<u>52,432,960</u>	<u>57,029,165</u>	<u>58,591,173</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	19,207,646	19,425,830	20,726,556
Stormwater	2,763,021	3,220,903	2,978,171	3,124,179	3,660,473	3,017,732	3,112,292	3,401,976	3,894,763
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>	<u>22,319,938</u>	<u>22,827,806</u>	<u>24,621,319</u>
Total primary government expenses	<u>\$ 51,322,555</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>	<u>\$ 74,752,898</u>	<u>\$ 79,856,971</u>	<u>\$ 83,212,492</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	\$ 1,145,570	\$ 1,322,983	\$ 5,398,147
Public safety	4,639,051	6,845,427	9,114,697	10,169,124	11,998,145	11,859,118	11,300,837	13,790,107	15,205,661
Culture and recreation	376,211	388,791	570,217	1,082,523	1,154,936	830,025	774,582	617,553	688,892
Transportation	27,224	26,134	29,430	34,978	30,067	66,357	25,722	22,916	20,732
Physical environment	680,382	827,001	963,729	1,017,446	683,942	733,360	1,320,064	474,243	1,721,461
Operating grants and contributions	2,278,128	2,198,201	3,094,050	550,203	9,507,364	2,625,239	1,684,420	2,812,190	4,522,583
Capital grants and contributions	100,000	2,858,712	388,364	2,897,854	1,476,469	617,827	2,850,100	3,970,632	120,572
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>	<u>19,101,295</u>	<u>23,010,624</u>	<u>27,678,048</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	18,790,162	19,603,121	19,743,109
Stormwater	2,031,287	3,045,327	3,080,911	3,122,657	4,190,487	4,383,991	4,498,587	4,718,123	4,824,703
Capital grants and contributions	2,036,617	2,026,906	2,645,990	3,650,141	3,283,961	348,154	374,304	33,453	24,747
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>	<u>23,663,053</u>	<u>24,354,697</u>	<u>24,592,559</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>	<u>\$ 42,764,348</u>	<u>\$ 47,365,321</u>	<u>\$ 52,270,607</u>

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

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

	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Net (Expense) Revenue</b>									
Governmental activities	\$ (22,566,783)	\$ (23,193,321)	\$ (25,506,009)	\$ (28,749,928)	\$ (32,011,153)	\$ (36,121,248)	\$ (33,331,665)	\$ (34,018,541)	\$ (30,913,125)
Business-type activities	1,005,648	1,182,812	2,596,564	3,725,775	3,541,031	2,432,085	1,343,115	1,526,891	(28,760)
Total primary government net expense	<u>(21,561,135)</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>	<u>(31,988,550)</u>	<u>(32,491,650)</u>	<u>(30,941,885)</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	21,284,960	19,970,716	18,615,754
Property taxes, levied for debt service	1,042,792	1,049,703	1,058,410	1,065,167	1,060,180	483,058	267,384	261,027	249,729
Franchise taxes	2,446,329	3,517,044	4,397,549	4,053,946	4,676,348	4,842,600	4,784,526	4,628,491	4,680,810
Utility taxes	3,559,521	99,435	106,512	123,694	141,717	146,928	146,442	145,444	140,557
Communication service taxes	n/a	2,636,575	2,615,867	2,790,051	2,871,885	2,954,346	3,046,865	3,095,399	3,077,739
Gas taxes	n/a	n/a	n/a	1,088,730	1,094,177	1,081,652	1,073,542	972,074	1,037,421
Unrestricted grants and contributions	4,727,232	4,928,268	7,020,532	5,937,072	6,278,084	6,162,220	5,716,941	4,799,972	5,155,111
Interest earnings	990,370	658,510	478,187	665,611	2,074,320	3,133,291	1,841,268	857,983	308,708
Miscellaneous	2,812,504	2,952,900	4,418,024	5,088,722	5,997,907	5,824,558	5,912,810	6,754,945	-
Transfers	241,787	244,410	256,600	269,500	283,000	297,200	361,000	380,100	412,100
Gain (loss) on sale of capital assets	(905)	-	101,200	-	(45,374)	31,191	836,152	2,023	-
<sup>a</sup> Special item: Claims expense	-	-	(3,717,360)	-	-	-	-	-	-
Total governmental activities	<u>27,331,202</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>	<u>45,271,890</u>	<u>41,868,174</u>	<u>33,677,929</u>
Business-type activities:									
Investment earnings	715,116	372,181	414,853	560,893	854,005	1,255,811	754,467	314,330	117,618
Transfers	(242,156)	(244,410)	(256,600)	(269,500)	(283,000)	(297,200)	(361,000)	(380,100)	(412,100)
Gain on sale of capital assets	2,981	-	25,300	2,965	(867)	72,863	13,150	95,413	2,521
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>	<u>406,617</u>	<u>29,643</u>	<u>(291,961)</u>
Total primary government	<u>27,807,143</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>	<u>45,678,507</u>	<u>41,897,817</u>	<u>33,385,968</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	11,940,225	7,849,633	2,764,804
Business-type activities	1,481,589	1,310,583	2,780,117	4,020,133	4,111,169	3,463,559	1,749,732	1,556,534	(320,721)
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>	<u>\$ 13,689,957</u>	<u>\$ 9,406,167</u>	<u>\$ 2,444,083</u>

<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.

