

**CITY OF  
WILTON MANORS, FLORIDA**

**Comprehensive Annual  
Financial Report  
Fiscal Year Ended  
September 30, 2004**





**CITY OF WILTON MANORS, FLORIDA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED SEPTEMBER 30, 2004**

**City Commission**

**Mayor  
Vice Mayor  
Commissioner  
Commissioner  
Commissioner**

**Scott Newton  
Craig Sherritt  
Joe Angelo  
Ted Galatis  
Gary Resnick**

**City Manager  
Joseph L. Gallegos**

**Finance Director  
Lisa C. Rabon**

**City Clerk  
Angela D. Scott**

**Report Prepared By The  
Finance Department**

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**CITY OF WILTON MANORS, FLORIDA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE YEAR ENDED SEPTEMBER 30, 2004**

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# INTRODUCTORY SECTION

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# WILTON MANORS, *Island City*

524 NORTHEAST 21ST COURT, WILTON MANORS, FLORIDA 33305

## FINANCE DEPARTMENT

(954) 390-2143  
FAX (954) 390-2199  
[www.wiltonmanors.com](http://www.wiltonmanors.com)

Mayor Scott Newton  
Vice Mayor Craig Sherritt  
Commissioner Joe Angelo  
Commissioner Ted Galatis  
Commissioner Gary Resnick

Dear Mayor and Commissioners:

It is our pleasure to submit the Comprehensive Annual Financial Report of the City of Wilton Manors, Florida for the fiscal year ended September 30, 2004, pursuant to Section 218.39 of the State of Florida Statutes and the Rules of the Florida Auditor General, Chapter 10.550. This report was prepared by the City's Finance Department. Although the financial statements were audited by independent certified public accountants, the responsibility for the accuracy and completeness of the data, the fairness of presentation, as well as the disclosures made in this report rests with the City. We believe the data as presented is accurate in all material respects; that it is presented in a manner designed to fairly communicate the financial position of its various funds; and that all disclosures necessary to enable the reader to obtain a general understanding of the City's financial activity have been included. The financial statements have been audited by Keefe, McCullough & Co., LLP, Certified Public Accountants. The independent auditor has issued an unqualified opinion that this report fairly presents the financial position of the City and complies with all reporting standards noted above. Additionally, the City has received the Certificate of Achievement for Excellence in Financial Reporting from the Governmental Finance Officers Association of the United States and Canada for the fiscal year ended September 30, 2003.

### Organization and Content

This report has been prepared in conformance with generally accepted accounting principles and conforms to the reporting method promulgated by the Governmental Accounting Standards Board (GASB). The report is divided into three major sections and a supplementary section. These major sections are:

Management's Discussion and Analysis (MDA) - This section is intended to provide an easily understandable discussion of the current year's financial results.

Basic Financial Statements - This section provides the detailed financial results of the year's operations. It is organized to reflect the governmental-wide operations for the year utilizing the accrual basis of accounting. It is a way of looking at the City using an economic resources measurement focus on the whole unit rather than a group of separately operated funds. It allows our reports to be more easily compared to a private sector's financial reports.

Notes to the Financial Statements - The Notes are an integral part of the financial report and provide various disclosures to ensure that a complete picture of the financial position of the City is provided to the reader of the financial statements.

Required Supplementary Information - The following types of RSI are presented in addition to the MDA:

Budgetary comparisons allow the comparison of the budget original and amended, with the actual results of the year for the general fund and other major special revenue funds.

Trend data on pension funding allows the monitoring of the progress of the actuarial accrued liability pension benefits with the actuarial value of the accumulated plan assets.

In addition to the major sections reflected above, a statistical section is provided reflecting accounting and nonaccounting data covering multiple fiscal years. It allows for a better understanding of the social-economic and demographic trends affecting the City.

## **The City**

Wilton Manors was incorporated as a village in September 1947, and under its legislative authority, became a city in June 1953. The City's development is one of community pride and effort on the part of its residents. The first town meetings were held in a small store building on Wilton Drive. Later, the Wilton Manors Civic Association was organized and a meeting hall was built by volunteer labor from materials given by many of its residents on land donated by the City's first mayor which now houses the Wilton Manors Public Library. The library also evolved through the efforts of individuals and groups, and had its beginning through a citywide book drive with space donated in the first grocery store. The original building was enlarged and improved after the present City Hall was built in 1957.

The recreation program, recognized by county, state and national organizations as a model, was created by volunteers, including the Wilton Manors Sports Club, which developed Mickel Field on land leased from the City's second mayor. Hagen Park was begun with a resident's gift of land, and was completed through the effort and donations of various civic organizations and many residents. The recreation area of the City was recently expanded with the acquisition of the Richardson property which is in the process of being converted to a major recreation and community gathering spot for the City.

The City is physically located in Broward County, on the extreme southeastern coast of Florida between Palm Beach County to the north, and Miami-Dade County to the south. Downtown City of Fort Lauderdale lies 2.5 miles to the south. The tri-county area is commonly referred to as Florida's "Gold Coast."

Broward has the second largest county population in the State of Florida with an estimated 1.7 million residents. The County's total land area is 1,197 square miles of which 787 lie in a conservation area and can not be developed. The 410 remaining miles, that may be developed, have 31 municipalities and 23 miles of beaches.

The County enjoys a diverse and growing economy reflecting its active tourism and construction industries, sea and airport facilities and other industrial sectors. Unemployment was 4.5% in 2004 comparing favorably with the State of Florida at 4.7% and the United States at 5.1%.

The City purchases its treated water from the City of Fort Lauderdale and is a member of the Central Regional Wastewater System operated by the City of Fort Lauderdale which treats its effluent. Wilton Manors continually monitors and repairs its water and wastewater transmission lines and directly serves its residents

Although the entire length of Wilton Drive, the City's main thoroughfare, is undergoing major redevelopment, the City strives to maintain its image of a small hometown.

### **Cash Management**

The City's operating funds are maintained under the equity in pooled cash system. Under this system, all cash not needed for immediate operations is deposited with the Florida State Board of Administration (SBA), Local Government Surplus Trust Fund as authorized by Florida Statute 166.261. The SBA administers a sophisticated investment mechanism which invests in various short and immediate portfolios on each member's behalf. Withdrawals are paid electronically with no penalty.

The Pension Fund's cash is administered by the Pension Board which has contracts with independent money managers for the separate management of its funds.

### **Risk Management**

The City is a member of the Florida League of Cities Risk Pool. This pool is a nonassessable governmental risk pool with several hundred members throughout the State of Florida. The City is currently insured for property, casualty, and workers' compensation with the Florida Municipal Insurance Trust.

### **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 Wilton Manors, Florida for its CAFR for the year ended September 30, 2003. This was the sixth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **Acknowledgments**

The CAFR is the result of the combined efforts of many people without which this report would not have been possible. Appreciation is extended to members of the Finance Department for their assistance in the preparation of the report and the City's external auditors for their assistance in reviewing the report.

Respectfully,



Lisa C. Rabon, Finance Director  
July 29, 2005

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Wilton Manors,  
Florida

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2003

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.



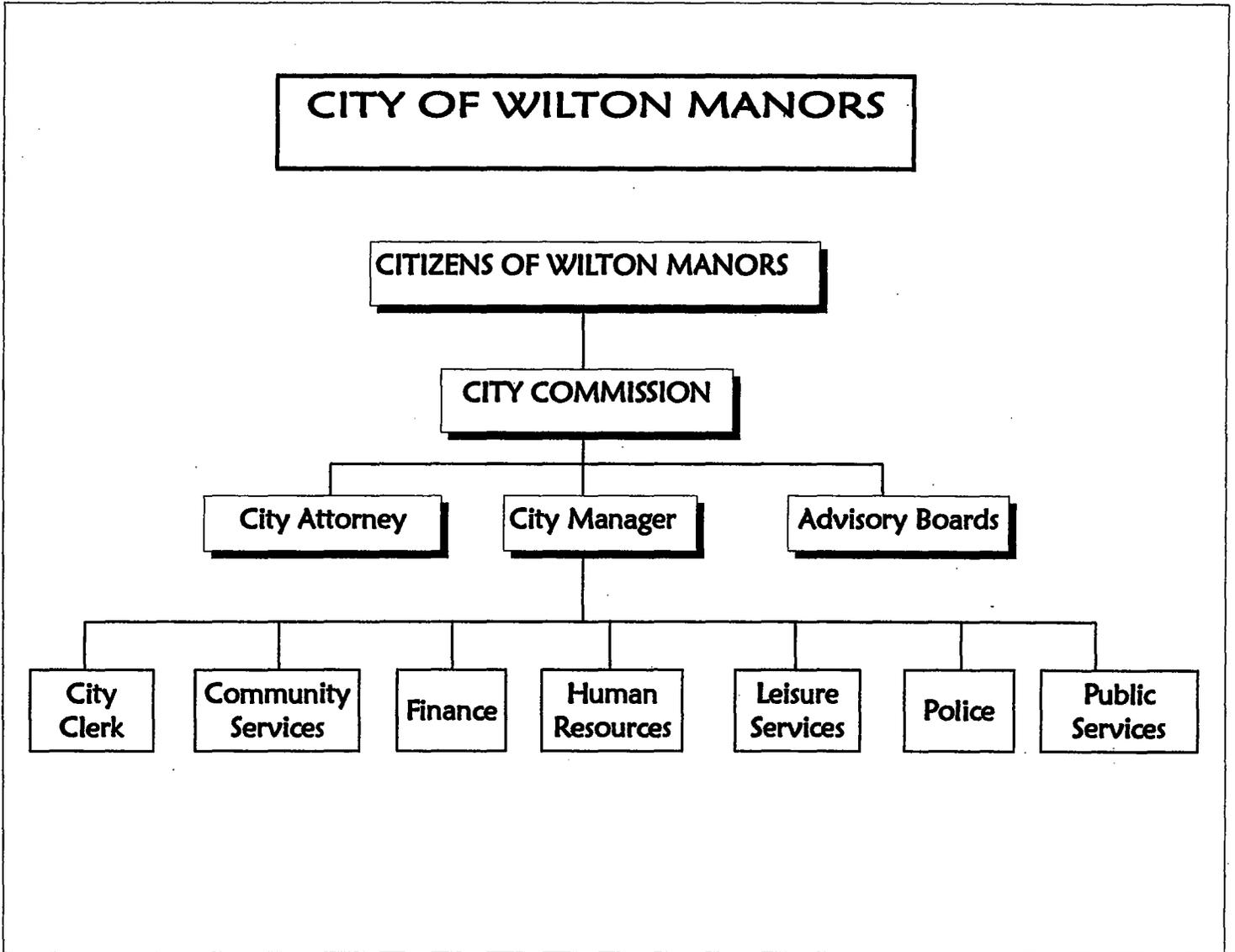
*Nancy L. Zielle*

President

*Jeffrey R. Enow*

Executive Director

City Government Structure



**CITY OF WILTON MANORS, FLORIDA**  
**LIST OF PRINCIPAL OFFICIALS**  
September 30, 2004

Mayor	Scott Newton
Vice Mayor	Craig Sherritt
Commissioner	Joe Angelo
Commissioner	Ted Galatis
Commissioner	Gary Resnick
City Manager	Joseph L. Gallegos
City Attorney	Kerry Ezrol
City Clerk	Angela D. Scott
Community Services Director	Wayne Thies
Finance Director	Lisa C. Rabon
Police Chief	Richard F. Wierzbicki
Library Director	Richard Sterling
Public Services Director	David Archacki
Leisure Services Director	Patrick Cann
Human Resources Director	Brenda Clanton

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# FINANCIAL SECTION



**KEEFE, McCULLOUGH & CO., LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

JOHN R. KEEFE, C.P.A.  
JOHN E. McCULLOUGH, C.P.A. (RETIRED)  
THOMAS T. CARPENTER, C.P.A.  
PAUL B. SNEIDER, C.P.A. (RETIRED)  
STEVEN H. WOODS, C.P.A.  
DAVID T. WILLIAMS, C.P.A.

CHRISTOPHER L. COLLINS, C.P.A.  
CHARLES K. RUMPF, C.P.A.

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

ISRAEL J. GOMEZ, C.P.A.  
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## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Commissioners  
City of Wilton Manors, Florida  
Wilton Manors, Florida

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of City of Wilton Manors, Florida (the City), as of and for the year ended September 30, 2004, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Pension Trust Fund. That financial statement was audited by other auditors whose report thereon has been furnished to us, and in our opinion, insofar as it relates to the amounts included for the Pension Trust Fund, is based solely on the report of the other auditors.

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

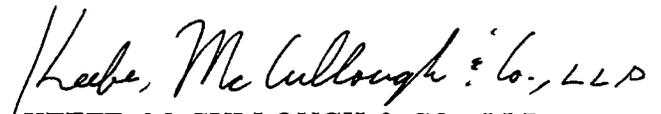
In our opinion, the basic financial statements referred to above, present fairly, in all material respects, the respective financial positions of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Wilton Manors, Florida at September 30, 2004, the respective changes in financial positions and cash flows, where applicable, and the respective budgetary comparison for the General Fund, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated April 1, 2005, on our consideration of the City of Wilton Manor's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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 reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

City of Wilton Manors, Florida

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

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the City of Wilton Manors, Florida taken as a whole. The accompanying supplementary information, such as the introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The relevant supplementary information, such as combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The relevant supplementary information, such as the introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

  
KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida  
April 1, 2005

**MANAGEMENT'S DISCUSSION  
AND ANALYSIS**  
(NOT COVERED BY  
INDEPENDENT AUDITORS' REPORT)

**CITY OF WILTON MANORS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2004**

This section is intended to provide the reader of this report with a general overview of the financial activities of the City during the fiscal year ended September 2004. The information in this section could be considered only in context with the Letter of Transmittal at the beginning of the report, as well as the financial statements and notes to the financial statements which follow.

**FINANCIAL HIGHLIGHTS**

- At the end of our fiscal year, the City's net assets increased by \$ 1,970,930 (9.1%) from \$ 21,641,926 to \$ 23,612,856. This increase was split between governmental activities (\$ 1,610,449 - 11.4%) and business-type activities (\$ 360,481 - 4.8%).
- Governmental activities revenue of \$ 11,766,905 exceeded expenses of \$ 10,869,991 by \$ 896,914.
- Business-type activities revenue of \$ 4,641,316 exceeded expenses of \$ 4,280,835 by \$ 360,481.
- General Fund building permit revenues were significantly short of budget by \$ 748,885 due to new construction not occurring as originally envisioned. This delay in new construction activity was offset by expenditure reductions.
- Business-type revenues, which consist of water, wastewater and drainage charges for services, continued a steady increase. The utility transmission lines used to transport treated water and sewage, operated at a high level of efficiency attributable to increased levels of maintenance.
- The total expenses of all City programs was \$ 14,610,786.
- The General Fund, which accounts for the vast majority of the operations of the government, expended 90% of the final, budgeted appropriations.

**CITY HIGHLIGHTS**

During the closing days of the fiscal year, the City was impacted by two Hurricanes (Frances and Jeanne) occurring within a three week period. The physical impact was primarily limited to debris cleanup and minor infrastructure damage. Financial impact to the City was less than \$ 400,000, most of it reimbursable from the State and Federal Government and was covered by the utilization of existing financial resources.

Redevelopment has become a significant factor within the City. It is occurring throughout and is often accompanied with growth in population reflecting the diversity of types of redevelopment. Impact fees are in place with the revenues being accumulated to expand our infrastructure where needed most to properly serve the growth.

The City is expanding its efforts in the grant area to assist with the infrastructure improvements. Many grant applications have been submitted to various agencies and we feel that we stand a good chance at significant financial assistance.

