



City of  
Wilton Manors, Florida  
**Comprehensive Annual  
Financial Report**

Fiscal Year Ended September 30, 2011

Prepared by the Finance Department



**A Day in the Life of Wilton Manors**

(See Back Cover for More)

# City Of Wilton Manors, Florida

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

### SEPTEMBER 30, 2011

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# **INTRODUCTORY SECTION**



**FINANCE DEPARTMENT**  
**CITY OF WILTON MANORS**  
2020 Wilton Drive  
Wilton Manors, Florida 33305

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Fax (954) 390-2199  
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March 15, 2012

Mayor Gary Resnick  
Vice Mayor Tom Green  
Commissioner Julie Carson  
Commissioner Ted Galatis  
Commissioner Scott Newton

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, 2011, 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 GLSC & Company PLLC, 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, 2010.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Wilton Manors' MD&A can be found immediately following the report of the independent auditors.

## 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.

After considering several locations, the city's first City Hall opened for business in 1957 on NE 21<sup>st</sup> Court and was Broward County's oldest city hall when it was demolished in 2010. Construction of the new City Hall and Police Station on Wilton Drive was completed on schedule in January 2010. The beautiful and spacious new Commission Chambers provide a fitting venue for meetings of the City Commission, various City advisory boards and community organizations.

The City of Wilton Manors has a City Manager-Commission type of government. The five-member non-partisan City Commission consists of four Commissioners elected at large for staggered four-year terms and a mayor elected for a two-year term. The mayor is the head of state for the City and presides at City Commission meetings. The City Commission passes Ordinances and Resolutions and sets policy for the City. The Commission hires a City Manager who is responsible for the day-to-day operations of the City government.

To efficiently provide services, the City's management administers the following departments: City Manager, City Clerk, City Attorney, Police, Community Development Services, Emergency Management and Utilities, Finance, Human Resources, and Leisure Services. Several Advisory Boards have been established to provide additional input from the citizens.

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 1.75 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 square miles have 31 municipalities and 23 miles of beaches.

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

Although Wilton Manors is continually experiencing redevelopment as is typical in a built-out city like ours, Wilton Manors has maintained its small hometown atmosphere.

### **Local Economy**

The County enjoys a diverse economy reflecting its active tourism, construction, marine and service industries; sea, air, and land transportation facilities; and other industrial sectors. Per capita personal income is higher than the state and national averages. While local unemployment has traditionally been lower than the state and national averages, the local economy has been affected by the overall national economic downturn, and has borne the brunt of both the poor housing market and high unemployment rates. As of September 30, 2011, unemployment was 10.6% in the State of Florida and 9.4% in Broward County, surpassing the United States unemployment rate of 9.0%.

The foundation of the local Wilton Manors economy is its core of residential developments along with small commercial and service businesses. Wilton Manors continues to experience commercial and multifamily residential development primarily centered on Wilton Drive in the heart of the City's Arts and Entertainment District. Mirroring the national trend, the real estate market for single-family homes was depressed throughout the fiscal year, although continuing on an upward trend from the lows in 2005 through 2008. The number of properties sold in Wilton Manors during the fiscal year increased approximately 9.6% over the prior year. Much of this activity was from the sale of foreclosed properties to individual owners and investors. The number of foreclosures dropped 48.7% in calendar year 2011 as compared to the peak year of 2010. The reduction of the inventory of foreclosed properties bodes well for the community's economic future. Even though Wilton Manors has suffered during the housing downturn, the housing market in our city has not been affected as severely as some of the rest of Broward County and other areas throughout south Florida and the country.

### **Long-Term Planning**

The City Commission annually adopts a five-year Capital Improvement Program as a part of the formal budgeting process. The City provides for future capital expenditures by setting aside reserves each year dedicated to future funding. Although budget cuts during this fiscal year reduced future funding for vehicles, the primary example of this policy 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 began in the fall of 2008 and was completed on time and on budget in January 2010. The project was funded by a combination of \$6 million in General Obligation Bonds and over \$1 million in reserves that were set aside by the City over the several previous years.

### **Financial Policies and Budgetary Guidelines**

The City of Wilton Manors' financial policies set forth the basic framework for the overall fiscal management of the City. These policies operate independently of changing circumstances and conditions with the exception of when changes in financial policy are

necessary to maintain the integrity of the City and its operations, in conformance with Generally Accepted Accounting Principles (GAAP) in accordance with the Governmental Accounting Standards Board (GASB). These policies assist the decision making process of the City Commission and the City Administration and provide guidelines for evaluating both current activities and proposals for future programs.

General Financial Policies include: continuous monitoring and comparison of all revenues and expenditures to budget; the aggressive pursuit of grant revenues; cost sharing of health and life insurance between the City and its employees; limitations to budgeted overtime; scheduled maintenance of infrastructure, vehicles and other assets; and the establishment and regular review of user fee charges.

Debt Policies include prohibitions on issuance of debt for operating activities; the prohibition of the use of general obligation debt for enterprise activities; the maintenance of sufficient restricted cash, reserves and retained earnings to cover debt service; and the publication and distribution of official statements for revenue bond issues.

Accounting, Auditing and Financial Reporting Policies include requiring an annual audit by an independent Certified Public Accounting firm; the timely production and issuance of annual financial reports in accordance with GAAP, and the maintenance of financial records.

Additional Budgetary Guidelines include the pursuit of revenue sources that are alternatives to ad valorem taxes, and the periodic review of government structure and consolidation of departments when feasible.

One of the most important of the City's Budgetary Guidelines is to strive to maintain the General Fund's unreserved fund balance at 15% to 20% of the General Fund budget. If the unreserved fund balance falls below the minimum desired level, it is the practice of the City to budget additional contingency funds sufficient to bring the unreserved fund balance back up to the minimum level. This guideline was recently formally incorporated by the City Commission into the City's new Fund Balance Policy which is in compliance with GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions.

### **Major Initiatives**

This was the first full fiscal year of operation of the City's new parking program which started in April 2010. This program expanded the City's paid parking from two parking lots to the entire City Arts & Entertainment District. The parking program made significant contributions to the City's revenues during the year.

### **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, 2010. This was the twelfth 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 meeting strict reporting guidelines.

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.

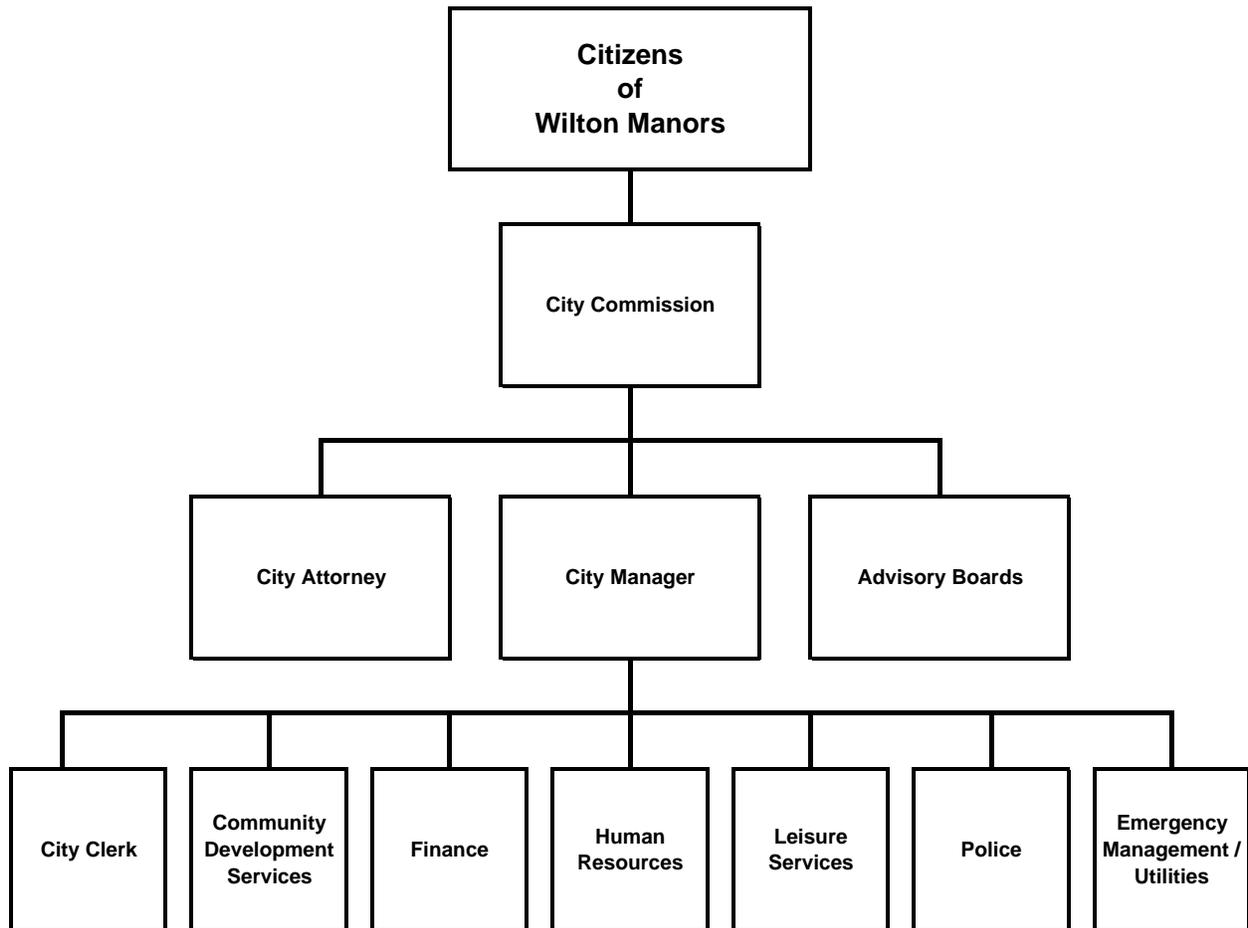
Respectfully,

A handwritten signature in blue ink that reads "Bob Mays" with a stylized flourish extending to the right.