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

**CITY OF TAMARAC**  
Fund Balances of Governmental Funds  
September 30, 2010

	<b>Fiscal Year</b>									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>General Fund</b>										
Reserved	\$ 99,301	\$ 60,678	\$ 873,997	\$ 3,424,101	\$ 105,414	\$ 973,332	\$ 833,219	\$ 642,923	\$ 590,453	\$ -
Unreserved	5,924,154	9,420,172	9,351,383	10,287,258	14,242,847	15,745,195	16,685,842	19,454,677	22,159,672	-
Non-spendable										112,523
Restricted										11,188
Committed										41,352
Assigned										10,200,000
Unassigned										14,229,231
<b>Total general fund</b>	<u>\$ 6,023,455</u>	<u>\$ 9,480,850</u>	<u>\$ 10,225,380</u>	<u>\$ 13,711,359</u>	<u>\$ 14,348,261</u>	<u>\$ 16,718,527</u>	<u>\$ 17,519,061</u>	<u>\$ 20,097,600</u>	<u>\$ 22,750,125</u>	<u>\$ 24,594,294</u>
<b>All Other Governmental Funds</b>										
Reserved	\$ 991,413	\$ 6,409,401	\$ 16,906,703	\$ 11,367,413	\$ 12,557,137	\$ 28,711,979	\$ 21,024,595	\$ 14,575,011	\$ 17,677,302	
Unreserved, reported in										
Special revenue funds	3,129,494	242,999	2,359,916	-	-	-	-	-	(220,379)	
Capital projects funds	7,982,735	17,817,956	-	-	-	-	12,259,715	19,043,205	15,390,008	
Debt service funds	(689,136)	(455,391)	(740,606)	37,230	60,119	181,296	355,651	404,029	191,933	
Non-spendable, reported in										
Capital projects funds										106,867
Restricted, reported in										
Special revenue funds										5,561,895
Debt service funds										399,528
Capital projects funds										9,160,308
Committed, reported in										
Special revenue funds										110,792
Capital projects funds										432,655
Assigned reported in										
Capital projects funds										15,611,124
<b>Total all other government funds</b>	<u>\$ 11,414,506</u>	<u>\$ 24,014,965</u>	<u>\$ 18,526,013</u>	<u>\$ 11,404,643</u>	<u>\$ 12,617,256</u>	<u>\$ 28,893,275</u>	<u>\$ 33,639,961</u>	<u>\$ 34,022,245</u>	<u>\$ 33,038,864</u>	<u>\$ 31,383,169</u>
<b>Total Government Funds</b>	<u>\$ 17,437,961</u>	<u>\$ 33,495,815</u>	<u>\$ 28,751,393</u>	<u>\$ 25,116,002</u>	<u>\$ 26,965,517</u>	<u>\$ 45,611,802</u>	<u>\$ 51,159,022</u>	<u>\$ 54,119,845</u>	<u>\$ 55,788,989</u>	<u>\$ 55,977,463</u>

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

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

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>REVENUES</b>										
Taxes	\$ 16,482,973	\$ 19,679,288	\$ 21,099,801	\$ 23,233,923	\$ 24,716,409	\$ 28,609,913	\$ 32,449,025	\$ 31,313,801	\$ 29,791,213	\$ 28,546,010
Licenses and permits	1,742,023	1,792,720	1,862,250	1,974,976	2,251,241	3,880,250	2,671,892	2,406,897	2,376,229	2,486,764
Intergovernmental	5,727,383	6,093,535	8,968,584	9,278,066	9,185,131	17,261,915	9,405,276	10,200,171	9,009,504	9,794,883
Charges for Services	3,110,922	2,939,697	3,398,781	3,637,338	4,461,157	4,781,856	4,372,195	3,975,639	3,803,768	3,697,083
Fines and forfeitures	480,744	500,849	526,531	563,373	539,811	678,751	598,039	446,866	583,158	686,232
Investment earnings	1,354,930	866,183	591,918	431,597	632,007	2,074,322	3,134,750	1,841,269	857,984	308,714
Special assessments	2,844,889	2,912,292	3,042,677	5,432,240	5,954,885	5,898,740	6,723,891	6,715,675	8,760,258	8,704,112
Miscellaneous	4,338,387	4,326,573	4,690,118	5,997,033	5,898,503	5,997,907	5,939,824	6,311,869	6,759,450	6,754,546
Total revenues	<u>\$ 36,082,251</u>	<u>\$ 39,111,137</u>	<u>\$ 44,180,660</u>	<u>\$ 50,548,546</u>	<u>\$ 53,639,144</u>	<u>\$ 69,183,654</u>	<u>\$ 65,294,892</u>	<u>\$ 63,212,187</u>	<u>\$ 61,941,564</u>	<u>\$ 60,978,344</u>
<b>EXPENDITURES</b>										
General government	\$ 6,664,316	\$ 7,377,350	\$ 8,880,895	\$ 9,075,335	\$ 9,598,842	\$ 10,422,938	\$ 10,697,895	\$ 10,824,676	\$ 11,634,921	\$ 11,908,896
Public safety	17,677,687	17,367,132	19,492,930	22,411,503	23,821,796	34,172,300	28,388,447	27,991,426	29,569,781	31,810,830
Transportation	1,163,401	1,276,763	1,156,016	1,411,803	1,259,041	1,413,425	1,418,702	1,158,425	1,260,665	1,226,271
Economic environment	467,170	893,209	784,722	914,845	604,221	708,196	1,654,950	1,266,711	2,608,447	5,051,557
Physical environment	1,823,700	1,619,105	1,815,299	1,994,404	2,537,921	2,451,930	2,654,791	2,181,900	3,239,801	3,230,078
Human Services	377,850	243,726	254,154	248,825	308,985	325,499	354,446	293,005	340,625	243,480
Culture and recreation	2,327,697	3,190,812	3,223,007	3,761,822	4,284,425	3,996,031	5,020,571	4,543,692	3,314,474	3,293,390
Capital outlay	2,021,826	2,228,415	10,726,676	12,827,440	3,205,552	8,027,957	6,828,861	16,803,869	3,625,716	3,160,859
Debt service:										
Principal	999,156	1,189,545	1,583,487	1,985,876	2,080,674	2,339,619	1,400,658	1,247,730	3,300,103	1,262,792
Interest	764,648	1,203,278	1,252,306	1,229,864	1,157,672	1,990,171	1,625,551	1,607,303	1,957,267	1,459,097
Total expenditures	<u>\$ 34,287,451</u>	<u>\$ 36,589,335</u>	<u>\$ 49,169,492</u>	<u>\$ 55,861,717</u>	<u>\$ 48,859,129</u>	<u>\$ 65,848,066</u>	<u>\$ 60,044,872</u>	<u>\$ 67,918,737</u>	<u>\$ 60,851,800</u>	<u>\$ 62,647,250</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,794,800</u>	<u>2,521,802</u>	<u>(4,988,832)</u>	<u>(5,313,171)</u>	<u>4,780,015</u>	<u>3,335,588</u>	<u>5,250,020</u>	<u>(4,706,550)</u>	<u>1,089,764</u>	<u>(1,668,906)</u>

