



**CITY OF
WILTON MANORS, FLORIDA**

**Comprehensive Annual
Financial Report
Fiscal Year Ended
September 30, 2007**

CITY OF WILTON MANORS, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2007

City Commission

Mayor
Vice Mayor
Commissioner
Commissioner
Commissioner

Scott Newton
Ted Galatis
Joe Angelo
Craig Sherritt
Gary Resnick

City Manager
Joseph L. Gallegos

Finance Director
Lisa C. Rabon

City Clerk
Angela D. Scott

Report Prepared by the
Finance Department

**CITY OF WILTON MANORS, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2007**

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INTRODUCTORY SECTION



FINANCE DEPARTMENT
CITY OF WILTON MANORS
524 Northeast 21st Court
Wilton Manors, Florida 33305

Phone (954) 390-2143
Fax (954) 390-2199
www.wiltonmanors.com

May 29, 2008

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

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, 2007, 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 financials 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 and in all material respects; that it is presented in a manner designed to fairly communicate the financial activity 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 TCBA Watson Rice 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, 2006.

The City

The City of 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, and again in 2003.

The recreation program 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 donation 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. The downtown area of the 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 County has the second largest county population in the State of Florida with an estimated 1.77 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 remaining 410 developable miles have 31 municipalities and 23 miles of beaches.

The County enjoys a diverse economy reflecting its active tourism and construction industries, sea and airport facilities and other industrial sectors. As of September 30, 2007, unemployment was 4.4% in the State of Florida and 3.8% in Broward County, comparing favorably to the United States unemployment rate of 4.7%.

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 that 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.

Local Economy

Wilton Manors is situated in east-central Broward County on the southeastern coast of Florida, just two miles north of downtown Fort Lauderdale, the county seat. Palm Beach County Borders Broward to the north and Miami-Dade County borders to the south. The highlights of the diverse and growing economy of Broward County are its tourism, marine industry, transportation, construction and service sectors. Unemployment remains lower than the state and national averages, and per capita personal income is higher than the state and national averages.

The foundation of the local Wilton Manors economy is its core of small commercial and service businesses. Wilton Manors continues to enjoy a period of ongoing residential and

commercial development, although the pace has slowed somewhat from the previous few record years. This development is primarily centered on Wilton Drive in the heart of the City's Arts and Entertainment District. The general decline in the housing market began to affect Wilton Manors during 2007, and the effects are continuing into 2008, although there are already signs that the housing market is regaining strength.

Long-Term Planning

The City Commission annually adopts a five-year Capital Improvement Program as a part of the formal budgeting process. The City continues to provide for future capital expenditures by setting aside reserves each year dedicated to future funding. The primary ongoing example of this practice is the annual vehicle replacements that are made with reserves. Another example is the reserve that the City set aside to help fund the new City Hall and Police Station building. Construction on this \$7.1 million project will begin in mid-2008. The project is being funded by a combination of \$6 million in General Obligation Bonds and \$1.1 million in reserves that have been set aside by the City over the several previous years.

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 invests in various short and intermediate portfolios on the member's behalf.

The Pension Fund's cash is administered by two separate Pension Boards that have 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 non-assessable governmental risk pool with several hundred members throughout the State of Florida. The City is currently insured for property, casualty, and worker's 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 for its CAFR for the year ended September 30, 2006. This was the ninth 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. 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.

Acknowledgements

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 the members of the City Departments for their assistance in the preparation of the report, and the City's external auditors for their assistance in reviewing the report.

Respectfully,

A handwritten signature in cursive script, appearing to read "Lisa C. Rabon".

Lisa C. Rabon,
Finance Director

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, 2006

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



Oliver S. Cox

President

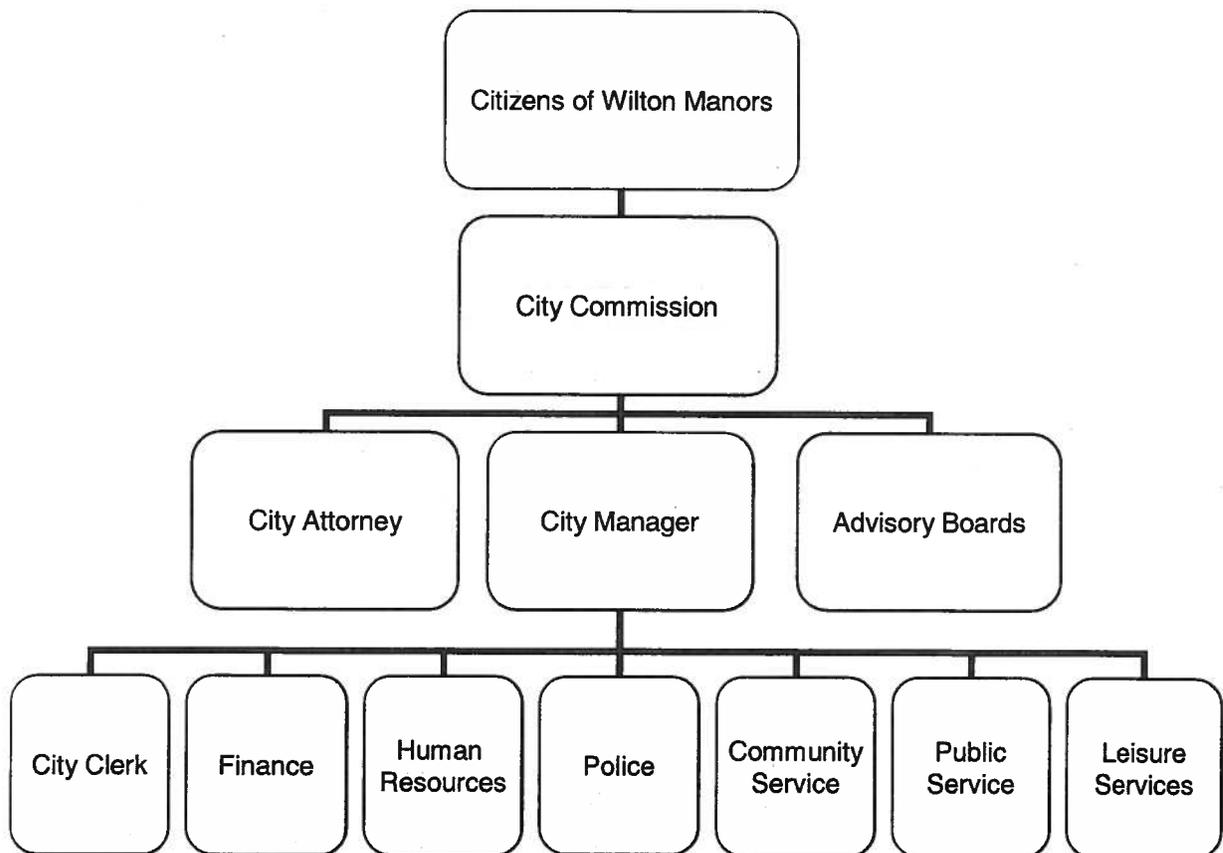
Jeffrey R. Emery

Executive Director

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CITY OF WILTON MANORS

City Government Structure



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CITY OF WILTON MANORS, FLORIDA
LIST OF PRINCIPAL OFFICIALS
September 30, 2007

Mayor	Scott Newton
Vice Mayor	Ted Galatis
Commissioner	Joe Angelo
Commissioner	Craig Sherritt
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 E. Perez
Public Services Director	David Archacki
Leisure Services Director	Patrick Cann
Human Resource Director	Brenda Clanton

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FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Commission
City of Wilton Manors, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wilton Manors, Florida, (the City) as of and for the year ended September 30, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the Pension Trust Fund for the General Employees and the Police and Volunteers Firefighters Pension Plan, which represents 93% of the assets of the aggregate remaining fund information. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Fund for the General Employees and the Police and Volunteers Firefighters Pension Plan, is based solely on the reports 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note A to the financial statements, management has not recorded certain general infrastructure assets in governmental activities and, accordingly, has not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that those general infrastructure assets be capitalized and depreciated, which would increase the assets, and expenses of the governmental activities. The amount by which this departure would affect the assets, net assets, and expenses of the governmental activities is not reasonably determinable.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to previously do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities of the City as of September 30, 2007, or other changes in financial position thereof for the year then ended.

In addition, in our opinion, based on our audit and the reports of other auditors the financial statements referred to previously present fairly in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2007, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2008 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the Required Supplementary Information on pages 3 through 11 and 58 through 60, respectively, are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in such schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements; and in our opinion, except for the effects of not recording certain general infrastructure assets and related depreciation in governmental activities, such information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Fort Lauderdale, Florida
May 27, 2008

TCBA Water Rise LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

**CITY OF WILTON MANORS, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED SEPTEMBER 30, 2007**

This section is intended to provide the reader of this report with a general overview of the financial activities of the City for the fiscal years ended September 30, 2007 and September 30, 2006. The information in this section should 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 \$3,515,797 (12.8%) from \$27,428,414 to \$30,994,210. This increase was split between Governmental activities (\$2,549,918 – 13.5%) and Business-type activities (\$965,879 – 12.3%).
- Governmental Activities revenue of \$16,350,709 exceeded expenses of \$13,800,791 by \$2,549,918.
- Business-type Activities revenue of \$6,177,220 exceeded expenses of \$5,211,341 by \$965,879.
- General Fund Business Permit Revenues exceeded the budget by \$268,731 (49%).
- Business-type revenues, which consist of water, wastewater and drainage charges for services, continued a steady increase.
- The total expenses of all City programs were \$18,260,390.
- The General Fund, which accounts for the vast majority of the operations of the government, expended 96% of the final, budgeted appropriations.

CITY HIGHLIGHTS

The trend of redevelopment is continuing within the City. It is occurring throughout and the significant residential development is expected to bring growth in population. 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 continuing its efforts to secure grants to assist with both operating expenses and infrastructure improvements, although due to the current round of budget constraints, state and county grant funding is likely to decrease in the near future.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: 1) Management's Discussion and Analysis (this section), 2) the Basic Financial Statements 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.

CITY OF WILTON MANORS, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED SEPTEMBER 30, 2007
(continued)

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 which 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 13 of this report.

Fund Financial Statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City 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 14 through 17 of this report.

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 fund (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.

**CITY OF WILTON MANORS, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED SEPTEMBER 30, 2007
(continued)**

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 57 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 can be found on pages 58 through 60 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City's combined net assets totaled \$30,944,210 as of September 30, 2007. Governmental Activities net assets totaled \$22,115,558 and Business-type Activities net assets totaled \$8,828,652. The following table presents a condensed Statement of Net Assets:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06
ASSETS						
Current and Other Assets	\$ 5,927,280	\$5,826,596	\$8,704,051	\$4,078,296	\$14,631,331	\$ 9,904,892
Capital Assets (Net)	20,876,906	17,802,069	11,191,730	10,914,817	32,068,636	28,716,886
TOTAL ASSETS	26,804,186	23,628,665	19,895,781	14,993,113	46,699,967	38,621,778
LIABILITIES						
Long-Term Debt	3,383,667	3,511,797	9,303,247	5,531,332	12,686,914	9,043,129
Other Liabilities	1,304,961	1,193,791	1,763,882	1,599,008	3,068,843	2,792,799
TOTAL LIABILITIES	4,688,628	4,705,588	11,067,129	7,130,340	15,755,757	11,835,928
NET ASSETS						
Invested in Capital Assets, Net of Debt	17,858,934	14,546,968	4,970,463	4,613,924	22,829,397	19,160,892
Restricted	-	-	1,413,439	1,559,205	1,413,439	1,559,205
Unrestricted	4,256,624	4,376,109	2,444,750	1,689,644	6,701,374	6,065,753
TOTAL NET ASSETS	\$22,115,558	\$18,923,077	\$8,828,652	\$7,862,773	\$30,944,210	\$26,785,850

CITY OF WILTON MANORS, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED SEPTEMBER 30, 2007
(continued)

Unrestricted net assets, which represent 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 \$2,797,247 on September 30, 2007.

Unrestricted net assets of the City's business-type activities posted a slight increase in 2007 from \$1,689,644 to \$1,805,199 due primarily from the net income during the fiscal year.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06
REVENUES						
Program Revenues:						
Charges for Services	\$2,004,360	\$2,793,071	\$ 5,681,236	\$ 5,100,982	\$7,685,596	\$7,894,053
Grants and Contributions:						
Operating	1,368,685	1,540,612	-	-	1,368,685	1,540,612
Capital		289,512	-	-	-	289,512
General Revenues:						
Property Taxes	6,677,263	5,724,191	-	-	6,677,263	5,724,191
Intergovernmental	1,429,212	1,516,913	-	-	1,429,212	1,516,913
Other Taxes and Fees	3,622,039	2,907,770	117,030	211,107	3,739,069	3,118,877
Other General Revenues	497,408	476,947	378,954	175,850	876,362	652,797
TOTAL REVENUES	15,598,967	15,249,016	6,177,220	5,487,939	21,776,187	20,736,955
PROGRAM EXPENSES						
General Government	2,060,947	2,136,708	-	-	2,060,947	2,136,708
Public Safety	7,398,549	6,787,831	-	-	7,398,549	6,787,831
Culture and Recreation	3,063,009	2,596,851	-	-	3,063,009	2,596,851
Public Services	575,603	2,608,372	-	-	575,603	2,608,372
Physical Environment	501,903	171,600	-	-	1,077,506	171,600
Interest	200,780	168,411	-	-	200,780	168,411
Water and Wastewater	-	-	4,185,052	3,726,450	4,185,052	3,726,450
Drainage	-	-	274,547	224,846	274,547	224,846
TOTAL EXPENSES	13,800,791	14,469,773	4,459,599	3,951,295	18,260,390	18,421,068
INCREASE IN NET ASSETS BEFORE TRANSFERS						
	1,798,176	779,243	1,717,621	1,536,644	3,515,797	2,315,887
TRANSFERS						
	751,742	646,910	(751,742)	(646,910)	-	-
CHANGE IN NET ASSETS						
	\$2,549,918	\$1,426,153	\$ 965,879	\$ 889,734	\$3,515,797	\$2,315,887

CITY OF WILTON MANORS, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED SEPTEMBER 30, 2007
(continued)

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 operating tax millage rate was 6.7264 mills which when combined with the general obligation debt millage of 0.2236 mills produced an effective total millage rate of 6.5000. This is a reduction from the 2005/06 combined millage rate of 6.6036 due to a decrease in the debt service millage rate from 0.4135 to 0.2236. One mill of tax equals one dollar for each one thousand dollars of assessed property value as determined by the Broward County Property Appraiser. Property values have increased an average of 17% 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 18.5% during the 2007-2008 fiscal year. This rate of increase is expected to slow significantly in the upcoming fiscal years.

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 rates established by the City Commission during the budget process determine how much property tax revenue will be generated in the General Fund in the ensuing fiscal year. Property tax revenue is the major revenue source in the General Fund, accounting for 54% of fund revenues in 2006-2007.

During the past fiscal year, the City received approximately \$1.37 million in grant revenue from various federal, state, district, county, and other local programs. The City plans to vigorously pursue additional grant funding in anticipation that grant revenues will continue to be a significant source of revenues for funding projects.

The City's financial condition is affected by economic conditions. During prosperous economic periods, property values generally increase which correspondingly increase property tax revenue. During the last several years, the City of Wilton Manors has experienced record growth in property values and in fact has led most of Broward County in increased property values as a percentage over the previous years, despite the fact that it has been built-out since the early 1970s. In January, 2008, a constitutional amendment was passed by Florida citizens placing certain limitations on the future growth of taxable property values. The full effects of this constitutional amendment are not yet known, however all Florida governmental units that depend on property taxes will be likely to see a declining trend in taxable property values in the near future.

General Discussion on Expenses:

Expenses were approximately \$13,801,000 in the Governmental activities and approximately \$4,460,000 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 City personnel has increased by eight over the past five years in response to demands by residents for increased services. The City continues to look to 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
FISCAL YEAR ENDED SEPTEMBER 30, 2007
(continued)

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 \$4,596,474. Over one-half of this total amounts (\$2,405,479) 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 (\$264,410) or for other restricted or designated purposes in the amount of \$1,926,585.

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 \$3,302,658, while total fund balance was \$5,149,766. 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 twenty-five percent of the expenditures in the General Fund, while total fund balance represents approximately forty percent of that same amount.