Bob Mays  
Finance Director

# City of Wilton Manors

## City Government Structure



# City of Wilton Manors, Florida

COMMISSION - MANAGER FORM OF GOVERNMENT  
LIST OF PRINCIPAL OFFICIALS  
As of September 30, 2011

## CITY COMMISSION

**GARY RESNICK**  
Mayor

**TOM GREEN**  
Vice Mayor

**JULIE CARSON**  
Commissioner

**TED GALATIS**  
Commissioner

**SCOTT NEWTON**  
Commissioner

**CITY MANAGER**  
Joseph Gallegos

**FINANCE DIRECTOR**  
Lisa Rabon

**CITY ATTORNEY**  
Kerry Ezrol

**CITY CLERK**  
Kathryn Sims

**HUMAN RESOURCES DIRECTOR**  
Brenda Clanton

**EMERGENCY SERVICES /  
UTILITIES DIRECTOR**  
David Archacki

**COMMUNITY DEVELOPMENT  
SERVICES DIRECTOR**  
Heidi Shafran

**LEISURE SERVICES DIRECTOR**  
Patrick Cann

**POLICE CHIEF**  
Paul O'Connell

# 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, 2010

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.



*Linda C. Davison*

President

*Jeffrey R. Emer*

Executive Director

## **FINANCIAL SECTION**

# **INDEPENDENT AUDITORS' REPORT**



## INDEPENDENT AUDITORS' REPORT

Honorable Mayor, City Commission and City Manager  
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, 2011, 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 basic financial statements based on our audit. We did not audit the financial statements of the Pension Trust Funds, which represent 100% of the assets, revenues and deductions of the fiduciary fund totals. Those financial statements were audited by other independent auditors whose reports thereon have been furnished to us, and our opinions, insofar as it relates to the amounts included for the Pension Trust Funds are based solely on the reports of the other independent auditors.

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

In our opinion, based on our audit and the report of the other independent auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wilton Manors, Florida as of September 30, 2011, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule and schedules of funding progress and contributions on pages 3 through 11 and 56 through 60, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standard Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wilton Manor's financial statements as a whole. The introductory section on pages i through viii, combining and individual nonmajor fund financial statements and the schedule of revenues, expenditures, and changes in fund balance budget to actual on pages 61 through 67 and statistical section on pages 68 through 87, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of revenues, expenditures, and changes in fund balance budget to actual are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*GLSC & Company, PLLC*

March 5, 2012



# **MANAGEMENT DISCUSSION AND ANALYSIS**

## **CITY OF WILTON MANORS, FLORIDA**

### **Management's Discussion and Analysis**

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 year ended September 30, 2011. The information in this section should be considered in conjunction 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**

A review of the financial statements reveals the following:

- At the end of the fiscal year, the City's net assets increased by \$723,249 (1.9%) from \$37,732,313 to \$38,455,562. Net assets for governmental activities declined \$576,113, while net assets for business-type activities increased by \$1,299,362.
- Governmental activities expenses were \$15,671,848, \$885,849 (-5.4%) lower than in FY09-10.
- Business-type expenses were \$5,146,467, \$30,265 (-0.6%) lower than the previous year.
- The total expenses of all City programs were \$20,818,315, down \$916,114 (-4.2%) from last year.
- Governmental activities revenues, excluding transfers, totaled \$14,410,802, down sharply (-\$1,252,227, -8.0%) from FY09-10. Just over half of this decrease (-\$674,691, -10.4%) was due to a reduction in property taxes resulting from lower property values. Most of the remainder of the decrease was due to a decrease in grant revenues.
- Business-type operating revenues, which consist of water, wastewater and drainage charges for services, impact fee revenues and miscellaneous revenues, were \$7,129,095, an increase of \$544,750 (8.2%) from the previous year. This change was driven primarily by an increase in charges for water services.

Analysis of the Budgetary Comparison Schedule shows that the General Fund, which accounts for the vast majority of the operations of the government, expended 97.3% of the final, budgeted appropriations.

#### **CITY HIGHLIGHTS**

In spite of the national and local housing downturn and the national recession, the trend of redevelopment is continuing in the Wilton Drive Arts & Entertainment district within the City. Recently opened residential rental and condominium developments have high occupancy rates. Occupancy for newly-built commercial units continues to lag while occupancy of older commercial units has increased. Several new commercial developments continue in different phases of development. Impact fees are in place, with the revenues being accumulated to expand City infrastructure where needed most to properly serve the growth.

The City recently designated the neighborhoods that are adjacent to the Florida East Coast Railroad (FEC) as a Transit-Oriented Corridor (TOC). Long-term plans call for the FEC to begin passenger service, and Wilton Manors is well positioned to become a site for a passenger rail station. The TOC land use designation and related re-zoning will encourage higher density mixed use development along the rail corridor.

## 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.

**Government-wide statements** - The government-wide financial statements consist of the following two (2) statements and are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business.

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

The government-wide financial statements can be found on pages 12 and 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** - 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 funds' balance sheet and the governmental funds' 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** - Proprietary funds 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 basic proprietary fund financial statements can be found on pages 18 to 20.

**Fiduciary fund** - The fiduciary fund, which is not included in the government-wide statements, is presented in this section as the General Employees and Police, and Volunteer Firefighters Pension Funds (the "Plans").

The City cannot use the assets in the pension plans to finance its operations; therefore, the activities of the Plans 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.

The basic fiduciary fund financial statements can be found on pages 21 to 22.

**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 23 through 55 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 56 through 58 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Statement of Net Assets:

The City's combined net assets totaled \$38,455,562 as of September 30, 2011, \$27,643,954 for governmental activities and \$10,811,608 for business-type activities. The following table presents a condensed statement of net assets:

#### City of Wilton Manors, Florida Changes in Net Assets

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2010-11</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2009-10</u>
Current and Other Assets	\$ 5,542,813	\$ 5,336,358	\$ 2,800,717	\$ 2,199,201	\$ 8,343,530	\$ 7,535,559
Capital Assets (Net)	<u>31,326,630</u>	<u>32,851,004</u>	<u>15,490,242</u>	<u>15,933,265</u>	<u>46,816,872</u>	<u>48,784,269</u>
Total Assets	<u>38,869,443</u>	<u>38,187,362</u>	<u>18,290,959</u>	<u>18,132,466</u>	<u>55,160,402</u>	<u>56,319,828</u>
Long-term Debt	7,697,425	8,214,825	5,588,524	6,617,689	13,285,949	14,832,514
Other Liabilities	<u>1,528,064</u>	<u>1,752,470</u>	<u>1,890,827</u>	<u>2,002,531</u>	<u>3,418,891</u>	<u>3,755,001</u>
Total Liabilities	<u>9,225,489</u>	<u>9,967,295</u>	<u>7,479,351</u>	<u>8,620,220</u>	<u>16,704,840</u>	<u>18,587,515</u>
Net Assets						
Invested in capital assets, net of debt	23,737,572	24,737,103	8,939,594	8,405,247	32,677,166	33,142,350
Restricted	665,651	341,974	926,868	885,741	1,592,519	1,227,715
Unrestricted	<u>3,240,731</u>	<u>3,140,990</u>	<u>945,146</u>	<u>221,258</u>	<u>4,185,877</u>	<u>3,362,248</u>
Total Net Assets	<u>\$ 27,643,954</u>	<u>\$ 28,220,067</u>	<u>\$ 10,811,608</u>	<u>\$ 9,512,246</u>	<u>\$ 38,455,562</u>	<u>\$ 37,732,313</u>

There was an overall increase of \$723,249 in total net assets. 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, increased approximately by \$824,000 from the prior year. Almost \$100,000 of this increase was due to governmental activities, and the remaining \$0.7 million was due to business-type activities. The increase in net assets in the business-type activities is due to a combination of receiving higher revenue from charges for services and holding operating expenditures to a level just under the prior year's expenditures.

**Statement of Activities:**

**City of Wilton Manors, Florida  
Statement of Activities**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Revenues:						
Program Revenues						
Charges for services	\$ 3,308,265	\$ 2,770,504	\$ 7,129,095	\$ 6,584,345	\$ 10,437,360	\$ 9,354,849
Operating Grants/Contributions	107,958	69,875	-	-	107,958	69,875
Capital Grants/Contributions	318,981	1,136,272	-	-	318,981	1,136,272
General Revenues:						
Property Taxes	5,804,736	6,479,427	-	-	5,804,736	6,479,427
Intergovernmental	1,136,362	1,406,945	-	-	1,136,362	1,406,945
Other Taxes and Fees	3,455,869	3,229,077	-	-	3,455,869	3,229,077
Other General Revenues	<u>278,631</u>	<u>570,929</u>	<u>1,667</u>	<u>2,356</u>	<u>280,298</u>	<u>573,285</u>
Total Revenues	<u>14,410,802</u>	<u>15,663,029</u>	<u>7,130,762</u>	<u>6,586,701</u>	<u>21,541,564</u>	<u>22,249,730</u>
Expenses:						
General Government	1,970,679	2,054,770	-	-	1,970,679	2,054,770
Public Safety	8,299,498	8,869,912	-	-	8,299,498	8,869,912
Culture and Recreation	3,559,499	3,731,279	-	-	3,559,499	3,731,279
Physical Environment	1,065,381	1,433,612	-	-	1,065,381	1,433,612
Transportation	421,435	-	-	-	421,435	-
Interest on Long-Term Debt	355,356	468,124	-	-	355,356	468,124
Water and Sewer	-	-	4,822,600	4,888,984	4,885,105	4,888,984
Drainage	-	-	<u>323,867</u>	<u>287,748</u>	<u>261,362</u>	<u>287,748</u>
Total Expenses	<u>15,671,848</u>	<u>16,557,697</u>	<u>5,146,467</u>	<u>5,176,732</u>	<u>20,818,315</u>	<u>21,734,429</u>
Excess (deficiency) before transfers	(1,261,046)	(894,668)	1,984,295	1,409,969	723,249	515,301
Transfers	<u>684,933</u>	<u>852,724</u>	<u>(684,933)</u>	<u>(852,724)</u>	-	-
Change in net assets	(576,113)	(41,944)	1,299,362	557,245	723,249	515,301
Net Assets beginning of Year	<u>28,220,067</u>	<u>28,262,011</u>	<u>9,512,246</u>	<u>8,955,001</u>	<u>37,732,313</u>	<u>37,217,012</u>
Net Assets end of Year	<u>\$ 27,643,954</u>	<u>\$ 28,220,067</u>	<u>\$ 10,811,608</u>	<u>\$ 9,512,246</u>	<u>\$ 38,455,562</u>	<u>\$ 37,732,313</u>

**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 50% of General Fund revenues and 40% of total governmental fund revenues in FY10-11. The millage rate is a rate charged per thousand dollars of assessed property value net of exemptions.