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

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

	<b>Fiscal Year</b>									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Other financing sources (uses)</b>										
Bonds issued	-	13,293,896	-	-	-	15,027,697	-	-	-	-
Proceeds from capital leases	196,100	-	-	-	-	-	-	-	-	-
Proceeds from issuance of debt	-	-	-	-	-	-	-	6,818,373	5,474,280	1,445,280
Other debt issuance cost	-	-	-	-	-	-	-	-	(5,275,000)	-
Transfers in	8,007,526	6,690,381	11,528,384	14,808,083	7,851,971	14,485,585	20,867,785	16,347,134	11,420,722	9,919,287
Transfers out	(7,807,526)	(6,448,225)	(11,283,974)	(13,130,303)	(10,782,471)	(14,202,585)	(20,570,585)	(15,498,134)	(11,040,622)	(9,507,187)
Total other financing sources (uses)	396,100	13,536,052	244,410	1,677,780	(2,930,500)	15,310,697	297,200	7,667,373	579,380	1,857,380
 Net changes in fund balance	 \$ 2,190,900	 \$ 16,057,854	 \$ (4,744,422)	 \$ (3,635,391)	 \$ 1,849,515	 \$ 18,646,285	 \$ 5,547,220	 \$ 2,960,823	 \$ 1,669,144	 \$ 188,474
 Ratio of total debt service to noncapital expenditures										
Total debt service	\$ 1,763,804	\$ 2,392,823	\$ 2,835,793	\$ 3,215,740	\$ 3,238,346	\$ 4,329,790	\$ 3,026,209	\$ 2,855,033	\$ 5,257,370	\$ 2,721,889
Total noncapital expenditures	32,265,625	34,360,920	38,442,816	43,034,277	45,653,577	57,820,109	53,216,011	51,114,868	57,226,084	59,486,391
Ratio	5%	7%	7%	7%	7%	7%	6%	6%	9%	5%

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

**CITY OF TAMARAC**  
**Program Revenues by Function/Program**  
**Last Nine Fiscal Years**

<b>Function/Program</b>	<b>Fiscal Year</b>								
	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Governmental activities:</b>									
General government	\$ 2,976,621	\$ 1,304,092	\$ 1,433,280	\$ 1,479,201	\$ 1,372,508	\$ 872,023	\$ 1,222,872	\$ 1,563,149	\$ 5,606,358
Public safety	4,935,418	6,884,070	10,228,121	10,720,180	20,945,895	12,549,719	11,488,382	14,700,096	15,410,338
Transportation	27,224	26,134	29,430	34,978	306,880	66,357	555,495	352,279	20,732
Culture/recreation	503,535	3,444,072	1,028,276	3,851,587	2,362,405	994,457	1,245,768	3,375,988	823,862
Physical environment	1,733,158	1,891,203	2,058,608	1,027,446	683,942	767,491	1,320,064	474,243	1,721,461
Economic environment	896,307	891,362	816,052	117,937	551,801	2,353,902	3,268,714	2,544,869	4,095,297
Human services	1,654	7,425	-	-	-	-	-	-	-
Subtotal governmental activities	<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>	<u>19,101,295</u>	<u>23,010,624</u>	<u>27,678,048</u>
<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	19,164,466	19,636,574	19,767,856
Stormwater	2,031,287	3,047,932	3,088,907	3,822,657	5,490,487	4,383,991	4,498,587	4,718,123	4,824,703
Subtotal business-type activities	<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>	<u>23,663,053</u>	<u>24,354,697</u>	<u>24,592,559</u>
<b>Total primary government</b>	<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>	<u>\$ 42,764,348</u>	<u>\$ 47,365,321</u>	<u>\$ 52,270,607</u>

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

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

<b>Fiscal Year</b>	<b>Property</b>	<b>Sales &amp; Use</b>	<b>Franchise</b>	<b>Motor Fuel</b>	<b>Total</b>
2001	11,796,562	3,131,981	3,446,183	14,718	18,389,444
2002	12,620,659	3,152,961	3,451,226	15,778	19,240,624
2003	13,782,545	3,257,611	3,517,044	16,567	20,573,767
2004	15,014,471	3,303,018	4,397,549	17,523	22,732,561
2005	16,659,988	3,449,337	4,053,946	17,240	24,180,511
2006	19,825,785	3,688,932	4,676,348	16,168	28,207,233
2007	23,423,506	4,035,998	4,842,600	146,928	32,449,032
2008	21,552,344	4,120,406	4,784,526	146,442	30,603,718
2009	20,231,743	3,037,695	4,628,491	28,084	27,926,013
2010	18,865,483	3,016,203	4,680,810	18,605	26,581,101
Change 2001 - 2010	59.9%	-3.7%	35.8%	26.4%	44.5%