The total fund balance in the City's General Fund increased from \$4,721,484 to \$5,149,766 during the current fiscal year, a difference of \$428,282. This increase in fund balance is primarily due to the significant reduction in expenditures below the budgeted amounts. 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 is still negative 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 \$(392,648). The City of Wilton Manors has pledged to eliminate this deficit by 2010 through annual transfers from 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 Water and Wastewater Utility Fund amounted to \$7,625,435 at the end of the current year, an increase of \$867,613 over the prior fiscal year. Net assets in the City's other proprietary fund, the Drainage Fund, amounted to \$1,203,217 at year end which also reflects an increase over the prior fiscal year of \$98,266. 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 \$267,071 less than the final budget projections but this amount was offset by total expenditure savings of \$612,739. Major variances between budgeted and actual amounts in the General Fund are as follows:

CITY OF WILTON MANORS, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED SEPTEMBER 30, 2007
(continued)

- a. Utility Services Taxes exceeded budget by \$42,738 (2.5%), primarily due to an increase in Communications Services Tax of \$62,259 (11%).
- b. Revenues from Licenses and Permits exceeded budget by \$251,889 (34%) due primarily to a large increase of \$268,731 (49%) in building permits revenue.
- c. Intergovernmental Revenues came in under budget by \$50,792 (4%) due primarily to a decrease in half-cent local sales tax.
- d. Revenue from Charges for Services came under budget by \$17,997 due to the new category of parking fees revenue coming under budget by \$30,840. At the time this budget was adopted, it was not known when charges for parking would begin, nor had the parking fee schedule yet been adopted.
- e. Fines and Forfeitures Revenues came in under budget by \$19,327 (12%) due to a decrease in the number of citations issued.
- f. Miscellaneous Revenues came in under budget by \$480,546 due to a major decrease in expected donations. Significant changes in other miscellaneous revenues included Interest Income exceeding budget by \$213,377 (259%) and Impact Fees Revenue coming in \$225,784 under budget (72%).
- g. Significant budgeted expenditure savings during the year were found in the following departments: City Management (\$29,336), Finance (\$57,929), Police (\$276,981), and Nondepartmental (\$257,772). The Leisure Services (Culture and Recreation) Department exceeded budgeted expenditures by \$67,739 due to increased capital outlays.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The City had \$50,652,783 invested in capital assets on September 30, 2007. The following schedule summarizes capital asset held by the City:

Capital Assets
September 30, 2007 and 2006

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06
Land	\$8,622,988	\$7,563,925	\$1,502,973	\$1,502,973	\$10,125,961	\$9,066,898
Infrastructure	-	-	14,225,043	14,110,434	14,225,043	14,110,434
Buildings	4,762,314	3,161,568	637,469	637,469	5,399,783	3,799,037
Improvements						
Other						
Than Buildings	9,863,462	9,057,416	5,315,990	4,697,475	15,179,452	13,754,891
Machinery and						
Equipment	4,787,451	4,231,432	935,093	893,054	5,722,544	5,124,486
TOTAL ASSETS	\$28,036,215	\$24,014,341	\$22,616,568	\$21,841,405	\$50,652,783	\$45,855,746

CITY OF WILTON MANORS, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED SEPTEMBER 30, 2007
(continued)

In fiscal year 2006-2007, The City issued Water & Sewer Revenue Bonds with the purpose of refunding certain portions of existing bonds and providing additional funds for continued improvements to wastewater lines. A major relining project for the City's wastewater lines was undertaken with these funds. This investment will pay off by reducing the amount of infiltration and inflow into the City's wastewater lines and thereby reducing the number of gallons of wastewater requiring treatment.

Additional information on the City's capital assets can be found in Note F on pages 45 through 46.

Debt

The City had debt totaling approximately \$13.1 million at September 30, 2007. Total debt outstanding at the end of the prior fiscal year was \$9.6 million. The increase of \$3.5 million is primarily attributable to the additional revenue bond financing for the wastewater line relining project.

Outstanding Debt
September 30, 2007 and 2006

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06
General Obligation Bonds (backed by City) Note Payable	\$ 2,117,972	\$ 2,255,101	\$ -	\$ -	\$ 2,117,972	\$ 2,255,101
Revenue Bonds (backed by specific revenue streams)	900,000.00	1,000,000	-	-	900,000.00	1,000,000
	-	-	10,125,394	6,335,933	10,125,394	6,335,933
TOTAL	\$ 3,017,972	\$ 3,255,101	\$ 10,125,394	\$ 6,335,933	\$ 13,143,394	\$ 9,591,034

During the 2007-2008 fiscal year, the amount of the City's general obligation debt will increase due to the fulfillment of the City's voter-approved bond issue for the construction of a new City Hall and Police Station. Construction on this project is expected to begin in the summer of 2008.

Revenue bonds, the other major source of debt, will decline as scheduled repayments are made on the existing debt. No additional revenue bond debt is expected to be incurred during fiscal year 2007-2008. Of the \$10.1 million in revenue debt at September 30, 2007, \$4.3 million is related to water, wastewater and drainage projects funded and completed in the mid-1990's, while about \$5.8 million is new debt to fund the above-mentioned wastewater line relining project.

Additional information on the City's long-term debt can be found in Note I on pages 49 to 52 of this report.

CITY OF WILTON MANORS, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED SEPTEMBER 30, 2007
(continued)

ECONOMIC FACTORS

The City's primary sources of revenue are property and utility taxes, franchise and regulatory fees, and utility charges for services. State shared revenues, which include telecommunication taxes, account for another large source of revenue. During the fiscal year ended September 30, 2007, south Florida continued to experience outstanding economic performance, with taxable property values increasing approximately 22.4% over the previous year. Area unemployment was 3.8% in 2007.

From 2001 through 2007 Wilton Manors was on the leading edge of the unprecedented growth experienced in the local, regional and national real estate markets. Since the end of the City's fiscal year on September 30, 2007, both the real estate market and the general economy have slowed significantly. This slowdown, coupled with the passage of the state constitutional amendment limiting the growth in property values, will exert downward pressure on the City's revenues in the upcoming fiscal years.

In spite of the general economic downturn, and in spite of the fact that Wilton Manors has been essentially built out since 1970, significant residential and commercial redevelopment are still occurring in the City. These redevelopment projects will contribute both to an expected moderate population increase and the City's continuing good economic health.

REQUESTS FOR INFORMATION

This 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, 2007

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Equity in pooled cash	\$ 4,780,271	\$ 2,099,067	\$ 6,879,338
Cash held by third party	69,734	-	69,734
Accounts receivable, net	385,809	814,466	1,200,275
Due from other governments	530,220	-	530,220
Prepaid expenses	117,335	31,136	148,471
Inventory	40,911	85,250	126,161
Unamortized bond financing costs	-	13,725	13,725
Capital assets, non-depreciable	8,622,988	1,502,973	10,125,961
Capital assets, depreciable (net)	12,253,918	9,688,757	21,942,675
Restricted cash and cash equivalents	3,000	5,660,407	5,663,407
Total assets	26,804,186	19,895,781	46,699,967
LIABILITIES			
Accounts payable	764,749	289,131	1,053,880
Accrued expenses	177,003	12,566	189,569
Unearned revenues	49,509	-	49,509
Accrued interest payable	54,703	210,242	264,945
Customers' deposits	-	390,043	390,043
Due to other governments	-	1,970	1,970
Due within one year:			
Compensated absences payable	20,941	11,874	32,815
Bonds payable	138,056	848,056	986,112
Note payable	100,000	-	100,000
Due in more than one year:			
Compensated absences payable	603,751	25,909	629,660
Bonds payable	1,979,916	9,277,338	11,257,254
Note payable	800,000	-	800,000
Total liabilities	4,688,628	11,067,129	15,755,757
NET ASSETS			
Invested in capital assets, net of related debt	17,858,934	4,970,463	22,829,397
Restricted for:			
Debt service	-	1,113,439	1,113,439
Renewal and replacement	-	300,000	300,000
Unrestricted	4,256,624	2,444,750	6,701,374
Total net assets	\$ 22,115,558	\$ 8,828,652	\$ 30,944,210

See accompanying notes to financial statements.

CITY OF WILTON MANORS, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2007

Functions/Programs	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets			
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental activities:							
General government	\$ 2,060,947	\$ -	\$ -	\$ -	\$ (2,060,947)	\$ -	\$ (2,060,947)
Public safety	7,398,549	1,342,834	-	-	(6,055,715)	-	(6,055,715)
Culture and recreation	3,063,009	244,081	-	-	(2,818,928)	-	(2,818,928)
Public services	575,603	417,445	1,368,685	-	1,210,527	-	1,210,527
Physical environment	501,903	-	-	-	(501,903)	-	(501,903)
Interest and fiscal charges	200,780	-	-	-	(200,780)	-	(200,780)
Total governmental activities	13,800,791	2,004,360	1,368,685	-	(10,427,746)	-	(10,427,746)
Business-type activities:							
Water and wastewater	4,185,052	5,352,677	-	-	-	1,167,625	1,167,625
Drainage	274,547	328,559	-	-	-	54,012	54,012
Total business-type activities	4,459,599	5,681,236	-	-	-	1,221,637	1,221,637
Total primary government	\$ 18,260,390	\$ 7,685,596	\$ 1,368,685	\$ -	(10,427,746)	1,221,637	(9,206,109)
General revenues:							
Taxes:							
Property taxes					6,677,263	-	6,677,263
Franchise fees					793,113	-	793,113
Utility taxes					1,742,498	-	1,742,498
Licenses and permits					996,436	-	996,436
Impact fees					89,992	117,030	207,022
Intergovernmental-unrestricted					1,429,212	-	1,429,212
Interest income					351,841	293,945	645,786
Miscellaneous					144,477	85,009	229,486
Contributions					1,090	-	1,090
Transfers in (out)					751,742	(751,742)	-
Total general revenues and transfers					12,977,664	(255,758)	12,721,906
Change in net assets					2,549,918	965,879	3,515,797
Net assets - beginning, as originally reported					18,923,077	7,862,773	26,785,850
Prior-period adjustments (Note M)					642,564	-	642,564
Net assets - beginning, as adjusted					19,565,641	7,862,773	27,428,414
Net assets - ending					\$ 22,115,558	\$ 8,828,652	\$ 30,944,210

See accompanying notes to financial statements.

CITY OF WILTON MANORS, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	General Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Equity in pooled cash	\$ 4,341,157	\$ 439,113	\$ 4,780,270
Cash held by third party	-	69,734	69,734
Restricted cash	3,000	-	3,000
Accounts receivable	167,446	218,364	385,810
Due from other governments	143,019	47,656	190,675
Advances to other funds	1,020,843	-	1,020,843
Prepaid expenditures	117,245	90	117,335
Inventories	32,051	8,860	40,911
Total assets	\$ 5,824,761	\$ 783,817	\$ 6,608,578
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 467,512	\$ 297,237	\$ 764,749
Accrued expenses	169,491	7,512	177,003
Advances from other funds	-	1,020,843	1,020,843
Unearned revenues	37,993	11,516	49,509
Total liabilities	674,996	1,337,108	2,012,104
Fund balances:			
Reserved for:			
Contingencies	1,012,904	-	1,012,904
Vehicles	193,978	61,932	255,910
Advance from other funds	104,023	-	104,023
Encumbrance	112,364	152,046	264,409
Prepaid expenditures	117,245	90	117,335
Inventory	32,051	8,860	40,911
Public safety	35,520	-	35,520
Firetruck	-	120,959	120,959
Culture and recreation	137,637	-	137,637
Landscaping	5,395	-	5,395
Affordable housing	95,991	-	95,991
Unreserved:			
Undesignated (deficit) reported in:			
General fund	3,302,658	-	3,302,658
General obligation bond fund	-	(392,648)	(392,648)
Special revenue funds	-	(504,530)	(504,530)
Total fund balances	5,149,765	(553,291)	4,596,474
Total Liabilities and Fund Balances	\$ 5,824,761	\$ 783,817	\$ 6,608,578

See accompanying notes to financial statements.

CITY OF WILTON MANORS, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2007

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 14	\$ 4,596,474
Receivables related to intergovernmental revenues are not available to fund current operations and, therefore, are deferred in the governmental funds	339,545
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:	
Total cost of capital assets is	28,036,215
Accumulated depreciation is	<u>(7,159,309)</u> 20,876,906
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 governmental funds	<u>(3,697,367)</u>
Total net assets of governmental activities, Page 12	<u>\$ 22,115,558</u>

See accompanying notes to financial statements.

CITY OF WILTON MANORS, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>General Fund</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Taxes:			
Ad valorem	\$ 6,446,700	\$ -	\$ 6,446,700
Ad valorem taxes for debt service	230,564	-	230,564
Utility service taxes	1,742,498	-	1,742,498
Franchise fees	737,074	56,039	793,113
Licenses and permits	996,436	-	996,436
Intergovernmental revenues	1,200,039	1,258,312	2,458,351
Charges for services	346,733	355,348	702,081
Impact fees	89,992	-	89,992
Fines and forfeitures	142,183	132,712	274,895
Special assessment	-	1,027,384	1,027,384
Donations	1,090	-	1,090
Interest income	295,877	55,964	351,841
Miscellaneous	124,363	20,114	144,477
	<u>12,353,549</u>	<u>2,905,873</u>	<u>15,259,422</u>
Expenditures			
Current:			
General government	1,772,522	-	1,772,522
Public safety	6,050,255	957,926	7,008,181
Culture and recreation	2,529,930	236,508	2,766,438
Public services	414,903	67,740	482,643
Physical environment	-	501,902	501,902
Capital outlay	1,861,406	1,314,704	3,176,110
Debt Service:		-	-
Principal	233,209	-	233,209
Interest	146,077	-	146,077
	<u>13,008,302</u>	<u>3,078,780</u>	<u>16,087,081</u>
Excess (deficiency) of revenues over expenditures	<u>(654,753)</u>	<u>(172,907)</u>	<u>(827,660)</u>
Other financing sources (uses)			
Transfers in	1,219,056	80,992	1,300,048
Transfers out	(136,022)	(412,284)	(548,306)
	<u>1,083,034</u>	<u>(331,292)</u>	<u>751,742</u>
Net change in fund balances	428,281	(504,199)	(75,918)
Fund balance (deficit)			
At beginning of year	<u>4,721,484</u>	<u>(49,092)</u>	<u>4,672,392</u>
At end of year	<u>\$ 5,149,765</u>	<u>\$ (553,291)</u>	<u>\$ 4,596,474</u>

See accompanying notes to financial 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 NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2007**

NET CHANGE IN FUND BALANCES -TOTAL GOVERNMENTAL FUNDS, PAGE 16	\$	(75,919)
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund		339,545
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	3,176,110	
less current year depreciation expense	<u>(1,047,384)</u>	2,128,726
The repayment of debt principal is an expenditure in governmental funds, but the the repayment reduces long-term liabilities in the statement of net assets		229,289
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 the governmental funds:		
Increase in interest payable	(54,703)	
Increase in long-term compensated absences	<u>(20,941)</u>	<u>(75,644)</u>
Total change in net assets of governmental activities, Page 13	\$	<u>2,545,997</u>

See accompanying notes to financial 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, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Ad valorem taxes:				
Current	\$ 6,436,678	\$ 6,436,678	\$ 6,443,790	\$ 7,112
Delinquent	20,000	20,000	2,910	(17,090)
Debt service	229,286	229,286	230,564	1,278
	<u>6,685,964</u>	<u>6,685,964</u>	<u>6,677,264</u>	<u>(8,700)</u>
Franchise fees:				
Electric	697,510	697,510	719,424	21,914
Miscellaneous	23,900	23,900	17,650	(6,250)
	<u>721,410</u>	<u>721,410</u>	<u>737,074</u>	<u>15,664</u>
Utility services taxes:				
Electricity	781,303	781,303	753,435	(27,868)
Gas	52,290	52,290	60,564	8,274
Water	293,077	293,077	293,150	73
Communication service tax	573,090	573,090	635,349	62,259
	<u>1,699,760</u>	<u>1,699,760</u>	<u>1,742,498</u>	<u>42,738</u>
Licenses and permits:				
Local business license	130,000	130,000	116,182	(13,818)
Building permits	550,000	550,000	818,731	268,731
Residential rental licenses	17,000	17,000	18,732	1,732
Other licenses and permits	35,000	35,000	42,148	7,148
Payment in lieu of landscaping	500	500	-	(500)
Letters of determination	12,048	12,048	644	(11,404)
	<u>744,548</u>	<u>744,548</u>	<u>996,437</u>	<u>251,889</u>
Intergovernmental revenues:				
State revenue sharing	432,243	432,243	428,969	(3,274)
Half-cent local sales tax	796,692	796,692	754,156	(42,536)
Mobile home licenses	130	130	62	(68)
Alcoholic beverage licenses	14,375	14,375	16,852	2,477
Bash Grant-Department of Agriculture	7,390	7,390	-	(7,390)
State disaster assistance	-	-	-	-
Other	-	-	-	-
	<u>1,250,830</u>	<u>1,250,830</u>	<u>1,200,039</u>	<u>(50,791)</u>

See accompanying notes to financial 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, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Charges for services:				
Recreation fees	\$ 229,085	\$ 229,085	\$ 241,156	\$ 12,071
Parking fees	111,142	111,142	80,302	(30,840)
Other charges	24,503	24,503	25,275	772
	<u>364,730</u>	<u>364,730</u>	<u>346,733</u>	<u>(17,997)</u>
Fines and forfeitures:				
Court fines	150,000	150,000	121,605	(28,395)
Library fines	9,010	9,010	7,985	(1,025)
Code enforcement fines	2,500	2,500	12,593	10,093
	<u>161,510</u>	<u>161,510</u>	<u>142,183</u>	<u>(19,327)</u>
Miscellaneous:				
Interest income	82,500	82,500	295,877	213,377
Rental revenue	15,510	15,510	25,633	10,123
Impact fees	315,776	315,776	89,992	(225,784)
Donations	500,200	500,200	1,090	(499,110)
Miscellaneous revenue	37,943	77,882	98,730	20,848
	<u>951,929</u>	<u>991,868</u>	<u>511,322</u>	<u>(480,546)</u>
 Total Revenues	 <u>12,580,681</u>	 <u>12,620,620</u>	 <u>12,353,549</u>	 <u>(267,071)</u>
 EXPENDITURES:				
General government				
Mayor and Commission:				
Personal services	78,620	78,620	88,703	10,083
Operating expenditures	34,798	34,798	28,293	(6,505)
Total general government	<u>113,418</u>	<u>113,418</u>	<u>116,996</u>	<u>3,578</u>
City Management:				
Personal services	523,009	523,009	526,211	3,202
Operating expenditures	92,273	92,273	63,369	(28,904)
Capital outlay	6,900	6,900	3,266	(3,634)
	<u>622,182</u>	<u>622,182</u>	<u>592,846</u>	<u>(29,336)</u>

See accompanying notes to financial statements.