The operating tax millage rate was 6.0855 mills which when combined with the general obligation debt millage of 0.7628 mills produced an effective total millage rate of 6.8483. This is an increase from the 2009-2010 combined millage rate of 6.4527, an increase of 0.2855 in the operating millage rate (from 5.8000 to 6.0855), and an increase of 0.1101 in the debt service millage rate (from 0.6527 to 0.7628). Changes in millages from year to year are in part limited by a state constitutional amendment and state legislation that both place restrictions on local government's ability to increase millage rates from one year to the next. One mill of tax equals one dollar for each one thousand dollars of assessed property value as determined by the Broward County Property Appraiser.

The City's financial condition is affected by economic conditions. During prosperous economic periods, property values generally increase and property tax revenues increase correspondingly. During the period from 2001 to 2007, the City of Wilton Manors experienced record growth in property values with double-digit increases each year. In fact the City 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.

Total Taxable Assessed Value for Fiscal Year 10-11 year declined sharply by 14.6% from the previous fiscal year after a decline of 16.0% the previous year and a decline of 2.3% the year before that. This downward trend continued for the fourth year in Fiscal year 11-12 with another decrease of 7.3%, but preliminary information from the Broward County Property Appraiser's Office indicates a likely *increase* of approximately 4.1% in taxable assessed value for Fiscal Year 12-13.

During the past fiscal year, the City received a small number of operating and capital grants from various federal, state, district, county, and other local programs. Federal grants totaled \$325,754 including \$275,332 in Community Development Block Grant (CDBG) funding. State grants totaled \$27,724 and local grant funding totaled \$73,461. Total grant revenues from all sources for the year totaled \$426,939. 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.

Program Revenues from Charges for Services for governmental activities increased \$537,761 (19.4%) from the prior year partially due to an increase in fire assessment fees, but primarily due to the full implementation of the City's expanded parking program for the entire fiscal year. In the prior fiscal year, the expanded parking program was only in effect for six months.

Because of the material nature of the City's newly expanding parking program, the *Transportation* function was included in this year's financial statements for the first time. Program Revenues from transportation (parking program) are offset by expenses for parking, road improvement and road maintenance.

Program Revenues from Charges for Services for business-type activities increased by \$544,750 (8.3%) due to an increase in water and sewer rates.

#### ***General discussion on expenses:***

Expenses recorded on the government-wide financial statements were \$15,671,848 for governmental activities and \$5,146,467 for the business-type activities. The City is predominantly a service provider and, therefore, its major expenses are 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 and pension contribution rates. Salary increases have been minimized over the last four years due to no cost of living or merit adjustments being authorized for employees not represented by the Police Benevolent Association bargaining unit.

The number of City personnel (Full Time Equivalent) decreased by 3.85 due to a combination of reductions in three departments – Police, Community Development Services, and Leisure Services. The City continues to look to automation and increased efficiencies to keep the number of personnel employed to an efficient and moderate level. As a part of its annual budget process the City also reviews the programs and services it offers, evaluates whether to continue these programs and services, and determines the level of resources (including staffing) to be devoted to those programs and services that are maintained.

#### **ANALYSIS OF THE GOVERNMENTAL FUNDS**

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

#### ***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. Fund Balance is the difference between the assets and liabilities of governmental funds. The City has adopted Statement No. 54 of the Governmental Accounting Standards Board (GASB's), which requires that fund balance be reported in several new categories. These categories are: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Unassigned fund balance is available for spending at the City's discretion, and as such unassigned fund balance serves as a particularly useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year, the City of Wilton Manors' governmental funds reported a combined ending fund balance of \$4,740,000. About 55% of this total amount, \$2,614,895, constitutes the unassigned fund balance for all governmental funds. The General Fund is the chief operating fund of the City of Wilton Manors. The unassigned fund balance of the General Fund at year-end was \$2,878,929, 60.7% of the total fund balance for all governmental funds, and 73.2% of the General Fund's total fund balance.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance at year end represents approximately 23% of the expenditures in the General Fund, while total fund balance represents about 31.4% of that same amount. The amount of unassigned fund balance exceeds the target in the City's adopted fund balance policy of maintaining a minimum unassigned fund balance in the General Fund of 15% to 20% of fund expenditures.

The remaining fund balance categories of the General Fund are not available for new spending because they are already categorized for other purposes. Nonspendable fund balance (\$130,156) represents the amounts of inventories, prepayments, and other assets. The General Fund's restricted fund balance (\$270,338) is the amount of unspent impact fees available only for restricted purposes. The remaining amount (\$654,692) was Committed Fund Balance, committed for future vehicle purchases and future projects.

The total fund balance in the City's General Fund decreased by \$214,237 from \$4,148,352 reported on September 30, 2010 to \$3,934,115 on the same date in 2011. The reduction was due to a combination of two factors: first, contributions of \$271,804 to fund balance from current year operations, and second, a reduction to fund balance in the amount of \$486,041 resulting from the City's decision to permanently close three special revenue funds which had previously reported deficit fund balances and which had no remaining dedicated funding sources. This decision resulted from the City's compliance with GASB Statement No. 54.

In prior years, a part of the General Fund's fund balance had been reserved to cover the deficits of these funds. The permanent closure of these three funds resulted in the General Fund's fund balance being reduced by the combined totals of the deficit fund balances of the funds that were permanently closed (\$486,041). These closed funds and their corresponding deficit fund balances are: Local Law Enforcement Block Grant Fund, (\$1,300), 1999 General Obligation Bond Fund (\$207,490), and the 2008 General Obligation Bond Fund (\$277,251). As a reporting treatment, the beginning fund balances of the General Fund and these three non-major governmental funds were restated as of the beginning of the fiscal year. See Note 1. d. 11. on page 31 of this document for an explanation of this restatement, and see the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit) on page 16 of this document to see the results of this restatement.

The City's Fire Assessment Fund is used to account for the revenues and expenditures related to fire prevention, suppression, and related administrative costs. The major revenue source for this fund is a non-ad valorem fire assessment fee imposed on properties in the City. Revenue from the fire assessment fee was \$1,410,511, up \$195,404 (16.1%) from the prior year. This revenue source is supplemented by fire inspection fees, investment income and miscellaneous revenue. The City contracts with its neighbor, the City of Fort Lauderdale for the provision of fire protection and emergency medical services. See note 15 on page 54 for additional information.

The City's Miscellaneous Grants Fund is used to account for the grant revenues received from federal, state, and local governments and from private granting agencies. This fund also accounts for the expenditures made with these grant funds. This fund closed the fiscal year with a deficit balance of (\$264,034). The City will eliminate this deficit by transfers from the General Fund.

### ***Proprietary Funds:***

The City of Wilton Manors' proprietary fund statements 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 increased by \$1.25 million (15.0%), ending the year at \$9,541,645. Net assets of the City's other proprietary fund, the Drainage Fund, amounted to \$1,269,963 at year end, an increase of \$51,582 (4.2%).

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

General Fund revenues fell below the final budget by (\$74,747), while expenditures were \$346,551 below the final budget. Major variances between budgeted and actual amounts in the General Fund are as follows:

- a. Ad valorem tax revenue was (\$212,169) (-3.7%) under budget.
- b. Utility tax revenues exceeded budget by \$89,322 (4.7%) due primarily to an increase in the City's rates for water service.
- c. Franchise fee revenue came in (\$59,044) (-7.07%) under budget, primarily due to a decrease in Electricity Franchise Fees. This is the third year in a row that these revenues have come in under budget. The reduction is due to a combination of poor economic conditions and a reduction in the fuel charges allowed to be passed along to customers by FPL, our local electric utility. This reduction in the fuel pass-through has reduced the revenue base used to calculate the franchise fees.
- d. Revenues from Licenses and Permits was down (\$49,211) (-8.2%) due to a decrease in business licenses and building permits. These depressed revenues are directly attributable to general economic conditions.
- e. Intergovernmental revenues came in under budget by (\$29,433) (-2.6%) due to reduced distributions of the Florida State ½-Cent Sales Tax revenues. The slow economic recovery has depressed state revenues.
- f. Revenues from Charges for Services were (\$55,405) (-7.6%) under budget. Revenues generated by the Leisure Services Department were over budget by \$35,530 (14.0%). Parking meter revenues comprise the other large component of this revenue source. While these revenues were up \$106,000 from the prior year, they came in under budget by (\$99,496) (32.2%). The parking program had just begun when this budget was prepared, and accurate estimates were not available at the time. This fiscal year was the first full year of the City's expanded parking program. While overall parking revenue estimates were remarkably accurate, the breakdown between metered parking revenue and citation revenue was not accurately estimated in the budget.
- g. Fines and Forfeitures revenue was over budget by \$103,996 (25.9%) due to increased parking citation revenue.
- h. Investment earnings were \$43,155 over budget due to increases in interest earned on delinquent ad valorem taxes and the net increase in the value of the City's investment in the State Board of Administration's Fund B. See Note 2 on page 32 for more information on this investment.
- i. Miscellaneous revenues were \$72,162 (51.2%) over budget. This type of revenue is difficult to predict and can vary widely from year to year.

- j. Budgeted expenditure savings during the year were found in the following departments: City Commission, \$9,280; City Management, \$10,631; City Clerk, \$27,459; Finance, \$25,177; Human Resources, \$12,546; Non-Departmental, \$21,203; Emergency management, \$4,113; Public Services, \$9,924; Library, \$15,208; Parks and Recreation, \$166,883; and Roads, \$138,313.
- h. The following departments' expenditures exceeded budget for the fiscal year: City Attorney (\$7,311); Police, (\$15,825); and Community Development Services (\$71,048). The excess expenditure in the Community Development Services Department was largely due to contractual expenses to Broward County for building inspection services.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The City had \$46,816,872 invested in capital assets on September 30, 2011. The following schedule summarizes capital assets held by the City:

Capital Assets, Net  
September 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Land	\$ 8,708,833	\$ 8,567,723	\$ 1,502,973	\$ 1,502,973	\$ 10,211,806	\$ 10,070,696
Intangibles	42,070	42,070	-	-	42,070	42,070
Infrastructure	4,515,099	4,421,980	13,108,902	13,557,296	17,624,001	17,979,276
Buildings	11,800,688	12,108,658	603,416	605,275	12,404,104	12,713,933
Improvements Other than Building	4,782,459	5,936,620	-	5,105	4,782,459	5,941,725
Machinery and Equipment	1,477,481	1,773,953	274,951	262,616	1,752,432	2,036,569
Total Capital Assets	<u>\$ 31,326,630</u>	<u>\$ 32,851,004</u>	<u>\$ 15,490,242</u>	<u>\$ 15,933,265</u>	<u>\$ 46,816,872</u>	<u>\$ 48,784,269</u>

In fiscal year 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 is being paid off in part 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 5 on pages 40 and 41.