**CITY OF WILTON MANORS, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(continued)  
September 30, 2004

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts: 1) Management's Discussion and Analysis (this section), 2) the Basic Financial Statement comprised of three components: a) government-wide financial statements, b) fund financial statements, and c) notes to the financial statements, and 3) Required Supplementary Information.

Government-wide statements:

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

1. The statement of net assets presents information on all the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
2. The statement of activities presents information showing how the City's net assets changed during the year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 12 through 14 of this report.

Fund financial statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City categorizes funds into three basic fund types: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The governmental fund financial statements can be found on pages 15 through 28 of this report.

**CITY OF WILTON MANORS, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(continued)  
September 30, 2004

Proprietary funds (beginning on page 23) are comprised of the enterprise funds which are the equivalent of business-type activities in the government-wide statements. These include the Utility Fund and the Drainage Fund.

The fiduciary funds (on page 27), which is not included in the government-wide statements, is presented in this section as the General Employees and Police Pension Fund.

The City cannot use the assets in the pension plan to finance its operations, therefore the activities of the Plan are excluded from the City's financial statements. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

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 29 through 46 of this report.

Other financial information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's adopted budgets to actual results. Required supplementary information and other financial information can be found on pages 47 through 61 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The City's combined net assets totaled \$ 23,612,856 as of September 30, 2004. Governmental Activities net assets totaled \$ 15,788,213 and Business-type Activities net assets totaled \$ 7,824,643. The following table presents a condensed Statement of Net Assets:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>Primary Government</u>	<u>2003</u>
CURRENT AND OTHER ASSETS	\$ 4,014,687	\$ 2,855,467	\$ 3,845,196	\$ 4,223,917	\$ 7,859,883	\$ 7,079,384
CAPITAL ASSETS (NET)	<u>16,235,403</u>	<u>15,738,312</u>	<u>12,607,204</u>	<u>12,520,018</u>	<u>28,842,607</u>	<u>28,258,330</u>
Total assets	<u>20,250,090</u>	<u>18,593,779</u>	<u>16,452,400</u>	<u>16,743,935</u>	<u>36,702,490</u>	<u>35,337,714</u>
LONG-TERM DEBT	3,098,466	2,850,043	7,097,985	7,798,093	10,196,451	10,648,136
OTHER LIABILITIES	<u>1,363,411</u>	<u>1,565,972</u>	<u>1,529,772</u>	<u>1,481,680</u>	<u>2,893,183</u>	<u>3,047,652</u>
Total liabilities	<u>4,461,877</u>	<u>4,416,015</u>	<u>8,627,757</u>	<u>9,279,773</u>	<u>13,089,634</u>	<u>13,695,788</u>
NET ASSETS:						
Invested in capital assets, net of debt	13,445,955	12,948,670	4,844,075	4,016,222	18,290,030	16,964,892
Restricted	--	--	1,613,939	2,991,488	1,613,939	2,991,488
Unrestricted	<u>2,342,258</u>	<u>1,229,094</u>	<u>1,366,629</u>	<u>456,452</u>	<u>3,708,887</u>	<u>1,685,546</u>
Total net assets	\$ <u>15,788,213</u>	\$ <u>14,177,764</u>	\$ <u>7,824,643</u>	\$ <u>7,464,162</u>	\$ <u>23,612,856</u>	\$ <u>21,641,926</u>

**CITY OF WILTON MANORS, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(continued)  
September 30, 2004

Unrestricted net assets is that portion of net assets that can be used to finance daily operations without constraints established by debt covenants, enabling legislation, or other legal requirements, equaled \$ 3,708,887 on September 30, 2004. It appears that there will be a moderate increase in unrestricted net assets during the ensuing fiscal year. Tax revenues have been moderately increasing as property values continue to rise in most sections of the City. Intergovernmental revenue from non-grant sources, which includes state revenue sharing and half-cent sales tax increased slightly on the strength of a stronger economy. The strength of the local economy offsets the fact that the City of Wilton Manor's share of local tax revenue has generally declined over the years. On the positive side, the City is enjoying a redevelopment of existing properties which will ultimately increase its population.

Intergovernmental grant revenue increased greatly due to capital projects funded by grants. Grant funds are used extensively in park improvements.

Business-type activities net assets increased by approximately 4.8% in 2004 from \$ 7,464,162 to \$ 7,824,643. This increase is the result of increasing efficiencies of the water and sewer transmission lines attributable to continuous and higher levels of maintenance.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<b>REVENUES:</b>						
<b>Program Revenues:</b>						
Charges for services	\$ 2,594,188	\$ 2,049,320	\$ 4,529,242	\$ 4,401,372	\$ 7,123,430	\$ 6,450,692
Grants	2,041,279	6,374,063	--	--	2,041,279	6,374,063
<b>General Revenues:</b>						
Property taxes	4,016,062	3,466,811	--	--	4,016,062	3,466,811
Other taxes and fees	2,476,395	2,508,288	--	--	2,476,395	2,508,288
Other general revenues	<u>98,941</u>	<u>55,610</u>	<u>112,074</u>	<u>186,248</u>	<u>211,015</u>	<u>241,858</u>
Total revenues	<u>11,226,865</u>	<u>14,454,092</u>	<u>4,641,316</u>	<u>4,587,620</u>	<u>15,868,181</u>	<u>19,041,712</u>
<b>PROGRAM EXPENSES:</b>						
General government	\$ 1,414,246	\$ 1,371,346	\$ --	\$ --	\$ 1,414,246	\$ 1,371,346
Public safety	6,302,204	6,078,529	--	--	6,302,204	6,078,529
Culture and recreation	2,063,604	2,140,185	--	--	2,063,604	2,140,185
Public services	965,435	781,664	--	--	965,435	781,664
Interest	124,502	130,076	--	--	124,502	130,076
Water and wastewater	--	--	3,441,063	3,222,515	3,441,063	3,222,515
Drainage	--	--	<u>299,732</u>	<u>294,325</u>	<u>299,732</u>	<u>294,325</u>
Total expenses	<u>10,869,991</u>	<u>10,501,800</u>	<u>3,740,795</u>	<u>3,516,840</u>	<u>14,610,786</u>	<u>14,018,640</u>
Increase in net assets before transfers	356,874	3,952,292	900,521	1,070,780	1,257,395	5,023,072
TRANSFERS	<u>540,040</u>	<u>428,120</u>	<u>(540,040)</u>	<u>(428,120)</u>	--	--
Change in net assets	<u>\$ 896,914</u>	<u>\$ 4,380,412</u>	<u>\$ 360,481</u>	<u>\$ 642,660</u>	<u>\$ 1,257,395</u>	<u>\$ 5,023,072</u>

**CITY OF WILTON MANORS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(continued)  
September 30, 2004**

The City experienced an increase in net assets in both the governmental and business-type activities. Tax revenues have steadily increased in association with increased property values. The tax millage rate was 6.1005 mills which when combined with the general obligations debt millage of 0.4135 mills produced an effective total millage rate of 6.5140. This is a reduction from the 2002/03 combined millage rate of 6.5789 due to a decrease in the debt service millage rate from 9.4784 to 0.4135. One mill of tax equals one dollar for each one thousand dollars of assessed property value as determined by the Broward County Property Assessor. Property values have increased an average of 20% over the past five years, which has helped offset the general stagnation in State of Florida Shared Revenues. Preliminary indications are that property values will increase 19.7% during the 2004-2005 year. This increase is indicative of demographic changes taking place in the overall housing market within the area and the development of large, private enterprise projects replacing older underutilized properties.

General discussion on revenues:

Several areas can be identified which directly impact this current reporting period and the next fiscal year's revenues. The millage rate established by the City Commission during the budget process determines how much property tax revenue is generated in the General Fund. Property tax revenue is the major revenue source in the General Fund, accounting for 46% of fund revenues in 2003-2004. The millage rate is a rate charged per thousand dollars of assessed property value net of exemptions.

During the past fiscal year, the City received approximately \$ 2,041,000 in grant revenue from various Federal, state, and county programs. The City anticipates grant revenue to continue to be a significant source of revenue during the last fiscal year.

The City's financial condition is affected by economic conditions. During prosperous economic periods, property values generally increase which correspondingly increase property tax revenue. One other contributing factor leading to increased property values is the amount of land available for development in Broward County. As the County becomes built out, property values begin to rise. Broward County has a building moratorium to curb any threat to wetland development. The City of Wilton Manors has led most of Broward County in increased property values as a percentage over the previous year, despite the fact that it has been built-out since the early 1970s.

General discussion on expenses:

Expenses were approximately \$ 10,870,000 in the Governmental activities and approximately \$ 3,741,000 in the business-type activities. The City is predominantly a service provider, and therefore, its major expense is salaries and benefits. The salaries are specifically affected by cost of living and merit adjustments, while benefit costs are closely linked to health insurance rates.

The number of personnel has only increased slightly over the past five years in response to demands by residents for increased services. The City continues to look for automation and increased efficiencies to keep the number of personnel employed to an efficient and moderate level.

**ANALYSIS OF THE GOVERNMENT'S FUNDS**

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**CITY OF WILTON MANORS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(continued)  
September 30, 2004**

**Governmental funds:**

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

As of the end of the current fiscal year, the City of Wilton Manors' governmental funds reported a combined ending fund balance of \$ 2,816,374. Over one-half of this total amount \$ 1,189,680 constitutes unreserved fund balance and is available for spending at the City's discretion (undesignated fund balance). The remaining fund balance is reserved to indicate that these funds are not available for new spending because they are already committed to liquidate contracts and purchase orders of the prior year \$ 264,411 or for other restricted purposes \$ 1,407,283.

The General Fund is the chief operating fund of the City of Wilton Manors. At the end of the current fiscal year, unreserved and undesignated fund balance of the General Fund was \$ 1,317,549 while total fund balance was \$ 2,345,768. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved and undesignated fund balance represents approximately fourteen percent of the expenditures in the General Fund, while total fund balance represents approximately twenty-five percent of that same amount.

The total fund balance in the City's General Fund increased from \$ 1,788,017 to \$ 2,345,768 during the current fiscal year, a difference of \$ 557,751. The primary reason for the increase is because a restatement of General Fund's fund balance of \$ 304,557 for previously unrecorded receivables and budgetary expenditure savings of \$ 253,174. Other key factors in this change are included in the next section entitled, "General Fund Budgetary Highlights."

Fund balance of the General Obligation Bond Fund decreased by \$ 252,735 due to construction costs related to the following projects: Wilton Manors Elementary School, Wilton Manors Library, Island City Park Preserve, Donn Eisele Park, Colohatchee Park, Hagen Park and other parkland acquisitions. The fund balance at year end reflected a deficit of \$ (550,454). The City of Wilton Manors has applied for additional grant funding for these projects, however, any remaining deficiency will be funded by the General Fund.

**Proprietary Funds:**

The City of Wilton Manors' proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net assets of the Utility Fund amounted to \$ 6,964,014 at the end of the current year, an increase of \$ 342,281 over the prior fiscal year. Net assets in the City's other proprietary fund, the Drainage Fund, amounted to \$ 860,629 at year end, which also reflects an increase over the prior fiscal year of \$ 18,200. Other factors concerning the finances of these two funds are covered in more detail in the discussion of the City of Wilton Manors' business-type activities in the Government-wide Financial Analysis section on pages 5 through 7.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

General Fund revenues came in \$ 711,264 less than the final budget projections but this amount was offset by total expenditures which came in \$ 1,073,390 under budget. Major variances between budgeted and actual amounts in the General Fund are as follows:

**CITY OF WILTON MANORS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(continued)  
September 30, 2004**

- a. Communication service tax receipts fell \$ 66,123 below anticipated revenues due to a reduction in fees from a large international internet service provider located within the City and increased competition within the industry.
- b. License and permit revenues did not materialize due to delay in major construction activity which resulted in under budgeted revenues of \$ 744,491 (55%). The majority of these revenues have subsequently materialized in the 2004-05 fiscal year.
- c. Franchise fees exceeded budget by \$ 53,871 (8.5%) due to rate increases and stronger electrical demand within the City.
- d. Intergovernmental revenues exceeded budget by \$ 101,806 primarily due to accruals of \$ 66,554 for disaster assistance from the State of Florida and the U.S. Government for financial relief caused by Hurricane Frances and Jeanne which struck the City late last fiscal year.
- e. Significant budgeted expenditure savings during the year were found in the following departments: police (\$ 117,234), community services (\$ 146,009), culture and recreation (\$ 401,616), and nondepartmental (\$ 171,648).

The difference between the original and the final General Fund budget was due to the carry forward of prior encumbrances in the amount of \$ 176,316. By department, they were allocated as follows:

\$ 4,825	general government
47,714	public safety
27,389	culture and recreation
96,388	nondepartmental

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

The City had \$ 42,068,436 invested in capital assets on September 30, 2004. The following schedule summarizes capital asset held by the City:

**Capital Assets  
September 30, 2003 and 2004**

	Governmental Activities		Business-type Activities		Totals	
	2004	2003	2004	2003	2004	2003
Land	\$ 6,212,947	\$ 6,212,947	\$ 1,486,048	\$ 1,502,973	\$ 7,698,995	\$ 7,715,920
Infrastructure	--	--	13,657,605	13,375,068	13,657,605	13,375,068
Buildings	3,104,965	3,104,965	634,883	597,688	3,739,848	3,702,653
Improvements other than buildings	8,662,828	7,707,489	4,610,014	4,304,721	13,272,842	12,012,210
Machinery and equipment	2,926,561	2,767,598	772,585	762,234	3,699,146	3,529,832
Construction in progress	--	--	--	--	--	--
<b>Total</b>	<b><u>\$ 20,907,301</u></b>	<b><u>\$ 19,792,999</u></b>	<b><u>\$ 21,161,135</u></b>	<b><u>\$ 20,542,684</u></b>	<b><u>\$ 42,068,436</u></b>	<b><u>\$ 40,335,683</u></b>

**CITY OF WILTON MANORS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(continued)  
September 30, 2004**

Waste and wastewater line improvements are a constant process and the amount spent on these infrastructure improvements will remain fairly consistent from year to year.

Additional information on the City's capital assets can be found in Note F on pages 39 through 40.

**Debt:**

The City had debt totaling approximately \$ 10.6 million at September 30, 2004. Total debt outstanding at the end of the prior fiscal year was \$ 11.5 million. The decrease of \$ .90 million is attributable to the retirement of principal (net of any amortization of discount).

**Outstanding Debt  
September 30, 2004 and 2003**

	Governmental Activities		Business-type Activities		Totals	
	2004	2003	2004	2003	2004	2003
General obligation bonds (backed by the City)	\$ 2,789,448	\$ 2,919,090	\$ --	\$ --	\$ 2,789,448	\$ 2,919,090
Revenue bonds (backed by specific revenue streams)	--	--	7,809,849	8,567,646	7,809,849	8,567,646
<b>Total</b>	<b>\$ 2,789,448</b>	<b>\$ 2,919,090</b>	<b>\$ 7,809,849</b>	<b>\$ 8,567,646</b>	<b>\$ 10,599,297</b>	<b>\$ 11,486,736</b>

During the 2004-2005 fiscal year, the amount of debt outstanding will continue to decline. In 1999, the City had issued \$ 3.35 million in general obligation debt for park land acquisition and improvement.

Revenue bonds, the other major source of debt, will also continue to decline. Of the \$ 8.0 million of revenue debt, \$ 7.2 million relates to water, wastewater and drainage projects funded and completed in the mid-1990's.