(Continued)

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, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:				
Financial services:				
Personal services	\$ 685,972	\$ 641,692	\$ 621,626	\$ (20,066)
Operating expenditures	146,434	187,714	172,707	(15,007)
Capital outlay	<u>28,466</u>	<u>31,466</u>	<u>8,610</u>	<u>(22,856)</u>
	<u>860,872</u>	<u>860,872</u>	<u>802,943</u>	<u>(57,929)</u>
City Attorney:				
Operating expenditures	<u>220,000</u>	<u>220,000</u>	<u>202,762</u>	<u>(17,238)</u>
	<u>220,000</u>	<u>220,000</u>	<u>202,762</u>	<u>(17,238)</u>
Total General Government	<u>1,816,472</u>	<u>1,816,472</u>	<u>1,715,547</u>	<u>(100,925)</u>
Public safety:				
Police:				
Personal services	4,027,486	4,027,486	4,063,323	35,837
Operating expenditures	792,865	783,926	650,126	(133,800)
Capital outlay	<u>353,691</u>	<u>387,043</u>	<u>208,025</u>	<u>(179,018)</u>
	<u>5,174,042</u>	<u>5,198,455</u>	<u>4,921,474</u>	<u>(276,981)</u>
Emergency medical services:				
Operating expenditures	<u>261,389</u>	<u>261,389</u>	<u>259,279</u>	<u>(2,110)</u>
	<u>261,389</u>	<u>261,389</u>	<u>259,279</u>	<u>(2,110)</u>
Community services:				
Personal services	631,821	631,821	576,239	(55,582)
Operating expenditures	487,119	487,119	553,188	66,069
Capital outlay	<u>50,655</u>	<u>50,655</u>	<u>17,958</u>	<u>(32,697)</u>
	<u>1,169,595</u>	<u>1,169,595</u>	<u>1,147,385</u>	<u>(22,210)</u>
Total Public Safety	<u>6,605,026</u>	<u>6,629,439</u>	<u>6,328,138</u>	<u>(301,301)</u>

See accompanying notes to financial 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, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:				
Culture and recreation:				
Library:				
Personal services	\$ 453,288	\$ 453,288	\$ 383,375	\$ (69,913)
Operating expenditures	80,222	80,222	59,034	(21,188)
Capital outlay	<u>29,100</u>	<u>29,100</u>	<u>28,971</u>	<u>(129)</u>
	<u>562,610</u>	<u>562,610</u>	<u>471,380</u>	<u>(91,230)</u>
Parks and Facilities:				
Personal services	1,030,907	1,030,907	998,295	(32,612)
Operating expenditures	130,900	130,900	119,727	(11,173)
Capital outlay	<u>662,962</u>	<u>678,488</u>	<u>960,428</u>	<u>281,940</u>
	<u>1,824,769</u>	<u>1,840,295</u>	<u>2,078,450</u>	<u>238,155</u>
Recreation:				
Personal services	591,718	591,718	630,371	38,653
Operating expenditures	401,148	401,148	340,729	(60,419)
Capital outlay	<u>74,105</u>	<u>74,105</u>	<u>16,685</u>	<u>(57,420)</u>
	<u>1,066,971</u>	<u>1,066,971</u>	<u>987,785</u>	<u>(79,186)</u>
Total Culture and Recreation	<u>3,454,350</u>	<u>3,469,876</u>	<u>3,537,615</u>	<u>67,739</u>
Public services:				
Personal services	210,377	210,377	231,437	21,060
Operating services	203,741	203,741	183,466	(20,275)
Capital outlay	<u>75,000</u>	<u>75,000</u>	<u>15,532</u>	<u>(59,468)</u>
Total public services	<u>489,118</u>	<u>489,118</u>	<u>430,435</u>	<u>(58,683)</u>
Non-Departmental:				
Personal services	154,070	154,070	103,179	(50,891)
Operating services	712,368	711,369	(27,474)	(738,843)
Capital outlay	<u>98,450</u>	<u>99,449</u>	<u>631,411</u>	<u>531,962</u>
Total nondepartmental	<u>964,888</u>	<u>964,888</u>	<u>707,116</u>	<u>(257,772)</u>

See accompanying notes to financial statements.

(Continued)

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, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:				
Debt service:				
Principal retirement	\$ 232,205	\$ 232,205	\$ 233,209	\$ 1,004
Interest	<u>163,581</u>	<u>163,581</u>	<u>200,780</u>	<u>37,199</u>
	<u>395,786</u>	<u>395,786</u>	<u>433,989</u>	<u>38,203</u>
 Total Expenditures	 <u>13,725,640</u>	 <u>13,765,579</u>	 <u>13,152,840</u>	 <u>(612,739)</u>
Excess (deficiency) of revenues over expenditures	 <u>(1,144,959)</u>	 <u>(1,144,959)</u>	 <u>(799,291)</u>	 <u>345,668</u>
 Other financing sources (uses)				
Transfers in	1,219,049	1,219,049	1,219,056	7
Transfers out	<u>(74,090)</u>	<u>(74,090)</u>	<u>(136,022)</u>	<u>(61,932)</u>
	<u>1,144,959</u>	<u>1,144,959</u>	<u>1,083,034</u>	<u>(61,925)</u>
 Net change in fund balance	 <u>-</u>	 <u>-</u>	 <u>283,743</u>	 <u>283,743</u>
 Fund balance				
At beginning of year	<u>4,753,658</u>	<u>4,753,658</u>	<u>4,753,658</u>	<u>-</u>
 At end of year	 <u>\$ 4,753,658</u>	 <u>\$ 4,753,658</u>	 <u>\$ 5,037,401</u>	 <u>\$ 283,743</u>

See accompanying notes to financial statements.

CITY OF WILTON MANORS, FLORIDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2007

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>	<u>Nonmajor Fund</u>	<u>Total</u>
	<u>Utility Fund</u>	<u>Drainage Fund</u>	
ASSETS			
Current assets:			
Equity in pooled cash	\$ 1,513,411	\$ 585,656	\$ 2,099,067
Accounts receivable, net	792,896	21,570	814,466
Prepaid expenses	30,761	375	31,136
Inventory	85,250	-	85,250
Total current assets	<u>2,422,318</u>	<u>607,601</u>	<u>3,029,919</u>
Noncurrent assets:			
Restricted cash and cash equivalents	5,660,407	-	5,660,407
Capital assets, depreciable net	9,090,617	598,140	9,688,757
Capital assets, non-depreciable	1,502,973	-	1,502,973
Unamortized bond discount and financing cost	13,725	-	13,725
Total noncurrent assets	<u>16,267,722</u>	<u>598,140</u>	<u>16,865,862</u>
Total assets	<u>18,690,040</u>	<u>1,205,741</u>	<u>19,895,781</u>
LIABILITIES			
Current liabilities (payable from unrestricted assets)			
Accounts payable	288,911	220	289,131
Accrued expenses	10,262	2,304	12,566
Due to other governments	1,970	-	1,970
Compensated absences payable	11,874	-	11,874
Current liabilities (payable from restricted assets)			
Bonds payable	848,056	-	848,056
Accrued interest payable	210,242	-	210,242
Customers' deposits	390,043	-	390,043
Total current liabilities	<u>1,761,358</u>	<u>2,524</u>	<u>1,763,882</u>
Noncurrent liabilities:			
Compensated absences payable	25,909	-	25,909
Bonds payable	9,277,338	-	9,277,338
Total noncurrent liabilities	<u>9,303,247</u>	<u>-</u>	<u>9,303,247</u>
Total liabilities	<u>11,064,605</u>	<u>2,524</u>	<u>11,067,129</u>
Net Assets			
Invested in capital assets, net of related debt	4,372,323	598,140	4,970,463
Restricted for:			
Debt service	1,113,439	-	1,113,439
Renewal and replacement	300,000	-	300,000
Unrestricted	1,839,673	605,077	2,444,750
Total net assets	<u>\$ 7,625,435</u>	<u>\$ 1,203,217</u>	<u>\$ 8,828,652</u>

See accompanying notes to financial statements.

CITY OF WILTON MANORS, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
For the Year Ended September 30, 2007

	Business-Type Activities - Enterprise Funds		
	Major Fund	Nonmajor Fund	Total
	Utility Fund	Drainage Fund	
Operating revenues:			
Charges for services	\$ 5,352,677	\$ 328,559	\$ 5,681,236
Impact fees	117,030	-	117,030
Miscellaneous	85,009	-	85,009
Total operating revenues	<u>5,554,716</u>	<u>328,559</u>	<u>5,883,275</u>
Operating and administrative expenses:			
Water purchases and contracted sewer services	2,171,761	-	2,171,761
Maintenance and repair	99,445	53,888	153,333
Other operating costs	158,319	5,394	163,713
Accounting services	38,364	-	38,364
Personal services	489,249	120,419	609,668
Depreciation	432,644	65,605	498,249
Amortization	65,799	-	65,799
General expenses	322,501	29,241	351,742
Total operating and administrative expenses	<u>3,778,082</u>	<u>274,547</u>	<u>4,052,629</u>
Operating income	<u>1,776,634</u>	<u>54,012</u>	<u>1,830,646</u>
Non-operating revenues (expenses):			
Interest income	263,835	30,110	293,945
Bond issue cost	(17,500)	-	(17,500)
Interest expenses	(389,470)	-	(389,470)
Total non-operating revenues (expenses)	<u>(143,135)</u>	<u>30,110</u>	<u>(113,025)</u>
Income before transfers	<u>1,633,499</u>	<u>84,122</u>	<u>1,717,621</u>
Transfers:			
In	58,200	51,980	110,180
Out	(824,086)	(37,836)	(861,922)
	<u>(765,886)</u>	<u>14,144</u>	<u>(751,742)</u>
Change in net assets	867,613	98,266	965,879
Net assets, beginning	<u>6,757,822</u>	<u>1,104,951</u>	<u>7,862,773</u>
Net Assets at End of Year	<u>\$ 7,625,435</u>	<u>\$ 1,203,217</u>	<u>\$ 8,828,652</u>

See accompanying notes to financial statements.

CITY OF WILTON MANORS, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the the Year Ended September 30, 2007

	Business-Type Activities - Enterprise Funds		
	Major Fund Water and Wastewater	Nonmajor Fund Drainage	Total
Cash flows from operating activities:			
Cash received from customers and users	\$ 5,179,072	\$ 327,733	\$ 5,506,805
Cash received from other services	202,039	-	202,039
Cash paid to suppliers for goods and services	(2,793,498)	(102,289)	(2,895,787)
Cash paid to employees for services	(451,869)	(119,725)	(571,594)
Net cash provided by operating activities	<u>2,135,744</u>	<u>105,719</u>	<u>2,241,463</u>
Cash flows from noncapital financing activities:			
Transfers in from other funds	58,200	51,980	110,180
Transfers out to other funds	(824,086)	(37,836)	(861,922)
Net cash (used in) provided by noncapital financing activities	<u>(765,886)</u>	<u>14,144</u>	<u>(751,742)</u>
Cash flows from capital and related financing activities:			
Purchase of capital assets	(644,715)	(130,448)	(775,163)
Bond proceeds	8,999,974	-	8,999,974
Additional unamortized bond discount and financing cost	(44,484)	-	(44,484)
Bond principal payments	(5,210,513)	-	(5,210,513)
Bond issue cost	(17,500)	-	(17,500)
Interest paid	(335,082)	-	(335,082)
Net cash (used in) provided by capital and related financing activities	<u>2,747,680</u>	<u>(130,448)</u>	<u>2,617,232</u>
Cash flows from investing activities			
Interest received	263,835	30,110	293,945
Net cash provided by investing activities	<u>263,835</u>	<u>30,110</u>	<u>293,945</u>
Net increase in equity in pooled cash, restricted cash and cash equivalents	4,381,373	19,525	4,400,898
Equity in pooled cash, restricted cash and cash equivalents at beginning year	<u>2,792,445</u>	<u>566,131</u>	<u>3,358,576</u>
Equity in pooled cash, restricted cash and cash equivalents at end of year	<u>\$ 7,173,818</u>	<u>\$ 585,656</u>	<u>\$ 7,759,474</u>
Equity in pooled cash, restricted cash and cash equivalents per statement of net assets:			
Equity in pooled cash	\$ 1,513,411	\$ 585,656	\$ 2,099,067
Restricted	5,660,407	-	5,660,407
	<u>\$ 7,173,818</u>	<u>\$ 585,656</u>	<u>\$ 7,759,474</u>

See accompanying notes to financial statements.

CITY OF WILTON MANORS, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
(Continued)
For the the Year Ended September 30, 2007

	Business-Type Activities		
	<u>Major Fund</u> Water and Wastewater	<u>Nonmajor Fund</u> Drainage	<u>Total</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 1,776,634	\$ 54,012	\$ 1,830,646
Adjustments to reconcile operating income to net cash provided by operating activities:			
Amortization	65,799	-	65,799
Depreciation	432,644	65,605	498,249
Change in assets and liabilities:			-
(Increase) in accounts receivables	(214,958)	(826)	(215,784)
(Increase) in prepaid expenses	(28,166)	(175)	(28,341)
(Increase) in inventory	(2,047)	-	(2,047)
Increase (decrease) in accounts payable	29,452	(13,591)	15,861
Increase in accrued expenses	1,433	694	2,128
(Decrease) in due to other government	(2,347)		(2,347)
Increase in compensated absences	35,946	-	35,946
Increase in customers' deposit	41,353	-	41,353
Total adjustments	<u>359,110</u>	<u>51,708</u>	<u>410,817</u>
Net cash provided by operating activities	<u>\$ 2,135,744</u>	<u>\$ 105,719</u>	<u>\$ 2,241,463</u>

See accompanying notes to financial statements

CITY OF WILTON MANORS, FLORIDA
STATEMENT OF FIDUCIARY NET ASSETS
GENERAL EMPLOYEES' AND POLICE AND VOLUNTEER
FIREFIGHTERS' PENSION FUNDS
September 30, 2007

ASSETS

Cash and cash equivalents	\$ 1,557,867
Receivables	
Employees contributions	10,768
Interest and dividends receivable	96,035
Receivable for securities sold	<u>160,845</u>
Total receivables	<u>267,648</u>
Investments, at fair value	
Common stocks	14,253,127
Corporate bonds and notes	642,838
Domestic equity bonds	1,629,929
U.S. government securities	5,830,324
International equity funds	<u>1,686,490</u>
Total Investments	<u>24,042,708</u>
 Total Assets	 <u>25,868,223</u>

LIABILITIES

Accounts payable	44,613
Due to Firefighters Retirement System	619,697
Deferred retirement option payable (DROP) payable	431,122
Prepaid employer contribution	119,331
Payable for investments purchased	<u>52,249</u>
Total Liabilities	<u>1,267,012</u>

NET ASSETS

Held in trust for pension benefits	<u>\$ 24,601,211</u>
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See accompanying notes to financial statements.

CITY OF WILTON MANORS, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
GENERAL EMPLOYEES' AND POLICE AND VOLUNTEER
FIREFIGHTERS' PENSION FUNDS
For the Year Ended September 30, 2007

ADDITIONS

Contributions:

Employer	\$ 1,229,891
Employee	<u>453,084</u>
Total contributions	<u>1,682,975</u>

Investment income

Net appreciation in fair value of investments	2,266,185
Interest and dividends	<u>725,711</u>
Total investment income	2,991,896

Less: Investment expenses

Earnings allocated to Firefighters Retirement System	113,704
Deferred retirement option plan participants' earnings	<u>70,490</u>
	44,419

Net investment income	<u>2,763,283</u>
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Total Additions	<u>4,446,258</u>
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DEDUCTIONS

Benefits paid	1,308,394
Refund of member contribution	496,184
Administrative expenses	<u>151,420</u>
Total Deductions	<u>1,955,998</u>

Change in net assets	2,490,260
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NET ASSETS HELD IN TRUST FOR PENSION BENEFITS:

Beginning of year	<u>22,110,951</u>
End of the year	<u>\$ 24,601,211</u>

See accompanying notes to financial statements.

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CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

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 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 consist 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 (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. All interfund activities, except interfund services provided and used, have 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.

CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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.

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 City reports the following major proprietary fund:

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

Additionally, the government reports the following nonmajor special revenue funds and proprietary.

Special Revenue:

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

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.

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Proprietary fund:

The Drainage Fund is used to account for fees collected to maintain the City's drainage system.

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

CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

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.

CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 if purchased or constructed, or at estimated historical cost if donated.

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 are 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

Certain general infrastructure assets in governmental activities, and related depreciation expense on those assets retroactively have not been recorded. Accounting principles generally accepted in the United States of America require that those general infrastructure assets be capitalized and depreciated, which would increase the assets, and expenses of the governmental activities. The amount by which this departure would affect the assets, net assets, and expenses of the governmental activities is not reasonably determinable.

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, 2007

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In the fund financial statements, governmental fund types recognize 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 compensated absences are recorded as an expense in the government-wide financial statements and proprietary fund statements when earned. Expenditures for compensated absences are recorded in the governmental funds only for employees who had terminated their employment as of the end of the fiscal year. 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.

CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 expended 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. 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.

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:

Interfund services provided and used 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 interfund services provided and used and reimbursements, are reported as transfers. Advances to other funds are typically long-term in nature (Note G).

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unbilled revenues:

The Utility Fund recognizes revenues on services which have been rendered to customers whether billed or not. Such amount totaled \$ 405,412 at September 30, 2007 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."

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

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.