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

**CITY OF TAMARAC**

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years  
(in thousand of dollars)

		<u>Real Property</u>								
<u>Tax Year</u>	<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Non-Residential Property</u>	<u>Personal Property</u>	<u>Less: Tax Exemptions</u>	<u>Total Taxable Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Market Value</u>	<u>Taxable Value as a Percentage of Market Value</u>	
2000	2001	1,911,657	396,743	155,253	622,225	1,841,428	6.5767	2,511,795	73.31%	
2001	2002	2,022,175	447,010	140,867	637,685	1,972,367	6.5434	2,732,654	72.18%	
2002	2003	2,155,194	533,605	164,396	653,983	2,199,212	6.4927	3,137,149	70.10%	
2003	2004	2,374,212	574,552	165,755	690,656	2,423,863	6.4549	3,614,786	67.05%	
2004	2005	2,623,351	658,139	187,113	713,645	2,754,958	6.4096	4,151,673	66.36%	
2005	2006	3,015,505	698,347	186,695	745,318	3,155,229	6.6029	4,910,369	64.26%	
2006	2007	3,595,772	812,384	201,088	756,359	3,852,886	6.3529	6,242,664	61.72%	
2007	2008	4,076,990	954,591	407,699	877,960	4,561,320	5.1126	7,158,234	63.72%	
2008	2009	3,992,061	1,019,696	163,052	1,303,330	3,871,479	5.3916	6,056,062	63.93%	
2009	2010	3,272,001	1,062,921	158,771	1,486,624	3,007,069	6.0800	4,709,447	63.85%	

Source: Broward County Property Appraiser

See accompanying independent auditors' report.

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

Fiscal Year	City of Tamarac			Overlapping Rates										
	Operating Millage	Debt Service Millage	Total City Millage	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 County Millage	Operating Millage	Debt Service Millage	Total School Millage					
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
2008	5.0496	0.0630	5.1126	4.8889	0.3979	5.2868	7.4770	0.1714	7.6484	0.3572	0.6240	1.6255	0.0345	20.6890
2009	5.3215	0.0701	5.3916	4.8889	0.4256	5.3145	7.4170	0.0000	7.4170	0.3754	0.6240	1.7059	0.0345	20.8629
2010	5.9999	0.0801	6.0800	4.8889	0.5000	5.3889	7.4310	0.0000	7.4310	0.4243	0.6240	1.7059	0.0345	21.6886

Source: Broward County Property Appraiser

See accompanying independent auditors' report.

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

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Florida Power & Light, Co.	\$ 53,364,898	1	1.77%	\$ 33,900,578	2	1.84%
Advance Business Assoc	36,315,268	2	1.21%	46,315,540	1	2.52%
DDRM Midway Plaza LLC	30,403,901	3	1.01%	17,418,450	5	0.95%
University Hospital	29,993,781	4	1.00%	33,194,580	3	1.80%
BH IGF Hidden Harbour	25,530,411	5	0.85%	18,370,778	4	1.00%
Coral Vista Investors, LLC	22,359,126	6	0.74%			
Alliance Partners LLC	20,561,052	7	0.68%	10,876,780	6	0.59%
Ramco-Gershenson Properties	20,386,537	8	0.68%	6,600,270	7	0.36%
Arrigo DCJ Sawgrass, Inc	15,889,515	9	0.53%			
Wells Operating Partnership LP	15,554,714	10	0.52%			
Total	<u>\$ 270,359,203</u>		<u>7.22%</u>	<u>\$ 166,676,976</u>		<u>9.05%</u>

Source: Broward County Revenue Collection Division

See accompanying independent auditors' report.

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

<b>Fiscal Year Ended September 30</b>	<b>Total Tax Levy for Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>			<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage Collected</b>	<b>Collections in Subsequent Years</b>	<b>Amount</b>	<b>Percentage of Levy</b>
2001	12,315	12,292	99.8%	1	12,293	99.8%
2002	13,164	13,068	99.3%	-	13,068	99.3%
2003	14,388	14,300	99.4%	7	14,307	99.4%
2004	15,698	15,550	99.1%	21	15,571	99.2%
2005	17,388	17,235	99.1%	7	17,242	99.2%
2006	20,619	20,528	99.6%	7	20,535	99.6%
2007	24,280	24,165	99.5%	20	24,185	99.6%
2008	22,363	21,440	95.9%	-	21,440	95.9%
2009	20,859	18,843	90.3%	295	19,138	91.7%
2010	19,703	18,630	94.6%	121	18,751	95.2%

Source: Broward County Revenue Collection Division

See accompanying independent auditors' report.