Additional information on the City's long-term debt can be found in Note I on pages 43 and 44 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

**Economic factors:**

The City's primary sources of revenue are property taxes, franchise and regulatory fees and utility charges for services. State shared revenues, which include telecommunication taxes, account for another large source of revenue. South Florida continued to experience outstanding economic performance, with property values increasing approximately 16.8% over the previous year. Area unemployment was 4.5% on September 30, 2004. While Wilton Manors has been significantly built

**CITY OF WILTON MANORS, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
(continued)  
September 30, 2004**

out since 1970, the City's proximity to downtown Ft. Lauderdale, coupled with extensive renovation throughout the City, have created an economic renaissance. The center of the City is a mecca for upwardly mobile urban and suburban professionals. Scores of retail outlets and restaurants have opened in the past two years, with several new businesses scheduled to open in the ensuing year. Significant growth and redevelopment will be coming online in the next fiscal year.

**REQUESTS FOR INFORMATION**

This entire report has been prepared by the finance department of the City of Wilton Manors, Florida with the assistance of the City's external auditors. Every effort has been made to make this report understandable to the reader. Any questions or comments about this report are welcome and may be directed to the City's Assistant Finance Director at (954) 390-2143, fax (954) 390-2199, or by mail to the City of Wilton Manors, Assistant Finance Director, 524 NE 21st Court, Wilton Manors, Florida 33305.

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**BASIC  
FINANCIAL STATEMENTS**

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF NET ASSETS**  
September 30, 2004

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS:</b>			
Equity in pooled cash	\$ 2,526,920	\$ 725,392	\$ 3,252,312
Cash held by third party	458,821	--	458,821
Accounts receivable	349,344	524,390	873,734
Due from other governments	605,894	7,352	613,246
Inventory	63,525	61,873	125,398
Unamortized bond discounts and financing costs	--	46,720	46,720
Capital assets, non-depreciable	6,212,947	1,486,048	7,698,995
Capital assets, depreciable (net)	10,022,456	11,121,156	21,143,612
Restricted cash and cash equivalents	3,000	2,476,772	2,479,772
Other assets	7,183	2,697	9,880
Total assets	20,250,090	16,452,400	36,702,490
<b>LIABILITIES:</b>			
Accounts payable	643,791	259,915	903,706
Accrued expenses	187,911	7,667	195,578
Unearned revenues	80,411	--	80,411
Accrued interest payable	40,708	188,941	229,649
Customer deposits	--	327,375	327,375
Due to other governments	219,416	--	219,416
Due within one year:			
Compensated absences payable	55,794	--	55,794
Bonds payable	135,380	745,874	881,254
Due in more than one year:			
Compensated absences payable	444,398	34,010	478,408
Bonds payable	2,654,068	7,063,975	9,718,043
Total liabilities	4,461,877	8,627,757	13,089,634
<b>NET ASSETS:</b>			
Invested in capital assets (net of related debt)	13,445,955	4,844,075	18,290,030
Restricted for:			
Debt service	--	1,113,439	1,113,439
Renewal and replacement	--	500,500	500,500
Unrestricted	2,342,258	1,366,629	3,708,887
Total net assets	\$ 15,788,213	\$ 7,824,643	\$ 23,612,856

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended September 30, 2004

		Program Revenues		
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>FUNCTIONS/PROGRAMS:</b>				
Primary government:				
Governmental activities:				
General government	\$ 1,414,246	\$ --	\$ --	
Public safety	6,302,204	1,470,497	308,260	
Culture and recreation	2,063,604	230,069	1,733,019	
Public services	965,435	893,622	--	
Interest expense	<u>124,502</u>	<u>--</u>	<u>--</u>	
Total governmental activities	<u>10,869,991</u>	<u>2,594,188</u>	<u>308,260</u>	
Business-type activities:				
Water and wastewater	3,441,063	4,251,905	--	
Drainage	<u>299,732</u>	<u>277,337</u>	<u>--</u>	
Total business-type activities	<u>3,740,795</u>	<u>4,529,242</u>	<u>--</u>	
Total primary government	\$ <u>14,610,786</u>	\$ <u>7,123,430</u>	\$ <u>308,260</u>	

General revenues:

Taxes:

Ad valorem taxes  
Franchise fees  
Utility service taxes  
Interest income  
Miscellaneous  
Contributions  
Transfers

Total general revenues  
and transfers

Change in net assets

Net assets at beginning of year,  
as previously reported

Prior period adjustment (Note M)

Net assets at end of year

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

Net (Expenses) Revenues and  
Changes in Net Assets

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (1,414,246)	\$ --	\$ (1,414,246)
(2,790,428)	--	(2,790,428)
(1,833,535)	--	(1,833,535)
(71,813)	--	(71,813)
(124,502)	--	(124,502)
(6,234,524)	--	(6,234,524)
--	810,842	810,842
--	(22,395)	(22,395)
--	788,447	788,447
(6,234,524)	788,447	(5,446,077)
4,016,062	--	4,016,062
918,458	--	918,458
1,557,937	--	1,557,937
--	33,719	33,719
34,108	--	34,108
64,833	78,355	143,188
540,040	(540,040)	--
7,131,438	(427,966)	6,703,472
896,914	360,481	1,257,395
14,177,764	7,464,162	21,641,926
713,535	--	713,535
\$ 15,788,213	\$ 7,824,643	\$ 23,612,856

**CITY OF WILTON MANORS, FLORIDA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
September 30, 2004

	Major Governmental Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	General Obligation Bond Fund		
<b>ASSETS:</b>				
Equity in pooled cash	\$ 1,339,348	\$ (57,382)	\$ 1,244,954	\$ 2,526,920
Cash held by third party	--	--	458,821	458,821
Restricted cash	3,000	--	--	3,000
Accounts receivable	227,448	--	121,896	349,344
Due from other governments	120,465	120,000	365,429	605,894
Due from other funds	891,780	--	18	891,798
Inventory	30,918	--	32,607	63,525
Advance to other fund	173,371	--	--	173,371
Other assets	6,882	--	301	7,183
Total assets	\$ 2,793,212	\$ 62,618	\$ 2,224,026	\$ 5,079,856
<b>LIABILITIES AND FUND BALANCES (DEFICIT):</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 203,910	\$ 137	\$ 439,744	\$ 643,791
Accrued expenditures	183,021	--	4,890	187,911
Due to other funds	18	612,935	452,216	1,065,169
Unearned revenue	38,711	--	41,700	80,411
Accrued compensated absences	21,784	--	--	21,784
Due to other governments	--	--	219,416	219,416
Total liabilities	447,444	613,072	1,157,966	2,218,482
<b>Fund balances (deficit):</b>				
<b>Reserved for:</b>				
Contingency	441,737	--	--	441,737
Vehicles	269,829	--	--	269,829
Advance to other fund	173,371	--	--	173,371
Encumbrances	112,364	--	152,047	264,411
Inventory	30,918	--	32,607	63,525
Fire truck	--	--	458,821	458,821
<b>Unreserved:</b>				
Designated for subsequent years' expenditures, reported in:				
Special Revenue Funds	--	--	7,500	7,500
Undesignated (deficit), reported in:				
General Fund	1,317,549	--	--	1,317,549
General Obligation Bond Fund	--	(550,454)	--	(550,454)
Special Revenue Funds	--	--	415,085	415,085
Total fund balances	2,345,768	(550,454)	1,066,060	2,861,374
Total liabilities and fund balances	\$ 2,793,212	\$ 62,618	\$ 2,224,026	\$ 5,079,856

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

**CITY OF WILTON MANORS, FLORIDA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
September 30, 2004

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS ARE DIFFERENT BECAUSE:

Total fund balance of governmental funds in the balance sheet, Page 15	\$	2,861,374
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds:		
The cost of capital assets is	\$ 20,907,301	
Accumulated depreciation is	<u>(4,671,898)</u>	16,235,403
Long-term liabilities, including bonds payable, accrued interest, and compensated absences are not due and payable in the current period and therefore are not reported in the funds.		<u>(3,308,564)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES, PAGE 12	\$	<u>15,788,213</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES (DEFICIT)**  
**GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2004

	<u>Major Governmental Funds</u>		<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>General Obligation Bond Fund</u>		
<b>REVENUES:</b>				
Ad valorem taxes	\$ 3,760,912	\$ --	\$ --	\$ 3,760,912
Ad valorem taxes for debt service	255,150	--	--	255,150
Franchise fees	623,037	--	295,421	918,458
Utility service taxes	1,557,937	--	--	1,557,937
Licenses and permits	596,309	--	--	596,309
Intergovernmental revenues	1,219,550	75,845	437,624	1,733,019
Federal Disaster Assistance	--	--	308,260	308,260
Charges for services	230,069	--	338,023	568,092
Fines and forfeitures	381,641	--	25,523	407,164
Special assessments	8,077	--	928,400	936,477
Donations	--	--	34,108	34,108
Miscellaneous	94,223	(390)	57,146	150,979
<b>Total revenues</b>	<u>8,726,905</u>	<u>75,455</u>	<u>2,424,505</u>	<u>11,226,865</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	1,271,701	--	--	1,271,701
Public safety	5,117,341	--	1,009,932	6,127,273
Culture and recreation	1,808,178	--	47,983	1,856,161
Public services	320,990	--	568,543	889,533
Nondepartmental	37,131	--	--	37,131
Capital outlay	476,303	373,190	182,207	1,031,700
<b>Debt service:</b>				
Principal retirement	129,647	--	--	129,647
Interest	126,389	--	--	126,389
<b>Total expenditures</b>	<u>9,287,680</u>	<u>373,190</u>	<u>1,808,665</u>	<u>11,469,535</u>
Excess (deficiency) of revenues over expenditures	<u>(560,775)</u>	<u>(297,735)</u>	<u>615,840</u>	<u>(242,670)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	922,252	45,000	--	967,252
Transfers out	(108,303)	--	(318,909)	(427,212)
<b>Total other financing sources (uses)</b>	<u>813,949</u>	<u>45,000</u>	<u>(318,909)</u>	<u>540,040</u>
<b>Net change in fund balances</b>	253,174	(252,735)	296,931	297,370
<b>FUND BALANCES AT BEGINNING OF YEAR, as previously reported</b>	1,788,017	(297,719)	360,171	1,850,469
Prior Period Adjustment (Note M)	304,577	--	408,958	713,535
<b>FUND BALANCES (DEFICIT) AT END OF YEAR</b>	<u>\$ 2,345,768</u>	<u>\$ (550,454)</u>	<u>\$ 1,066,060</u>	<u>\$ 2,861,374</u>

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

**CITY OF WILTON MANORS, 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, 2004

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS, PAGE 17 \$ 297,370

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

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 assets	\$ 1,114,302	
Less current year depreciation expense	<u>(617,211)</u>	497,091

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount of debt repayments.

Principal payments		129,642
--------------------	--	---------

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Decrease in interest payable	1,891	
Increase in long-term compensated absences	<u>(29,080)</u>	<u>(27,189)</u>

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES, PAGE 14 \$ 896,914

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
For the Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Ad valorem taxes:				
Current	\$ 3,777,525	\$ 3,777,525	\$ 3,750,498	\$ (27,027)
Delinquent	10,000	10,000	10,414	414
Debt service	<u>256,036</u>	<u>256,036</u>	<u>255,150</u>	<u>(886)</u>
	<u>4,043,561</u>	<u>4,043,561</u>	<u>4,016,062</u>	<u>(27,499)</u>
Franchise fees:				
Electric	549,400	549,400	596,037	46,637
Miscellaneous	<u>19,766</u>	<u>19,766</u>	<u>27,000</u>	<u>7,234</u>
	<u>569,166</u>	<u>569,166</u>	<u>623,037</u>	<u>53,871</u>
Utility service taxes:				
Electricity	721,250	721,250	710,661	(10,589)
Gas	45,400	45,400	41,566	(3,834)
Water	244,850	244,850	254,776	9,926
Communication service tax	<u>617,057</u>	<u>617,057</u>	<u>550,934</u>	<u>(66,123)</u>
	<u>1,628,557</u>	<u>1,628,557</u>	<u>1,557,937</u>	<u>(70,620)</u>
Licenses and permits:				
Occupational licenses	130,000	130,000	121,075	(8,925)
Building permits	1,175,000	1,175,000	426,115	(748,885)
Residential rental licenses	22,000	22,000	21,840	(160)
Other licenses and permits	<u>13,800</u>	<u>13,800</u>	<u>27,279</u>	<u>13,479</u>
	<u>1,340,800</u>	<u>1,340,800</u>	<u>596,309</u>	<u>(744,491)</u>
Intergovernmental revenues:				
State revenue sharing	365,195	365,195	378,669	13,474
State sales tax	739,510	739,510	740,097	587
Mobile home licenses	100	100	199	99
Alcoholic beverage licenses	12,939	12,939	12,157	(782)
Bash Grant - Department of Agriculture	--	--	6,874	6,874
Federal Disaster Assistance	--	--	66,554	66,554
Miscellaneous grant revenue	<u>--</u>	<u>--</u>	<u>15,000</u>	<u>15,000</u>
	<u>1,117,744</u>	<u>1,117,744</u>	<u>1,219,550</u>	<u>101,806</u>
Charges for services:				
Recreation fees	210,100	210,100	214,322	4,222
Other charges	<u>11,675</u>	<u>11,675</u>	<u>15,747</u>	<u>4,072</u>
	<u>221,775</u>	<u>221,775</u>	<u>230,069</u>	<u>8,294</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**

(continued)

For the Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Fines and forfeitures:				
Court and parking fines	262,500	262,500	364,867	102,367
Library fines	8,000	8,000	8,570	570
Code enforcement	<u>11,000</u>	<u>11,000</u>	<u>8,204</u>	<u>(2,796)</u>
	<u>281,500</u>	<u>281,500</u>	<u>381,641</u>	<u>100,141</u>
Miscellaneous:				
Interest income	45,000	45,000	19,679	(25,321)
Rental revenue	6,500	6,500	11,140	4,640
Prior year appropriation	--	176,316	--	(176,316)
Special assessment	--	--	8,077	8,077
Miscellaneous revenue	<u>7,250</u>	<u>7,250</u>	<u>63,404</u>	<u>56,154</u>
	<u>58,750</u>	<u>235,066</u>	<u>102,300</u>	<u>(132,766)</u>
Total revenues	<u>9,261,853</u>	<u>9,438,169</u>	<u>8,726,905</u>	<u>(711,264)</u>
Expenditures:				
General government:				
Mayor and Commission:				
Personal services	50,265	50,265	46,095	4,170
Operating expenditures	<u>29,247</u>	<u>29,247</u>	<u>31,676</u>	<u>(2,429)</u>
	<u>79,512</u>	<u>79,512</u>	<u>77,771</u>	<u>1,741</u>
City Management:				
Personal services	421,960	421,960	415,398	6,562
Operating expenditures	73,638	73,880	63,637	10,243
Capital outlay	<u>4,068</u>	<u>4,517</u>	<u>4,290</u>	<u>227</u>
	<u>499,666</u>	<u>500,357</u>	<u>483,325</u>	<u>17,032</u>
Finance:				
Personal services	497,130	497,130	485,039	12,091
Operating expenditures	111,437	115,021	106,378	8,643
Capital outlay	<u>4,143</u>	<u>4,693</u>	<u>3,773</u>	<u>920</u>
	<u>612,710</u>	<u>616,844</u>	<u>595,190</u>	<u>21,654</u>
City Attorney:				
Operating expenditures	<u>140,000</u>	<u>140,000</u>	<u>122,038</u>	<u>17,962</u>
	<u>140,000</u>	<u>140,000</u>	<u>122,038</u>	<u>17,962</u>
Total general government	<u>1,331,888</u>	<u>1,336,713</u>	<u>1,278,324</u>	<u>58,389</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
(continued)