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

The governmental fund balance sheet requires reconciliation between fund balance (deficit) - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One

**CITY OF WILTON MANORS, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2007**

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

element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$ 3,697,367 difference are as follows:

Bonds payable	\$ 2,117,972
Note payable	900,000
Compensated absences	624,692
Accrued interest	<u>54,703</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets	
	<u>\$ 3,697,367</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.
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

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

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

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 balance of the General Fund for 2007:

	<u>General Fund</u>
Statement of revenues, expenditures and changes in fund balances – page 16	\$ 5,149,765
Encumbrances recorded	(<u>112,364</u>)
Statement of revenues, expenditures and changes in fund balances – budget and actual – page 22	<u>\$ 5,037,401</u>

CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

NOTE D. DEPOSITS AND INVESTMENTS

Governmental and Proprietary Funds

Deposits:

The City's deposits must be placed with financial institutions that are qualified as public depositories in compliance with Florida Statutes Chapter 280. These deposits are insured by the Federal Deposit Insurance Corporation up to \$200,000, \$100,000 for demand deposits and \$100,000 for savings deposits. Monies deposited in amounts greater than the insurance coverage are covered by the participation of the bank in the Florida Security for Public Deposits Act. At year end, the carrying amount of the City's deposits was \$276,573 and the bank balance was \$ 1,110,314. Accordingly, the bank balances are considered to be insured for risk disclosure purposes.

Investments:

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).

The City maintains a pooled cash account for all funds. This enables the City to invest large amounts of idle cash for short periods of time and to optimize earnings potential. Equity in pooled cash and cash equivalents represents the amount owned by each fund of the City. Interest earned on pooled cash is allocated monthly based upon equity balances of the respective funds.

The City has established a maximum maturity of five years on any investment. A total of 100% of the City's governmental and proprietary portfolio was placed in the State of Florida Local Government Investment Pool with a fair value at year end of \$ 12,332,502.

For the purpose of the Statement of Cash Flows for the Proprietary Fund, cash and cash equivalents mean short term, highly liquid investments with an original maturity of three months or less.

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE D. DEPOSITS AND INVESTMENTS (continued)

In addition, GASB Statement 31, "Accounting and Financial Reporting for Certain Investments and External Investment Pools", requires disclosure of investments at fair value and recognition of unrealized gain or losses, if material, for investments with remaining maturities of more than one year at the time of purchase. Investments with remaining maturities of one year or less at the time of purchase are recorded at amortized cost.

Interest rate risk:

The City's investment policy is designed to minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.
- Structuring the investment portfolio so that securities do not have to be sold prior to maturity to meet cash flow requirements

The State Investment Pool has an average maturity over the last five years of less than ninety days.

Credit risk:

The City's investment policy specifically sets parameters to minimize the City's credit risk by:

- Limiting investments to the safest types of securities
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized

The City's investment in the State of Florida Local Governmental Investment Pool was unrated as of September 30, 2007.

Fiduciary Funds

Investment authorization

The Plan's investment policy is determined by the Board of Trustees. The policy has been identified by the Board to conduct the operations of the Plan in a manner so that the assets will provide the pension and other benefits provided under applicable laws, including City ordinances, thereby fulfilling the Plan's main objective of capital preservation with capital appreciation and

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE D. DEPOSITS AND INVESTMENTS (continued)

some level of current income. The Trustees are authorized to acquire and retain every kind of property, real, personal or mixed, and every kind of investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations, and stock, preferred or common.

Investment in common stock or capital stock shall be limited to those listed on a major United States stock exchange and limited to no more than 70% (at market) of the Plan's total asset value, with no more than 5% of the Plan's total assets, at cost, invested in the common stock of any one company. Moreover, not more than 20% of each portfolio shall be invested in any single industry at cost.

The fixed income portfolio shall be comprised of securities rated "A" or higher by a nationally recognized rating agency. Except for United States treasury and agency obligation, no manager should invest more than 5% of the Plan assets in the securities of a single issuer. No issues may be purchased with more than fifteen years to maturity.

Types of investments:

Florida statutes and Plan investment policy authorize the Trustees to invest funds in various investments. The current maximum target allocation of these investments is as follows:

	<u>Maximum Target % of Portfolio</u>	<u>Actual % of Portfolio</u>
Equity	70%	69%
Fixed income	65%	25%
Cash equivalents	50%	6%

Interest rate risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investment by security type and institution and limits holdings in any one type of investment with any one issuer with various durations of maturities.

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE D. DEPOSITS AND INVESTMENTS (continued)

Information about the sensitivity of the fair values of the Plan's investment to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments by maturity at September 30, 2006:

	Investment Maturities (In Years)				
	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More Than 10</u>
United States Treasuries	\$ 762,521	\$ -	\$ 520,434	\$ 242,087	\$ -
United States Agencies	5,067,803	-	2,102,257	2,930,211	35,335
Corporate bonds	<u>642,838</u>	<u>-</u>	<u>567,544</u>	<u>75,294</u>	<u>-</u>
Total fixed income securities	<u>\$ 6,473,162</u>	<u>\$ -</u>	<u>\$ 3,190,235</u>	<u>\$ 3,247,592</u>	<u>\$ 35,335</u>

Credit risk:

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

The following table discloses credit ratings by investment type, at September 30, 2007, as applicable:

	<u>Fair Value</u>	<u>% of Portfolio</u>
United States government guaranteed*	\$ 5,830,324	90.06%
Quality rating of credit risk debt securities		
AAA	110,401	1.71%
AA	144,738	2.24%
AA-	218,643	3.38%
A+	89,327	1.38%
A	<u>79,729</u>	<u>1.23%</u>
Total credit risk debt securities	<u>642,838</u>	<u>9.94%</u>
Total fixed income securities	<u>\$ 6,473,162</u>	<u>100.00%</u>

CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

NOTE D. DEPOSITS AND INVESTMENTS (continued)

- * Obligations of the United States government or obligations explicitly guaranteed by the United States government are not considered to have credit risk and do not have purchase limitations.

Concentration of credit risk:

The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more of combined plan net assets at September 30, 2007.

Custodial credit risk:

This is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the Plan's investment policy, the investments are held by Plan's custodial bank and registered in the Plan's name.

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, 2006, upon which the 2006-2007 levy was based, was approximately \$1.07 billion.

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, 2007 was 6.5000 per \$ 1,000.

CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

NOTE F. CAPITAL ASSETS

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

	Balance October 1 <u>2006</u>	Increases/ <u>Transfers</u>	Decreases/ <u>Transfers</u>	Balance September 30 <u>2007</u>
Government activities				
Capital assets, not being depreciated:				
Land	\$ <u>7,563,925</u>	\$ <u>1,059,063</u>	\$ <u>-</u>	\$ <u>8,622,988</u>
Total capital assets, not being depreciated	<u>7,563,925</u>	<u>1,059,063</u>	<u>-</u>	<u>8,622,988</u>
Capital assets, being depreciated:				
Buildings	3,161,568	1,600,746		4,762,314
Improvements other than buildings	9,057,416	806,046		9,863,462
Machinery and equipment	<u>4,231,432</u>	<u>658,000</u>	<u>(101,981)</u>	<u>4,787,451</u>
Total capital assets, being depreciated	<u>16,450,416</u>	<u>3,064,792</u>	<u>(101,981)</u>	<u>19,413,227</u>
Less accumulated depreciation for:				
Buildings	1,354,691	95,700	-	1,450,391
Improvements other than buildings	2,250,743	381,143		2,631,886
Machinery and equipment	<u>2,606,838</u>	<u>570,542</u>	<u>(100,348)</u>	<u>3,077,032</u>
Total accumulated depreciation	<u>6,212,272</u>	<u>1,047,385</u>	<u>(100,348)</u>	<u>7,159,309</u>
Total capital assets, being depreciated, net	<u>10,238,144</u>	<u>2,017,407</u>	<u>1,633</u>	<u>12,253,918</u>
Government activities, capital assets, net	<u>\$17,802,069</u>	<u>\$3,076,470</u>	<u>\$ 1,633</u>	<u>\$20,876,906</u>

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE F. CAPITAL ASSETS

Depreciation expense was charged to functions of the primary government as follows:

Government activities:	
General government	\$ 288,426
Public safety	369,427
Culture and recreation	296,570
Public services	<u>92,962</u>
Total depreciation expense – governmental activities	<u>\$ 1,047,385</u>

	Balance October 1 <u>2006</u>	Increases/ <u>Transfers</u>	Decreases/ <u>Transfers</u>	Balance September 30 <u>2007</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ <u>1,502,973</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,502,973</u>
Total capital assets, not being depreciated	<u>1,502,973</u>	<u>-</u>	<u>-</u>	<u>1,502,973</u>
Capital assets, being depreciated:				
Infrastructure	14,110,434	114,609	-	14,225,043
Improvements other than buildings	4,697,475	618,515	-	5,315,990
Buildings	637,469	-	-	637,469
Machinery and equipment	<u>893,054</u>	<u>42,039</u>	<u>-</u>	<u>935,093</u>
Total capital assets, being depreciated	<u>20,338,432</u>	<u>775,163</u>	<u>-</u>	<u>21,113,595</u>
Less accumulated depreciation for:				
Infrastructure	5,292,340	414,929	-	5,707,269
Improvements other than buildings	5,126,058	20,917	-	5,146,975
Buildings	24,832	1,765	-	26,597
Machinery and equipment	<u>483,358</u>	<u>60,638</u>	<u>-</u>	<u>543,996</u>
Total accumulated depreciation	<u>10,926,588</u>	<u>498,250</u>	<u>-</u>	<u>11,424,838</u>
Total capital assets, being depreciated, net	<u>9,411,844</u>	<u>276,913</u>	<u>-</u>	<u>9,688,757</u>
Business-type activities, capital assets, net	<u>\$10,914,817</u>	<u>\$ 276,913</u>	<u>\$ -</u>	<u>\$11,191,730</u>

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE G - INTERFUND TRANSACTIONS

Interfund advances and transfers are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>				<u>Total</u>
	<u>General Obligation Bond Fund</u>	<u>Miscellaneous Grants Fund</u>	<u>Road Improvement Fund</u>	<u>Police Training and Education Fund</u>	
General Fund	\$ <u>612,935</u>	\$ <u>303,844</u>	\$ <u>104,023</u>	\$ <u>41</u>	\$ <u>1,020,843</u>

Interfund advances were necessary to provide additional funds to complete projects and programs and supply match funds for grants used for such projects and programs. These amounts will not be paid until funds become available in the payable funds, which are not anticipated in the upcoming year.

<u>Transfers Out</u>	<u>Transfers In</u>				<u>Total</u>
	<u>General Fund</u>	<u>General Obligation Fund</u>	<u>Utility Fund</u>	<u>Drainage Fund</u>	
General Fund	\$ -	\$ 80,992	\$ 55,030	\$ -	\$ 136,022
Recycling Fund	250,966	-	3,170	-	254,136
Fire Assessment Fund	64,992	-	-	-	64,992
Road Improvement Fund	93,156	-	-	-	93,156
Utility Fund	772,106	-	-	51,980	824,086
Drainage Fund	37,836	-	-	-	37,836
Totals	<u>\$ 1,219,056</u>	<u>\$ 80,992</u>	<u>\$ 58,200</u>	<u>\$ 51,980</u>	<u>\$ 1,410,228</u>

Interfund transfers allow for appropriate allocation of resources when one fund is providing resources for another or a project calls for multiple sources of funds. Transfers are used to move unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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, 2007. The expenditures by the City for the year ended September 30, 2007 relating to this agreement totaled approximately \$928,246.

The Broward County Wastewater Plan requires the City to use the City of Fort Lauderdale wastewater facilities through the year 2021.

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE H. COMMITMENTS AND CONTINGENCIES (continued)

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. During the year, the City expended \$551,897 in federal and state grant money.

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**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE I. DEBT

The following is a summary of the changes in the debt of the City from October 1, 2006 through September 30, 2007:

	<u>Balance at October 1, 2006</u>	<u>Debt Additions</u>	<u>Debt Retired</u>	<u>Balance at Sept. 30, 2007</u>	<u>Due Within One Year Net of Discounts)</u>
Governmental activities:					
1999 General Obligation bonds, interest @ 4.378% and principal payable annually of \$256,036, due to mature in June 2019	\$ 2,255,101	\$ -	\$ 137,129	\$ 2,117,972	\$ 138,056
Note payable, interest @ 5% and principal payable annually of \$100,000, due to mature in March 2016	1,000,000		100,000	900,000	100,000
Compensated absences	<u>542,990</u>	<u>114,517</u>	<u>32,815</u>	<u>624,692</u>	<u>20,941</u>
Total governmental activities, debt	<u>\$ 3,798,091</u>	<u>\$ 114,517</u>	<u>\$ 269,944</u>	<u>\$ 3,642,664</u>	<u>\$ 258,997</u>

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**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE I. DEBT (continued)

	Balance at October 1, <u>2006</u>	Debt Additions	Debt Retired	Balance at Sept. 30, <u>2007</u>	Due Within One Year Net of <u>Discounts</u>
Business-type activities:					
Series 1989 Water and Sewer Refunding and Improvement Revenue Bonds, 5.5% term bonds, payable interest only, semi-annually, due in the year 2012 (net of unamortized bond discounts of \$47,229 in 2006.	\$ 2,542,771	\$ -	\$ 2,542,771	\$ -	\$ -
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 \$155,817 in 2006 and \$96,513 in 2007).	3,793,162	-	2,667,742	1,125,420	848,056
Series 2007 Water and Sewer Revenue Refunding Bonds, 3.77%, term bonds, interest payable semi-annually, principal payable annually in varying amounts through 2016.	-	8,999,974		8,999,974	-
Compensated absences	<u>1,837</u>	<u>35,946</u>	<u>-</u>	<u>37,783</u>	<u>11,874</u>
Total business-type activities, debt	<u>6,337,770</u>	<u>9,035,920</u>	<u>5,210,513</u>	<u>10,163,177</u>	<u>859,930</u>
Total governmental and business-type activities, debt	<u>\$10,135,861</u>	<u>\$ 9,150,437</u>	<u>\$ 5,480,457</u>	<u>\$13,805,841</u>	<u>\$1,118,927</u>

The City's compensated absences are generally liquidated by the general fund.

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE I. DEBT (continued)

The following are the requirements to amortize all debt at September 30, 2006, including unamortized deferred bond refunding costs of \$96,513.

Fiscal Year Ending	General Obligations Bonds Payable and Note Payable		Enterprise Funds Revenue Bonds	
	Principal	Interest	Principal	Interest
2008	\$ 238,056	\$ 136,230	\$ 848,056	\$ 361,143
2009	244,166	125,120	904,445	323,731
2010	250,547	113,739	941,387	287,748
2011	257,210	102,076	977,371	250,389
2012	264,168	90,118	1,014,729	212,183
2013 - 2017	1,336,477	259,953	5,535,919	436,492
2018 - 2019	<u>427,349</u>	<u>23,387</u>	-	-
Total	<u>\$ 3,017,972</u>	<u>\$ 850,624</u>	<u>\$10,221,907</u>	<u>\$1,871,687</u>

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 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 approximately \$ 1,221,933 at September 30, 2007.

On March 20, 2007, the City issued \$8,999,974 Water and Sewer Revenue Refunding Bonds with an interest rate of 3.77% to advance refund of \$2,590,000 of outstanding 1989 Series Water Bonds and partial refunding of \$1,880,607 of outstanding 1998 Series Water and Sewer Revenue Bonds. The net proceeds from the bonds issuance of \$4,529,367 will be utilized to finance the improvements of the water and sewer infrastructure system. The advance refunding was undertaken to reduce total debt service payments over the next five years by \$ 279,182 and resulted in an economic gain of \$ 168,319.

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE I. DEBT (continued)

As of September 30, 2007, unspent amount from the bond proceeds was \$3,904,127, which was presented as part of the restricted cash and cash equivalents account.

NOTE J - PENSION TRUST

Description:

The City of Wilton Manors has two defined benefit plans: The Pension Plan for General Employees and Police Officers (the Plan) and the Volunteer Firefighters Retirement System (the System). Both the Plan and the System are single-employer defined benefit plans. Amounts in this plan were reported in prior years as part of the Pension Plan for General Employees and Police Officers and therefore no adjustment was necessary to beginning amounts. 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. All active members of the volunteer fire department are members of the System.

Effective August 1, 2007, the Plan elected to participate in the Florida Retirement System (FRS) and closed the Plan to new members hired on or after August 1, 2007. Current members have thirty days to stay in the plan or to transition to FRS.

Assets:

The City utilizes the entry age normal cost actuarial cost method. The asset valuation method is a five year smoothed market with phase-in.

Additional information as of the latest actuarial valuation includes:

An assumed annual inflation rate of 3.5%; an annual investment rate of return of 8.0%; 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.

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE J - PENSION TRUST (continued)

On October 1, 2006 (the last plan year valuation date), Plan membership consisted of:

	<u>General and Police</u>	<u>Volunteer Firefighters</u>
Retirees and beneficiaries receiving benefits	49	1
Active plan members	<u>92</u>	<u>9</u>
Total	<u>141</u>	<u>10</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. System members are not required to make contributions and benefits are not compensation related. The City is required to fund any annual unfunded amount as actuarially determined. Plan benefits and refunds of the defined benefit pension plan are recognized when due and payable in accordance with the Plan's terms.

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, 2007, \$ 431,122 is held for DROP participants.

Administrative costs of the Plan and the System are financed through current or prior investment earnings. The contribution requirements for the Plan for the covered payroll and actual contributions made for the fiscal year ended September 30, 2007 and the two preceding years were as follows:

	<u>FY 2007</u>	<u>FY 2006</u>	<u>FY 2005</u>
Contributions Made (100%)	\$1,229,891	\$ 1,081,629	\$ 799,497
Total Covered Payroll	1,229,891	1,081,629	799,497
Contribution Requirements	4,300,000	4,400,000	4,497,000
Net Pension Obligation	28.60%	24.58%	17.78%
	None	None	None

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE J. PENSION TRUST (continued)

The contribution requirements made for the System for the fiscal year ended September 30, 2007 and the preceding two years are as follows:

	<u>FY 2007</u>	<u>FY 2006</u>	<u>FY 2005</u>
Contribution Requirements	\$ 187,703	\$ 52,014	\$ 46,877
Contributions Made (100%)	187,703	52,014	46,877
Net Pension Obligation	NONE	NONE	NONE

The System's investments are commingled with those of the Plan. The System's investment policy, monitoring, authorization, and allocation are the same as the Plan. During the year ending September 30, 2007, the State of Florida contributed \$187,703. to this Plan. This amount is recognized as income and expenditures in the financial statements.