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

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government <sup>a</sup>	Percentage of Personal Income <sup>b</sup>	Per Capita <sup>c</sup>
	General Obligation Bonds	Sales Tax Increment Bonds	Capital Improvement Bonds	Taxable Redevelopment Note	Water & Sewer Revenue Bonds	Term Loan	Capital Improvement Revenue Bonds	Capital Leases			
2001	6,492,461	8,170,000	-	-	16,500,000	-	-	431,682	31,594,143	2.34%	561.69
2002	5,907,461	7,865,000	-	-	15,265,000	-	-	386,726	29,424,187	2.11%	516.98
2003	5,153,050	20,575,000	-	-	13,965,000	-	-	382,376	40,075,426	2.73%	695.86
2004	4,352,901	19,775,000	-	-	12,585,000	-	-	411,579	37,124,480	2.42%	637.07
2005	3,506,769	18,945,000	-	-	11,115,000	-	9,370,000	431,726	43,368,495	2.69%	736.47
2006	2,619,398	18,090,000	15,000,000	-	3,495,000	6,000,000	9,030,000	-	54,234,398	3.21%	910.19
2007	2,265,523	17,200,000	14,850,000	-	2,705,000	6,000,000	8,680,000	-	51,700,523	2.92%	862.41
2008	1,927,135	16,275,000	14,550,000	6,818,373	1,860,000	5,090,000	8,325,000	-	54,845,508	2.43%	925.32
2009	1,747,032	15,315,000	14,395,000	4,942,653	14,020,000	-	4,345,000	-	54,764,685	3.25%	922.90
2010	1,559,240	14,425,000	14,210,000	6,017,414	13,785,000	-	4,130,000	370,520	54,497,174	3.33%	915.76

Notes:

Details regarding the City's outstanding debt can be found in note 6 of the financial statements.

<sup>a</sup> Includes general bonded debt, sales tax increment debt, and business-type activities.

<sup>b</sup> Personal Income based on an estimate of 2010 median household income (\$40,447) of the City of Tamarac.

<sup>c</sup> Population data can be found in Page 117, Demographic Statistics and Information

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts available in Debt Service Fund</b>	<b>Net General Bonded Debt Outstanding</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita<sup>a</sup></b>
2001	6,492,461	(753,457)	7,245,918	3.935	128.82
2002	5,907,461	(754,572)	6,662,033	3.378	117.05
2003	5,153,050	(754,683)	5,907,733	2.686	102.58
2004	4,352,901	5,517	4,347,384	1.794	74.60
2005	3,506,769	29,407	3,477,362	1.262	59.05
2006	2,619,398	68,857	2,550,541	0.808	42.80
2007	2,265,523	103,330	2,162,193	0.561	36.07
2008	1,927,135	116,727	1,810,408	0.397	30.54
2009	1,747,032	119,050	1,627,982	0.421	27.43
2010	1,559,240	107,805	1,451,435	0.483	24.39

Notes:

Details regarding the City's outstanding debt can be found in note 9 of the financial statements

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

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

**City of Tamarac**  
 Direct and Overlapping Governmental Debt  
 September 30, 2010

<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	\$ 393,274,000	2.17%	\$ 8,533,837
City of Tamarac - Direct Debt			<u>1,451,435</u>
Total Direct and Overlapping Debt			<u>\$ 9,985,272</u>

Sources:

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

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.

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

**CITY OF TAMARAC**  
Legal Debt Margin Information  
September 30, 2010

The Charter of the City of Tamarac imposes no bonded debt limit. Details regarding the City's outstanding debt can be found in the note 9 of 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 Requirements		Total	Coverage
				Principal	Interest		
2001	14,402,910	10,658,948	3,743,962	1,235,000	997,345	2,232,345	1.68
2002	14,619,599	11,642,916	2,976,683	1,300,000	926,495	2,226,495	1.34
2003	14,946,465	12,307,862	2,638,603	1,380,000	850,595	2,230,595	1.18
2004	16,845,538	12,852,785	3,992,753	1,533,310	855,127	2,388,437	1.67
2005	17,199,830	13,569,636	3,630,194	1,725,580	851,263	2,576,843	1.41
2006	17,942,292	14,098,735	3,843,557	960,450	522,613	1,483,063	2.59
2007	18,694,290	14,501,880	4,462,410	1,140,000	667,747	1,807,747	2.47
2008	18,790,162	15,425,826	3,364,336	2,110,000	680,392	2,790,392	1.21
2009	19,795,236	15,729,539	4,065,697	2,037,755	340,924	2,378,679	1.71
2010	19,830,341	16,259,240	3,571,101	235,000	653,794	888,794	4.02

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. For 2010 also includes investment and other income.

b Does not include interest, depreciation and amortization expenses. For 2010 includes all expenses except for Payments in lieu of taxes.

Source: City of Tamarac, Financial Services Department

See accompanying independent auditors' report.

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

<b>Year</b>	<b>Population</b>	<b>Median Household Income</b>	<b>Total Personal Income (amounts in thousand)</b>	<b>Per Capita Income</b>	<b>Median<sup>1</sup> Age</b>	<b>Percent High<sup>1</sup> School Graduate or Higher</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
2001	56,248	36,724	1,339,940	23,822	52.9	83.5%	1,454	4.4%
2002	56,915	37,385	1,380,246	24,251	52.9	83.5%	2,081	5.7%
2003	57,591	38,282	1,430,157	24,833	52.9	83.5%	3,772	5.2%
2004	58,274	39,201	1,487,619	25,528	52.9	83.5%	3,929	4.5%
2005	58,887	40,141	1,545,372	26,243	52.9	83.5%	3,929	4.3%
2006	59,586	41,104	1,607,511	26,978	52.9	83.5%	3,792	3.5%
2007	59,949	42,092	1,337,342	22,308	45.5	83.5%	3,792	4.7%
2008	59,272	47,483	1,483,697	25,032	49.1	83.5%	3,792	7.1%
2009	59,340	41,029	1,547,366	25,820	49.3	86.8%	3,792	11.9%
2010	59,510	40,447	1,502,270	25,244	47.6	87.1%	4,244	10.4%

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 2000-2009, and Bureau of Labor Statistics 2000-2007 Per Capita Income source from 2001 & 2005 Bureau of Economic and Business Research.  
2000-2007 Per Capita Income and Median Household Income other than 1999 are derived from an estimate of Broward County data.  
2007 - 2009 Median Household Income, Per Capita Income and Median Age derived from an estimate of 2006-2008 American Community Survey.  
2009 Population from 2000 U.S. Census - 2010 Estimate.