For the Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Public safety:				
Police:				
Personal services	3,620,537	3,620,537	3,563,585	56,952
Operating expenditures	448,568	451,728	426,039	25,689
Capital outlay	<u>148,701</u>	<u>191,112</u>	<u>114,108</u>	<u>77,004</u>
	<u>4,217,806</u>	<u>4,263,377</u>	<u>4,103,732</u>	<u>159,645</u>
Emergency medical services (EMS):				
Operating expenditures	<u>240,488</u>	<u>240,488</u>	<u>240,800</u>	<u>(312)</u>
Community services:				
Personal services	495,214	495,214	472,335	22,879
Operating expenditures	533,034	533,740	418,128	115,612
Capital outlay	<u>61,378</u>	<u>62,815</u>	<u>53,860</u>	<u>8,955</u>
	<u>1,089,626</u>	<u>1,091,769</u>	<u>944,323</u>	<u>147,446</u>
Total public safety	<u>5,547,920</u>	<u>5,595,634</u>	<u>5,288,855</u>	<u>306,779</u>
Culture and recreation:				
Library				
Personal services	317,162	317,162	259,824	57,338
Operating expenditures	52,399	52,399	60,011	(7,612)
Capital outlay	<u>24,400</u>	<u>27,546</u>	<u>22,975</u>	<u>4,571</u>
	<u>393,961</u>	<u>397,107</u>	<u>342,810</u>	<u>54,297</u>
Parks and recreation:				
Personal services	1,337,701	1,337,701	1,118,921	218,780
Operating expenditures	411,059	420,944	370,820	50,124
Capital outlay	<u>318,792</u>	<u>333,150</u>	<u>237,231</u>	<u>95,919</u>
	<u>2,067,552</u>	<u>2,091,795</u>	<u>1,726,972</u>	<u>364,823</u>
Total culture and recreation	<u>2,461,513</u>	<u>2,488,902</u>	<u>2,069,782</u>	<u>419,120</u>
Public services:				
Personal services	153,980	153,980	163,960	(9,980)
Operating expenditures	168,249	168,249	156,434	11,815
Capital outlay	<u>41,200</u>	<u>41,200</u>	<u>19,303</u>	<u>21,897</u>
Total public services	<u>363,429</u>	<u>363,429</u>	<u>339,697</u>	<u>23,732</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**

(continued)

For the Year Ended September 30, 2004

	Budgeted Amounts		Actual	Variance
	Original	Final		
Nondepartmental:				
Personal service	41,441	41,441	36,630	4,811
Operating expenditures	98,299	98,853	--	98,853
Capital outlay	20,276	116,110	(45,596)	161,706
Total nondepartmental	160,016	256,404	(8,966)	265,370
Debt service:				
Principal retirement	129,642	129,642	129,647	(5)
Interest	126,394	126,394	126,389	5
Total debt service	256,036	256,036	256,036	--
Total expenditures	10,120,802	10,297,118	9,223,728	1,073,390
Excess (deficiency) of revenues over expenditures	(858,949)	(858,949)	(496,823)	362,126
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	922,252	922,252	922,252	--
Transfers out	(63,303)	(63,303)	(108,303)	(45,000)
Total other financing sources (uses)	858,949	858,949	813,949	(45,000)
Net change in fund balance	--	--	317,126	317,126
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	--	--	1,916,278	1,916,278
<b>FUND BALANCE AT END OF YEAR</b>	\$ --	\$ --	\$ 2,233,404	\$ 2,233,404

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
September 30, 2004

ASSETS:	Business-Type Activities - Enterprise Funds		
	Major Fund	Nonmajor Fund	Total
	Utility Fund	Drainage Fund	
Current assets:			
Equity in pooled cash	\$ 531,263	\$ 194,129	\$ 725,392
Accounts receivable	508,347	16,043	524,390
Prepaid expenses	2,323	374	2,697
Inventory	61,873	--	61,873
Due from other funds	--	93,474	93,474
Due from other governments	4,787	2,565	7,352
Restricted cash and cash equivalents	1,262,190	--	1,262,190
Total current assets	2,370,783	306,585	2,677,368
Noncurrent assets:			
Restricted cash and cash equivalents	1,214,582	--	1,214,582
Capital assets, depreciable net	10,556,927	564,229	11,121,156
Capital assets, non-depreciable	1,486,048	--	1,486,048
Unamortized bond discount and financing costs	46,720	--	46,720
Total noncurrent assets	13,304,277	564,229	13,868,506
Total assets	\$ 15,675,060	\$ 870,814	\$ 16,545,874
LIABILITIES:			
Current liabilities (payable from unrestricted assets):			
Accounts payable	\$ 257,435	\$ 2,480	\$ 259,915
Accrued expenses	6,067	1,600	7,667
Due to other funds	93,474	--	93,474
Current liabilities (payable from restricted assets):			
Bonds payable	745,874	--	745,874
Accrued interest payable	188,941	--	188,941
Customer deposits	327,375	--	327,375
Total current liabilities	1,619,166	4,080	1,623,246
Noncurrent liabilities:			
Compensated absences payable	27,905	6,105	34,010
Bonds payable	7,063,975	--	7,063,975
Total noncurrent liabilities	7,091,880	6,105	7,097,985
Total liabilities	8,711,046	10,185	8,721,231
NET ASSETS:			
Invested in capital assets, net of related debt	4,279,846	564,229	4,844,075
Restricted for:			
Debt service	1,113,439	--	1,113,439
Renewal and replacement	490,500	10,000	500,500
Unrestricted	1,080,229	286,400	1,366,629
Total net assets	6,964,014	860,629	7,824,643
Total liabilities and net assets	\$ 15,675,060	\$ 870,814	\$ 16,545,874

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUNDS**  
For the Year Ended September 30, 2004

	Business-Type Activities - Enterprise Funds		
	Major Fund	Nonmajor Fund	Total
	Utility Fund	Drainage Fund	
<b>OPERATING REVENUES:</b>			
Charges for services	\$ <u>4,251,905</u>	\$ <u>277,337</u>	\$ <u>4,529,242</u>
<b>OPERATING AND ADMINISTRATIVE EXPENSES:</b>			
Water purchases and contracted sewer services	1,681,507	--	1,681,507
Maintenance and repair	75,107	37,718	112,825
Administrative costs	15,136	4,676	19,812
Accounting services	29,903	--	29,903
Personal services	385,107	105,839	490,946
Depreciation expense	359,524	118,152	477,676
Amortization expense	53,587	--	53,587
General expenses	<u>472,054</u>	<u>33,347</u>	<u>505,401</u>
 Total operating and administrative expenses	 <u>3,071,925</u>	 <u>299,732</u>	 <u>3,371,657</u>
 Operating income (loss)	 <u>1,179,980</u>	 <u>(22,395)</u>	 <u>1,157,585</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Interest income	30,682	3,037	33,719
Interest expense	(369,138)	--	(369,138)
Other	<u>75,790</u>	<u>2,565</u>	<u>78,355</u>
 Total nonoperating revenues (expenses)	 <u>(262,666)</u>	 <u>5,602</u>	 <u>(257,064)</u>
 Income (loss) before transfers	 <u>917,314</u>	 <u>(16,793)</u>	 <u>900,521</u>
<b>TRANSFERS:</b>			
In	52,082	65,627	117,709
Out	<u>(627,115)</u>	<u>(30,634)</u>	<u>(657,749)</u>
 Total transfers in (out)	 <u>(575,033)</u>	 <u>34,993</u>	 <u>(540,040)</u>
 Changes in net assets	 342,281	 18,200	 360,481
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>6,621,733</u>	<u>842,429</u>	<u>7,464,162</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 6,964,014</u>	<u>\$ 860,629</u>	<u>\$ 7,824,643</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the Year Ended September 30, 2004

	Business-Type Activities - Enterprise Funds		Total
	Major Fund Utility Fund	Nonmajor Fund Drainage Fund	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers and users	\$ 4,229,346	\$ 277,910	\$ 4,507,256
Cash paid to employees for services	(378,419)	(105,893)	(484,312)
Cash paid to suppliers for goods and services	<u>(2,107,878)</u>	<u>(71,305)</u>	<u>(2,179,183)</u>
Net cash provided by operating activities	<u>1,743,049</u>	<u>100,712</u>	<u>1,843,761</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Other revenues	75,790	2,565	78,355
Transfers in from other funds	52,082	65,627	117,709
Transfers out to other funds	<u>(627,115)</u>	<u>(30,634)</u>	<u>(657,749)</u>
Net cash provided (used) by noncapital financing activities	<u>(499,243)</u>	<u>37,558</u>	<u>(461,685)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Bond principal payments	(702,970)	(82,000)	(784,970)
Interest paid	(353,023)	--	(353,023)
Purchase of capital assets	<u>(306,800)</u>	<u>(329,310)</u>	<u>(636,110)</u>
Net cash provided (used) by capital and related financing activities	<u>(1,362,793)</u>	<u>(411,310)</u>	<u>(1,774,103)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	<u>30,682</u>	<u>3,037</u>	<u>33,719</u>
Net cash provided by investing activities	<u>30,682</u>	<u>3,037</u>	<u>33,719</u>
Net increase (decrease) in equity in pooled cash	(88,305)	(270,003)	(358,308)
<b>EQUITY IN POOLED CASH AT BEGINNING OF YEAR</b>	<u>3,096,340</u>	<u>464,132</u>	<u>3,560,472</u>
<b>EQUITY IN POOLED CASH AT END OF YEAR</b>	\$ <u>3,008,035</u>	\$ <u>194,129</u>	\$ <u>3,202,164</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**

(continued)

For the Year Ended September 30, 2004

	Business-Type Activities - Enterprise Funds		
	Major Fund	Nonmajor Fund	Total
	Utility Fund	Drainage Fund	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ <u>1,179,980</u>	\$ <u>(22,395)</u>	\$ <u>1,157,585</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Amortization expense	53,587	--	53,587
Depreciation expense	359,524	118,152	477,676
(Increase) decrease in accounts receivable	(9,159)	7,233	(1,926)
(Increase) decrease in prepaid expenses	(2,323)	--	(2,323)
(Increase) decrease in inventory	--	--	--
(Increase) decrease in other assets	21,918	--	21,918
Increase (decrease) in accounts payable	134,406	(252)	134,154
Increase (decrease) in accrued expenses	(8,284)	(2,026)	(10,310)
Increase (decrease) in customer deposits	<u>13,400</u>	<u>--</u>	<u>13,400</u>
Total adjustments	<u>563,069</u>	<u>123,107</u>	<u>686,176</u>
Net cash provided by operating activities	\$ <u><u>1,743,049</u></u>	\$ <u><u>100,712</u></u>	\$ <u><u>1,843,761</u></u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**GENERAL EMPLOYEES AND POLICE PENSION FUNDS**  
September 30, 2004

<b>ASSETS:</b>	
Cash and cash equivalents	\$ 488,800
Investments:	
Common stocks	13,023,182
U.S. government securities	4,308,258
Corporate bonds	<u>1,524,275</u>
	<u>18,855,715</u>
Receivable for investments sold	203,967
Accrued investment income	76,661
Due from participants	<u>17,518</u>
Total assets	<u>19,642,661</u>
<b>LIABILITIES:</b>	
Accounts payable	20,686
Due to Firefighters Retirement System	328,908
DROP payable	480,258
Payable for investments purchased	<u>36,290</u>
Total liabilities	<u>866,142</u>
<b>NET ASSETS:</b>	
Held in trust for pension benefits	\$ <u>18,776,519</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**GENERAL EMPLOYEES AND POLICE PENSION FUNDS**  
For the Year Ended September 30, 2004

<b>ADDITIONS:</b>	
Contributions:	
Employer	\$ 458,401
Employee	<u>719,459</u>
Total contributions	<u>1,177,860</u>
Investment income (loss):	
Net appreciation in fair value of investments	1,221,346
Interest and dividends	501,344
Earnings (losses) allocated to:	
Firefighters Retirement System	(30,700)
DROP	(82,287)
Less: Investment expenses	<u>(109,908)</u>
Total investment income	<u>1,499,795</u>
Total additions	<u>2,677,655</u>
<b>DEDUCTIONS:</b>	
Retirement benefits and refunds	809,345
Administrative expenses	<u>64,604</u>
Total deductions	<u>873,949</u>
Change in net assets	1,803,706
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS:</b>	
Beginning of year	<u>16,972,813</u>
End of year	\$ <u>18,776,519</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Wilton Manors, Florida (the City) have been prepared in accordance with generally accepted accounting principles (GAAP) applicable to governmental units. Generally accepted accounting principles (GAAP) includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the more significant accounting policies of the City:

Reporting entity

The City of Wilton Manors, in Broward County, was incorporated in 1947, and was created as a municipality under Chapter 165, Florida Statutes and named the Village of Wilton Manors. The Laws of Florida, 1953, Chapter 29609 established the present municipality, designated it the City of Wilton Manors and enacted its Charter. The City operates under the Mayor/Commission form of government and provides the following services as authorized by its Charter - general government, public safety, public services and culture and recreation. As required by generally accepted accounting principles, these financial statements present the City of Wilton Manors (the primary government).

The criteria used for including component units consists of identification of legally separate organizations for which the elected officials of the City are financially accountable. This criteria also includes identification of organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's basic financial statements to be misleading or incomplete. Based upon this review, there were no potential component units or related organizations of the City.

Government-wide and fund financial statements:

The Government-wide financial statements (the statement of net assets and statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities of the reporting entity, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those expenses that are clearly identifiable with a specific function or segment. Amounts reported as 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. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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.

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The City reports the following major governmental funds:

The General Fund is the City's general operating fund. It accounts for all financial resources except those required to be accounted for in other funds.

The General Obligation Bond Fund is a special revenue fund used to account for the expenditures associated with park acquisitions and improvements funded by the proceeds derived from the 1999 General Obligation Bond and associated grants.

The City reports the following major proprietary fund:

The Utility Fund is used to account for the financial operations of maintaining the financial operations of the City's water and wastewater transmission lines.

Additionally, the government reports the following nonmajor special revenue funds:

The Recycling Fund is used to account for the revenues and expenditures associated with solid waste disposal and recycling.

The Fire Assessment Fund is used to account for financial transactions associated with fire prevention, suppression and emergency medical services.

The Local Law Enforcement Block Grant Fund accounts for grant monies to be utilized to compensate officers for law enforcement and crime prevention activity.

The Police Training and Education Fund accounts for monies received for training and professional development.

The Police Forfeiture Fund accounts for financial transactions involving confiscations through forfeitures. Monies spent out of this fund must first be legally appropriated by the City Commission.

The Jenada Assessment Fund accounts for special assessment collections and payments of principal and interest on a note, the proceeds of which were used to fund construction of a neighborhood gatehouse. This assessment is limited to residents located in the Jenada Isles neighborhood.

The Miscellaneous Grants Fund accounts for Federal, state and local grants.

The Road Improvement Fund is used to account for the financial resources to be used to pave streets, perform right-of-way grounds maintenance, and purchase and repair equipment.

Another fund includes the Fiduciary Fund which accounts for the activities of General Employees' Pension Trust and the Police Officers Pension Trust that accumulates resources for pension benefit payments to qualifying city employees.

CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2004

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement focus, basis of accounting and financial statement presentation:

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenses/expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements require reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

Fund financial statements:

All governmental fund types use the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within sixty days after year end. Licenses and permits, fines and forfeitures, charges for services, and other revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment income is recorded as revenue when earned. Special assessments are recorded as revenues only to the extent that individual installments are considered available.

The accrual basis of accounting is followed in the Pension Trust Fund. Under this method of accounting, additions are recognized in the accounting period in which they are earned and deductions are recognized in the period in which they are incurred. The Pension Trust Fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the statement of fiduciary net assets.

Expenditures are generally recognized when the related fund liability is incurred except for principal and interest on long-term debt which are recognized as expenditures on the due date.

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 for the proprietary funds include the sale of water and wastewater services for the Utility Fund and user fees for the Drainage Fund. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Based on the accounting and reporting standards set forth in Government Accounting Standards Board (GASB) Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, the City has elected to apply only the accounting and reporting pronouncements used by the Financial Accounting Standards Board prior to November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. Governments have the option of following subsequent private sector guidance for business activities and proprietary funds subject to the same limitation. The City has chosen not to follow such guidance.