Financial report:

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

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 approximately \$491,104.

**CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007**

NOTE L. INDIVIDUAL FUND DISCLOSURES AND EXCESS OF EXPENDITURES OVER APPROPRIATIONS

At September 30, 2007, 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 Funds:	
General obligation bonds fund	\$ 392,648
Miscellaneous grants fund	707,107

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

General Fund:	
Mayor and Commission	\$ 3,578
Park and Facilities	238,155
Debt Service	38,203

Road Improvement Fund:	
Culture and recreation	\$ 10,764
Public services	529
Capital outlay	7,883

NOTE M. PRIOR PERIOD ADJUSTMENTS

The beginning balance of the net assets in the governmental activities has been restated from the amount previously reported to reflect adjustments made to bring the accumulated depreciation to its correct balance. The net effect of this adjustment was to increase the beginning net assets by \$ 642,564.

CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

NOTE N. SUBSEQUENT EVENTS

State Board of Administration

As discussed in Note D - *Investments*, at September 30, 2007, the City had \$12,332,502 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool (Pool). On November 29, 2007, the State Board of Administration implemented a temporary freeze on the assets held in the Pool due to an unprecedented amount of withdrawals from the Fund coupled with the absence of market liquidity for certain securities within the Pool. The significant amount of withdrawals followed a report that the Pool held asset-backed commercial paper that was subject to sub-prime mortgage risk. On December 4, 2007, based on recommendations from an outside financial advisor, the State Board of Administration restructured the Pool into two separate pools. Pool A consisted of all money market appropriate assets, which was approximately \$12 billion or 86% of Pool assets. Pool B consisted of assets that defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk, which was approximately \$2 billion or 14% of Pool assets. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Pool A and Pool B.

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

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

The City still maintains its investments with the Local Government Surplus Funds Trust Fund Investment Pool, which has a fair value of Pool A \$8,223,412 and Pool B \$884,497 based on the April 30, 2008 statement of account of the pool.

CITY OF WILTON MANORS, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2007

NOTE N. SUBSEQUENT EVENTS (continued)

Effect of Amendment 1

On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held in October 2007. With respect to homestead property, Amendment 1 increases the current \$25,000 homestead exemption by another \$25,000 (for property values of \$50,000-\$75,000), except for school districts taxes. Since the new \$25,000 homestead exemption does not apply to school district taxes, this effectively amounts to a \$15,000 increase to the existing homestead exemption, resulting in an estimated annual savings of \$240 for an average homeowner. Amendment 1 also allows property owners to transfer (make portable) up to \$500,000 of their Save our Homes benefits to their next homestead when they move. Save Our Homes became effective in 1995 and limits (caps) the annual increase in assessed value for homestead property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less. With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (business, industrial property, rental property, and second homes) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property. Amendment 1 becomes effective on October 1, 2008, with the exception of the ten percent (10%) assessment cap on non-homestead property which becomes effective on January 1, 2009.

The loss of property tax revenues for the City for fiscal year 2009 as a result of Amendment 1 is estimated to be \$413,825. However, since the City is unaware who would move into the City that would be eligible for the portability feature, the City can not determine what effect this provision will have on the reduction of property taxes.

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REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WILTON MANORS, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
PENSION PLAN FOR GENERAL EMPLOYEES AND POLICE
For the Last Seven 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>
10/01/00	\$ 16,512	\$ 17,901	\$ 1,389	92.2	\$ 3,433	40.5
10/01/01	17,353	18,746	1,393	92.6	3,719	37.5
10/01/02	17,310	18,691	1,381	92.6	3,895	35.4
10/01/03	19,018	19,824	805	95.9	4,151	19.4
10/01/04	19,595	23,206	3,711	84.1	4,497	82.5
10/01/05	20,285	26,608	6,323	76.2	4,118	153.6
10/01/06	21,701	28,866	7,165	75.2	4,882	146.8

**CITY OF WILTON MANORS, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
VOLUNTARY FIREFIGHTERS' RETIREMENT SYSTEM
For the Last Seven 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>
10/1/00*	\$ -	\$ -	\$ -	-	\$ -	-
10/01/01	122,981	204,733	81,752	60.1	N/A	N/A
10/1/02*	-	-	-	-	-	-
10/1/03*	-	-	-	-	-	-
10/01/04	33,838	683,195	344,812	49.5	N/A	N/A
10/01/05	397,713	742,650	344,937	53.6	N/A	N/A
10/01/06	482,457	917,677	435,220	52.6	N/A	N/A

(*) The System is only required to value assets every three years. Data is not available.

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

<u>Fiscal Year Ended</u>	<u>Total General Employees' and Police Retirement System</u>			
	<u>City</u>		<u>State of Florida</u>	
	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
09/30/01	\$ 278,248	100%	-	-
09/30/02	359,836	100%	-	-
09/30/03	572,216	100%	-	-
09/30/04	719,459	100%	-	-
09/30/05	799,497	100%	-	-
09/30/06	1,081,629	100%	-	-
09/30/07	1,229,891	100%	-	-

<u>Fiscal Year Ended</u>	<u>Total Volunteer Firefighters' Retirement System</u>			
	<u>City</u>		<u>State of Florida</u>	
	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
09/30/01	\$ -	-	\$ 5,588	840.93
09/30/02	-	-	14,537	387.45
09/30/03	-	-	14,537	463.69
09/30/04	-	-	43,306	185.22
09/30/05	-	-	46,877	179.74
09/30/06	-	-	52,014	100.00
09/30/07	-	-	187,703	100.00

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OTHER FINANCIAL INFORMATION

CITY OF WILTON MANORS, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS BY FUND TYPE
 SEPTEMBER 30, 2007

	Recycling Fund	General Obligation Bond Fund	Fire Assessment Fund	Local Law Enforcement Block Grant Fund	Police Training and Education Fund	Police Forfeiture Fund	Jenada Assessment Fund	Miscellaneous Grants Fund	Road Improvement Fund	Total
ASSETS										
Equity in pooled cash	\$ 145,677	\$ 220,287	\$ 98,739	\$ 15,084	\$ 44,444	\$ 97,330	\$ 16,319	\$ (311,979)	\$ 113,212	\$ 439,113
Cash held by third party	-	-	69,734	-	-	-	-	-	-	69,734
Restricted cash	-	-	-	-	-	-	-	-	-	-
Accounts receivable - net	218,364	-	-	-	-	-	-	-	-	218,364
Due from other governments	26,658	-	717	-	308	-	-	-	19,973	47,656
Prepaid Expenditures	-	-	-	-	90	-	-	-	-	90
Inventories	38	-	-	-	-	-	-	-	8,822	8,860
Total Assets	\$ 390,737	\$ 220,287	\$ 169,190	\$ 15,084	\$ 44,842	\$ 97,330	\$ 16,319	\$ (311,979)	\$ 142,007	\$ 783,817

LIABILITIES AND FUND BALANCES

	Recycling Fund	General Obligation Bond Fund	Fire Assessment Fund	Local Law Enforcement Block Grant Fund	Police Training and Education Fund	Police Forfeiture Fund	Jenada Assessment Fund	Miscellaneous Grants Fund	Road Improvement Fund	Total
(DEFICIT)										
Liabilities:										
Accounts payable	\$ 190,928	\$ -	\$ 11,351	\$ -	\$ 987	\$ -	\$ 141	\$ 91,284	\$ 2,546	\$ 297,237
Accrued expenditures	2,706	-	4,806	-	-	-	-	-	-	7,512
Advances from other funds	-	612,935	-	-	41	-	-	303,844	104,023	1,020,843
Unearned revenue	-	-	11,516	-	-	-	-	-	-	11,516
Total liabilities	193,634	612,935	27,673	-	1,028	-	141	395,128	106,569	1,337,108

Fund Balances (deficit)

Reserved for:										
Encumbrances	8,724	-	484	-	-	-	-	87,052	55,786	152,046
Prepaid expenditures	-	-	-	-	90	-	-	-	-	90
Vehicles	4,571	-	13,687	-	-	-	-	-	43,674	61,932
Firetruck	-	-	120,959	-	-	-	-	-	-	120,959
Inventory	38	-	-	-	-	-	-	-	8,822	8,860
Unreserved:										
Undesignated (deficit)	183,770	(392,648)	6,387	15,084	43,724	97,330	16,178	(794,159)	(72,844)	(897,178)
Total fund balances (deficit)	197,103	(392,648)	141,517	15,084	43,814	97,330	16,178	(707,107)	35,438	(553,291)
Total Liabilities and Fund Balances	\$ 390,737	\$ 220,287	\$ 169,190	\$ 15,084	\$ 44,842	\$ 97,330	\$ 16,319	\$ (311,978)	\$ 142,007	\$ 783,817

CITY OF WILTON MANORS, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (DEFICIT)
NON-MAJOR GOVERNMENTAL FUNDS BY FUND TYPE
For the Year Ended September 30, 2007

	Recycling Fund	General Obligation Bond Fund	Fire Assessment Fund	Local Law Enforcement Block Grant Fund	Police Training and Education Fund	Police Forfeiture Fund	Jenada Assessment Fund	Miscellaneous Grants Fund	Road Improvement Fund	Total
Revenues										
Charges for services	\$ 300,481	\$ -	\$ 54,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 355,348
Franchise fees	56,039	-	-	-	-	-	-	-	-	56,039
Fines and forfeitures	-	-	-	-	4,363	128,349	-	-	-	132,712
Special assessments	-	-	1,013,072	-	-	-	14,312	-	-	1,027,384
Intergovernmental	158,364	-	-	4,655	-	-	-	866,120	229,173	1,258,311
Donations	-	-	-	-	-	-	-	-	-	-
Interest income	10,985	6,980	22,525	693	2,309	5,317	860	-	6,295	55,964
Miscellaneous	-	-	-	-	-	11,796	-	-	8,318	20,114
Total revenues	525,869	6,980	1,090,464	5,348	6,672	145,462	15,172	866,120	243,786	2,905,873
Expenditures										
Current:										
Public safety	-	-	925,802	629	11,043	14,850	-	5,604	-	957,926
Culture and recreation	-	(165)	-	-	-	-	-	181,430	55,244	236,508
Public services	-	-	-	-	-	-	7,280	7,183	53,277	67,740
Physical environment	257,426	-	-	-	-	-	-	244,477	-	501,902
Capital outlay	159,817	-	147,906	-	-	113,215	-	826,275	67,490	1,314,704
Total expenditures	417,243	(165)	1,073,708	629	11,043	128,065	7,280	1,264,970	176,011	3,078,780
Excess (deficiency) of revenues over expenditures	108,626	7,145	16,757	4,720	(4,371)	17,397	7,892	(398,850)	67,774	(172,907)
Other financing sources (uses)										
Transfers in	-	80,992	-	-	-	-	-	-	-	80,992
Transfers out	(254,136)	-	(64,992)	-	-	-	-	-	(93,156)	(412,284)
	(254,136)	80,992	(64,992)	-	-	-	-	-	(93,156)	(331,292)
Net Change in fund balances	(145,510)	88,137	(48,235)	4,720	(4,371)	17,397	7,892	(398,850)	(25,382)	(504,199)
Fund balances (deficit):										
At beginning of year - as originally reported	342,612	(480,785)	189,752	10,364	48,184	79,933	8,285	(308,257)	60,820	(49,092)
At end of year	197,103	(392,648)	141,517	15,084	43,814	97,330	16,178	(707,107)	35,438	(553,291)

CITY OF WILTON MANORS, FLORIDA
COMBINING SCHEDULE OF FIDUCIARY NET ASSETS
GENERAL EMPLOYEES' AND POLICE AND VOLUNTEER
FIREFIGHTERS' PENSION FUNDS
September 30, 2007

	<u>General Employees and Police</u>	<u>Volunteer Firefighters</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 827,681	\$ 730,186	\$ 1,557,867
Receivables			
Employees contributions	6,498	4,270	10,768
Interest and dividends receivable	51,273	44,762	96,035
Receivable for securities sold	85,875	74,970	160,845
Total receivables	<u>143,646</u>	<u>124,002</u>	<u>267,648</u>
Investments, at fair value			
Common stocks	7,572,572	6,680,555	14,253,127
Corporate bonds and notes	341,535	301,303	642,838
Domestic equity bonds	865,975	763,954	1,629,929
U.S. government securities	3,097,607	2,732,717	5,830,324
International equity funds	896,019	790,471	1,686,490
Total Investments	<u>12,773,708</u>	<u>11,269,000</u>	<u>24,042,708</u>
Total Assets	<u>13,745,035</u>	<u>12,123,188</u>	<u>25,868,223</u>
LIABILITIES			
Accounts payable	23,819	20,794	44,613
Due to Firefighters Retirement System	330,856	288,841	619,697
Deferred retirement option payable (DROP) payable	179,914	251,208	431,122
Prepaid employer contribution	47,956	71,375	119,331
Payable for investments purchased	27,896	24,353	52,249
Total Liabilities	<u>610,441</u>	<u>656,571</u>	<u>1,267,012</u>
NET ASSETS			
Held in trust for pension benefits	<u>\$ 13,134,594</u>	<u>\$ 11,466,617</u>	<u>\$ 24,601,211</u>

CITY OF WILTON MANORS, FLORIDA
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET ASSETS
GENERAL EMPLOYEES' AND POLICE AND VOLUNTEER
FIREFIGHTERS' PENSION FUNDS
For the Year Ended September 30, 2007

	<u>General Employees and Police</u>	<u>Volunteer Firefighters</u>	<u>Total</u>
ADDITIONS			
Contributions:			
Employer	\$ 658,575	\$ 571,316	\$ 1,229,891
Employee	301,173	151,911	453,084
Total contributions	<u>959,748</u>	<u>723,227</u>	<u>1,682,975</u>
Investment income			
Net appreciation in fair value of investments	1,204,489	1,061,696	2,266,185
Interest and dividends	<u>385,719</u>	<u>339,992</u>	<u>725,711</u>
Total investment income	1,590,208	1,401,688	2,991,896
Less: Investment expenses	60,434	53,270	113,704
Earnings allocated to Firefighters Retirement System	37,466	33,024	70,490
Deferred retirement option plant participants' earnings	<u>17,161</u>	<u>27,258</u>	<u>44,419</u>
Net investment income	<u>1,475,147</u>	<u>1,288,136</u>	<u>2,763,283</u>
Total Additions	<u>2,434,895</u>	<u>2,011,363</u>	<u>4,446,258</u>
DEDUCTIONS			
Benefits paid	601,966	706,428	1,308,394
Refund of member contribution	311,019	185,165	496,184
Administrative expenses	<u>80,481</u>	<u>70,939</u>	<u>151,420</u>
Total Deductions	<u>993,466</u>	<u>962,532</u>	<u>1,955,998</u>
Change in net assets	1,441,429	1,048,831	2,490,260
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS:			
Beginning of year	<u>11,693,165</u>	<u>10,417,786</u>	<u>22,110,951</u>
End of the year	<u>\$ 13,134,594</u>	<u>\$ 11,466,617</u>	<u>\$ 24,601,211</u>

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, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Franchise Fees	\$ 295,000	\$ 295,000	\$ 56,039	\$ (238,961)
Shared Revenues and Grants	-	-	158,364	158,364
Charges for Services	335,000	335,000	300,481	(34,519)
Miscellaneous	181,715	181,715	10,985	(170,730)
	<u>811,715</u>	<u>811,715</u>	<u>525,870</u>	<u>(285,845)</u>
EXPENDITURES:				
Public Services:				
Personnel Services	123,745	123,745	126,594	2,849
Operating Expenditures	164,052	164,052	130,831	(33,221)
Capital Outlay	104,071	104,071	31,145	(72,926)
	<u>391,868</u>	<u>391,868</u>	<u>288,570</u>	<u>(103,298)</u>
Culture/Recreation				
Parks & Facilities:				
Personnel Services	-	-	-	-
Operating Expenditures	11,200	11,200	-	(11,200)
Capital Outlay	154,500	154,500	128,672	(25,828)
	<u>165,700</u>	<u>165,700</u>	<u>128,672</u>	<u>(37,028)</u>
Total Expenditures	<u>557,568</u>	<u>557,568</u>	<u>417,242</u>	<u>(140,326)</u>
Excess (deficiency) of revenues over expenditures	<u>254,147</u>	<u>254,147</u>	<u>108,628</u>	<u>(145,519)</u>
Other financing sources (uses)				
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(254,147)	(254,147)	(254,136)	11
	<u>(254,147)</u>	<u>(254,147)</u>	<u>(254,136)</u>	<u>11</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(145,508)</u>	<u>(145,508)</u>
Fund balance				
At beginning of year	<u>342,612</u>	<u>342,612</u>	<u>342,612</u>	<u>-</u>
At end of year	<u>\$ 342,612</u>	<u>\$ 342,612</u>	<u>\$ 197,103</u>	<u>\$ (145,509)</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, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Charges for services	\$ 44,700	\$ 44,700	\$ 54,867	\$ 10,167
Special assessments	1,076,467	1,076,467	1,013,072	(63,395)
Miscellaneous	<u>12,500</u>	<u>12,500</u>	<u>22,525</u>	<u>10,025</u>
	<u>1,133,667</u>	<u>1,133,667</u>	<u>1,090,464</u>	<u>(43,203)</u>
EXPENDITURES:				
Public safety:				
Fire:				
Personal services	174,958	174,958	177,084	2,126
Operating expenditures	767,042	767,042	748,717	(18,325)
Capital outlay	<u>151,677</u>	<u>151,677</u>	<u>147,906</u>	<u>(3,771)</u>
Total Expenditures	<u>1,093,677</u>	<u>1,093,677</u>	<u>1,073,707</u>	<u>(19,970)</u>
Excess (deficiency) of revenues over expenditures	<u>39,990</u>	<u>39,990</u>	<u>16,757</u>	<u>(23,233)</u>
Other financing sources (uses)				
Debt proceeds	-	-	-	-
Transfers in	25,000	25,000	-	(25,000)
Transfers out	<u>(64,990)</u>	<u>(64,990)</u>	<u>(64,992)</u>	<u>(2)</u>
	<u>(39,990)</u>	<u>(39,990)</u>	<u>(64,992)</u>	<u>(25,002)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(48,235)</u>	<u>(48,235)</u>
Fund balance				
At beginning of year	<u>189,752</u>	<u>189,752</u>	<u>189,752</u>	<u>-</u>
At end of year	<u>\$ 189,752</u>	<u>\$ 189,752</u>	<u>\$ 141,517</u>	<u>\$ (48,235)</u>