### Debt Administration:

The City had debt totaling approximately \$14.14 million at September 30, 2011. Total debt outstanding at the end of the prior fiscal year was \$15.64 million. The net decrease is due to regular debt service payments.

Outstanding Debt  
September 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
General Obligation Bonds	\$ 6,923,833	\$ 7,305,903	\$ -	\$ -	\$ 6,923,833	\$ 7,305,903
Note Payable	500,000	600,000	-	-	500,000	600,000
Revenue Bonds	-	-	6,550,648	7,528,019	6,550,648	7,528,019
Capital Leases	165,225	207,998	-	-	165,225	207,998
Total Debt	<u>\$ 7,589,058</u>	<u>\$ 8,113,901</u>	<u>\$ 6,550,648</u>	<u>\$ 7,528,019</u>	<u>\$ 14,139,706</u>	<u>\$ 15,641,920</u>

During fiscal year 2012-2013, the amount of the City's general obligation debt will decrease due to scheduled debt service payments on the existing debt. No additional general obligation debt is anticipated in fiscal year 2012-2013.

Revenue bonds are the other major source of City debt. Revenue bonds indebtedness at year end was \$7.5 million, all from the 2007 Water & Sewer Revenue Bonds. The proceeds of this debt was used to make improvements to the City's water and sewer systems, including the above-mentioned sewer relining project.

Subsequent to the fiscal year end, in December 2011 the City executed a Revenue Note in the amount of \$2,230,500. The proceeds of this borrowing are split between two projects: a replacement of the City's master sewer lift station, and the development of additional parking lots to serve the north end of Wilton Drive in the City's Arts & Entertainment District.

Additional information on the City's long-term debt can be found in Notes 7 and 8 on pages 42 through 44 of this report.

## **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, are another large source of revenue. All of these revenue sources are affected to a greater or lesser extent by general economic factors. The fiscal year was a period of continued poor economic conditions in the region, state and country. Recovery from the Great Recession which began in 2007 has proceeded steadily although very slowly, and has contributed to the third year in a row of high unemployment rates in the county.

The local economy began to show signs of an increased pace of recovery during the fiscal year primarily due to increased real estate and commercial activity. An almost 10% increase in the number of real estate sales coupled with increasing sales prices have contributed to an expectation of higher citywide property values in the coming fiscal years.

Since the end of the City's fiscal year on September 30, 2011, the general local economy has shown signs of improvement as the county unemployment rate has edged downward. Local commercial activity has also increased.

## **REQUESTS FOR INFORMATION**

The Finance Department of the City of Wilton Manors, Florida takes full responsibility for the preparation of this report. 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) 390-2144, fax (954) 390-2199, by email to [ap@wiltonmanors.com](mailto:ap@wiltonmanors.com), or by mail to the City of Wilton Manors, Assistant Finance Director, 2020 Wilton Drive, Wilton Manors, Florida 33305.

# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF NET ASSETS**  
**SEPTEMBER 30, 2011**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
<b><u>ASSETS</u></b>			
Equity in pooled cash	\$ 3,958,615	\$ 616,905	\$ 4,575,520
Restricted cash and cash equivalents	399,313	1,459,692	1,859,005
Accounts receivable - net	618,959	647,699	1,266,658
Due from other governments	420,055	-	420,055
Inventory	69,560	75,005	144,565
Prepayments and other assets	76,311	1,416	77,727
Capital assets, non-depreciable	8,750,903	1,502,973	10,253,876
Capital assets, depreciable (net)	<u>22,575,727</u>	<u>13,987,269</u>	<u>36,562,996</u>
Total assets	<u>36,869,443</u>	<u>18,290,959</u>	<u>55,160,402</u>
<b><u>LIABILITIES</u></b>			
Accounts payable and accrued liabilities	895,267	451,311	1,346,578
Customer deposits	-	407,287	407,287
Unearned revenues	72,071	-	72,071
Noncurrent liabilities:			
Due within one year	560,726	1,032,229	1,592,955
Due in more than one year	<u>7,697,425</u>	<u>5,588,524</u>	<u>13,285,949</u>
Total liabilities	<u>9,225,489</u>	<u>7,479,351</u>	<u>16,704,840</u>
<b><u>NET ASSETS</u></b>			
Invested in capital assets, net of related debt	23,737,572	8,939,594	32,677,166
Restricted for:			
Renewal and replacement	-	300,000	300,000
Debt service	-	626,867	626,867
Miscellaneous	665,651	-	665,651
Unrestricted	<u>3,240,731</u>	<u>945,147</u>	<u>4,185,878</u>
Total net assets	<u>\$ 27,643,954</u>	<u>\$ 10,811,608</u>	<u>\$ 38,455,562</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contribution</u>	<u>Capital Grants and Contribution</u>	Primary Government		<u>Total</u>
					<u>Governmental Activities</u>	<u>Business- Type Activities</u>	
<b><u>Functions/programs</u></b>							
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 1,970,679	\$ 36,166	\$ -	\$ -	\$ (1,934,513)	\$ -	\$ (1,934,513)
Public safety	8,299,498	2,618,414	33,170	-	(5,647,914)	-	(5,647,914)
Culture and recreation	3,559,499	289,984	74,788	204,682	(2,990,045)	-	(2,990,045)
Physical environment	1,065,381	54,180	-	114,299	(896,902)	-	(896,902)
Transportation	421,435	309,521	-	-	(111,914)	-	(111,914)
Interest expense	355,356	-	-	-	(355,356)	-	(355,356)
Total governmental activities	<u>15,671,848</u>	<u>3,308,265</u>	<u>107,958</u>	<u>318,981</u>	<u>(11,936,644)</u>	<u>-</u>	<u>(11,936,644)</u>
Business-type activities:							
Water and wastewater	4,822,600	6,794,707	-	-	-	1,972,107	1,972,107
Drainage	323,867	334,388	-	-	-	10,521	10,521
Total business activities	<u>5,146,467</u>	<u>7,129,095</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,982,628</u>	<u>1,982,628</u>
Total primary government	<u>\$ 20,818,315</u>	<u>\$ 10,437,360</u>	<u>\$ 107,958</u>	<u>\$ 318,981</u>	<u>(11,936,644)</u>	<u>1,982,628</u>	<u>(9,954,016)</u>
General Revenues:							
Taxes:							
Property					5,804,736	-	5,804,736
Franchise					1,229,866	-	1,229,866
Utility services					1,978,897	-	1,978,897
Others					247,106	-	247,106
Intergovernmental revenue, not restricted to specific function					1,136,362	-	1,136,362
Interest income					65,047	1,667	66,714
Miscellaneous					213,584	-	213,584
Transfers					684,933	(684,933)	-
Total general revenues and transfers					<u>11,360,531</u>	<u>(683,266)</u>	<u>10,677,265</u>
Change in net assets					(576,113)	1,299,362	723,249
Net assets, beginning					<u>28,220,067</u>	<u>9,512,246</u>	<u>37,732,313</u>
Net assets, ending					<u>\$ 27,643,954</u>	<u>\$ 10,811,608</u>	<u>\$ 38,455,562</u>

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

# **FUND FINANCIAL STATEMENTS**

**CITY OF WILTON MANORS, FLORIDA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2011**

	Major Governmental Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Fire Assessment Fund	Miscellaneous Grants Fund		
<b><u>ASSETS</u></b>					
Equity in pooled cash	\$ 3,305,003	\$ 422,145	\$ -	\$ 231,467	\$ 3,958,615
Receivables, net					
Accounts receivable	292,550	-	-	326,409	618,959
Due from other governments	159,201	-	239,971	20,883	420,055
Due from other funds	535,429	-	-	-	535,429
Inventories	54,261	-	-	15,299	69,560
Prepayments	44,721	-	-	416	45,137
Deposits	31,174	-	-	-	31,174
Restricted cash	4,000	395,313	-	-	399,313
Total assets	\$ 4,426,339	\$ 817,458	\$ 239,971	\$ 594,474	\$ 6,078,242
<b><u>LIABILITIES</u></b>					
Accounts payable	\$ 241,164	\$ 31,293	\$ 6,167	\$ 192,390	\$ 471,014
Accrued liabilities	251,060	4,702	-	3,966	259,728
Due to other funds	-	-	495,857	39,572	535,429
Deferred revenue	-	-	1,981	70,090	72,071
Total liabilities	492,224	35,995	504,005	306,018	1,338,242
<b><u>FUND BALANCES (DEFICIT)</u></b>					
Non spendable:					
Inventories, prepayments, and other assets	130,156	-	-	15,715	145,871
Restricted for:					
Public safety impact fees	10,166	-	-	-	10,166
Culture and recreation impact fees	50,412	-	-	-	50,412
Affordable housing impact fees	209,760	-	-	-	209,760
Fire truck replacement	-	395,313	-	-	395,313
Committed for:					
Future projects	18,000	12,000	-	-	30,000
Vehicle replacement	636,692	18,375	-	70,619	725,686
Assigned	-	355,775	-	202,122	557,897
Unassigned:	2,878,929	-	(264,034)	-	2,614,895
Total fund balances (deficit)	3,934,115	781,463	(264,034)	288,456	4,740,000
Total liabilities and fund balances (deficit)	\$ 4,426,339	\$ 817,458	\$ 239,971	\$ 594,474	\$ 6,078,242