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Estimates:

The preparation of the basic financial statements in conformity with GAAP requires management to make use of estimates that affect reported amounts in the basic financial statements. Actual results could differ from estimates.

Capital assets:

Capital assets, which include land, buildings, improvements other than buildings, infrastructure, and machinery and equipment, are reported in the governmental or business-type activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$ 500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period in proprietary funds.

Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	40-50
Improvements other than buildings	10-20
Buildings	50
Machinery and equipment	6-15

GASB No. 34 requires the City to report and depreciate new infrastructure assets effective October 1, 2002. Infrastructure assets include roads, bridges, underground pipe (other than those related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and is first effective for fiscal years ending in 2006. The City will implement the retroactive infrastructure provisions by the fiscal year ending September 30, 2007.

Long-term debt:

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

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. For proprietary fund types, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bond issue. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges. Bond discounts and financing costs in the Proprietary Fund are amortized over the life of the bonds outstanding using the straight-line method.

Compensated absences

Accumulated unpaid vacation and sick pay are accrued when incurred. Such amounts are not accrued in governmental funds until it is believed amounts will be paid out of current funds. The liability for these compensated absences in the General Fund is recorded as a liability in the government-wide statement of net assets. In the case of termination, an employee is paid for up to 160 hours for general employees and 250 hours for police officers of accumulated vacation pay. Sick pay is paid only to employees who retire from the City.

Inventory:

Inventories, for all fund types, are valued at cost, using the average cost method. Reported inventories are equally offset by a reservation of fund balance in the governmental fund statements. Inventories of business-type and governmental activities are expensed as consumed.

Investments:

Investments are stated at their fair value.

Restricted assets:

Certain proceeds of enterprise funds revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets because their use is limited by the applicable bond indenture covenants. Restricted assets also include certain amounts collected from customers as deposits for water and wastewater services.

Amortization of bond discount and issuance costs:

Bond discount and bond issuance costs are amortized over the life of the bond issue, on a straight-line basis in the government-wide financial statements. Such costs are expensed as incurred in the fund financial statements.

Cash and cash equivalents:

In connection with the statement of cash flows, the City has defined cash and cash equivalents to include demand deposits and deposits with the Florida State Board of Administration, which excludes restricted cash in the enterprise funds. Additionally, in accordance with GASB Statement No. 9, each fund's equity in the City's investment pool is considered to be a cash equivalent since the individual funds can deposit or effectively withdraw cash at any time without prior written notice or penalty.

CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2004

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unearned revenue:

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

Interfund transactions:

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made which are applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

Advances to other funds are typically long-term in nature (Note G).

Interfund advances are transfers of funds that are expected to be repaid beyond one year.

Unbilled revenues:

The Utility Fund recognizes revenues on services which have been rendered to customers whether billed or not. Such amount totaled \$ 249,483 at September 30, 2004 and is included in accounts receivable in the accompanying statement of net assets.

Equity classifications:

*Government-wide statements*

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

- a. Invested in capital assets, net of related debt - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net assets - consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

*Fund statements*

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.



**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**  
(continued)

Another element of that reconciliation states that "the issuance of long-term debt provides current financial resources while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither of these transactions has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, where as these amounts are deferred and amortized in the statement of activities. The details of these differences are as follows:

Principal repayments on bonds	\$ <u>129,642</u>
Net adjustment to increase net changes in fund balances (deficit) - governmental fund to arrive at changes in net assets of governmental activities.	\$ <u>129,642</u>

Another element of that reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of changes in items recorded in the government- wide financial statements and the governmental funds financial statements, because they do not require current financial resources, are as follows:

Change in compensated absences	\$ (29,080)
Change in accrued interest payable	<u>1,891</u>
Net adjustment to decrease net changes in fund balances (deficit) - governmental funds to arrive at changes in net assets of governmental activities.	\$ <u>(27,189)</u>

**NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Budgets and budgetary accounting:

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to September 1, 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 them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of two resolutions - one fixing a millage rate and another adopting the final budget. Property taxes are payable from November 1 to March 31 and become delinquent on April 1.
4. Appropriations which are neither expended, encumbered or specifically designated to be carried over lapse at the end of the fiscal year.

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)**

5. The City prepares and adopts a budget for the General Fund, Recycling Fund, Fire Assessment Fund, Jenada Assessment Fund, Road Improvement Fund, Utility Fund and Drainage Fund. The budgets are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended by the City Commission. Changes to or amendments to total budgeted revenues or expenditures or changes to character expenditures within any of the City's departments must be approved by the director of the respective department. The level of control (level of which expenditures may not exceed the budget) is at the departmental level.

Encumbrances:

Encumbrance accounting, under which purchase orders and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental fund financial statements. Encumbrances outstanding at year-end are reported as reservations of fund balance.

Comparison of budget to actual results:

The budgetary process provides for the inclusion of encumbrances as expenditures in the current year in the fund financial statements. Accordingly, budget and actual amounts are not comparable unless encumbrances outstanding at the end of the year are included as expenditures, therefore, the applicable columns of the statement of revenues, expenditures and changes in fund balance - budget and actual exclude amounts relating to unbudgeted funds. The following summary of adjustments is necessary to compare the fund balances of the General Fund for 2004:

Statement of revenues, expenditures and changes in fund balances - page 17	\$ 2,345,768
Encumbrances recorded in	<u>(112,364)</u>
Statement of revenues, expenditures and changes in fund balances - budget and actual - page 22	\$ <u>2,233,404</u>

**NOTE D - CASH AND CASH EQUIVALENTS AND INVESTMENTS**

As required by Chapter 280.03, Florida Statutes, all deposits of the City during the year ended September 30, 2004, including time deposit accounts, demand deposit accounts and money market accounts, were held in institutions designated by the Treasurer of the State of Florida as "qualified public depositories" and were accordingly covered by a collateral pool as required by that Statute. Therefore, in accordance with GASB Codification 150.110, the deposits are treated as insured for classification purposes. The year-end balances are collateralized as follows:

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE D - CASH AND CASH EQUIVALENTS AND INVESTMENTS (continued)**

	Carrying Amount	Bank Balance
Insured by F.D.I.C.	\$ 100,000	\$ 100,000
Collateral pool	6,090,905	6,090,905
	\$ 6,190,905	\$ 6,190,905

Florida Statutes and City Ordinance authorize City officials to invest pooled funds in United States bonds and obligations, guaranteed United States agency issues, Florida county, municipal and district general, excise and revenue obligations, Florida bank certificates of deposit, bankers acceptances, reverse repurchase agreements and prime commercial paper issues. Investments in the enterprise funds are allowed to be comprised of U.S. Treasury State and Local Government Series Securities (SLGS). In addition, the Pension Trust Fund is authorized to invest in corporate bonds, stocks, mutual funds, money market funds, mortgages and notes.

The City's investments are categorized by type to give an indication of the level of credit risk assumed by the City at year end. Category 1 included investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered securities held by the financial institution's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the City's custodian but not in the City's name.

At September 30, 2004, the City's investments in pension plans are carried at fair value as follows:

	CATEGORY			CARRYING AND FAIR VALUE	COST
	1	2	3		
Common stocks	\$ 13,023,182	\$ --	\$ --	\$ 13,023,182	\$ 12,959,498
U.S. government securities	4,308,258	--	--	4,308,258	4,284,688
Corporate bonds	1,524,275	--	--	1,524,275	1,511,096
	\$ 18,855,715	\$ --	\$ --	\$ 18,855,715	\$ 18,755,282

**NOTE E - PROPERTY TAXES**

Property taxes are levied and become a lien on real and personal property prior to September 30, and are payable November 1, with discounts of one to four percent if paid prior to March 1 of the following calendar year. All unpaid taxes on real and personal property become delinquent on April 1, and bear interest of eighteen percent from April 1 until a tax sale certificate is sold at auction.

Assessed values are established by the Broward County Property Appraiser at just values. The assessed value of property at January 1, 2003, upon which the 2003-2004 levy was based, was approximately \$ 638,000,000.

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE E - PROPERTY TAXES (continued)**

The City is permitted by Article 7, Section 8 of the Florida Constitution to levy taxes up to \$ 10 per \$ 1,000 of assessed valuation for general governmental services (other than the payment of principal and interest on general obligation long-term debt). In addition, unlimited amounts may be levied for the payment of principal and interest on general obligation long-term debt subject to a limitation on the amount of debt outstanding. The tax rate to finance general governmental services and debt service requirements for the year ended September 30, 2004 was 6.7948 per \$ 1,000.

**NOTE F - CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2004 was as follows:

	<u>Balance</u> <u>October 1, 2003</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>September 30, 2004</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ <u>6,212,947</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>6,212,947</u>
<b>Total capital assets, not being depreciated</b>	<u>6,212,947</u>	<u>--</u>	<u>--</u>	<u>6,212,947</u>
Capital assets, being depreciated:				
Buildings	3,104,965	--	--	3,104,965
Improvements other than buildings	7,707,489	955,339	--	8,662,828
Machinery and equipment	<u>2,767,598</u>	<u>158,963</u>	<u>--</u>	<u>2,926,561</u>
<b>Total capital assets being depreciated</b>	<u>13,580,052</u>	<u>1,114,302</u>	<u>--</u>	<u>14,694,354</u>
Less accumulated depreciation for:				
Buildings	1,178,426	63,295	--	1,241,721
Improvements other than buildings	1,275,019	299,282	--	1,574,301
Machinery and equipment	<u>1,601,242</u>	<u>254,634</u>	<u>--</u>	<u>1,155,876</u>
<b>Total accumulated depreciation</b>	<u>4,054,687</u>	<u>617,211</u>	<u>--</u>	<u>4,671,898</u>
<b>Total capital assets, being depreciated, net</b>	<u>9,525,365</u>	<u>497,091</u>	<u>--</u>	<u>10,022,456</u>
<b>Governmental activities, capital assets, net</b>	<u>\$ 15,738,312</u>	<u>\$ 497,091</u>	<u>\$ --</u>	<u>\$ 16,235,403</u>



**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE G - INTERFUND TRANSFERS AND BALANCES**

Interfund balances and transfers are as follows:

<u>Due from:</u>	<u>General Fund</u>	<u>Drainage Fund</u>	<u>Road Improvement Fund</u>
Major funds:			
General Fund	\$ --	\$ --	\$ 173,371
Utility Fund	--	93,474	--
General Obligation Bond Fund	612,935	--	--
Nonmajor funds:			
Miscellaneous Grants Fund	278,827	--	--
Police Forfeiture Fund	<u>18</u>	<u>--</u>	<u>--</u>
Total	\$ <u>891,780</u>	\$ <u>93,474</u>	\$ <u>173,371</u>

<u>Transfer out</u>	<u>Transfer in</u>			
	<u>General Fund</u>	<u>G.O. Bond Fund</u>	<u>Drainage Fund</u>	<u>Utility Fund</u>
General Fund	\$ --	\$ 45,000	\$ 63,303	\$ --
Recycling Fund	157,886	--	2,324	39,061
Fire Assessment Fund	49,167	--	--	--
Road Improvement Fund	70,471	--	--	--
Utility Fund	627,115	--	--	--
Drainage Fund	<u>17,613</u>	<u>--</u>	<u>--</u>	<u>13,021</u>
Totals	\$ <u>922,252</u>	\$ <u>45,000</u>	\$ <u>65,627</u>	\$ <u>52,082</u>

During the course of normal operations, it is necessary for the City to enter into transactions among its various funds. These transactions consist of one or more of the following types:

1. Reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund.
2. Transfers of residual equity balances from one fund to another fund.
3. Transfers in and out, as appropriate, for all other interfund transactions, which are shown as other financing sources or uses.
4. All other outstanding balances between funds are reported as "due to/from other funds".

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE H - COMMITMENTS AND CONTINGENCIES**

The City has entered into an agreement with the City of Fort Lauderdale to provide it with Fire and EMS services through September 30, 2005. The expenditures by the City for the year ended September 30, 2004 relating to this agreement totaled approximately \$ 831,000.

The Broward County Wastewater Plan requires the City to use the City of Fort Lauderdale wastewater facilities through the year 2021. The City has a contract to purchase water from the City of Fort Lauderdale which expires in 2005.

The City is involved in several ongoing litigation matters. The ultimate outcome of these matters, in the opinion of the City Attorney, will not have a material effect on the financial condition of the City.

The City does not provide post-retirement benefits to retired employees.

Grants Compliance

The City receives financial assistance from Federal, state and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations and the Florida Single Audit Act, the City may be required to conduct "single audits" when such funding exceeds the required thresholds which are both currently \$ 500,000. The City did not expend Federal or state monies exceeding this threshold during the year ended September 30, 2004.

The following summarizes grant activity for the year ended September 30, 2004:

<u>Grant</u>	<u>Revenues</u>	<u>Expenses/ Expenditures</u>	<u>Receivable</u>
Florida Community Trust	\$ 75,844	\$ 75,844	\$ --
Library and Information Services	--	--	120,000
Confiscated Property Assistance			
Grant	11,384	11,384	--
Local Law Enforcement Block			
Grant	13,488	13,488	--
Food Program	6,874	6,874	--
Broward Beautiful	531	531	--
Byrne Grant	66,754	66,754	--
Broward County Cultural	15,000	15,000	--
Hurricane relief	381,125	381,125	381,125
CERT Training	24,000	24,000	--
Cops in school	90,616	90,616	--

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE I - DEBT**

The following is a summary of the changes in the debt of the City from October 1, 2003 through September 30, 2004:

	<u>Balance at October 1, 2003</u>	<u>Debt Additions</u>	<u>Debt Retired</u>	<u>Balance at September 30, 2004</u>	<u>Due Within One Year (Net of Discounts)</u>
<b>Governmental activities:</b>					
1999 General Obligation bonds interest at 4.378% and principal payable annually of \$ 256,036, due in June 2019	\$ 2,919,090	\$ --	\$ 129,642	\$ 2,789,448	\$ 135,380
Compensated absences	<u>509,729</u>	<u>546,286</u>	<u>555,823</u>	<u>500,192</u>	<u>55,794</u>
Total governmental activities, debt	<u>3,428,819</u>	<u>546,286</u>	<u>685,465</u>	<u>3,289,640</u>	<u>191,174</u>
<b>Business-type activities:</b>					
Series 1989 Water and Sewer Refunding and Improvement Revenue Bonds, 5.5% term bonds, payable semi-annually, due in the year 2012 (net of unamortized bond discounts of \$ 70,843 in 2003 and \$ 62,972 in 2004)	2,519,156	7,871	--	2,527,027	--
Series 1992 Water and Sewer Revenue Bonds, various interest rates, ranging from 3.7% to 5.55%, payable semi-annually, due serially through the year 2003	131,645	--	131,645	--	--
Series 1998 Water and Sewer Revenue Bonds, 4.33% term bonds, interest payable semi-annually, principal payable annually in varying amounts through 2012 (net of unamortized deferred bond refunding costs of \$ 173,724 in 2003 and \$ 154,421 in 2004)	5,834,845	19,302	571,325	5,282,822	745,874
Series 1993 Stormwater Utility Revenue Bonds, 4.77% interest payable semi-annually, due in various amounts through 2004	<u>82,000</u>	<u>--</u>	<u>82,000</u>	<u>--</u>	<u>--</u>
Total business-type activities	<u>8,567,646</u>	<u>27,173</u>	<u>784,970</u>	<u>7,809,849</u>	<u>745,874</u>
Total governmental and business-type activities	\$ <u>11,996,465</u>	\$ <u>573,459</u>	\$ <u>1,470,435</u>	\$ <u>11,099,489</u>	\$ <u>937,048</u>

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE I - DEBT (continued)**

The following are the requirements to amortize all debt at September 30, 2004, including unamortized discounts of \$ 62,972 and deferred bond refunding costs of \$ 154,421.