CITY OF WILTON MANORS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
JENADA SPECIAL ASSESSMENT FUND
For the Year Ended September 30, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Special assessments	\$ 13,887	\$ 13,887	\$ 14,312	\$ 425
Miscellaneous	100	100	860	760
	<u>13,987</u>	<u>13,987</u>	<u>15,172</u>	<u>1,185</u>
EXPENDITURES:				
Public Services; Operating Expenditures	<u>13,987</u>	<u>13,987</u>	<u>7,279</u>	<u>(6,708)</u>
Total Expenditures	<u>13,987</u>	<u>13,987</u>	<u>7,279</u>	<u>(6,708)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>7,893</u>	<u>7,893</u>
Other financing sources (uses)				
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>7,893</u>	<u>7,893</u>
Fund balance				
At beginning of year	<u>8,285</u>	<u>8,285</u>	<u>8,285</u>	<u>-</u>
At end of year	<u>\$ 8,285</u>	<u>\$ 8,285</u>	<u>\$ 16,178</u>	<u>\$ 7,893</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, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Intergovernmental	\$ 237,685	\$ 237,685	\$ 229,173	\$ (8,512)
Miscellaneous	12,300	12,300	14,613	2,313
	<u>249,985</u>	<u>249,985</u>	<u>243,786</u>	<u>(6,199)</u>
EXPENDITURES:				
Current:				
Culture and recreation	44,480	44,480	55,244	10,764
Public Services	52,748	52,748	53,277	529
Capital outlay	<u>59,607</u>	<u>59,607</u>	<u>67,490</u>	<u>7,883</u>
Total Expenditures	<u>156,835</u>	<u>156,835</u>	<u>176,011</u>	<u>19,176</u>
Excess (deficiency) of revenues over expenditures	<u>93,150</u>	<u>93,150</u>	<u>67,775</u>	<u>(25,375)</u>
Other financing sources (uses)				
Debt proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>(93,150)</u>	<u>(93,150)</u>	<u>(93,156)</u>	<u>(6)</u>
	<u>(93,150)</u>	<u>(93,150)</u>	<u>(93,156)</u>	<u>(6)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(25,382)</u>	<u>(25,382)</u>
Fund balance				
At beginning of year	<u>60,820</u>	<u>60,820</u>	<u>60,820</u>	<u>-</u>
At end of year	<u>\$ 60,820</u>	<u>\$ 60,820</u>	<u>\$ 35,438</u>	<u>\$ (25,382)</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, 2007

	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Machinery and Equipment</u>	<u>Total</u>
GENERAL GOVERNMENT	\$ 2,656,320	\$ 1,976,208	\$ 819,608	\$ 1,961,904	\$ 7,414,040
PUBLIC SAFETY					
Police		705,667	5,090	1,142,728	1,853,485
Fire	21,289	244,601	141,379	994,365	1,401,634
Total public safety	<u>21,289</u>	<u>950,268</u>	<u>146,469</u>	<u>2,137,093</u>	<u>3,255,119</u>
CULTURE AND RECREATION	<u>5,945,379</u>	<u>1,835,838</u>	<u>7,518,955</u>	<u>187,875</u>	<u>15,488,047</u>
PUBLIC SERVICES	<u>-</u>	<u>-</u>	<u>1,378,430</u>	<u>500,579</u>	<u>1,879,009</u>
Total capital assets	<u>\$ 8,622,988</u>	<u>\$ 4,762,314</u>	<u>\$ 9,863,462</u>	<u>\$ 4,787,451</u>	<u>\$ 28,036,215</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
September 30, 2007

	Capital Assets October 1, 2006	Additions	Deletions	Capital Assets September 30, 2007
GENERAL GOVERNMENT	\$ 4,459,696	\$ 3,019,767	\$ 65,423	\$ 7,414,040
PUBLIC SAFETY				
Police	1,853,485	-	-	1,853,485
Fire	1,212,650	210,322	21,338	1,401,634
Total public safety	3,066,135	210,322	21,338	3,255,119
CULTURE AND RECREATION	14,661,772	826,275	-	15,488,047
PUBLIC SERVICES	1,826,738	67,491	15,220	1,879,009
Total capital assets	\$ 24,014,341	\$ 4,123,855	\$ 101,981	\$ 28,036,215

STATISTICAL SECTION

**CITY OF WILTON MANORS, FLORIDA
STATISTICAL SECTION
FOR THE YEAR ENDED SEPTEMBER 30, 2007**

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<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	71 – 75
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<i>These schedules contain information to help the reader assess the City's most significant local revenue source – by property tax.</i>	76 -79
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<i>These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.</i>	87 – 90

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB 34 in 2003. Schedules presenting government-wide information include information beginning that year.*

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CITY OF WILTON MANORS, FLORIDA
NET ASSETS BY COMPONENT
 Last Five Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year				
	2002-03	2003-04	2004-05	2005-06	2006-07
Governmental Activities:					
Invested in Capital Assets, Net of Related Debt	\$ 12,948,670	\$ 13,445,955	\$ 13,957,754	\$ 14,546,968	\$ 17,858,934
Restricted	-	-	-	-	-
Unrestricted	1,229,094	2,342,258	3,539,170	4,376,109	4,256,624
Total Governmental Activities Net Assets	\$ 14,177,764	\$ 15,788,213	\$ 17,496,924	\$ 18,923,077	\$ 22,115,558
Business-type Activities:					
Invested in Capital Assets, Net of Related Debt	\$ 4,016,222	\$ 4,844,075	\$ 5,631,174	\$ 4,613,924	\$ 4,970,463
Restricted	2,991,488	1,613,939	1,559,205	1,559,205	1,413,439
Unrestricted	456,452	1,366,629	1,263,417	1,689,644	2,444,750
Total Business-type Activities Net Assets	\$ 7,464,162	\$ 7,824,643	\$ 8,453,796	\$ 7,862,773	\$ 8,828,652
Primary Government:					
Invested in Capital Assets, Net of Related Debt	\$ 16,964,892	\$ 18,290,030	\$ 19,588,928	\$ 19,160,892	\$ 22,829,397
Restricted	2,991,488	1,613,939	1,559,205	1,559,205	1,413,439
Unrestricted	1,685,546	3,708,887	4,802,587	6,065,753	6,701,374
Total Primary Government Net Assets	\$ 21,641,926	\$ 23,612,856	\$ 25,950,720	\$ 26,785,850	\$ 30,944,210

Note: The City began to report accrual information when it implemented GASB 34 in Fiscal Year 2003.

Table 1

CITY OF WILTON MANORS, FLORIDA
CHANGES IN NET ASSETS
 Last Five Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year				
	2002-03	2003-04	2004-05	2005-06	2006-07
EXPENSES					
Governmental Activities					
General Government	\$ 1,371,346	\$ 1,414,246	\$ 1,680,856	\$ 2,136,708	\$ 2,060,947
Public Safety	6,078,529	6,302,204	6,708,570	6,787,831	7,398,549
Physical Environment	781,664	965,435	911,806	2,779,972 *	1,077,506
Culture and Recreation	2,140,185	2,063,604	2,593,071	2,596,851	3,063,009
Interest on Long-term Debt	130,076	124,502	118,680	168,411	200,780
Total Governmental Activities Expenses	10,501,800	10,869,991	12,012,983	14,469,773	13,800,791
Business-type Activities					
Water and Wastewater	3,222,515	3,441,063	3,561,575	3,726,449	4,185,052
Drainage	294,325	299,732	267,584	224,846	274,547
Total Business-type Activities Expenses	3,516,840	3,740,795	3,829,159	3,951,295	4,459,599
Total Primary Government Expenses	\$ 14,018,640	\$ 14,610,786	\$ 15,842,142	\$ 18,421,068	\$ 18,260,390
PROGRAM REVENUES					
Governmental Activities					
Charges for Services					
General Government	\$ 6,374,063	\$ 2,041,279	\$ 2,011,535	\$ -	\$ 996,436
Public Safety	1,197,519	1,470,497	2,616,628	2,189,823	1,342,834
Public Services	630,908	893,622	565,710	1,893,082 *	507,437
Culture and Recreation	220,893	230,069	244,850	540,290	244,081
Physical Environment	-	-	-	-	-
Operating Grants/Contributions	-	-	-	-	1,368,685
Capital Grants/Contributions	-	-	-	-	-
Total Governmental Activities Program Revenues	8,423,383	4,635,467	5,438,723	4,623,195	4,459,473
Business-type Activities					
Charges for Services					
Water and Wastewater	4,122,190	4,251,905	4,561,813	4,774,159	5,352,766
Drainage	279,182	277,337	292,031	326,823	328,559
Total Business-type Activities Program Revenues	4,401,372	4,529,242	4,853,844	5,100,982	5,681,325
Total Primary Government Program Revenues	\$ 12,824,755	\$ 9,164,709	\$ 10,292,567	\$ 9,724,177	\$ 10,140,798
NET (EXPENSE) REVENUE					
Governmental Activities	(2,078,417)	(6,234,524)	(6,574,260)	(9,846,578) *	(9,341,318)
Business-type Activities	884,532	788,447	1,024,685	1,149,687	1,221,726
Total Primary Government Net Expense	\$ (1,193,885)	\$ (5,446,077)	\$ (5,549,575)	\$ (8,696,891)	\$ (8,119,592)

Table 2, Continued on Next Page

CITY OF WILTON MANORS, FLORIDA
CHANGES IN NET ASSETS
LAST FIVE FISCAL YEARS
(Accrual Basis of Accounting)

	2002-03	2003-04	2004-05	2005-06	2006-07
GENERAL REVENUE AND OTHER					
CHANGES IN NET ASSETS					
Governmental Activities					
Property Taxes	\$ 3,466,811	\$ 4,016,062	\$ 4,753,466	\$ 5,724,191	\$ 6,677,263
Other Taxes	2,508,288	2,476,395	2,589,539	2,907,770	2,535,611
Investment Earnings	-	-	82,583	244,358	351,841
Unrestricted Grants	-	-	-	1,516,913	1,429,212
Other	55,610	98,941	329,149	232,589	145,567
Transfers	428,120	540,040	528,234	646,910	751,742
Total Governmental Activities Revenues	6,458,829	7,131,438	8,282,971	11,272,731	11,891,236
Business-type Activities					
Investment Earnings	70,580	33,719	70,967	127,319	293,945
Unrestricted Grants	-	-	-	211,107	-
Other	115,668	78,355	61,735	48,531	85,009
Transfers	(428,120)	(540,040)	(528,234)	(646,910)	(751,742)
Total Business-type Activities Revenues	(241,872)	(427,966)	(395,532)	(259,953)	(372,788)
Total Primary Government Revenues	\$ 6,216,957	\$ 6,703,472	\$ 7,887,439	\$ 11,012,778	\$ 11,518,448
CHANGES IN NET ASSETS					
Governmental Activities	4,380,412	896,914	1,708,711	1,426,153	2,549,918
Business-type Activities	642,660	360,481	629,153	889,734	965,879
Total Primary Government	\$ 5,023,072	\$ 1,257,395	\$ 2,337,864	\$ 2,315,887	\$ 3,515,797

* In Fiscal Year 2005-06, the increase in physical environment expenditures and related operating grants was due to the recovery costs from Hurricanes Katrina and Wilma, and the related reimbursements from federal and state sources.

Table 2

CITY OF WILTON MANORS, FLORIDA
FUND BALANCES - GOVERNMENTAL FUNDS
 Last Five Fiscal Years
 (Modified Accrual Form of Accounting)

	Fiscal Year				
	2002-03	2003-04	2004-05	2005-06	2006-07
General Fund					
Reserved	\$ 424,083	\$ 1,028,219	\$ 1,322,666	\$ 1,779,541	\$ 1,847,108
Unreserved	1,363,934	1,317,549	1,350,519	2,941,943	3,302,658
	<u>\$ 1,788,017</u>	<u>\$ 2,345,768</u>	<u>\$ 2,673,185</u>	<u>\$ 4,721,484</u>	<u>\$ 5,149,766</u>
All Other Governmental Funds					
Reserved	\$ 381,614	\$ 643,475	\$ 170,884	\$ 200,006	\$ 343,887
Unreserved, Reported In Special Revenue	(319,162)	(127,869)	319,273	(249,098)	(897,179)
	<u>\$ 62,452</u>	<u>\$ 515,606</u>	<u>\$ 490,157</u>	<u>\$ (49,092)</u>	<u>\$ (553,292)</u>

Table 3

CITY OF WILTON MANORS, FLORIDA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year				
	2002-03	2003-04	2004-05	2005-06	2006-07
REVENUES					
Ad Valorem Taxes - Operating	\$ 3,215,278	\$ 3,760,912	\$ 4,464,191	\$ 5,375,753	\$ 6,446,700
Ad Valorem Taxes - Debt Service	251,533	255,150	289,275	348,438	230,564
Franchise Taxes	889,986	918,458	946,635	1,120,519	793,113
Utility Service Taxes	1,618,302	1,557,937	1,642,904	1,674,382	1,742,498
Licenses and Permits	480,347	596,309	1,237,688	1,012,557	996,436
Intergovernmental	6,374,063	2,041,279	2,011,536	2,751,543	2,458,351
Charges for Services	418,575	568,092	612,658	613,275	702,081
Fines and Forfeitures	332,110	407,164	310,487	173,702	274,895
Impact Fees	0	0	225,654	112,869	89,992
Special Assessments	818,288	936,477	1,040,703	993,537	1,027,384
Donations	0	34,108	94,569	316,707	1,090
Other	55,610	150,979	317,160	449,752	496,318
Total Revenues	14,454,092	11,226,865	13,193,460	14,943,034	15,259,422
EXPENDITURES					
Current					
General Government	1,252,320	1,271,701	1,447,971	1,613,291	1,772,521
Public Safety	5,647,740	6,127,273	6,448,340	6,457,864	7,008,181
Physical Environment	639,095	889,533	826,076	2,696,942 *	984,544
Culture and Recreation	1,870,392	1,856,161	2,161,440	2,483,280	2,766,439
Nondepartmental	38,114	37,131	85,646	200,010	-
Capital Outlay	7,529,979	1,031,700	1,302,455	1,974,435	3,176,110
Debt Service					
Principal Retirement	124,147	129,647	135,380	398,967	233,209
Interest and Fiscal Charges	131,888	126,389	120,656	147,867	146,077
Total Expenditures	17,233,675	11,469,535	12,527,964	15,972,656	16,087,081
Excess of Revenues Over (Under)					
Expenditures	(2,779,583)	(242,670)	665,496	(1,029,622)	(827,659)
OTHER FINANCING SOURCES (USES)					
Debt Issuance	-	-	-	1,000,000	-
Transfers In	812,243	967,252	1,010,562	1,072,511	1,300,048
Transfers Out	(384,123)	(427,212)	(482,328)	(425,601)	(548,306)
Total Other Financing Sources (Uses)	428,120	540,040	528,234	1,646,910	751,742
Net Change in Fund Balances	\$ (2,351,463)	\$ 297,370	\$ 1,193,730	\$ 617,288	\$ (75,917)
Debt Service as a Percentage of					
Non-capital Expenditures	2.64%	2.45%	2.28%	3.91%	2.94%

* In Fiscal Year 2005-06, the increase of physical environment expenditures was due to the recovery costs from Hurricanes Katrina and Wilma.

Table 4

CITY OF WILTON MANORS, FLORIDA
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years

Tax Roll Year	City's Fiscal Year	Residential				Commercial			Industrial			Other Real Property			Personal Property	Less: Tax Exemptions	Total Taxable Assessed Value	City Direct Tax Rate	Estimated Actual Market Value	Total Assessed Value as a Percent of Market Value	Number of Parcels of Real Property
		Residential	Commercial	Industrial	Other Real Property	Commercial	Industrial	Other Real Property	Personal Property	Less: Tax Exemptions	Total Taxable Assessed Value	City Direct Tax Rate	Estimated Actual Market Value	Total Assessed Value as a Percent of Market Value							
1997	1997-98	352,402,739	51,329,180	8,663,390	30,811,490	25,553,054	113,103,860	355,655,993	6.4130	468,759,853	75.9%	4,684									
1998	1998-99	374,436,703	57,520,080	9,296,650	32,290,070	26,049,067	121,052,914	378,539,656	6.0330	499,592,570	75.8%	4,663									
1999	1999-00	395,943,494	60,110,730	11,202,580	35,646,130	28,506,180	128,921,581	402,487,533	6.6363	531,409,114	75.7%	4,664									
2000	2000-01	438,622,792	65,842,420	12,282,560	39,251,220	33,905,530	150,974,246	438,930,276	6.9330	589,904,522	74.4%	4,638									
2001	2001-02	515,492,821	72,767,350	13,834,260	41,134,020	35,423,730	193,596,826	485,055,355	6.8009	678,652,181	71.5%	4,638									
2002	2002-03	649,636,082	83,218,070	15,765,040	40,746,790	37,231,906	274,248,272	552,349,616	6.5789	826,597,888	66.8%	4,642									
2003	2003-04	807,928,397	95,255,050	17,637,500	46,505,230	35,539,476	357,688,467	645,177,186	6.5140	1,002,865,653	64.3%	4,721									
2004	2004-05	927,688,900	107,883,220	13,942,590	53,502,810	37,456,449	407,687,055	732,786,914	6.7935	1,140,473,969	64.3%	4,750									
2005	2005-06	1,159,381,329	125,894,820	15,843,920	57,354,070	32,678,198	518,340,027	872,812,310	6.6036	1,391,152,337	62.7%	4,908									
2006	2006-07	1,474,405,863	139,468,500	19,252,370	64,057,100	31,520,831	660,236,987	1,068,467,677	6.5000	1,728,704,664	61.8%	5,351									

Sources: Broward County Property Appraiser, and Florida Department of Revenue: Property Valuations and Tax Data Book.