Notes:

<sup>1</sup> Median Age (2000-2009) and Percent High School Graduate or Higher (2000-2009), from 2000 Census. No data available outside of 2000 U.S. Census

See accompanying independent auditors' report.

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

<b>Employer</b>	<b>2010</b>		<b>2001</b>	
	<b>Employees</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Percentage of Total City Employment</b>
*Convergys Customer Mgmt CP	950	21.95%	950	20.12%
*City Furniture (Opened in 2001)	840	19.41%	941	19.93%
*University Hospital	680	15.71%	1,000	21.18%
*Publix Supermarkets (3)	443	10.24%	625	13.24%
City of Tamarac	365	8.43%	370	7.84%
*Arch Aluminum & Glass Co CP	121	2.80%	160	3.39%
*Aurafin CP	366	8.46%	250	5.29%
*Heartland of Tamarac	220	5.08%	200	4.24%
*Toshiba CP (Opened in 2006)	139	3.21%	N/A	N/A
*Walgreens (4)	130	3.00%	151	3.20%
*Woodlands Country Club	74	1.71%	75	1.59%

Source:

\* Tamarac Chamber of Commerce

N/A - not available.

See accompanying independent auditors' report.

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

<b>Function/Program</b>	<b>Fiscal Year</b>									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Governmental activities:</b>										
General Government	102	102	104	106	106	102	103	97	89	88
Public Safety*	93	93	93	106	108	108	109	104	104	102
Transportation	17	17	16	16	16	16	17	10	10	10
Culture and recreation	27	29	32	33	33	36	36	34	42	35
Physical environment	61	61	62	67	67	68	69	65	64	59
<b>Business-type activities:</b>										
Water and Wastewater	53	54	53	51	51	50	51	50	51	50
Stormwater	17	16	17	17	17	18	18	18	18	21
<b>Total</b>	<b>370</b>	<b>372</b>	<b>377</b>	<b>396</b>	<b>398</b>	<b>398</b>	<b>403</b>	<b>378</b>	<b>378</b>	<b>365</b>

Notes:

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

Sources:

City of Tamarac Adopted Budget Documents 2001-2010

See accompanying independent auditors' report.

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

Function/Program	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>General Government</b>										
Building Permits Issued	5,388	5,064	5,821	5,785	6,649	9,843	7,587	5,634	5,104	5,723
Building Inspections Conducted	26,646	25,425	34,501	43,473	27,870	43,649	33,215	17,103	16,834	16,058
<b>Police</b>										
Physical Arrests	565	1,042	1,026	1,244	1,073	874	1,197	1,579	1,605	1,099
Traffic Violations	126	5,162	5,256	5,199	5,235	3,514	4,908	1,216	8,959	7,884
<b>Fire</b>										
Emergency Responses	11,093	10,560	10,281	11,172	15,725	8,563	10,694	10,735	10,896	11,081
Inspections	3,589	4,304	4,798	4,472	2,551	1,669	1,684	2,652	2,714	2,667
<b>Refuse Collection</b>										
Recyclables Collected (tons)	4,723	4,632	4,622	4,333	4,163	3,800	3,439	3,482	3,430	3,243
<b>Other Public Works</b>										
Street Resurfacing (miles)	34.04	20.48	n/a	7.60	0.50	3.00	2.00	0.00	0.00	0.00
Potholes Repaired	1,093	2,136	186	305	100	6	64	115	82	122
<b>Parks and Recreation</b>										
Athletic Field Permits Issued	120	121	103	81	85	28	87	2	90	130
<b>Water</b>										
New Connections	37	63	54	739	145	727	350	74	14	17
Water Main Breaks	31	35	21	30	21	35	18	13	11	26
Average Daily Consumption (millions of gallons)	5.6	6.4	6.4	6.5	6.2	6.5	5.7	5.4	5.7	5.9
Peak Daily Consumption (millions of gallons)	9.5	9.5	10.0	10.0	10.0	10.0	11.2	14.0	7.5	6.6
<b>Wastewater</b>										
Average Daily Sewage Treatment (millions of gallons)	7.91	7.642	7.406	7.607	7.538	6.767	6.480	6.512	6.600	6.800
<b>Transit</b>										
Total Route Miles	84,480	85,997	106,740	84,913	79,663	78,022	80,244	73,450	98,281	112,324
Passengers	20,488	30,068	37,422	35,973	43,401	43,781	47,145	16,304	36,345	35,024

Sources:

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

See accompanying independent auditors' report.

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

<b>Function</b>	<b>Fiscal Year</b>									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units		85	85	85	85	90	89	74	72	82
Fire stations	2	2	2	3	3	3	3	3	3	3
Highways and Streets										
Streets (miles)	140	140	140	136	136	120	136	140	137	137
Street lights	380	380	380	384	385	385	239	385	239	242
Culture and recreation										
Parks acreage	62.0	77.1	62.0	93.2	145.6	147.6	150.55	159.05	153.6	153.6
Parks	6	6	6	10	10	10	10	11	10	10
Tennis courts	4	4	4	4	4	4	4	4	4	4
Community centers	1	1	1	1	1	1	1	1	3	3
Aquatic Center	N/A	N/A	N/A	N/A	N/A	1	1	1	1	1
Water										
Water mains (miles)	231.4	233.2	233.2	236.8	243.0	249.7	250.9	251.2	253.9	253.9
Fire hydrants	1,769	1,857	1,893	1,944	1,893	2,029	2,043	2,045	2,077	2,079
Maximum daily capacity (millions of gallons)	20	20	20	20	20	20	20	20	20	20
Sewer										
Sanitary Sewers (miles)	177.4	178.8	180.6	182.2	181.0	185	185.5	186	188.3	188.3
Storm Sewers (miles)	76	76	76	76	76	76	77	79	77	82
Maximum daily capacity (millions of gallons)	0	0	0	0	0	8.04	8.04	8.04	8.50	8.50