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

**CITY OF WILTON MANORS, FLORIDA**  
**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Fund balances - total government funds (Page 14)	\$	4,740,000
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.</p>		
Governmental capital assets	\$ 57,428,467	
Less: accumulated depreciation	<u>(26,101,837)</u>	31,326,630
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.</p>		
Governmental bonds payable	(7,423,833)	
Capital leases	(165,225)	
Compensated absences	<u>(599,193)</u>	(8,188,251)
Bond interest payable not reported in the governmental funds		(164,525)
Net OPEB obligation attributable to retiree benefits financed from governmental fund types		<u>(69,900)</u>
Net assets of governmental activities (Page 12)	\$	<u>27,643,954</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES (DEFICIT)**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Major Governmental Funds</u>			<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Fire Assessment Fund</u>	<u>Miscellaneous Grants Fund</u>		
Revenues:					
Taxes:					
Property	\$ 5,804,736	\$ -	\$ -	\$ -	\$ 5,804,736
Franchise	776,196	-	-	453,670	1,229,866
Utility services	1,978,897	-	-	-	1,978,897
Intergovernmental	1,114,482	-	426,939	247,106	1,788,527
Special assessments	-	1,410,511	-	9,854	1,420,365
Charges for services	672,336	106,233	-	44,326	822,895
Licenses and permits	552,339	-	-	-	552,339
Fines and forfeitures	505,499	-	-	7,167	512,666
Investment income	58,155	6,437	-	455	65,047
Impact fees	21,880	-	-	-	21,880
Miscellaneous	213,035	-	-	549	213,584
Total revenues	<u>11,697,555</u>	<u>1,523,181</u>	<u>426,939</u>	<u>763,127</u>	<u>14,410,802</u>
Expenditures:					
Current:					
General government	1,603,626	-	-	-	1,603,626
Public safety	6,745,252	1,222,021	20,140	18,490	8,005,903
Physical environment	306,275	-	3,610	306,570	616,455
Culture and recreation	2,582,302	-	26,018	1,695	2,610,015
Transportation	317,705	-	-	94,762	412,467
Debt service:					
Principal retirement	524,843	-	-	-	524,843
Interest and other fiscal charges	314,980	-	-	-	314,980
Capital Outlay:	<u>122,340</u>	<u>-</u>	<u>377,171</u>	<u>-</u>	<u>499,511</u>
Total expenditures	<u>12,517,323</u>	<u>1,222,021</u>	<u>426,939</u>	<u>421,517</u>	<u>14,587,800</u>
Excess (Deficiency) of revenues over expenditures	<u>(819,768)</u>	<u>301,160</u>	<u>-</u>	<u>341,610</u>	<u>(176,998)</u>
Other financing sources (uses):					
Transfers in	1,169,406	-	-	-	1,169,406
Transfers out	<u>(77,834)</u>	<u>(62,344)</u>	<u>-</u>	<u>(344,295)</u>	<u>(484,473)</u>
Total other financing sources (uses)	<u>1,091,572</u>	<u>(62,344)</u>	<u>-</u>	<u>(344,295)</u>	<u>684,933</u>
Net change in fund balances	271,804	238,816	-	(2,685)	507,935
Fund balances (deficit) - beginning (restated)	<u>3,662,311</u>	<u>542,647</u>	<u>(264,034)</u>	<u>291,141</u>	<u>4,232,065</u>
Fund balances (deficit) - ending	<u>\$ 3,934,115</u>	<u>\$ 781,463</u>	<u>\$ (264,034)</u>	<u>\$ 288,456</u>	<u>\$ 4,740,000</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGE IN FUND BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Amounts reported for governmental activities in the statement of activities (Page 13) are different because:

Net change in fund balances - total government funds (Page 16)	\$	507,935
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	493,738	
Less: current year provision for depreciation	<u>(2,013,957)</u>	(1,520,219)
Loss on disposal of asset		(4,156)

Bond proceeds are reported as financing sources in governmental funds financial statements and thus contribute to the net change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayments of principal is an expenditure in the governmental funds financial statements, but reduces the liability in the statement of net assets.

Principal repayments		524,843
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued compensated absences		(38,840)
Increase in accrued interest payable on bonds		(40,376)

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

		<u>(5,300)</u>
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Change in net assets of governmental activities (Page 13)	\$	<u>(576,113)</u>
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**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2011**

<b><u>ASSETS</u></b>	<b><u>Business- type activities - Enterprise Funds</u></b>		
	<b><u>Major Fund</u></b>	<b><u>Nonmajor Fund</u></b>	<b><u>Total</u></b>
	<b><u>Utility Fund</u></b>	<b><u>Drainage Fund</u></b>	
<b>Current assets:</b>			
Equity in pooled cash	\$ 206,749	\$ 410,156	\$ 616,905
Restricted cash and cash equivalents	1,459,692	-	1,459,692
Accounts receivable, net	609,715	37,984	647,699
Inventories	75,005	-	75,005
Prepayments	950	466	1,416
Total current assets	2,352,111	448,606	2,800,717
<b>Non-current assets:</b>			
Capital assets, non-depreciable	1,502,973	-	1,502,973
Capital assets, depreciable - net	13,158,061	829,208	13,987,269
Total non-current assets	14,661,034	829,208	15,490,242
Total assets	17,013,145	1,277,814	18,290,959
<b><u>LIABILITIES</u></b>			
<b>Current liabilities (payable from unrestricted assets)</b>			
Accounts payable	305,757	2,371	308,128
Accrued expenses	14,296	3,349	17,645
Compensated absences	17,500	-	17,500
<b>Current liabilities (payable from restricted assets)</b>			
Customer deposits	407,287	-	407,287
Accrued interest payable	125,538	-	125,538
Bonds payable	1,014,729	-	1,014,729
Total current liabilities	1,885,107	5,720	1,890,827
<b>Noncurrent liabilities:</b>			
Bonds payable	5,535,919	-	5,535,919
Compensated absences payable	50,474	2,131	52,605
Total noncurrent liabilities	5,586,393	2,131	5,588,524
Total liabilities	7,471,500	7,851	7,479,351
<b><u>NET ASSETS</u></b>			
Invested in capital assets, net of related debt	8,110,386	829,208	8,939,594
<b>Restricted for:</b>			
Renewal and replacement	300,000	-	300,000
Debt service	626,867	-	626,867
Unrestricted	504,392	440,755	945,147
Total net assets	\$ 9,541,645	\$ 1,269,963	\$ 10,811,608

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2011**

	<u>Business- type activities - Enterprise Funds</u>		
	<u>Major Fund</u>	<u>Nonmajor Fund</u>	
	<u>Utility</u>	<u>Drainage</u>	
	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 6,671,550	\$ 333,710	\$ 7,005,260
Impact fees	3,320	-	3,320
Other services	<u>119,837</u>	<u>678</u>	<u>120,515</u>
Total operating revenues	<u>6,794,707</u>	<u>334,388</u>	<u>7,129,095</u>
Operating expenses:			
Water system operations	2,578,341	-	2,578,341
Personnel services	524,973	142,338	667,311
General and administrative expenses	618,024	46,182	664,206
Maintenance and repair	143,465	33,676	177,141
Depreciation	<u>682,402</u>	<u>101,671</u>	<u>784,073</u>
Total operating expenses	<u>4,547,205</u>	<u>323,867</u>	<u>4,871,072</u>
Operating income	<u>2,247,502</u>	<u>10,521</u>	<u>2,258,023</u>
Nonoperating revenues (expenses):			
Interest income	1,667	-	1,667
Interest expense	(261,370)	-	(261,370)
Loss from disposal of capital assets	<u>(14,025)</u>	<u>-</u>	<u>(14,025)</u>
Total nonoperating revenues (expenses)	<u>(273,728)</u>	<u>-</u>	<u>(273,728)</u>
Income before transfers	<u>1,973,774</u>	<u>10,521</u>	<u>1,984,295</u>
Transfer in	69,181	80,691	149,872
Transfer out	<u>(795,175)</u>	<u>(39,630)</u>	<u>(834,805)</u>
Net transfers	<u>(725,994)</u>	<u>41,061</u>	<u>(684,933)</u>
Change in net assets	1,247,780	51,582	1,299,362
Total net assets, October 1	<u>8,293,865</u>	<u>1,218,381</u>	<u>9,512,246</u>
Total net assets, September 30	<u>\$ 9,541,645</u>	<u>\$ 1,269,963</u>	<u>\$ 10,811,608</u>

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

**CITY OF WILTON MANORS, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2011**

	<b>Business- type activities - Enterprise Funds</b>		
	<b>Major Fund</b>	<b>Nonmajor Fund</b>	
	<b>Utility</b>	<b>Drainage</b>	
	<b>Fund</b>	<b>Fund</b>	<b>Total</b>
Cash flows from operating activities:			
Receipts from customers, users and other	\$ 6,728,405	\$ 333,326	\$ 7,061,731
Payments to suppliers for goods and services	(3,311,516)	(80,899)	(3,392,415)
Payments to employees	(523,519)	(144,338)	(667,857)
Payments for interfund services used	(345,371)	-	(345,371)
Net cash provided by operating activities	<u>2,547,999</u>	<u>108,089</u>	<u>2,656,088</u>
Cash flows from noncapital financing activities:			
Transfers in from other funds	69,181	80,691	149,872
Transfer out to other funds	(795,175)	(39,630)	(834,805)
Net cash provided by (used in) noncapital financing activities	<u>(725,994)</u>	<u>41,061</u>	<u>(684,933)</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(321,397)	(33,678)	(355,075)
Principal paid on capital debt	(977,371)	-	(977,371)
Interest paid on capital debt	(280,101)	-	(280,101)
Net cash (used in) capital and related financing activities	<u>(1,578,869)</u>	<u>(33,678)</u>	<u>(1,612,547)</u>
Cash flows from investing activities:			
Interest received	1,668	-	1,668
Net cash provided by investing activities	<u>1,668</u>	<u>-</u>	<u>1,668</u>
Net increase in equity in pooled cash	244,804	115,472	360,276
Cash at beginning of year	<u>1,421,637</u>	<u>294,684</u>	<u>1,716,321</u>
Cash at end of year	<u>\$ 1,666,441</u>	<u>\$ 410,156</u>	<u>\$ 2,076,597</u>
Cash per statement of net assets:			
Unrestricted	\$ 206,749	\$ 410,156	\$ 616,905
Restricted	1,459,692	-	1,459,692
Total, September 30	<u>\$ 1,666,441</u>	<u>\$ 410,156</u>	<u>\$ 2,076,597</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 2,247,502	\$ 10,521	\$ 2,258,023
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	682,402	101,671	784,073
Change in assets and liabilities:			
(Increase) in accounts receivable	(81,962)	(1,062)	(83,024)
Decrease in inventories	22,223	-	22,223
(Increase) decrease in prepayments	165,398	(466)	164,932
(Decrease) in accounts payable	(159,307)	(575)	(159,882)
(Decrease) in accrued liabilities	(2,123)	(1,485)	(3,608)
(Decrease) in due to other funds	(345,371)	-	(345,371)
Increase (decrease) in compensated absences	3,578	(515)	3,063
Decrease in customer deposits	15,659	-	15,659
Total adjustments	<u>300,497</u>	<u>97,568</u>	<u>398,065</u>
Net cash provided by operating activities	<u>\$ 2,547,999</u>	<u>\$ 108,089</u>	<u>\$ 2,656,088</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**SEPTEMBER 30, 2011**