CITY OF WILTON MANORS, FLORIDA
PROPERTY TAX MILLAGE RATES*
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Tax Roll Year	Fiscal Year	City of Wilton Manors				Overlapping Rates**							Total Millage Rate
		Operating	Debt Service	Total City	Broward County	Broward County Schools	South Florida Water Management District	Florida Inland Navigation District	Broward Children's Services Council	North Broward Hospital District			
1996	1996-97	5.6200	0.7230	6.3430	7.7524	9.9400	0.6720	0.0380	0.0000	2.4200	27.1654		
1997	1997-98	5.6900	0.7230	6.4130	7.8380	9.9745	0.6970	0.0500	0.0000	2.4087	27.3812		
1998	1998-99	6.0330	0.0000	6.0330	7.5710	9.7256	0.6970	0.0470	0.0000	2.5000	26.5736		
1999	1999-00	5.9666	0.6697	6.6363	7.5710	9.1283	0.6970	0.0440	0.0000	2.4895	26.5661		
2000	2000-01	6.3243	0.6087	6.9330	7.5250	8.9553	0.6970	0.0410	0.0000	2.4803	26.6316		
2001	2001-02	6.2467	0.5542	6.8009	7.4005	9.0596	0.6970	0.0385	0.0000	2.4803	26.4768		
2002	2002-03	6.1005	0.4784	6.5789	7.3650	9.2141	0.6970	0.0385	0.3055	2.4803	26.6793		
2003	2003-04	6.1005	0.4135	6.5140	7.1880	8.8096	0.6970	0.0385	0.3316	2.5000	26.0787		
2004	2004-05	6.3800	0.4135	6.7935	7.0230	8.2695	0.6970	0.0385	0.3920	2.4803	25.6938		
2005	2005-06	6.3800	0.2236	6.6036	6.7830	8.0623	0.6970	0.0385	0.4231	2.1746	24.7821		
2006	2006-07	6.2764	0.2236	6.5000	6.0661	7.8687	0.6970	0.0385	0.4073	1.8317	23.4093		

Millage rates are used to calculate property taxes on each \$1,000 of taxable property. For example, the tax on property with a taxable value of \$100,000 taxed at 2.0000 mills would be \$200.00.

* State law requires all counties to assess at 100% valuation and limits millage for operating purposes to ten mills.

** Overlapping rates are those of local and county governments that apply to property owners within the City.

Source: Broward County Property Appraiser.

CITY OF WILTON MANORS, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Eight Years Ago

Taxpayer	Type of Business	Fiscal Year 2006-2007		
		Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value
Marrinson Group	Retirement/Nursing Home	\$ 10,544,050	1	1.0%
Stiles/BLP LLC	Real Estate/Shopping Center	10,079,340	2	1.0%
Wilton Manors Developers LLC	Real Estate/Apartment Rental	8,888,540	3	0.9%
USAT Corporation	Real Estate/Apartment Rental	8,506,270	4	0.8%
Marrinson Group, Inc.	Retirement/Nursing Home	7,280,200	5	0.7%
Williams, Carol S. & Rook, Marilyn	Real Estate/Shopping Center	7,246,660	6	0.7%
CAR Five Corners Plaza	Real Estate/Shopping Center	6,953,620	7	0.7%
Wilton Station LLC	Real Estate/Condominiums	5,076,260	8	0.5%
2675 N Andrews Ave LLC	Nursing Home	4,394,790	9	0.4%
IMPSAT USA Inc.	Communications	4,098,320	10	0.4%
		\$ 73,068,050		7.0%
<u>Total City Taxable Assessed Value</u>		<u>\$ 1,040,663,020</u>		

Taxpayer	Type of Business	Fiscal Year 1998-1999		
		Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value
Manor Pines Realty	Retirement Home	\$ 6,611,380	1	1.9%
Independence Apartments	Retirement Home	5,355,670	2	1.5%
Atlantic Securities, Inc.	Real Estate	4,951,080	3	1.4%
Wilton Towers	Real Estate/Apartment Rentals	3,990,000	4	1.1%
Unicare Health Facilities	Retirement Home	3,862,120	5	1.1%
American Equities	Real Estate/Shopping Center	3,609,450	6	1.0%
Schmitt, Kathleen and Zimmerman	Real Estate/Shopping Center	3,228,750	7	0.9%
Camelot West Apartments	Real Estate/Apartment Rentals	2,259,600	8	0.6%
Shopping Plaza at Wilton Manors	Real Estate/Shopping Center	2,090,820	9	0.6%
William Thies & Sons	Wholesale Distributing	2,019,850	10	0.6%
		\$ 37,978,720		10.8%
<u>Total City Taxable Assessed Value</u>		<u>\$ 350,345,622</u>		

Source: Broward County Property Appraiser.

Table 7

CITY OF WILTON MANORS, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
 Last Ten Fiscal Years

Fiscal Year	Property Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1997-98	\$ 2,280,922	\$ 1,936,899	84.9%	\$ 4,624	\$ 1,941,523	85.1%
1998-99	2,261,554	2,182,935	96.5%	6,987	2,189,922	96.8%
1999-00	2,658,875	2,559,409	96.3%	13,923	2,573,332	96.8%
2000-01	3,002,920	2,893,557	96.4%	35,569	2,929,126	97.5%
2001-02	3,234,729	3,130,335	96.8%	8,453	3,138,788	97.0%
2002-03	3,586,457	3,466,811	96.7%	-	3,466,811	96.7%
2003-04	4,155,060	4,005,648	96.4%	10,414	4,016,062	96.7%
2004-05	4,933,050	4,747,254	96.2%	6,212	4,753,466	96.4%
2005-06	5,923,289	5,700,801	96.2%	23,390	5,724,191	96.6%
2006-07	6,436,678	6,443,790	100.1%	-	6,443,790	100.1%

Table 8

Source: Broward County Florida, Department of Revenue Collections.

Note : Florida Law allows up to a 4% discount for timely payment of property taxes.

CITY OF WILTON MANORS, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
 Last Ten Fiscal Years

Fiscal Year	Population	Per Capita Personal Income	Governmental Activities				Business-Type Activities			Total Primary Government	Per Capita	Percentage of Personal Income
			General Obligation Bonds	Revenue Bonds	Note Payable	Capital Leases	Revenue Bonds					
1997-98	11,837	\$ 28,506	-	\$ 263,349	\$ 22,509	\$ 41,172	\$ 11,824,497	\$ 11,824,497	\$ 11,824,497	\$ 999	3.5%	
1998-99	11,886	29,158	3,350,000	155,983	4,637	-	11,312,599	14,662,599	14,662,599	1,234	4.2%	
1999-00	12,697	30,706	3,274,580	77,991	-	-	10,671,847	13,946,427	13,946,427	1,098	3.6%	
2000-01	12,744	31,464	3,162,047	-	-	-	9,998,567	13,160,614	13,160,614	1,033	3.3%	
2001-02	12,790	32,137	3,043,237	-	-	-	9,298,796	12,342,033	12,342,033	965	3.0%	
2002-03	12,697	32,512	2,919,090	-	-	-	8,567,646	11,486,736	11,486,736	905	2.8%	
2003-04	12,414	34,340	2,789,448	-	-	-	7,809,849	10,599,297	10,599,297	854	2.5%	
2004-05	12,282	36,595	2,654,068	-	-	-	7,091,152	9,745,220	9,745,220	793	2.2%	
2005-06	12,546	N/A	2,255,101	-	1,000,000	-	6,335,933	8,591,034	8,591,034	685	N/A	
2006-07	12,848	N/A	2,122,896	-	900,000	-	10,221,907	12,344,803	12,344,803	961	N/A	

Per Capita Personal Income Data is not available for Wilton Manors. The data used is for Broward County. Source: US Bureau of Economic Analysis. Population Data is from the University of Florida Bureau of Economic and Business Research, and the Florida Department of Revenue.

Table 9

CITY OF WILTON MANORS, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	Population	Estimated Actual Taxable Value	General Obligation Bonds	Percentage of Actual Taxable Value of Property	Per Capita
1996-97	12,000	\$ 344,147,319	\$ 370,716	0.11%	\$ 31
1997-98	11,837	355,655,993	263,349	0.07%	22
1998-99	11,886	378,539,656	3,505,983	0.93%	295
1999-00	12,697	402,487,533	3,352,571	0.83%	264
2000-01	12,744	438,930,276	3,162,123	0.72%	248
2001-02	12,790	485,055,355	3,043,237	0.63%	238
2002-03	12,697	552,349,616	2,919,090	0.53%	230
2003-04	12,414	645,177,186	2,789,448	0.43%	225
2004-05	12,282	732,786,914	2,654,068	0.36%	216
2005-06	12,546	872,812,310	2,255,101	0.26%	180
2006-07	12,848	1,068,467,677	2,122,896	0.20%	165

Table 10

CITY OF WILTON MANORS, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES NET DEBT
September 30, 2007

	<u>Net Debt Outstanding</u>	<u>Estimated Amount Applicable to Wilton Manors</u>	<u>Estimated Share of Overlapping Net Debt</u>	<u>Per Capita</u>
<u>City of Wilton Manors Direct Debt</u>	<u>\$ 2,122,896</u>	<u>100.00%</u>	<u>\$ 2,122,896</u>	<u>\$ 165</u>
<u>Overlapping Debt</u>				
Debt Repaid with Property Taxes:				
Broward County				
General Obligation Bonds	532,535,994			
School Board of Broward County				
General Obligation Bonds	27,949,000			
Certificates of Participation	1,687,556,000			
Other Debt:				
Broward County				
Special Obligation Bonds	205,855,000			
School Board of Broward County				
Special Obligation Bonds	79,090			
<u>Total Overlapping Debt</u>	<u>\$ 2,453,975,084</u>	<u>0.67%</u>	<u>\$ 16,441,633</u>	<u>\$ 1,280</u>
<u>Total Direct And Overlapping Debt</u>	<u>\$ 2,456,097,980</u>		<u>\$ 18,564,529</u>	<u>\$ 1,445</u>

	Wilton Manors	Broward County	Percentage
Population	12,848	1,765,707	0.73%
Taxable Assessed Value of Property	1,068,467,677	158,372,241,515	0.67%

Sources: Broward County Property Appraiser, Broward County Accounting Division, and School Board of Broward County.
Table 11

CITY OF WILTON MANORS, FLORIDA
LEGAL DEBT MARGIN

There is no legal debt margin established either by City Charter or by Florida Statutes.

Table 12

CITY OF WILTON MANORS, FLORIDA
PLEGGED REVENUE COVERAGE
 Last Eight Fiscal Years

Fiscal Year	Utility Service Charges	Less: Operating Expenses*	Net Available Revenue	Principal	Interest	Coverage
1999-00	\$ 4,554,820	\$ 2,811,801	\$ 1,743,019	\$ 556,079	\$ 542,643	1.59
2000-01	4,507,981	2,742,623	1,765,358	668,854	513,796	1.49
2001-02	4,408,369	2,786,674	1,621,695	701,383	474,910	1.38
2002-03	4,587,620	2,511,572	2,076,048	759,253	451,073	1.72
2003-04	4,641,316	2,840,394	1,800,922	784,970	353,023	1.58
2004-05	4,986,546	3,017,397	1,969,149	745,874	377,882	1.75
2005-06	5,487,939	3,131,685	2,356,254	782,390	361,662	2.06
2006-07	6,287,400	4,606,152	1,681,247	806,438	484,331	1.30

* Total Operating Expenses less depreciation, amortization and interest expenses.

Table 13

CITY OF WILTON MANORS, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years
 And the Four Preceding Decennial Census Years

Fiscal Year	Wilton Manors Population	Broward County Population	Broward County Personal Income	County Per Capita Personal Income	County Unemployment Rate
1959-60	8,257	333,946	N/A	N/A	N/A
1969-70	10,949	627,868	\$ 3,102,129	\$ 4,941	N/A
1979-80	12,742	1,026,062	12,459,409	12,143	N/A
1989-90	11,804	1,263,301	29,311,774	23,203	5.9%
1997-98	11,837	1,560,649	44,487,335	28,506	4.5%
1998-99	11,886	1,594,130	46,481,179	29,158	4.2%
1999-00	12,697	1,632,291	50,137,561	30,716	3.8%
2000-01	12,744	1,669,678	52,614,372	31,512	4.2%
2001-02	12,790	1,701,763	54,850,632	32,232	5.6%
2002-03	12,697	1,722,971	56,254,396	32,650	5.3%
2003-04	12,414	1,745,691	60,331,477	34,560	4.4%
2004-05	12,282	1,770,707	66,230,212	37,403	3.5%
2005-06	12,546	1,772,745	70,454,147	39,743	3.2%
2006-07	12,848	1,819,622	N/A	N/A	3.8%

* Personal income in thousands of dollars.

Sources: Fort Lauderdale population obtained from the Bureau of Economic and Business Research, University of Florida. Broward County population and personal income obtained from the Bureau of Economic Analysis, U.S. Department of Commerce. Unemployment rates obtained from the Bureau of Labor Statistics, U.S. Department of Labor.

Table 14

**CITY OF WILTON MANORS, FLORIDA
PRINCIPAL EMPLOYERS**

Reliable information is not available on City of Wilton Manors employers.
However, the following employers are believed to be the City's principal employers.
(Listed in alphabetical order.)

City of Wilton Manors
Kids in Distress
Marrinson Group
Marrinson Group, Inc.
Pace Center for Girls
Publix Supermarkets
School Board of Broward County
Wilton Manors Rehabilitation Center/Palm Court

Table 15

CITY OF WILTON MANORS, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
 Last Ten Fiscal Years

FUNCTION:	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
General Government										
Mayor and Commission	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Finance and Administrative	11.2	11.7	10.8	11.4	11.6	11.6	12.9	12.3	13.4	14.3
Public Safety										
Police and Fire	47.4	47.4	48.4	47.0	47.0	47.0	47.1	45.0	43.5	43.5
Community Services	5.2	5.9	6.9	7.4	7.4	7.6	10.6	10.5	10.8	8.8
Physical Environment										
Public Works	12.2	12.7	12.7	12.7	13.0	13.0	11.0	11.0	11.0	13.0
Culture and Recreation										
Leisure Services	36.4	36.9	36.5	37.8	36.5	38.4	41.0	41.4	43.7	43.8
Total	114.9	117.1	117.8	118.8	118.0	120.1	125.1	122.7	124.9	125.9

Table 16

CITY OF WILTON MANORS, FLORIDA
 OPERATING INDICATORS BY FUNCTION
 Last Five Fiscal Years

FUNCTION:	2002-03	2003-04	2004-05	2005-06	2006-07
General Government					
Occupational Licenses Issued	1,353	1,266	1,200	1,195	998
Public Safety					
Physical Arrests	366	396	371	293	362
Traffic Violations	9,624	9,625	7,440	3,092	3,910
Parking Violations	124	132	87	71	695
Fire/EMS Emergency Responses	1,952	1,995	1,946	1,979	3,123
Fire Inspections	1,961	2,270	2,193	3,401	3,755
Building Permits Issued	1,845	1,231	1,423	1,983	1,477
Physical Environment					
New Water Connections	35	74	46	97	29
Water Main Breaks	N/A	8	11	4	5
Average Daily Water Consumption *	1,530	1,634	1,656	1,655	1,511
Average Daily Sewage Treatment *	1,293	1,539	1,957	1,649	1,862
Culture and Recreation					
Athletic Programs	10	10	10	10	4
Volumes in Library Collection	22,245	23,083	24,575	29,132	32,581
Total Volumes Borrowed	43,028	42,743	41,641	54,012	36,362

* Thousands of Gallons

Table 17

CITY OF WILTON MANORS, FLORIDA
 CAPITAL ASSET STATISTICS BY FUNCTION
 Last Four Fiscal Years

Function:	2003-04	2004-05	2005-06	2006-07
Public Safety				
Police Stations	1	1	1	1
Police Patrol Units	34	39	35	22
Fire Stations	1	1	1	1
Fire Hydrants	246	248	249	261
Physical Environment				
Miles of Sanitary Sewers	34	34	34	35.7
Miles of Storm Sewers	2.5	2.5	2.5	3.8
Wastewater Lift Stations	12	12	12	12
Acres of Lakes and Canals	14	14	14	14
Culture and Recreation				
Parks Acreage	66	66	66	66
Playgrounds	5	5	5	5
Baseball/Softball Diamonds	3	3	3	3
Soccer/Football Fields	2	2	2	2
Basketball Courts	6	6	6	6
Roller Hockey/Multipurpose Court	1	1	1	1
Tennis Courts	6	6	6	6
Community Centers	2	2	2	2
Libraries	1	1	1	1

Table 18

**CITY OF WILTON MANORS, FLORIDA
MISCELLANEOUS STATISTICS**

Date of Incorporation: September, 1947

Date of Adoption of City Charter: June 4, 1953

Form of City Government: City Commission/Manager

City Commission: Consists of Mayor and Four Commissioners Elected At-Large

Area:		Population:	
Square Miles	2.67	1960	8,257
Miles of streets	47.0	1970	10,949
Miles of waterways	13.7	1980	12,742
Miles of sidewalks	6.2	1990	11,804
		2000	12,697
		2007	13,848
Police Department:			
Stations	1		
Uniformed officers	32		
Nonuniformed officers	10		

Water & Sewer Utilities:	
Active accounts - Water	4,700
Active accounts - Sewer	4,034

Recreation & open space (approximately 66 acres):

- Colohatchee Park
- Coral Gardens Park
- Donn Eisele Park
- Hagen Park
- Island City Park Preserve
- Jaycee Park
- Mickel Field
- Rachel Richardson Park
- Richardson Historical Park
- Veteran's Park
- Wilton Manors Elementary School

Table 19

OTHER REPORTS OF INDEPENDENT AUDITORS

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards*.