Fiscal year ending	General Obligation Bonds Payable		Enterprise Funds Revenue Bonds	
	Principal	Interest	Principal	Interest
2005	\$ 135,380	\$ 120,656	\$ 745,874	\$ 361,734
2006	141,371	114,665	782,390	328,647
2007	147,628	108,408	806,438	294,249
2008	154,162	101,874	848,056	258,430
2009	160,985	95,051	877,377	221,074
2010 - 2014	918,324	361,856	3,749,714	359,637
2015 - 2019	<u>1,131,598</u>	<u>148,583</u>	<u>--</u>	<u>--</u>
<b>Total</b>	<b>\$ <u>2,789,448</u></b>	<b>\$ <u>1,051,093</u></b>	<b>\$ <u>7,809,849</u></b>	<b>\$ <u>1,823,771</u></b>

The Indentures of Mortgage and Trust relating to the business-type revenue bonds establish a number of financial limitations and restrictions which must be followed by the City. The City is in compliance with all significant aspects of such limitations and restrictions.

The series Water and Sewer Revenue Bonds are secured by a first lien on the net revenues of the Utility Fund.

The City has irrevocably deposited cash in escrow solely for satisfying scheduled payments of both principal and interest on the 1987 Water and Sewer Revenue Refunded Bonds. The refunded bonds and related investments are not reflected on the City's statement of net assets. The outstanding principal balance of such bonds at September 30, 2004 was \$ 5,965,000.

The City previously issued \$ 8,066,930 in Series 1998 Water and Sewer Revenue Bonds with an average interest rate of 4.33% to advance refund \$ 7,845,000 of outstanding 1989 and 1992 Water and Sewer Revenue Bonds. The net proceeds were used to purchase U.S. Government securities which together with interest earned will be sufficient to retire the defeased bonds as they mature. Those securities were deposited with an escrow agent to provide for all future debt service payments, therefore the 1989 and 1992 series bonds are considered to be defeased and the liability for those bonds has been removed from the Utility Fund. The outstanding principal balance on these defeased bonds was \$ 5,437,242 at September 30, 2004.

**NOTE J - PENSION TRUST**

Plan description

The Pension Plan for General Employees and Police (Plan) is a single-employer defined benefit plan. All full-time employees (excluding elected officials, persons appointed to fulfill elected positions and retained professionals and consultants for the City) and police officers shall become participants in the Plan on their start of service. The Plan provides retirement, death and disability benefits. The benefit provisions are established and may be amended under the authority of City ordinance. The Plan does not currently provide for post retirement benefit increases.

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE J - PENSION TRUST (continued)**

Plan assets

The City utilizes the frozen entry age actuarial cost method. The asset valuation method is a five year moving average.

Additional information as of the latest actuarial valuation includes:

An assumed annual inflation rate of 3.5%; an annual investment rate of return of 8.00%; projected annual salary increases of 5.5%; no post retirement benefit increases; the amortization method is level dollar, closed; the amortization period is 30 year, closed.

On October 1, 2003 (the last plan year valuation date), Plan membership consisted of:

	<u>General</u>	<u>Police</u>
Retirees and beneficiaries receiving benefits	28	12
Active plan members	<u>55</u>	<u>30</u>
Total	<u><u>83</u></u>	<u><u>42</u></u>

Plan members are required to contribute 11% (10% for police officers) of their salary to the Plan. Contribution requirements of the Plan members and the City are established and may be amended by City ordinance. The City is required to fund any annual unfunded amount as actuarially determined.

The Plan previously established a deferred retirement option provision (DROP). Members with twenty or more years are eligible to participate. Upon electing this option, a member makes no more contributions and a separate account is established. As of September 30, 2004, \$ 480,258 is held for DROP participants.

Administrative costs of the Plan are financed through current or prior investment earnings. The contribution requirements of covered payroll and actual contributions made for the fiscal year ended 2003 and the two preceding years were as follows:

	<u>FY 2004</u>	<u>FY 2003</u>	<u>FY 2002</u>
Contribution Requirements	\$ 719,459	\$ 572,216	\$ 359,836
Contributions Made (100%)	\$ 719,459	\$ 572,216	\$ 359,836
Total Covered Payroll	\$ 4,151,363	\$ 3,895,000	\$ 3,719,000
Percent of Covered Payroll	17.33%	14.69%	9.68%
Net Pension Obligation	\$ NONE	\$ NONE	\$ NONE

Plan Financial Report

The City has issued stand-alone financial statements for the Plan which may be obtained from the City of Wilton Manors Finance Department.

**CITY OF WILTON MANORS, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2004

**NOTE K - RISK MANAGEMENT**

The City is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets, errors and omissions; and natural disasters. In order to limit its exposure to these risks, the City is a participant in the Florida League of Cities (a not-for-profit corporation) self-insurance program for workers' compensation, general and auto liability, and property insurance. This self-insurance program purchases excess and specific coverages from third party insurance carriers. Participants in the program are billed annually for their portion of the cost of the program adjusted for actual experience during the period of coverage. Participants are not assessed for unanticipated losses incurred by the program. Premiums paid by the City during the year totaled \$ 455,044.

**NOTE L - INDIVIDUAL FUND DISCLOSURES**

At September 30, 2004, the following Special Revenue Funds had deficit fund balances. The City expects to seek and obtain additional grant funding to reduce certain of these and any remaining deficiency will be funded by the General Fund.

		<u>Deficit Fund Balance</u>
Special Revenue Fund:		
General Obligation Bond Fund	\$	550,454
Miscellaneous Grants Fund		207,640

**NOTE M - PRIOR PERIOD ADJUSTMENTS**

The prior year fund balances have been adjusted to restate and recognize prior year assets inadvertently left off the City's financial statements.

Previously, the City entered into a contract with the City of Fort Lauderdale to provide Fire and EMS services (Note H). As part of this contract, the City is to provide for monthly funding of replacement reserves for equipment that the City owns and is used by the City of Fort Lauderdale as part of the contract. Upon dissolution of the contract, the City would have this reserve fund returned. This asset was not previously recorded. Prior year reserved fund balance in the Fire Assessment Fund balance was increased \$ 388,842 as a result of this error.

In addition to the above, the City did not record certain receivables that the City had rights to and received subsequent to year end. As a result, prior year fund balances in the General Fund and the Road Improvement Fund were increased \$ 304,577 and \$ 20,116, respectively.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

**CITY OF WILTON MANORS, FLORIDA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 PENSION PLAN FOR GENERAL EMPLOYEES AND POLICE  
 SCHEDULE OF FUNDING PROGRESS  
 For the Last Six Fiscal Years  
 (\$ amounts in 000's)**

(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Frozen Actuarial Accrued Liability</u>	<u>Unfunded Frozen Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>Unfunded Frozen Actuarial Accrued Liability as % of Payroll</u>
10/01/98	\$ 13,584	\$ 14,579	\$ 1,370	90.6	\$ 3,376	40.6
10/01/99	14,964	16,344	1,380	91.7	3,433	40.2
10/01/00	16,513	17,902	1,389	92.2	3,622	38.4
10/01/01	17,353	18,747	1,393	92.6	3,719	37.5
10/01/02	17,310	18,691	1,381	92.6	3,895	35.5
10/01/03	19,018	19,824	805	95.9	4,151	19.4

(1) A Deferred Retirement Option Plan (DROP) provision was implemented in 1996.

**CITY OF WILTON MANORS, FLORIDA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER  
 AND OTHER CONTRIBUTING ENTITIES  
 For the Last Six Fiscal Years**

Fiscal Year Ended	Total General Employees and Police Retirement System					
	Member		City		State of Florida	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
09/30/99	\$ 328,375	100%	\$ 362,429	100%	\$ 35,072	100%
09/30/00	337,190	100%	311,563	100%	--	--
09/30/01	361,913	100%	290,022	100%	--	--
09/30/02	403,528	100%	359,836	100%	--	--
09/30/03	418,389	100%	572,216	100%	--	--
09/30/04	458,401	100%	719,459	100%	--	--

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# COMBINING FINANCIAL STATEMENTS NONMAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

### Recycling Fund

The Recycling Fund accounts for revenues and expenditures associated with solid waste management, disposal, and recycling. The City shares a 50% division of revenues derived from recycled material delivered to the Multi Recycling Facility (MRF) with its private refuse collector.

### Fire Assessment Fund

The Fire Assessment Fund accounts for the financial transactions associated with fire prevention, suppression, and emergency medical services (EMS).

### Local Law Enforcement Block Grant Fund

This fund accounts for grant monies to be utilized to compensate officers for law enforcement and crime prevention activity.

### Police Training and Education Fund

This fund is used to account for monies received for training and professional development.

### Police Forfeiture Fund

This fund accounts for financial transactions involving confiscations through forfeitures. Monies spent out of this fund must first be legally appropriated by the City Commission.

### Jenada Assessment Fund

The Jenada Assessment Fund accounts for special assessment collections and payments of principal and interest on a note, the proceeds of which were used to fund construction of a neighborhood gatehouse. This assessment is limited to residents located in the Jenada Isles neighborhood.

### Miscellaneous Grants Fund

The Miscellaneous Grants Fund accounts for Federal, State, and Local grants.

### Road Improvement Fund

The Road Improvement Fund accounts for revenues generated through the State and Local Gas Tax. The revenue received from this tax is used to pave streets, perform right-of-way grounds maintenance and purchase and repair equipment used for these purposes.

**CITY OF WILTON MANORS, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
September 30, 2004

	<u>Recycling Fund</u>	<u>Fire Assessment Fund</u>	<u>Local Law Enforcement Block Grant Fund</u>	<u>Police Training and Education Fund</u>	<u>Police Forfeiture Fund</u>
<b>ASSETS:</b>					
Equity in pooled cash	\$ 578,439	\$ 202,788	\$ 29,915	\$ 63,789	\$ 65,040
Cash held by third party	--	458,821	--	--	--
Accounts receivable	121,896	--	--	--	--
Due from other governments	308,260	--	--	--	--
Due from other funds	--	--	--	--	18
Inventory	20,158	--	--	--	--
Other assets	--	--	--	--	--
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	\$ <u>1,028,753</u>	\$ <u>661,609</u>	\$ <u>29,915</u>	\$ <u>63,789</u>	\$ <u>65,058</u>
 <b>LIABILITIES AND FUND BALANCES (DEFICIT):</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 431,137	\$ 1,532	\$ --	\$ --	\$ --
Accrued expenditures	2,283	2,607	--	--	--
Due to other funds	--	--	--	--	18
Unearned revenue	25,000	16,700	--	--	--
Due to other government	--	219,416	--	--	--
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>458,420</u>	<u>240,255</u>	<u>--</u>	<u>--</u>	<u>18</u>
 <b>Fund balances (deficit):</b>					
Reserved for encumbrances	8,724	484	--	--	--
Reserved for inventory	20,158	--	--	--	--
Reserve for Fire truck	--	458,821	--	--	--
<b>Unreserved:</b>					
Designated for subsequent year expenditures	--	--	--	--	--
Undesignated (deficit)	<u>541,451</u>	<u>(37,951)</u>	<u>29,915</u>	<u>63,789</u>	<u>65,040</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances (deficit)	<u>570,333</u>	<u>421,354</u>	<u>29,915</u>	<u>63,789</u>	<u>65,040</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances (deficit)	\$ <u>1,028,753</u>	\$ <u>661,609</u>	\$ <u>29,915</u>	\$ <u>63,789</u>	\$ <u>65,058</u>

<u>Jenada Assessment Fund</u>	<u>Miscellaneous Grants Fund</u>	<u>Road Improvement Fund</u>	<u>Total</u>
\$ 1,400	\$ 49,128	\$ 254,455	\$ 1,244,954
--	--	--	458,821
--	--	--	121,896
301	--	--	301
--	--	12,449	32,607
--	22,059	35,110	365,429
--	--	--	18
<u>1,701</u>	<u>71,187</u>	<u>302,014</u>	<u>2,224,026</u>
\$ 93	\$ --	\$ 6,982	\$ 439,744
--	--	--	4,890
--	278,827	173,371	452,216
--	--	--	41,700
--	--	--	219,416
<u>93</u>	<u>278,827</u>	<u>180,353</u>	<u>1,157,966</u>
--	87,052	55,786	152,047
--	--	12,449	32,607
--	--	--	458,821
--	--	7,500	7,500
<u>1,608</u>	<u>(294,692)</u>	<u>45,926</u>	<u>415,085</u>
<u>1,608</u>	<u>(207,640)</u>	<u>121,661</u>	<u>1,066,060</u>
\$ <u>1,701</u>	\$ <u>71,187</u>	\$ <u>302,014</u>	\$ <u>2,224,026</u>

**CITY OF WILTON MANORS, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES (DEFICIT)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2004

	<u>Recycling Fund</u>	<u>Fire Assessment Fund</u>	<u>Local Law Enforcement Block Grant Fund</u>	<u>Police Training and Education Fund</u>	<u>Police Forfeiture Fund</u>
<b>REVENUES:</b>					
Franchise fees	\$ 295,421	\$ --	\$ --	\$ --	\$ --
Intergovernmental revenues	--	--	13,488	--	--
Federal Disaster Assistance	308,260	--	--	--	--
Charges for services	297,313	40,710	--	--	--
Fines and forfeitures	--	--	--	14,139	11,384
Special assessments	--	921,458	--	--	--
Donations	--	--	--	--	3,238
Miscellaneous	<u>9,736</u>	<u>30,630</u>	<u>330</u>	<u>266</u>	<u>1,060</u>
Total revenues	<u>910,730</u>	<u>992,798</u>	<u>13,818</u>	<u>14,405</u>	<u>15,682</u>
<b>EXPENDITURES:</b>					
<b>Current</b>					
Public safety	--	832,845	8,602	10,068	11,510
Culture and recreation	--	--	--	--	--
Public services	522,244	--	--	--	--
Capital outlay	<u>20,900</u>	<u>46,544</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total expenditures	<u>543,144</u>	<u>879,389</u>	<u>8,602</u>	<u>10,068</u>	<u>11,510</u>
Excess (deficiency) of revenues over expenditures	367,586	113,409	5,216	4,337	4,172
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers out	<u>(199,271)</u>	<u>(49,167)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	168,315	64,242	5,216	4,337	4,172
<b>FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR, as previously reported</b>					
	402,018	(31,730)	24,699	59,452	60,868
Prior period adjustment (Note M)	<u>--</u>	<u>388,842</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>FUND BALANCES (DEFICIT) AT END OF YEAR</b>					
	\$ <u><u>570,333</u></u>	\$ <u><u>421,354</u></u>	\$ <u><u>29,915</u></u>	\$ <u><u>63,789</u></u>	\$ <u><u>65,040</u></u>

<u>Jenada Assessment Fund</u>	<u>Miscellaneous Grants Fund</u>	<u>Road Improvement Fund</u>	<u>Total</u>
\$ --	\$ --	\$ --	\$ 295,421
--	181,901	242,235	437,624
--	--	--	308,260
--	--	--	338,023
--	--	--	25,523
6,942	--	--	928,400
--	30,870	--	34,108
<u>25</u>	<u>--</u>	<u>15,099</u>	<u>57,146</u>
<u>6,967</u>	<u>212,771</u>	<u>257,334</u>	<u>2,424,505</u>
--	146,907	--	1,009,932
--	3,500	44,483	47,983
6,069	--	40,230	568,543
<u>--</u>	<u>--</u>	<u>114,763</u>	<u>182,207</u>
<u>6,069</u>	<u>150,407</u>	<u>199,476</u>	<u>1,808,665</u>
898	62,364	57,858	615,840
<u>--</u>	<u>--</u>	<u>(70,471)</u>	<u>(318,909)</u>
898	62,364	(12,613)	296,931
710	(270,004)	114,158	360,171
<u>--</u>	<u>--</u>	<u>20,116</u>	<u>408,958</u>
\$ <u><u>1,608</u></u>	\$ <u><u>(207,640)</u></u>	\$ <u><u>121,661</u></u>	\$ <u><u>1,066,060</u></u>