Sources:

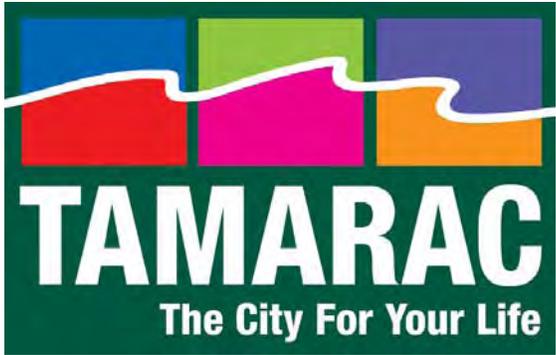
City of Tamarac Fire Rescue, Parks and Recreation, Public Works, Utilities departments; and Broward Sheriff's Office (District 7)

See accompanying independent auditors' report.

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## **COMPLIANCE SECTION**

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**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 Commission, Pension Board of Trustees, and City Manager  
City of Tamarac, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tamarac, Florida (the "City"), as of and for the year ended September 30, 2010, which collectively comprise the City's basic financial statements. We also have audited the Police Officers' Pension Trust Fund, the General Employees' Pension Trust Fund, the Elected and Appointed Officers and Non-Represented Employees Retirement Fund, and the Firefighters' Pension Trust Fund included in the accompanying notes to the financial statements as combining statements for the year ended September 30, 2010 and have issued our report thereon dated March 10, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of management, City Commission, Pension Board of Trustees, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

GLSC & Company, PLLC

March 10, 2011





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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tamarac, Florida (the "City") as of and for the year ended September 30, 2010, which collectively comprises the City's basic financial statements. We also have audited the Police Officers' Pension Trust Fund, the General Employees' Pension Trust Fund, the Elected and Appointed Officers and Non-Represented Employees Retirement Fund, and the Firefighters' Pension Trust Fund included in the accompanying notes to the financial statements as combining statements for the year ended September 30, 2010 and have issued our report thereon dated March 10, 2011.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters, Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 10, 2011, 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.**

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of management, and the Florida Auditor General, federal and state agencies, and is not intended to be and should not be used by anyone other than these specified parties.

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

*GLSC & Company, PLLC*

March 10, 2011

**LETTER TO MANAGEMENT  
(CONTINUED)**

**I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS**

None

**II. STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS**

**2009-01 Year-end Closing Procedures (Material Weakness)**

Observation

During the audit of the City's financial statements for fiscal year ended September 30, 2009, we recommended a substantial number of adjusting journal entries: most of the entries were made to record accrual or other adjustments that should have been made by the City's Finance Department during the year end closing procedures.

Recommendation

The City should consider developing year end closing procedures. These procedures should include timetables outlining appropriate due dates and instruction for schedules that should be prepared. The closing procedures should be documented in a formal checklist that indicate the individual responsibility for the task, when it is due and when it is accomplished.

Current Year Status

The City successfully implemented year end closing procedures during the fiscal year ended 2010 and no similar finding was noted; this comment will not be repeated.



**LETTER TO MANAGEMENT  
(CONTINUED)**

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

1. Unless otherwise required to be reported in the auditor's report on internal control over financial reporting and on compliance and other matters, the management letter shall include, but not be limited to a statement as to whether or not corrective actions have been taken to address significant findings and recommendations in the preceding annual financial audit report pursuant to Rule 10.557(3)(b)2. The City has taken corrective actions to address significant findings and recommendations in the preceding annual financial audit report.
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, 2010.
4. There were no violations of provision of contracts and grant agreements or abuse that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
5. Based on our professional judgment, we may report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) Deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have such findings.
6. The City of Tamarac, Florida was established pursuant to the laws of the State of Florida 63-1970, as a municipal corporation in 1963. 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. The City has one component unit, Woodland Community Neighborhood Improvement Project District; however, it was not included in the City's financial statements since it had no activity during the fiscal year ended 2010.
7. The City of Tamarac has not met one or more of the conditions described in Section 218.503(1), Florida Statutes.
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, 2010 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  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

We have audited the City of Tamarac, Florida (the "City")'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2010. The City's major federal programs 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 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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 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 of the City's compliance with those requirements.

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

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. 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 to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of management, City Commission, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

GLSC & Company, PLLC

March 10, 2011



**CITY OF TAMARAC**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE PROJECTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**

<b>Federal Agency, Pass-through Entity Federal Program</b>	<b>CFDA Number</b>	<b>Contract Grant Number</b>	<b>Expenditures</b>
<b><i>U.S. Department of Housing and Urban Development</i></b>			
Community Development Block Grant - NSP	14.218	B-08-MN-12-0028	\$ 3,144,169
Community Development Block Grant	14.218	FY2009-2010	554,073
Pass-Through Broward County			
Community Development Block Grant - DRI	14.228	FY2009-2010	<u>220,713</u>
<b><i>Total U.S. Department of Housing and Urban Development</i></b>			<u><u>3,918,955</u></u>
<b><i>U.S. Department of Energy</i></b>			
Energy Efficiency and Conservation Block Grant Program - ARRA	81.128	DE-SC0003197	<u>87,639</u>
<b><i>U.S. Department of Homeland Security</i></b>			
Assistance to Firefighters Grant - FY08/09	97.044	EMW-2009-FO-11298	72,000
Assistance to Firefighters Grant FY07/08	97.044	EMW-2008-FO-09039	66,000
CERT Grant	97.067	2009-SS-T9-0081	<u>9,687</u>
<b><i>Total U.S. Department of Homeland Security</i></b>			<u><u>147,687</u></u>
<b><i>U.S. Department of Justice</i></b>			
Justice Assistance Grant-Recovery -ARRA	16.804	GR54797	<u>8,000</u>
<b><i>TOTAL EXPENDITURES OF FEDERAL AWARDS</i></b>			<u><u>\$ 4,162,281</u></u>