Independent Auditors' Report to City Management



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

Honorable Mayor and Members of the City Commission
City of Wilton Manors, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wilton Manors, Florida (the "City") as of and for the year ended September 30, 2007, and have issued our report thereon dated May 27, 2008. 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 of America.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying summary of audit findings and recommendations as items IC-M-2007-01 to IC-M-2007-03 to be significant deficiencies in internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, we believe that all of the significant deficiencies described above are material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying summary of audit findings and recommendations as items C-M-2007-01 and C-M-05-4.

This report is intended solely for the information and use of the Mayor, City Commission, management, the Auditor General of the State of Florida, and Federal and State awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than those specified parties.

Fort Lauderdale, Florida
May 27, 2008

TCBA Water Rise LLP

**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF
THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

Honorable Mayor and City Commission
City of Wilton Manors, Florida

We have audited the basic financial statements of the City of Wilton Manors, Florida (the "City") as of and for the fiscal year ended September 30, 2007, and have issued our report thereon dated May 27, 2008.

We conducted our audit in accordance with auditing standards generally accepted in the United of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditors' Report on Compliance and Internal Control over Financial Reporting. Disclosures in those reports and schedules, which are dated May 27, 2008, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and, unless otherwise required to be reported in the report on compliance and internal controls or schedule of findings and questioned costs, this letter is required to include the following information:

- Section 10.554(1)(i)1., Rules of the Auditor, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. The status of recommendations made in the prior year management letters have been addressed in the Status of Prior Year's Findings and Recommendations and described on pages 101 to 104.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the City of Wilton Manors, Florida complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we have included our recommendation described as ML-2007-01.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts and grant agreements or abuse that have an

effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such finding.

- Section 10.554(1)(i)5., Rules of the Auditor General, requires, based on professional judgment, the reporting of the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred, and would have an immaterial effect on the financial statements; (2) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (3) control deficiencies that are not significant deficiencies, including, but not limited to: (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (b) failures to properly record financial transactions; and (c) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The City of Wilton Manors, Florida was incorporated in accordance with House Bill no. 1413 on June 20, 1960. There are no components units related to the City.
- Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the City of Wilton Manors, Florida, did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the City of Wilton Manors, Florida, for the fiscal year ended September 30, 2007, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2007. In connection with our audit, we determined that these two reports were in agreement.
- Section 10.554(i)7.c. and 10.556(7), Rules of the Auditor General, require that we apply financial assessment procedures. In connection with our audit, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.

This management letter is intended solely for the information of the Mayor, City Commission and management, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Fort Lauderdale, Florida
May 27, 2008

TCBA Water Rise LLP

**CITY OF WILTON MANORS, FLORIDA
CURRENT YEAR'S FINDINGS, RECOMMENDATIONS
AND MANAGEMENT'S RESPONSES
FISCAL YEAR ENDED SEPTEMBER 30, 2007**

IC-M-2007-01 Investigate Un-reconciled Monthly Differences in the Bank Reconciliation Statements

Finding

In our review of the City's monthly bank reconciliation statements, we noted that there were monthly un-reconciled amounts as summarized below:

Month	Un-reconciled Amount
October 2006	\$ 12,515.13
November 2006	12,530.17
December 2006	17,050.88
January 2007	4,272.62
February 2007	5,416.74
March 2007	50,735.67
April 2007	53,779.92
May 2007	829.85
June 2007	5,849.80
July 2007	1,629.21
August 2007	42,482.81
September 2007	25,520.50

Recommendation

We suggest that the City Manager investigate the causes of the foregoing un-reconciled amount.

Management's Response

Management has already begun a review of the bank reconciliation procedures, and will investigate all unreconciled amounts. Management believes that the recent implementation of a modern new city-wide accounting software system will make it possible to perform accurate and more timely reconciliations.

**CITY OF WILTON MANORS, FLORIDA
CURRENT YEAR'S FINDINGS, RECOMMENDATIONS
AND MANAGEMENT'S RESPONSES
FISCAL YEAR ENDED SEPTEMBER 30, 2007**

IC-M-2007-02 Reconcile General Ledger Balance of Fixed Assets Against Subsidiary Ledger Balance

Finding

We noted that the total of each fixed asset classification in the general ledger (GL) of the general fixed assets fund (Fund 901) does not reconcile with the total of the asset classification in the subsidiary ledgers (SL), which is the computerized fixed assets system. Moreover, we also noted the related accumulated depreciation accounts of the assets were not established in the GL. As we have reviewed, the asset grouping and balances in the computerized fixed assets system reflects the accurate record of the City's fixed assets.

Total differences of both records are summarized below:

<u>Fixed Asset Category</u>	<u>Per Subsidiary Ledger</u>	<u>Per General Ledger</u>	<u>Difference GL is Over (Under)</u>
<u>Cost:</u>			
Land	\$ 8,622,988	\$3,387,363	(\$ 5,235,624)
Buildings	4,762,314	3,206,225	(1,556,089)
Improvements other than building	9,863,462	4,804,195	(5,059,267)
Machinery and equipment	<u>4,787,450</u>	<u>5,704,486</u>	<u>917,035</u>
	<u>\$28,036,214</u>	<u>\$17,102,269</u>	<u>\$10,933,945</u>
<u>Accumulated depreciation:</u>			
Buildings	1,450,391	-	(1,450,391)
Improvements other than building	2,631,886	-	(2,631,886)
Machinery and equipment	<u>3,077,031</u>	-	<u>(3,077,031)</u>
	<u>7,159,308</u>	-	<u>(7,159,308)</u>
Net	<u>\$20,876,906</u>	<u>\$17,102,269</u>	<u>\$ 3,774,636</u>

Recommendation

We suggest that the Finance Department reconcile the difference between the two records. Adjustments and reclassifications in the GL balances should be recorded based on the results of the reconciliation to be conducted.

**CITY OF WILTON MANORS, FLORIDA
CURRENT YEAR'S FINDINGS, RECOMMENDATIONS
AND MANAGEMENT'S RESPONSES
FISCAL YEAR ENDED SEPTEMBER 30, 2007**

Management's Response

Management has purchased a new fixed assets accounting system as a part of the new integrated city-wide accounting system. Management has also hired an accountant on a temporary basis, who is charged with the reconciliation of the City's fixed assets and with overseeing the transition of the City's fixed assets records into the new accounting system. This reconciliation is expected to be completed by September 30, 2008. This transition process will also include a current inventory of the City's fixed assets.

IC-M-2007-03 Start the Process of Recording the City's Infrastructure Assets to Comply with GASB 34 Requirements.

Finding

Under GASB 34 pronouncements, the City is required to retro-actively 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. It should be noted that the retroactive reporting of infrastructure is subject to an extended implementation period and is first effective for the fiscal year ended 2007.

Based on our verification and inquiries with the Finance Department, the City has not yet started any activities related to the recording of the above-mentioned infrastructure assets.

The failure to implement the retro-active recording of infrastructure assets may jeopardize the City's opportunity to be awarded the certificate for its 2007 CAFR.

Recommendation

We suggest that the City start identifying its infrastructure assets to be recorded in the books to comply with the GASB 34 requirements.

Management's Response

The City will begin the process of identifying its infrastructure assets by September 30, 2008.

**CITY OF WILTON MANORS, FLORIDA
CURRENT YEAR'S FINDINGS, RECOMMENDATIONS
AND MANAGEMENT'S RESPONSES
FISCAL YEAR ENDED SEPTEMBER 30, 2007**

C-M-2007-01 Establish the Sinking and Other Funds/Bank Accounts as Required by the Bond Resolution Document

Finding

We noted that the sinking fund and other funds (i.e. water and sewer revenue fund, operations and maintenance fund), as required by Bond Resolutions No. 1340, Sec. 5.04, were not established.

Recommendation

We suggest that the City set-up the sinking and other funds specifically required by the above-named bond resolution to comply with the requirements.

Management's Response

Several of the required debt-related funds and accounts are already in place in the City's accounting system. Those existing accounts will be re-named to accurately coincide with the applicable bond or loan documents. Additionally, management will conduct a review of all active debt obligations and will set up all required funds or accounts by September 30, 2008.

ML-2007-01 Establish Petty Cash Fund In Order Stop the Practice of Using Undeposited Collections to Pay Expenses

Finding

The result of our sample testing on the deposits of daily collections disclosed the following expenses that were taken directly from undeposited collections.

<u>Date</u>	<u>Amount</u>	<u>Nature of Expense Taken From Collection</u>
3/5/07	\$ 8.99	Photofinishing expenses supported by Walgreens receipts.
4/3/07	19.99	Supplies, supported by Bed, Bath and Beyond receipts.
8/23/07	300.00	Cash advance taken by the HR Manager, for a panel member of a certain activity. The advance was spent the following day, actual amount spent was \$285 and the \$15 was returned to the cashier.

In our subsequent verification, we were told that the practice of using undeposited collections for the payment of petty or small expenses was allowed because of the absence of a petty cash fund that will cover for the payment of such expenses. While this maybe true for minor expenses, it is our

**CITY OF WILTON MANORS, FLORIDA
CURRENT YEAR'S FINDINGS, RECOMMENDATIONS
AND MANAGEMENT'S RESPONSES
FISCAL YEAR ENDED SEPTEMBER 30, 2007**

observation, however, that the dinner cash advance above could have been paid through the City's check disbursement system since the amount involved was no longer minor.

Recommendation

We suggest that the City set-up a petty cash fund which would cover petty expenses, thereby, eliminating the practice of using daily collections for payments of minor expenses. In conjunction with this, a policy guideline for the maximum single disbursement limit (say, \$20) to be paid from the petty cash fund should be developed. Any expected disbursement in excess of the established petty cash disbursement limit should be paid through the City's check disbursement system.

Management's Response

Management established the current system in response to a recommendation from its previous auditor. Management agrees to set a nominal limit for future payments, however, thinks that the elimination of a petty cash fund reduced the inherent risks associated with having cash on hand. All expenses above the nominal limit will be paid through the City's check disbursement system.

**CITY OF WILTON MANORS, FLORIDA
STATUS OF PRIOR YEAR'S FINDINGS AND RECOMMENDATIONS
FISCAL YEAR ENDED SEPTEMBER 30, 2007**

C-M--05-4 Inventory of Fixed Assets

Finding

It was noted by the previous auditors that the City did not take an inventory of fixed assets for the year ended September 2006 or 2005.

Recommendation

The prior auditors recommended that the City perform a physical inventory of property and equipment in compliance with the Rules of the Auditor General. In connection with this inventory, identification tags should be placed on each asset for disposal and impairment purposes. In addition, the added controls will assist in planning for capital expenditures, help determine accurate amounts and values of insurable assets, and help detect the loss of unauthorized use of valuable property.

Current Year Status:

The same finding has been noted during the current year's audit.

Management's Response:

Management has purchased a new fixed assets accounting system as a part of the new integrated city-wide accounting system. Management has also hired an accountant on a temporary basis, who is charged with the reconciliation of the City's fixed assets and with overseeing the transition of the City's fixed assets records into the new accounting system. This reconciliation is expected to be completed by September 30, 2008. This transition process will also include a current inventory of the City's fixed assets.

ML-2006-01 Fund Deficits

Finding

During the prior audit the City had deficit fund balances that remained in two funds reported in the basic financial statements. These balances represented past expenses in excess of the monies collected to fund the projects. Some of the balances were to be paid from the General Fund to satisfy match requirements on grant monies earned.

Recommendation

To alleviate these balances, the prior auditors recommended that transfers be set up in future year's budgets to remove these deficits. The prior auditor also recommend that grant funded projects going through the special revenue funds be budgeted to include any transfers necessary to fund matching requirements in the fund.

CITY OF WILTON MANORS, FLORIDA
STATUS OF PRIOR YEAR'S FINDINGS AND RECOMMENDATIONS
FISCAL YEAR ENDED SEPTEMBER 30, 2007

Current Year's Status

The same finding has been noted during the current year's audit. The General Obligation Bond Fund and Miscellaneous Grant Fund still have deficits of \$392,648 and \$707,107, respectively.

Management's Response

Management has pledged \$174,105 in Fiscal Year 2008 to reduce the deficit in the General Obligation Bond Fund. This is the City's sixth annual installment towards eliminating this deficit. Management has pledged to make additional annual transfers to eliminate the remaining fund deficits.

ML-2005-01 Inclusion of Auto Allowance in W-2

Finding

During the prior audit the City provided take-home vehicles to certain management employees. The Internal Revenue Service requires the imputed value of this benefit to be reported on the employee's Form W-2. The prior auditors understood that this reporting deficiency was due to problems with ADP's (the City's payroll service provider) inability to incorporate this value on the employee's earnings statements for the year.

Recommendation

It was recommended in the prior year to re-emphasize that management should work with ADP to cure this reporting deficiency to avoid possible penalties from being levied on the City and/or its employees if they fail to include the value of this benefit on their individual tax returns.

Current Year's Status

This problem was already been corrected by imputing an equivalent per diem amount of the benefit which is included as a taxable income on employee's paychecks.

ML-2005-02 Personnel Responsibilities and Future Staffing Needs

Finding and Recommendation

It was noted in during the prior audit that some realignment and expansion of the duties of finance personnel has taken place since the higher than expected turnover of a key finance position. The prior auditors believed that the City needed to assess the present and future staffing needs to re-balance the current workloads and also cross train other employees in order to ensure complete and

**CITY OF WILTON MANORS, FLORIDA
STATUS OF PRIOR YEAR'S FINDINGS AND RECOMMENDATIONS
FISCAL YEAR ENDED SEPTEMBER 30, 2007**

accurate financial statements on a timely basis. This observation was based on situations that the City had up and coming in the near future, as mentioned above regarding the implementation of a new software system and new Governmental Accounting Standards Board pronouncements. In defining present and future personnel requirements, it will also be necessary and the prior auditors recommended using formal job descriptions which included responsibilities and experience requirements.

Current Year's Status

The City has already outsourced an accounting staff to carry-out some of the accounting functions and a new Assistant Finance Director was also hired in February 2008 to fill-up the vacuum in the Finance Department.

ML-05-3 Replacement of Existing Outdated Accounting System

Finding

It was noted during the prior audit that the software program used to perform the general ledger accounting activity is over 25 years old. The current system required the client to make numerous closing entries monthly. Industry trends have produced more sophisticated tools to perform these functions. The prior auditor was aware that the City was in the process of obtaining and installing a new system, but felt it necessary and wanted to re-emphasize the importance and complexity of purchasing and installing a new system that will impact the City's operations as a whole.

Recommendation

The prior auditors recommended that the City conduct an evaluation of the existing accounting system and other City operations impacted by a new system (i.e., Community Services Department) and conduct an analysis of projected needs for the future. This evaluation should focus on ensuring that the City's financial systems maximize the productivity of its accounting staff and meet the future needs of management.

Current Year's Status

The City has already purchased new accounting software and full implementation is expected to be completed before the end of fiscal year 2008.

ML-05-5 Implementation of Accounting Pronouncements

Finding and Recommendation:

During the prior audit the Governmental Accounting Standards Board had been active in the issuance of many new pronouncements that are targeted at providing more meaningful financial information for the reader. Unfortunately, the implementation of these pronouncements places the

CITY OF WILTON MANORS, FLORIDA
STATUS OF PRIOR YEAR'S FINDINGS AND RECOMMENDATIONS
FISCAL YEAR ENDED SEPTEMBER 30, 2007

burden of implementation on the City requiring proper planning and resources. For the year ended September 30, 2006, the City was required to implement GASB 44 regarding statistical information required to be disclosed in a Comprehensive Annual Financial Report that is submitted to the Governmental Financial Officers Association for the Certificate of Achievement for Excellence in Financial Reporting (the "Certificate"). The City did not start to gather the information until after the year end and, therefore, was unable to provide certain information that may have been available if more time had been allocated for the required reporting under this standard. It is possible that the missing information could jeopardize the City's being awarded the Certificate. In addition, for the year ended September 30, 2007, the City was required to complete the implementation of GASB 34 (most of which was implemented in September 2003) with regard to the retro-active recording of infrastructure. In inquiring of the status of the implementation of the remaining implementation, we found that it has not yet been started and we believe that it will take significant resources to properly implement. The failure to implement the retro-active recording of infrastructure assets may jeopardize the City's opportunity to be awarded the certificate for its 2007 CAFR. We wish to communicate to the City the importance of planning for the implementation of these various reporting requirements and provide for the proper resources so no delays are encountered in the year that these pronouncements are required to take effect.

Current Year Status:

The same observation has been noted during the current year's audit.

Management's Response:

The City will begin the process of identifying its infrastructure assets by September 30, 2008.

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