	<b>Pension Trust Funds</b>
<b><u>ASSETS</u></b>	
Cash and cash equivalents	\$ <u>888,566</u>
Receivables:	
Due from Florida State Division of Retirement	37,117
Interest and dividends receivable	120,859
Receivables from securities sold	<u>37,036</u>
Total receivables	<u>195,012</u>
Investments, at fair value:	
U.S. Government and agency securities	4,490,455
Corporate bonds and notes	4,059,247
Domestic equity funds	838,312
Common stocks	10,423,417
International equity commingled fund	<u>1,400,909</u>
Total investments	<u>21,212,340</u>
 Total assets	 <u>22,295,918</u>
<b><u>LIABILITIES</u></b>	
Accounts payable and accrued expenses	120,179
Deferred retirement option payable	<u>2,058,301</u>
Total liabilities	<u>2,178,480</u>
<b><u>NET ASSETS</u></b>	
Net assets held in trust for pension benefits	\$ <u>20,117,438</u>

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

**CITY OF WILTON MANORS, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<b>Pension Trust Funds</b>
<b>Additions:</b>	
Contributions:	
Plan members	\$ 86,178
State	114,679
City	1,550,528
Total contributions	1,751,385
 Investment income:	
Net depreciation in fair value of investments	(830,595)
Interests and dividends	744,664
Total	(85,931)
Less:	
Investment expenses	122,532
Deferred retirement option plan participants' losses	(44,229)
Net investment loss	(164,234)
Total Additions	1,587,151
 <b>Deductions:</b>	
Pension benefits paid	2,362,205
Administrative expenses	168,349
Total deductions	2,530,554
Change in net assets	(943,403)
Net assets, beginning	21,060,841
Net assets, ending	\$ 20,117,438

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

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a. *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, transportation, and culture and recreation.

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

**Island City Foundation** (the "Foundation") - The City passed Resolution No. 1979 on May 27, 1997 creating a non-profit organization to principally promote and support public purposes benefitting the residents of Wilton Manors, Florida, including but not limited to activities in the arts; various social services, construction, development, restoration or improvement of public facilities, improvement and expansion of programs in law enforcement, education, economic development, establish endowment fund for the purpose of generating a permanent dedicated revenue to complement other sources available to the City, and so forth. The Foundation is legally separate entity and is governed by Board of Directors, which is composed of five members appointed by the Commission of the City of Wilton Manors, Florida. Currently, the Foundation's Board is made up of Wilton Manors Commission. The Foundation is considered a component unit and has not been included in the financial statements of the City since the financial activities of the Foundation as of and for the fiscal year ended September 30, 2011, is not considered material to the financial statements of the City.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**b. *Government-wide and Fund Financial Statements***

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. 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.

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

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. All remaining governmental funds are aggregated and reported as nonmajor funds.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within two (2) months of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgment, are recorded only when payment is due.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

The City reports the following major governmental funds:

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

The *miscellaneous grants fund* accounts for the City's grant revenues from federal and state agencies, other governmental units or private foundation. This fund also accounts for the expenditures made with these grant funds.

The *fire assessment fund* accounts for the City's revenue and expenditures associated with fire prevention, suppression and emergency medical services.

The City reports the following major proprietary funds:

The City uses the *utility fund* to account for maintaining the financial operations of the City's water and wastewater transmission lines.

Additionally, the City reports the following nonmajor funds:

The *special revenue funds* account for the proceeds of specific revenue sources that are restricted legally to expenditures for specified purposes other than debt service or capital project.

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

The *pension trust* funds include the General Employees and Police Officers Pension Trust and Volunteer Firefighters Pension Trust which account for the accumulation of resources to be used for pension benefit payments to qualifying City's employees, police officers and volunteer firefighters.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements with the exception of payment-in-lieu of taxes and administrative expenses between the Proprietary Funds and the General Fund. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fines and forfeitures, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating revenues* and expenses from *non-operating 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.

**d. *Assets, Liabilities, and Net Assets or Equity***

**1. *Deposits and Investments***

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three (3) months or less from the date of acquisition.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**d. Assets, Liabilities, and Net Assets or Equity (continued)**

**1. Deposits and Investments (continued)**

State statutes requires all deposits of the City, including demand deposit accounts, time deposit accounts and money market accounts be held in institutions designated by the Treasurer of the State of Florida as "qualified depositories" and accordingly, are covered by a collateral pool as required by that statute.

Investments are reported at fair value. Investments owned by the City are accounted for in the City's investment pool. Income earned from this pool is allocated to the respective funds based on average monthly balances.

**2. Receivables**

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

All trade receivables are shown net of an allowance for uncollectible accounts. An allowance for uncollectible accounts is provided for all trade receivables aging more than 60 days.

**3. Inventory and prepaid items**

Inventories are valued at cost, using the weighted average cost method. Inventories consisting primarily of expendable supplies held for consumption are recorded as expenditures when consumed rather than purchased.

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

**4. Restricted assets**

Certain proceeds of the bank loans and 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 and cash held by third parties, which based upon some contractual provisions, restricts the use of these resources.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**5. Capital assets**

Capital assets, which include land, buildings, improvements other than buildings, infrastructure, intangibles, 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.

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 the 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.

Capital assets 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

**6. 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 using effective interest method. Bonds payable are reported net of the applicable premiums or discounts.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**6. Long-term debt (continued)**

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing resources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**7. Unearned/Deferred revenue**

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

**8. Compensated absences**

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

**9. Equity classifications**

*Government-wide statements and proprietary funds 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."

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**9. Equity classifications (continued)**

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.

**New Pronouncements**

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*". This Statement more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints.

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

When expenditure is incurred for the purpose for which both restricted and unrestricted funds are available, the City considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Commission or City Manager has provided otherwise in its commitment or assigned actions.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**9. Equity classifications (continued)**

The City will maintain a minimum unassigned fund balance in the General Fund, at each fiscal year end, ranging from 15% to 20% of the following year's projected budgeted expenditures and outgoing transfers. In any fiscal year where the City is unable to maintain a 15% minimum level of fund balance as required in this section, the City manager shall prepare and submit in conjunction with the proposed budget a plan for expenditure reductions and/or revenue increases necessary to restore the minimum requirements.

**10. Use of Estimates**

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

**11. Restatement of Beginning Fund Balance**

Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, was implemented beginning October 1, 2010. The effect of fund type reclassifications is as follows:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>
Fund Balance, September 30, 2010, as previously reported	\$ 4,148,352	\$ (194,900)
Change in Fund Type classification per implementation of GASB Statement No. 54		
Special Revenue Funds		
Local Law Enforcement Block Grant Fund	(1,300)	1,300
2008 General Obligation Bond Fund	(277,251)	277,251
1999 General Obligation Bond Fund	<u>(207,490)</u>	<u>207,490</u>
Fund Balance, October 1, 2010, as restated	<u>\$ 3,662,311</u>	<u>\$ 291,141</u>

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**2. DEPOSITS AND INVESTMENTS**

**Governmental and Proprietary Funds**

Deposits and investments are reflected in the accompanying statements of net assets, balance sheet – governmental funds and statement of net assets – proprietary funds, in the following accounts.

Pooled cash	\$ 4,575,520
Restricted cash and cash equivalents	<u>1,859,005</u>
	<u>\$ 6,434,525</u>

***Deposits***

As of September 30, 2011, the City’s carrying amount of deposits was \$2,355,288 including cash held by third party totaling \$399,313. Bank balances before reconciling items were \$2,489,710 at that date, the total of which is collateralized or insured with securities held by the City or by its agent in the City’s name as discussed below.

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

***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 has established a maximum maturity of five years on any investment.

As of September 30, 2011, the City had the following investments:

	<u>Amount</u>	<u>Rating</u>
SBA - Florida Prime	\$ 3,889,312	AAAm
SBA – Fund B	<u>189,925</u>	Not rated
	<u>\$ 4,079,237</u>	

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Governmental and Proprietary Funds (Continued)**

***Investments (Continued)***

The State Board of Administration's Local Government Surplus Fund Trust Fund currently known as the Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the State Board Administration (SBA). These rules provide guidance and establish the general operating procedures for the administration of the Florida PRIME. Additionally, the Office of the Florida Auditor General performs the operational audit of the activities and investments of the State Board of Administration.

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. 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, currently referred to as the Florida PRIME, consisted of all money market appropriate assets, which totaled approximately \$12 Billion or 86% of Pool assets. Pool B, currently referred to as Fund B Surplus Trust Fund (Fund B), consisted of assets that either defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk. Fund B assets totaled approximately \$2 billion or 14% of Pool assets.

On August 3, 2009, the SBA announced the rebranding of the Local Government Surplus Funds Trust Fund (formerly Pool A) as the "Florida PRIME", reflecting the improvements and added benefits for participants that had been developed. The Florida Prime is considered a SEC 27-a like fund, therefore, account balances are considered to be fair value of the investment. Fund B, is accounted for as a fluctuating Net Asset Value (NAV) pool. The fair value factor for Fund B as of September 30, 2011 is 0.75683860, and the fair value is calculated by multiplying the factor by the account balance. The SBA accounts are not subject to custodial credit risk as these investments are not evidenced by securities that exist in physical or bank entry form.

***Interest rate risk:*** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City invests its surplus funds in high quality highly liquid institutional money market funds with its share value remains constant.