**CITY OF WILTON MANORS, FLORIDA**  
**COMBINING SCHEDULE OF FIDUCIARY NET ASSETS**  
**GENERAL EMPLOYEES AND POLICE PENSION FUNDS**  
September 30, 2004

	<u>General Employees</u>	<u>Police</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 256,958	\$ 231,842	\$ 488,800
<b>Investments:</b>			
Common stocks	6,846,173	6,177,009	13,023,182
U.S. Government securities	2,264,814	2,043,444	4,308,258
Corporate bonds	801,298	722,977	1,524,275
Receivable for investments sold	105,956	98,011	203,967
Accrued investment income	39,823	36,838	76,661
Due from participants	<u>10,599</u>	<u>6,919</u>	<u>17,518</u>
<b>Total assets</b>	<u><b>10,325,621</b></u>	<u><b>9,317,040</b></u>	<u><b>19,642,661</b></u>
<b>LIABILITIES:</b>			
Accounts payable	10,746	9,940	20,686
Due to Firefighters Retirement System	170,859	158,049	328,908
DROP payable	371,240	109,018	480,258
Payable for investments purchased	<u>18,852</u>	<u>17,438</u>	<u>36,290</u>
<b>Total liabilities</b>	<u><b>571,697</b></u>	<u><b>294,445</b></u>	<u><b>866,142</b></u>
<b>NET ASSETS:</b>			
Held in trust for pension benefits	\$ <u><b>9,753,924</b></u>	\$ <u><b>9,022,595</b></u>	\$ <u><b>18,776,519</b></u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET ASSETS**  
**GENERAL EMPLOYEES AND POLICE PENSION FUNDS**  
For the Year Ended September 30, 2004

	<u>General Employees</u>	<u>Police</u>	<u>Total</u>
<b>ADDITIONS:</b>			
Contributions:			
Employer	\$ 277,782	\$ 180,619	\$ 458,401
Employee	<u>386,532</u>	<u>332,927</u>	<u>719,459</u>
Total contributions	<u>664,314</u>	<u>513,546</u>	<u>1,177,860</u>
Investment income (loss):			
Net appreciation in fair value of investments	636,657	584,689	1,221,346
Interest and dividends	261,339	240,005	501,344
Earnings (losses) allocated to			
Firefighters Retirement System	(15,964)	(14,736)	(30,700)
DROP	(75,250)	(7,037)	(82,287)
Less: Investment expenses	<u>(57,294)</u>	<u>(52,614)</u>	<u>(109,908)</u>
Total investment income	<u>749,488</u>	<u>750,307</u>	<u>1,499,795</u>
Total additions	<u>1,413,802</u>	<u>1,263,853</u>	<u>2,677,655</u>
<b>DEDUCTIONS:</b>			
Retirement benefits and refunds	508,335	301,010	809,345
Administrative expenses	<u>33,678</u>	<u>30,926</u>	<u>64,604</u>
Total deductions	<u>542,013</u>	<u>331,936</u>	<u>873,949</u>
Change in net assets	871,789	931,917	1,803,706
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS:</b>			
Beginning of year	<u>8,882,135</u>	<u>8,090,678</u>	<u>16,972,813</u>
End of year	\$ <u>9,753,924</u>	\$ <u>9,022,595</u>	\$ <u>18,776,519</u>

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

CITY OF WILTON MANORS, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
RECYCLING FUND  
For the Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Franchise fees	\$ 228,370	\$ 228,370	\$ 295,421	\$ 67,051
Intergovernmental revenues	1,000	1,000	--	(1,000)
Charges for services	90,350	90,350	297,313	206,963
Federal Disaster Assistance	--	308,260	308,260	--
Miscellaneous	12,000	12,000	9,736	(2,264)
Prior year surplus	<u>109,020</u>	<u>116,951</u>	<u>--</u>	<u>(116,951)</u>
Total revenues	<u>440,740</u>	<u>753,931</u>	<u>910,730</u>	<u>153,799</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Public services				
Operating expenditures	219,970	529,544	523,207	6,337
Capital outlay	<u>21,500</u>	<u>28,117</u>	<u>20,900</u>	<u>7,217</u>
Total expenditures	<u>241,470</u>	<u>557,661</u>	<u>544,107</u>	<u>13,554</u>
Excess of revenues over expenditures	199,270	199,270	366,623	167,353
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(199,270)</u>	<u>(199,270)</u>	<u>(199,271)</u>	<u>(1)</u>
Net change in fund balance	--	--	167,352	167,352
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>235,608</u>	<u>235,608</u>	<u>394,257</u>	<u>158,649</u>
<b>FUND BALANCE AT END OF YEAR</b>	\$ <u><u>235,608</u></u>	\$ <u><u>235,608</u></u>	\$ <u><u>561,609</u></u>	\$ <u><u>326,001</u></u>

CITY OF WILTON MANORS, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FIRE ASSESSMENT FUND  
For the Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Charges for services	\$ 46,000	\$ 46,000	\$ 40,710	\$ (5,290)
Special assessments	960,776	960,776	921,458	(39,318)
Miscellaneous	5,000	5,000	30,630	25,630
Prior year surplus	<u>          </u>	<u>22,634</u>	<u>          </u>	<u>(22,634)</u>
Total revenues	<u>1,011,776</u>	<u>1,034,410</u>	<u>992,798</u>	<u>(41,612)</u>
 <b>EXPENDITURES:</b>				
Current:				
Public safety:				
Operating expenditures	839,913	841,918	831,199	10,719
Capital outlay	<u>121,350</u>	<u>141,979</u>	<u>26,229</u>	<u>115,750</u>
Total expenditures	<u>961,263</u>	<u>983,897</u>	<u>857,428</u>	<u>126,469</u>
Excess (deficiency) of revenues over expenditures	50,513	50,513	135,370	84,857
 <b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(50,513)</u>	<u>(50,513)</u>	<u>(49,167)</u>	<u>1,346</u>
Net change in fund balance	--	--	86,203	86,203
 <b>FUND BALANCE AT BEGINNING OF YEAR</b>				
	<u>          </u>	<u>          </u>	<u>334,667</u>	<u>334,667</u>
 <b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>				
	\$ <u>          </u>	\$ <u>          </u>	\$ <u>420,870</u>	\$ <u>420,870</u>

CITY OF WILTON MANORS, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
JENADA ASSESSMENT FUND  
For the Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Special assessments	\$ 6,877	\$ 6,877	\$ 6,942	\$ 65
Miscellaneous	<u>75</u>	<u>75</u>	<u>25</u>	<u>(50)</u>
Total revenues	<u>6,952</u>	<u>6,952</u>	<u>6,967</u>	<u>15</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Public services				
Operating expenditures	<u>6,952</u>	<u>6,952</u>	<u>6,069</u>	<u>883</u>
Total expenditures	<u>6,952</u>	<u>6,952</u>	<u>6,069</u>	<u>883</u>
Excess of revenues over expenditures	--	--	898	898
FUND BALANCE AT BEGINNING OF YEAR	<u>--</u>	<u>--</u>	<u>710</u>	<u>710</u>
FUND BALANCE AT END OF YEAR	\$ <u><u>--</u></u>	\$ <u><u>--</u></u>	\$ <u><u>1,608</u></u>	\$ <u><u>1,608</u></u>

CITY OF WILTON MANORS, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
ROAD IMPROVEMENT FUND  
For the Year Ended September 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Intergovernmental revenues	\$ 242,213	\$ 242,213	\$ 242,235	\$ 22
Miscellaneous	75,876	75,876	15,099	(60,777)
Prior year surplus	<u>—</u>	<u>58,209</u>	<u>—</u>	<u>(58,209)</u>
Total revenues	<u>318,089</u>	<u>376,298</u>	<u>257,334</u>	<u>(118,964)</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Culture and recreation	58,500	58,500	40,230	18,270
Public services	42,944	42,944	44,693	(1,749)
Capital outlay	<u>146,174</u>	<u>204,383</u>	<u>112,130</u>	<u>92,253</u>
Total expenditures	<u>247,618</u>	<u>305,827</u>	<u>197,053</u>	<u>108,774</u>
Excess (deficiency) of revenues over expenditures	70,471	70,471	60,281	(10,190)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfer out	<u>(70,471)</u>	<u>(70,471)</u>	<u>(70,471)</u>	<u>—</u>
Excess of revenues over (under) expenditures	—	—	(10,190)	(10,190)
FUND BALANCE AT BEGINNING OF YEAR	<u>101,945</u>	<u>101,945</u>	<u>76,065</u>	<u>(25,880)</u>
FUND BALANCE AT END OF YEAR	\$ <u><u>101,945</u></u>	\$ <u><u>101,945</u></u>	\$ <u><u>65,875</u></u>	\$ <u><u>(36,070)</u></u>

**CITY OF WILTON MANORS, FLORIDA**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CAPITAL ASSETS -**  
**BY FUNCTION AND ACTIVITY**  
 September 30, 2004

	<u>Land</u>	<u>Buildings</u>
GENERAL GOVERNMENT	\$ <u>246,279</u>	\$ <u>638,226</u>
PUBLIC SAFETY:		
Police	--	705,667
Fire	<u>21,289</u>	<u>244,601</u>
Total public safety	<u>21,289</u>	<u>950,268</u>
CULTURE AND RECREATION	<u>5,945,379</u>	<u>1,516,471</u>
PUBLIC SERVICES	<u>--</u>	<u>--</u>
Total capital assets	\$ <u>6,212,947</u>	\$ <u>3,104,965</u>

<u>Improvements Other Than Buildings</u>	<u>Machinery and Equipment</u>	<u>Total</u>
\$ <u>610,699</u>	\$ <u>1,139,225</u>	\$ <u>2,634,429</u>
--	821,158	1,526,825
<u>53,588</u>	<u>353,495</u>	<u>672,973</u>
<u>53,588</u>	<u>1,174,651</u>	<u>2,199,798</u>
<u>6,929,585</u>	<u>169,827</u>	<u>14,561,262</u>
<u>1,068,956</u>	<u>442,856</u>	<u>1,511,812</u>
\$ <u><u>8,662,828</u></u>	\$ <u><u>2,926,561</u></u>	\$ <u><u>20,907,301</u></u>

**CITY OF WILTON MANORS, FLORIDA**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES IN CAPITAL ASSETS -**  
**BY FUNCTION AND ACTIVITY**  
**For the Year Ended September 30, 2004**

	<u>Assets</u> <u>October 1,</u> <u>2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Capital</u> <u>Assets</u> <u>September 30,</u> <u>2004</u>
GENERAL GOVERNMENT	\$ <u>2,203,261</u>	\$ <u>431,168</u>	\$ <u>--</u>	\$ <u>1,634,429</u>
PUBLIC SAFETY:				
Police	1,526,825	--	--	1,526,825
Fire	<u>624,585</u>	<u>48,388</u>	--	672,973
Total public safety	<u>2,151,410</u>	<u>48,388</u>	<u>--</u>	<u>2,199,798</u>
CULTURE AND RECREATION	14,111,397	449,865	--	14,561,262
PUBLIC SERVICES	<u>1,326,931</u>	<u>184,881</u>	<u>--</u>	<u>1,511,812</u>
Total capital assets	\$ <u>19,792,999</u>	\$ <u>1,114,302</u>	\$ <u>--</u>	\$ <u>20,907,301</u>

# STATISTICAL SECTION

(NOT COVERED BY INDEPENDENT AUDITORS' REPORT)

**CITY OF WILTON MANORS, FLORIDA**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Culture and Recreation</u>
1994/95	\$ 304,900	\$ 3,264,409	\$ 1,350,720
1995/96	786,069	3,484,699	1,440,386
1996/97	915,243	3,986,882	1,542,360
1997/98	828,132	4,033,746	1,514,720
1998/99	889,177	4,041,467	1,468,988
1999/00	854,352	4,325,040	1,555,934
2000/01	974,183	4,869,360	1,619,160
2001/02 (2)	1,062,337	5,315,079	1,615,994
2002/03	1,252,320	5,647,740	1,870,392
2003/04	1,271,701	6,127,273	1,856,161

NOTES: (1) Includes all governmental fund types  
(2) Excludes Expendable Trust Funds

TABLE 1

	<u>Public Services</u>	<u>Non- departmental</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
\$	477,228	\$ --	\$ 635,628	\$ 258,064	\$ 6,290,949
	725,730	--	329,789	235,283	7,001,956
	627,946	--	1,270,039	209,339	8,551,809
	607,047	--	1,029,723	207,238	8,220,606
	644,684	--	482,545	183,283	7,710,144
	674,097	--	845,750	352,816	8,607,989
	716,318	--	1,717,805	335,189	10,232,015
	844,989	--	2,718,605	256,036	11,813,040
	639,095	38,114	7,529,979	256,035	17,233,675
	889,533	37,131	1,031,700	256,036	11,469,535

**CITY OF WILTON MANORS, FLORIDA**  
**GENERAL REVENUES BY SOURCE (1)**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Ad Valorem Taxes</u>	<u>Ad Valorem Debt Service</u>	<u>Franchise Fees</u>	<u>Utility Taxes</u>	<u>Licenses and Permits</u>	<u>Inter-governmental Revenues</u>
1994/95	\$ 1,822,133	\$ --	\$ 685,699	\$ 1,148,672	\$ 224,263	\$ 1,371,456
1995/96	1,881,149	--	711,151	1,178,557	258,517	1,256,276
1996/97	1,850,700	--	841,110	1,223,780	277,091	1,871,808
1997/98	1,941,523	--	873,999	1,266,604	336,709	2,170,740
1998/99	2,189,922	--	870,888	1,343,341	329,425	1,395,850
1999/00	2,314,278	259,054	862,597	1,319,725	318,427	1,414,960
2000/01	2,672,012	257,114	980,430	1,370,149	402,046	1,564,344
2001/02 (2)	2,882,851	255,937	849,180	1,688,156	384,516	2,410,034
2002/03 (2)	3,215,278	251,533	889,986	1,618,302	480,347	6,374,063
2003/04 (1)	3,760,912	255,150	918,458	1,557,937	596,309	1,733,019

NOTES: (1) Includes all governmental fund types

TABLE 2

	<u>Charges for Services</u>	<u>Fines and Forfeitures</u>	<u>Special Assessments</u>	<u>Allocated Service Reimbursements</u>	<u>Miscellaneous</u>	<u>Total</u>
\$	311,809	\$ 254,871	\$ --	\$ --	\$ 119,282	\$ 5,938,185
	313,147	189,712	--	--	729,699	6,518,208
	295,967	165,969	694,217	593,335	125,166	7,939,143
	327,168	219,189	837,890	620,475	149,796	8,744,093
	293,251	225,977	880,052	654,737	234,574	8,418,017
	306,145	205,146	893,026	629,719	602,221	9,125,298
	239,880	324,065	694,739	672,126	403,168	9,580,073
	333,633	347,045	709,541	757,501	131,486	10,749,880
	418,575	332,110	818,288	--	55,610	14,454,092
	568,092	407,164	936,477	--	493,347	11,226,865