(Continued)

**CITY OF TAMARAC**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE PROJECTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010**  
**(CONTINUED)**

<b>State Agency Pass-through Entity Program Title</b>	<b>CSFA Number</b>	<b>Contract Grant Number</b>	<b>Expenditures</b>
<b>Florida Department of Environmental Protection</b>			
Citywide culvert/headwall funding	37.039	LP8981	\$ <u>120,572</u>
<b>Florida Department of Financial Services</b>			
State Homeland Security Grant Program-			
MARC Unit	97.004	08DS-60-13-00-16-373	963
State Homeland Security Grant Program	97.004	09-DS-51-13-00-16-409	<u>794</u>
<b>Total Florida Department of Financial Services</b>			<u>1,757</u>
<b>South Florida Water Management District</b>			
Water Savings Incentive Program	N/A	4600001579	<u>13,047</u>
<b>Florida Department of Environmental Protection</b>			
State Housing Initiatives Partnership (S.H.I.P.)	52.901	N/A	<u>241,652</u>
<b>Florida Department of Health</b>			
Emergency Medical Services Grant Program			
(pass through Broward County)	64.003	N/A	23,017
Emergency Medical Services Matching Gran	64.003	M9104	<u>2,080</u>
<b>Total Florida Department of Health</b>			<u>25,097</u>
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE PROJECT</b>			<u>\$ 402,125</u>

N/A - Not Available

Note: Total expenditures of State Financial Assistance Projects is below the \$500,000 threshold; and therefore no State Single Audit is required during the fiscal year ended September 30, 2010 in accordance with Chapter 10.550, Rules of the Auditor General.

**CITY OF TAMARAC, FLORIDA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE PROJECTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

**NOTE A - SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133**

**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 2010, 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 2010 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 92 percent of total cash and noncash Federal program expenditures.

<u>Major Federal Program Description</u>	<u>Federal CFDA Number</u>	<u>Fiscal 2010 Expenditures</u>
Community Development Block Grant	14.218	\$ 3,698,242
Assistance to Fire Fighters Grant	97.044	138,000

**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, 2010. The basis of accounting is described in Note 1 to the City of Tamarac, Florida's basic financial statements.

Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by grantor agency as result of such an audit, any claim for reimbursement to the grantor agencies would become liability for the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

**NOTE C - FINDINGS OF NONCOMPLIANCE**

None

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

The Broward County Housing Finance and Community Development Division (BCHFCCD) conducted a monitoring visit for federally funded HOME Investment Partnership (HOME) Grant for program period April 15, 2009 and April 14, 2010 during fiscal year 2010. The report dated February 5, 2010, disclosed no findings. In addition, BCHFCCD conducted a performance assessment of the 2005 CDBG Disaster Recovery Initiative (DRI-Supplemental Agreement) for contract period June 27, 2008 to June 27, 2010 amended to December 27, 2010. The report dated September 21, 2010, disclosed no findings.

**CITY OF TAMARAC, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS -**  
**FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE PROJECTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**

**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 is 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 are reported in the independent auditors' report on compliance and internal control over compliance applicable to each major federal awards program.
4. The auditors' report on compliance for the major federal programs for the City of Tamarac, Florida expresses an unqualified opinion.
5. Audit findings relative to the major federal programs 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></u>	<u>Federal CFDA #</u>
Community Development Block Grant	14.218	\$ 3,698,242
Assistance to Fire Fighters Grant	97.044	138,000
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.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

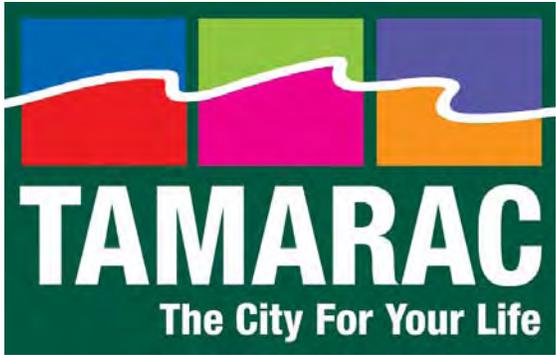
**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECT AUDIT**

None

**CITY OF TAMARAC, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS -**  
**FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE PROJECTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2010**  
**(Continued)**

**D. OTHER ISSUES**

1. No summary of 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 Single Audit Act.





TAMARAC'S MAYOR AND COMMISSION



FORMER CITY MANAGER, JEFFREY L. MILLER



The cover of this report is dedicated to the career of former City Manager **Jeffrey L. Miller**, who retired on January 28, 2011.

The photos selected represent only a small percentage of the body of work encompassing Mr. Miller's service to the City of Tamarac. His tireless effort to serve the residents, businesses, and employees during his 11 years as City Manager has resulted in numerous accomplishments, some of which are represented here. While Mr. Miller may have retired, his long list of accomplishments for the community provides a strong legacy for the City. This cover provides a lasting promise of his vision for the City of Tamarac, leaving us well prepared for the future.

Thanks Jeff, for your more than 16 years of dedicated service to the City of Tamarac!