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 weighted average day to maturity (WAM) of SBA-Florida Prime at year end was 38 days. The weighted average life (WAL) of Fund B at year end was 4.82 years. However, because Fund B consists of restructured or defaulted securities, there is considerable uncertainty regarding the weighted average life.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Governmental and Proprietary Funds (Continued)**

***Investments (Continued)***

**Credit risk:** Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. 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 LGIP was rated AAAM by Standard and Poors as of September 30, 2011. Fund B was unrated as of that date.

**Fiduciary Funds**

**General Employees and Police Pension Plan**

***Investment Policy***

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 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 U.S. stock exchange and limited to no more than 60% (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.

Managers should not invest in fixed income securities rated less than "A" by a nationally recognized rating agency. Except for U.S. treasury and U.S. 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 15 years to maturity.

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:

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Fiduciary Funds (continued)**

*General Employees and Police Pension Plan (Continued)*

<u>Authorized Investments</u>	<u>Maximum Target % of Portfolio</u>	<u>Actual % of Portfolio</u>
Domestic equity	70%	51%
International equity commingled funds	25%	6.3%
Fixed income	65%	38.7%
Cash equivalents	50%	4%

**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.

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, 2011:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
U.S. Treasuries	\$ 176,419	\$ -	\$ -	\$ 176,419	\$ -
U.S. Agencies	4,156,667	-	810,706	448,515	2,897,446
U.S. Corporate bonds	<u>3,916,990</u>	-	-	<u>3,916,990</u>	-
Total fixed income securities	<u>\$ 8,250,076</u>	<u>\$ -</u>	<u>\$ 810,706</u>	<u>\$ 4,541,924</u>	<u>\$ 2,897,446</u>

**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, 2011, as applicable:

	<u>Fair Value</u>	<u>% of Portfolio</u>
United States government guaranteed*	\$ 4,333,086	52.52%
Quality rating of credit risk debt securities		
AA+	403,013	4.88%
AA-	404,320	4.90%
A+	782,121	9.48%
A	1,530,305	18.55%
A-	<u>797,231</u>	<u>9.67%</u>
Total credit risk debt securities	<u>3,916,990</u>	<u>47.48%</u>
Total fixed income securities	<u>\$ 8,250,076</u>	<u>100.00%</u>

\* 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.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Fiduciary Funds (Continued)**

*General Employees and Police Pension Plan (Continued)*

**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, 2011.

**Custodial credit risk:** Deposits are exposed to custodial risk if they are uninsured and uncollateralized. Custodial risk 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. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the Plan and held either by the counterparty or the counterparty's trust department or agent but not in the Plan's name.

Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name. All the Plan's deposits are insured and or collateralized by a financial institution separate from the Plan's depository financial institution.

*Volunteer Firefighter Retirement System*

***Investment Policy***

The System's investment policy is determined by the Board of Trustees. The policy has been identified by the Board to conduct the operations of the System in a manner so that the assets will provide the pension and other benefits provided under applicable laws, including City ordinances, thereby fulfilling the System's main objective of capital preservation with capital appreciation and 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 U.S. stock exchange and limited to no more than 70% (at market) of the System's total asset value, with no more than 5% of the System'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.

Managers should not invest in fixed income securities rated less than "A" by a nationally recognized rating agency. Except for U.S. treasury and U.S. Agency obligation, no manager should invest more than 5% of the System assets in the securities of a single issuer. No issues may be purchased with more than 15 years to maturity.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Fiduciary Funds (Continued)**

*Volunteer Firefighters Retirement System*

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

***Investment Policy (continued)***

<b>Authorized Investments</b>	<b>Maximum Target % of Portfolio</b>	<b>Actual % of Portfolio</b>
Domestic equity	70%	57%
International equity	25%	0%
Fixed income	65%	39%
Cash equivalents	50%	4%

**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 System 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.

Information about the sensitivity of the fair values of the System's investment to market interest rate fluctuations is provided by the following table that shows the distribution of the System's investments by maturity at September 30, 2011:

<b><u>Investment Type</u></b>	<b><u>Fair Value</u></b>	<b><u>Investment Maturities (in years)</u></b>			
		<b><u>Less than 1</u></b>	<b><u>1 to 5</u></b>	<b><u>6 to 10</u></b>	<b><u>More than 10</u></b>
U.S. Treasuries	\$ 6,407	\$ -	\$ -	\$ 6,407	\$ -
U.S. Agencies	150,962	-	29,443	16,289	105,230
U.S. Corporate bonds	<u>142,257</u>	-	-	<u>142,257</u>	-
Total fixed income securities	<u>\$ 299,626</u>	<u>\$ -</u>	<u>\$ 29,443</u>	<u>\$ 164,953</u>	<u>\$ 105,230</u>

**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 System's investment policy utilizes portfolio diversification in order to control this risk.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Fiduciary Funds (Continued)**

**Volunteer Firefighters Retirement System (Continued)**

The following table discloses credit ratings by investment type, at September 30, 2011, as applicable:

	<u>Fair Value</u>	<u>% of Portfolio</u>
United States government guaranteed*	\$ 157,369	52.52%
Quality rating of credit risk debt securities		
AA+	14,637	4.88%
AA-	14,684	4.90%
A+	28,405	9.48%
A	55,577	18.55%
A-	<u>28,954</u>	<u>9.67%</u>
Total credit risk debt securities	<u>142,257</u>	<u>47.48%</u>
Total fixed income securities	<u>\$ 299,626</u>	<u>100.00%</u>

\* 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 System 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 system net assets at September 30, 2011.

**Custodial credit risk:** This is the risk that in the event of the failure of the counterparty, the System 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 System's investment policy, the investments are held by City of Wilton Manors, Florida Pension Plan for General Employees and Police (the "Plan") custodial bank and registered in the Plan's name.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**3. RECEIVABLES AND PAYABLES**

Receivables as of year-end for the City's individual major funds and nonmajor funds in aggregate, including the applicable allowances for uncollectible accounts are as follows:

	<u>General Fund</u>	<u>Miscellaneous Grants Fund</u>	<u>Utility Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Intergovernmental	\$ 159,201	\$ 239,971	\$ -	\$ 20,883	\$ 420,055
Customer accounts	<u>304,876</u>	-	<u>818,823</u>	<u>391,248</u>	<u>1,514,947</u>
Gross receivables	464,077	239,971	818,823	412,131	1,935,002
Less: Allowance for uncollectible	<u>(12,326)</u>	-	<u>(209,108)</u>	<u>(26,855)</u>	<u>(248,289)</u>
Net total receivables	<u>\$ 451,751</u>	<u>\$ 239,971</u>	<u>\$ 609,715</u>	<u>\$ 385,276</u>	<u>\$ 1,686,713</u>

Accounts payables and accrued liabilities at September 30, 2011, were as follows

	<u>General Fund</u>	<u>Fire Assessment Fund</u>	<u>Miscellaneous Grants Fund</u>	<u>Utility Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Vendor	\$ 260,661	\$ 31,292	\$ 6,167	\$ 305,757	\$ 194,763	\$ 798,640
Payroll and related accruals	231,563	4,703	-	14,297	7,313	257,876
Interest accruals	<u>164,525</u>	-	-	<u>125,537</u>	-	<u>290,062</u>
Total	<u>\$ 656,749</u>	<u>\$ 35,995</u>	<u>\$ 6,167</u>	<u>\$ 445,591</u>	<u>\$ 202,076</u>	<u>\$ 1,346,578</u>

**4. INTERFUND BALANCES AND TRANSFERS**

Interfund balances and transfers are as follows:

**Interfund receivables/payables:**

	<u>Payable Fund</u>		
<u>Receivable Fund</u>	<u>Miscellaneous Grant Fund</u>	<u>Non Major Funds</u>	<u>Total</u>
General Fund	<u>\$ 495,857</u>	<u>\$ 39,572</u>	<u>\$ 535,429</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 be paid when funds become available in the payable funds. It is expected that the Recycling Fund, and Miscellaneous Grants Fund will pay off their advances in the next fiscal year.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**4. INTERFUND BALANCES AND TRANSFERS (CONTINUED)**

<u>Transfers Out</u>	Transfer In			
	<u>General Fund</u>	<u>Utility Fund</u>	<u>Nonmajor Fund</u>	<u>Total</u>
General Fund	\$ -	\$ -	\$ 77,834	\$ 77,834
Fire Assessment Fund	62,344	-	-	62,344
Non Major Funds	311,887	69,181	2,857	383,925
Utility Fund	<u>795,175</u>	<u>-</u>	<u>-</u>	<u>795,175</u>
	<u>\$1,169,406</u>	<u>\$ 69,181</u>	<u>\$ 80,691</u>	<u>\$ 1,319,278</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.

**5. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2011 was as follows:

	<u>Balance October 1, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2011</u>
<b>Government activities</b>				
Capital assets not being depreciated:				
Land	\$ 8,567,723	\$ 141,110	\$ -	\$ 8,708,833
Intangible assets	<u>42,070</u>	<u>-</u>	<u>-</u>	<u>42,070</u>
Total assets not being depreciated	<u>8,609,793</u>	<u>141,110</u>	<u>-</u>	<u>8,750,903</u>
Capital assets being depreciated:				
Buildings	13,147,567	49,045	-	13,196,612
Improvements other than buildings	10,658,386	27,520	-	10,685,906
Machinery & equipment	6,662,596	144,144	(92,532)	6,714,208
Infrastructure	<u>17,948,919</u>	<u>131,919</u>	<u>-</u>	<u>18,080,838</u>
Total capital assets being depreciated	<u>48,417,468</u>	<u>352,628</u>	<u>(92,532)</u>	<u>48,677,564</u>
Less accumulated depreciation for:				
Buildings	(1,038,909)	(357,015)	-	(1,395,924)
Improvements other than buildings	(4,721,766)	(1,181,681)	-	(5,903,447)
Machinery & equipment	(4,888,642)	(436,461)	88,376	(5,236,727)
Infrastructure	<u>(13,526,939)</u>	<u>(38,800)</u>	<u>-</u>	<u>(13,565,739)</u>
Total accumulated depreciation	<u>(24,176,256)</u>	<u>(2,013,957)</u>	<u>88,376</u>	<u>(26,101,837)</u>
Total capital assets being depreciated, net	<u>24,241,212</u>	<u>(1,661,329)</u>	<u>(4,156)</u>	<u>22,575,727</u>
Governmental activities capital assets, net	<u>\$ 32,851,005</u>	<u>\$ (1,520,219)</u>	<u>\$ (4,156)</u>	<u>\$ 31,326,630</u>