**CITY OF WILTON MANORS, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

**TABLE 3**

<u>Fiscal Year</u>	<u>Property Tax Levy</u>	<u>(1) Property Tax Collections</u>	<u>% Net Tax Levy</u>
1994/95	\$ 2,141,609	\$ 2,047,206	95.59
1995/96	2,219,025	2,114,813	95.30
1996/97	2,182,926	2,088,058	95.65
1997/98	2,280,822	2,187,535	95.91
1998/99	2,261,554	2,189,922	96.83
1999/00	2,658,875	2,573,332	96.78
2000/01	3,002,920	2,929,126	97.54
2001/02	3,234,729	3,138,788	97.03
2002/03	3,541,232	3,466,811	97.90
2003/04	4,043,561	4,016,062	99.32

**SOURCE:** Broward County, Florida, Department of Revenue Collections

**NOTE:** (1) Florida Law allows up to a 4% discount for timely payment of property taxes.

**CITY OF WILTON MANORS, FLORIDA  
 ASSESSED VALUE OF TAXABLE PROPERTY (1)  
 LAST TEN FISCAL YEARS**

**TABLE 4**

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Total</u>
1994/95	\$ 307,007,880	\$ 27,984,987	\$ 334,992,867
1995/96	313,588,369	27,118,694	340,707,063
1996/97	317,623,299	26,524,020	344,147,319
1997/98	330,436,825	25,219,168	355,655,993
1998/99	350,345,622	24,518,311	374,863,933
1999/00	366,960,351	33,695,956	400,656,307
2000/01	398,535,946	34,598,392	433,134,338
2001/02	441,303,782	34,328,686	475,632,468
2002/03	504,601,331	40,544,045	545,145,376
2003/04	600,099,445	37,766,647	637,866,092

**SOURCE:** Broward County, Florida, Property Appraiser

**NOTE:** (1) Florida Law requires all property to be assessed at current fair market value.

**CITY OF WILTON MANORS, FLORIDA**  
**PROPERTY TAX MILLAGE RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$ 1,000 OF TAXABLE VALUE)**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Tax Roll Year</u>	<u>City of Wilton Manors</u>			<u>Broward County Operating</u>
		<u>Operating</u>	<u>Debt Service</u>	<u>Total City</u>	
1994/95	1994	5.6700	0.7230	6.3930	8.0343
1995/96	1995	5.7900	0.7230	6.5130	8.1165
1996/97	1996	5.6200	0.7230	6.3430	7.7524
1997/98	1997	5.6900	0.7230	6.4130	7.8380
1998/99	1998	6.0330	0.0000	6.0330	7.5710
1999/00	1999	5.9666	0.6697	6.6363	7.5710
2000/01	2000	6.3243	0.6087	6.9330	7.5250
2001/02	2001	6.2467	0.5542	6.8009	7.4005
2002/03	2002	6.1005	0.4784	6.5789	7.3650
2003/04	2003	6.1005	0.4135	6.5140	7.1880

SOURCE: Broward County, Florida, Property Appraiser

TABLE 5

<u>Broward County Schools</u>	<u>Children's Services Council</u>	<u>South Florida Water Management District</u>	<u>North Inland Navigation District</u>	<u>Broward Hospital District</u>	<u>Total</u>
10.0259	--	0.5970	0.0490	2.4459	27.5451
10.0366	--	0.6470	0.0400	2.4327	27.7858
9.9400	--	0.6720	0.0380	2.4200	27.1654
9.9745	--	0.6970	0.0500	2.4087	27.3812
9.7256	--	0.6970	0.0470	2.5000	26.5736
9.1283	--	0.6970	0.0440	2.4895	26.5661
8.9553	--	0.6970	0.0410	2.4803	26.6316
8.7541	0.3055	0.6970	0.0385	2.4803	26.4768
8.8825	0.3316	0.6970	0.0385	2.4803	26.3738
8.4176	0.3920	0.6970	0.0385	2.5000	25.7471

**CITY OF WILTON MANORS, FLORIDA  
RATIO OF NET BONDED DEBT TO ASSESSED  
VALUE AND NET BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

**TABLE 6**

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>Assessed Taxable Value</u>	<u>Net Bonded Debt</u>	<u>Ratio Of Net Bonded Debt To Assessed Value (Percentage)</u>	<u>Net Bonded Debt Per Capita</u>
1994/95	11,950	\$ 334,992,867	\$ 589,110	.18	49
1995/96	11,980	340,707,063	478,082	.14	40
1996/97	12,000	344,147,319	370,716	.11	31
1997/98	11,837	355,655,993	263,349	.07	22
1998/99	11,886	374,863,933	3,505,983	.94	295
1999/00	11,900	400,656,307	3,352,571	.84	282
2000/01	12,697	433,134,338	3,162,123	.73	247
2001/02	12,790	475,632,468	3,043,237	.64	238
2002/03	12,697	645,016,063	2,919,090	.45	230
2003/04	12,414	637,866,092	2,789,448	.44	225

SOURCE: Bureau of Economic Research, University of Florida  
U.S. Department of Commerce, Bureau of Census (1999/2000)

NOTE: (1) Includes all Governmental Fund debt

**CITY OF WILTON MANORS, FLORIDA**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
September 30, 2004

TABLE 7

The City Charter does not establish a legal debt margin nor does Florida Statute Chapter 166 which grants home rule authority to municipalities.

**CITY OF WILTON MANORS, FLORIDA**  
**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**  
September 30, 2004

TABLE 8

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to Wilton Manors (1)</u>	<u>Amount Applicable to Wilton Manors</u>
<b>DIRECT DEBT:</b>			
General Obligation Debt: City of Wilton Manors	\$ <u>2,789,448</u>	<u>100.00</u>	\$ <u>2,789,448</u>
Total direct debt	<u>2,789,448</u>	<u>100.00</u>	<u>2,789,448</u>
<b>OVERLAPPING DEBT:</b>			
General Obligation Debt: Broward County	488,355,750	.61%	2,978,970
Broward District Schools	<u>103,018,220</u>	<u>.61%</u>	<u>628,411</u>
Total overlapping debt	<u>591,373,970</u>		<u>3,607,381</u>
Total direct and overlapping debt	\$ <u>594,163,418</u>		\$ <u>6,396,829</u>

SOURCE: Broward County, Florida, Budget Office

NOTE: (1) Based on Ratio of Assessed Taxable Value

**CITY OF WILTON MANORS, FLORIDA  
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
FOR GENERAL BONDED DEBT  
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN FISCAL YEARS**

TABLE 9

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	(1) <u>Total Governmental Expenditures</u>	<u>Ratio of Debt Service To Total Governmental Expenditures (Percentage)</u>
1994/95	\$ 122,185	\$ 41,984	\$ 164,169	\$6,290,949	2.61
1995/96	111,028	33,729	144,757	7,001,956	2.07
1996/97	107,366	26,169	133,535	8,551,809	1.56
1997/98	105,892	19,519	125,411	8,220,606	1.53
1998/99	164,746	18,537	183,283	7,710,144	2.38
1999/00	158,168	194,648	352,816	8,607,988	4.10
2000/01	191,681	143,508	335,189	10,232,015	3.28
2001/02 (2)	118,886	137,150	256,036	11,813,040	2.17
2002/03 (2)	124,147	131,888	256,035	17,233,675	1.49
2003/04 (2)	129,647	126,389	256,036	11,469,535	2.23

NOTES: (1) Includes the General Fund, Special Revenue Funds, Expendable Trust and Capital Projects Funds (where applicable)  
(2) Excludes Expendable Trust Funds

CITY OF WILTON MANORS, FLORIDA  
 PRINCIPAL TAXPAYERS  
 FISCAL YEAR 2003/04

TABLE 10

<u>Name</u>	<u>Type of Business</u>	<u>Assessed Value</u>	<u>(1) Taxes Levied</u>
1. Marrinson Group	Retirement Facilities	\$ 15,159,100	\$ 98,746
2. USAT Corp	Apartment Rentals	6,217,460	40,501
3. Wilton Station, LLC	Mixed Use	5,487,110	35,743
4. Five Corners Plaza, LLC	Shopping Center	5,425,590	35,342
5. American Equities, LTD #6	Shopping Center	5,147,130	33,528
6. Wilton Tower, Inc.	Apartment Rentals	4,958,700	32,301
7. Williams, Carol S. & Rook, Marilyn	Shopping Center	4,782,790	31,155
8. 2675 N. Andrews Avenue, LLC	Apartment Rentals	3,435,780	22,381
9. Camelot West Apts, Inc.	Apartment Rentals	2,915,120	18,989
10. New Urban Belle Isle, LLC	Apartment Rentals	<u>2,607,280</u>	<u>16,984</u>
Total		\$ <u>56,136,060</u>	\$ <u>365,670</u>

SOURCE: Broward County Tax Rolls, 2003

NOTE: (1) Ad Valorem Taxes Only

**CITY OF WILTON MANORS, FLORIDA  
PROPERTY VALUE AND CONSTRUCTION  
LAST TEN FISCAL YEARS**

**TABLE 11**

<u>Fiscal Year</u>	<u>(1) Property Value</u>	<u>Estimated Value of Construction</u>
1994/95	\$ 334,992,867	\$ 304,740
1995/96	340,707,063	324,980
1996/97	344,147,319	114,780
1997/98	355,655,993	426,880
1998/99	374,863,933	3,228,430
1999/00	400,656,307	1,084,450
2000/01	433,134,338	1,110,770
2001/02	475,632,468	7,754,080
2002/03	645,016,063	5,495,000
2003/04	637,866,092	12,081,280

**SOURCE:** City of Wilton Manors Building Department

**NOTE:** (1) Assessed Value From Table 4

**CITY OF WILTON MANORS, FLORIDA  
REVENUE BOND COVERAGE  
LAST TEN FISCAL YEARS**

**TABLE 12**

<u>Fiscal Year</u>	<u>Gross Revenue</u>	<u>(1) Operating Expenses</u>	<u>Net Revenue Available For Debt Service</u>	<u>(2) Debt Service</u>	<u>Coverage</u>
1993/94	\$3,769,569	\$2,105,474	\$1,664,095	\$1,098,695	1.51
1994/95	4,078,247	2,105,094	1,973,153	1,187,225	1.66
1995/96	4,362,085	2,303,888	2,058,197	1,188,605	1.73
1996/97	4,335,236	2,458,479	1,876,757	1,188,018	1.58
1997/98	4,773,577	2,066,375	2,707,202	1,420,516	1.91
1998/99	4,525,059	2,561,117	1,963,942	999,716	1.96
1999/00	4,554,820	2,811,801	1,743,019	1,098,722	1.59
2000/01	4,507,981	2,742,623	1,765,358	1,182,650	1.49
2001/02	4,408,369	2,786,674	1,621,695	1,176,293	1.38
2002/03	4,587,620	2,511,572	2,076,048	1,210,326	1.72
2003/04	4,641,316	2,840,394	1,800,922	1,137,993	1.58

NOTES: (1) Total operating expenses excluding depreciation, amortization and interest expenses  
(2) Includes principal and interest

**CITY OF WILTON MANORS, FLORIDA**  
**DEMOGRAPHIC AND MISCELLANEOUS STATISTICS**  
 September 30, 2004

TABLE 13

Date of Incorporation: September 1947

Date of Adoption of City Charter: June 4, 1953

Form of City Government: City Commission/Manager

Area:

Square Miles	2.67
Miles of streets	47.00
Miles of waterways	13.70
Miles of sidewalks	6.20
Miles of sanitary sewers	34.00
Miles of storm drainage	2.50

Population Per U.S. Census:

1960	8,257
1970	10,948
1980	12,742
1990	11,804
2000	12,697

Building Permits:

Permits issued	3,572
Value of construction	\$ 60,723,949

Schools Located in City:

Public:	1
Number of teachers	27
Number of students	630
Private:	1
Number of teachers	10
Number of students	268

City Employees (full time):

Finance and administrative	8
Police	44
Fire	1
Building	2
Code enforcement	4
Public works	29
Library	3
Recreation	<u>5</u>
	<u>96</u>

Police Department:

Stations	1
Uniformed officers	33
Nonuniformed officers	11

Recreation and open space (approximately 40 acres):

- Island City Park Preserve
- Colohatchee Park
- Mickel Field
- Donn Eisele Park
- Hagen Park
- Veteran's Park
- Jaycee Park
- Coral Gardens Park
- Rachel Richardson Park

Water and Sewer Utilities:

	Water	Sewer
Active accounts	3,972	3,856
Miles of mains	--	3
Fire hydrants	234	--
Waste pump Stations	--	13

**CITY OF WILTON MANORS, FLORIDA  
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS  
LAST TEN FISCAL YEARS**

TABLE 14

<u>Fiscal Year</u>	<u>Balance, October 1</u>	<u>Net Assessments Levied During Fiscal Year</u>	<u>Assessments Collected During Fiscal Year</u>	<u>Balance, September 30</u>
1996/97	\$ --	\$ 762,798	\$ 694,216	\$ 68,582
1997/98	68,582	817,758	837,890	48,450
1998/99	48,450	825,468	880,053	(6,135)
1999/00	(6,135)	885,155	893,026	(14,006)
2000/01	(14,006)	686,484	694,739	(22,261)
2001/02	(22,261)	702,505	709,541	(29,297)
2002/03	(29,297)	808,704	818,288	(38,881)
2003/04	(38,881)	967,653	928,400	372

NOTE: The City began levying special assessments for a gatehouse built on City right of way, Fire and EMS Services during the 1996/97 fiscal. For the four years prior to October 1, 1996, there were no special assessments receivable due the City.



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

To the Honorable Mayor and Commissioners  
City of Wilton Manors, Florida  
Wilton Manors, Florida

We have audited the financial statements of governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wilton Manors, Florida, as of and for the year ended September 30, 2004, and have issued our report thereon dated April 1, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Wilton Manors, Florida'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.

City of Wilton Manors, Florida

This report is intended solely for the information and use of City management, the Auditor General of the State of Florida and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

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

Fort Lauderdale, Florida  
April 1, 2005



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**INDEPENDENT AUDITORS' REPORT TO CITY MANAGEMENT**

To the Honorable Mayor and Commissioners  
City of Wilton Manors, Florida  
Wilton Manors, Florida

We have audited the financial statements of City of Wilton Manors, Florida as of and for the year ended September 30, 2004, and have issued our report thereon dated April 1, 2005.

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. We have also issued our Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards. That report, dated April 1, 2005, should be considered in conjunction with this report to City management.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General. Those rules (Section 10.554(1)(g)1.a) require that we address in the report to City management, if not already addressed in the auditors' report on compliance and internal controls, whether or not inaccuracies, irregularities, shortages, defalcations, fraud, and/or violations of laws, rules, regulations, and contractual provisions reported in the preceding annual financial audit report have been corrected. There were no inaccuracies, irregularities, shortages, defalcations, fraud, and/or violations of laws, rules, regulations, and contractual provisions disclosed in the preceding annual financial audit report.

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

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

City of Wilton Manors, Florida

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

The Rules of the Auditor General (Section 10.554(1)(g)5.) also require that the name or official title and legal authority for the primary government and each component unit, if applicable, of the reporting entity be disclosed in the report to City management, unless disclosed in the notes to the financial statements. The City of Wilton Manors, Florida was established in 1953 under the laws of the State of Florida. The City does not have any component units.

As required by the Rules of the Auditor General (Section 10.554(1)(g)6.a.), the scope of our audit included a review of the provisions of Section 218.503(1), Florida Statutes, regarding financial emergencies. In connection with our audit, we determined that the City is not in a state of financial emergency as a consequence of the conditions described in Section 218.503(1), Florida Statutes.

As required by the Rules of the Auditor General (Section 10.554(1)(g)6.b.), we determined that the annual financial report for the City for the year ended September 30, 2004, filed with the Department of Banking and Finance pursuant to Section 218.32, Florida Statutes, is in agreement with the annual financial audit report for the year ended September 30, 2004.

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

This report to management is intended solely for the information of management and the Auditor General of the State of Florida, and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

  
KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida  
April 1, 2005