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**5. CAPITAL ASSETS (CONTINUED)**

	<u>Balance October 1, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2011</u>
<b>Business—type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,502,973	\$ -	\$ -	\$ 1,502,973
Total assets not being depreciated	<u>1,502,973</u>	<u>-</u>	<u>-</u>	<u>1,502,973</u>
Capital assets being depreciated				
Infrastructure	21,052,916	242,760	(59,690)	21,235,986
Improvements other than building	5,321,925	-	(5,217)	5,316,708
Buildings	637,469	-	-	637,469
Machinery & equipment	<u>1,056,833</u>	<u>113,213</u>	<u>(24,789)</u>	<u>1,145,257</u>
Total capital assets being depreciated	<u>28,069,143</u>	<u>355,973</u>	<u>(89,696)</u>	<u>28,335,420</u>
Less accumulated depreciation for				
Infrastructure	(7,495,620)	(691,154)	59,690	(8,127,084)
Improvements other than buildings	(5,316,820)	(5,105)	5,217	(5,316,708)
Buildings	(32,194)	(1,859)	-	(34,053)
Machinery & equipment	<u>(794,217)</u>	<u>(85,955)</u>	<u>9,866</u>	<u>(870,306)</u>
Total accumulated depreciation	<u>(13,638,851)</u>	<u>(784,073)</u>	<u>74,773</u>	<u>(14,348,151)</u>
Total capital assets being depreciated, net	<u>14,430,292</u>	<u>(428,100)</u>	<u>(14,923)</u>	<u>13,987,269</u>
Business-type activities capital assets, net	<u>\$ 15,933,265</u>	<u>\$ (428,100)</u>	<u>\$ (14,923)</u>	<u>\$ 15,490,242</u>

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

Governmental activities:	
General government	\$ 350,857
Public safety	285,995
Culture and recreation	653,138
Physical environment	714,535
Transportation	<u>9,432</u>
Total depreciation expense - governmental activities	<u>\$ 2,013,957</u>
Business-type activities:	
Utility	\$ 682,402
Drainage	<u>101,671</u>
	<u>\$ 784,073</u>

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**6. RESTRICTED ASSETS**

Restricted assets consist of the following balances as of September 30, 2011:

		Reported in:
Fire truck replacement funds held by third party	\$ 395,313	Fire Assessment Fund
Donations for scholarship and escrows	3,000	General Fund
Future building of shuffle board court	1,000	General Fund
Renewal and replacement reserve	300,000	Utility Fund
Customer deposits	407,287	Utility Fund
Debt service reserve	752,405	Utility Fund
	<u>\$ 1,859,005</u>	

**7. CAPITAL LEASE OBLIGATIONS**

The City entered into a master lease agreement with certain banks as lessee for financing the acquisition of equipment on an as needed basis. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future lease payments as of the lease inception date.

The assets acquired through capital lease are as follows:

Machinery and equipment	\$ 223,835
Less: accumulated depreciation	<u>(31,976)</u>
Machinery and equipment, net	<u>\$ 191,859</u>

The future minimum capital lease obligations and the net present value of all lease payments, including the above, as of September 30, 2011 are as follows:

<u>Year ending</u> <u>September 30,</u>	
2012	\$ 49,456
2013	49,456
2014	49,456
2015	<u>30,943</u>
Total Capital Lease Payments	179,311
Less: Amount representing interest	<u>14,086</u>
Present value of future minimum capital lease payments	<u>\$ 165,225</u>

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**8. LONG-TERM DEBT**

***Changes in Long-Term Liabilities***

Long-term liability activity for the year ended September 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Debt Retired</u>	<u>Ending Balance</u>	<u>Due within One year</u>
<b>Governmental Activities:</b>					
1999 General Obligation Notes	\$ 1,685,203	\$ -	\$ 157,210	\$1,527,993	\$ 164,168
2008 General Obligation Bank Loan	5,620,700	-	224,860	5,395,840	233,230
Note payable	600,000	-	100,000	500,000	100,000
Capital leases	207,998	-	42,773	165,225	43,044
Other Liabilities:					
Compensated absences	560,353	810,925	772,085	599,193	20,284
Net OPEB obligation	<u>64,600</u>	<u>5,300</u>	<u>-</u>	<u>69,900</u>	<u>-</u>
Total governmental activity debt	<u>8,738,854</u>	<u>816,225</u>	<u>1,296,928</u>	<u>8,258,151</u>	<u>560,726</u>
<b>Business-type Activities:</b>					
Series 2007 Water and Sewer Revenue Refunding Bonds	7,528,019	-	977,371	6,550,648	1,014,729
Other Liabilities:					
Compensated absences	<u>67,041</u>	<u>90,822</u>	<u>87,758</u>	<u>70,105</u>	<u>17,500</u>
Business-type activity long-term Liabilities	<u>7,595,060</u>	<u>90,822</u>	<u>1,065,129</u>	<u>6,620,753</u>	<u>1,032,229</u>
Total Primary Government	<u>\$ 16,333,914</u>	<u>\$ 907,047</u>	<u>\$ 2,362,057</u>	<u>\$ 14,878,904</u>	<u>\$ 1,592,955</u>

***General Obligation Note and Bank Loan***

On February 24, 1999, the City issued a General Obligation Promissory Note in the aggregate amount of \$3,350,000 used to finance the land acquisition and improvements to the City's Park and Recreational Facilities and construction of the City's public library. This debt was authorized by a vote of the citizens on November 3, 1998. The library portion of this note was paid off in FY2006 due to a bequest by citizen Richard C. Sullivan. The note bears an annual interest of 4.378%. Principal and interest is payable semi-annually in the amount of \$114,643, due on June 1 and December 1 of each year through June 2019.

\$ 1,527,993

On March 14, 2008, the City entered into a General Obligation Bank Loan in the amount of \$6,000,000. This debt was authorized by a vote of the citizens on March 14, 2006 for the purpose of the construction of the new City Hall and Police Station building. This bank loan has an interest rate of 3.72% payable semi-annually for a term of 20 years. Principal is payable annually in varying amounts through 2028.

5,395,840  
\$ 6,923,833

**8. LONG-TERM DEBT (CONTINUED)**

**Revenue Bonds**

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 \$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 approximately \$4.5 million were used to finance the improvements of the water and sewer infrastructure system. This indebtedness is secured by essentially all of the revenues of the Utility Fund, Bond covenants include a requirement for net available revenue to exceed debt service by a ratio of 1.20.

\$ 6,550,648

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.

**Note Payable**

On January 10, 2007, the City entered into an agreement for the purchase of property adjacent to the City Hall, formerly known as Rothe's Garage. The City issued a promissory note to the property owners, I. William and Carol D. Rothe, in the amount of \$1,000,000. Principal payments of \$100,000 are due annually through 2016. Interest is fixed at 5.0% annually. The outstanding principal balance as of September 30, 2011 was \$500,000. The note is unsecured.

The following are the requirements to amortize all debt at September 30, 2011:

Fiscal Year Ending	General Obligations Notes and Bank Loan		Water and Sewer Revenue Bonds		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 397,398	\$ 261,505	\$ 1,014,729	\$ 212,183	\$ 100,000	\$ 25,000
2013	413,334	245,402	1,053,405	171,338	100,000	20,000
2014	429,920	228,648	1,058,413	168,338	100,000	15,000
2015	447,185	211,218	1,098,870	130,881	100,000	10,000
2016	465,139	193,082	1,140,872	67,258	100,000	5,000
2017-2021	2,139,087	682,652	1,184,359	67,015	-	-
2022-2026	1,810,000	326,095	-	-	-	-
2027-2029	<u>821,770</u>	<u>30,849</u>	-	-	-	-
	<u>\$ 6,923,833</u>	<u>\$ 2,179,451</u>	<u>\$ 6,550,648</u>	<u>\$ 817,013</u>	<u>\$ 500,000</u>	<u>\$ 75,000</u>

The City's compensated absences and Net OPEB obligation are generally liquidated by the general fund.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**9. PROPERTY TAXES**

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

Under Florida law, the assessment of all properties and the collection of all county, municipal, school board and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws for the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The millage rate assessed by the City for the year ended September 30, 2011 was 5.8000 mills.

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

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

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

Taxes may be paid upon receipt of such notice from Broward County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1 of the year following the year in which taxes were assessed. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida. There were no material delinquent property taxes at September 30, 2011; therefore an allowance for uncollectible taxes has not been recorded.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**10. PENSION TRUST**

**a. 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 which are now closed to new members. Amounts in this plan were reported in prior years in both plans (General/Police Plan and Firefighters System). Before it was closed, the Plan previously required that 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 in addition to a health stipend. 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 except for a 3.0% per year cost of living adjustment (COLA) for certain Police Benevolent Association Members (PBA). The City no longer has a volunteer fire department. Most but not all members of the former 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.

On October 1, 2010 (the last plan year valuation date), Plan membership consisted of:

	<u>General Employees and Police</u>	<u>Volunteer Firefighters</u>
Retirees and beneficiaries receiving benefits	74	2
Active plan members	<u>15</u>	<u>8</u>
Total	<u>89</u>	<u>10</u>

**b. Funding Requirements and Contributions**

*Actuarially Determined Contributions*

The Plan contributions required from the City of Wilton Manors for fiscal year ended September 30, 2011 were actuarially determined, using valuation date of October 1, 2010 to be \$1,550,528 and \$77,607 for General Employees and Police Pension Plan and Volunteer Firefighters Retirement System, respectively.

The required contributions cover the following:

	<u>General Employees and Police</u>	<u>Volunteer Firefighters</u>
Normal cost	\$ 365,043	\$ 41,795
Amortization of the unfunded actuarial accrued liability	<u>1,185,485</u>	<u>35,812</u>
Total	<u>\$ 1,550,528</u>	<u>\$ 77,607</u>

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**10. PENSION TRUST (CONTINUED)**

**b. Funding Requirements and Contributions (Continued)**

*Actual Contributions*

	General Employees and Police	Volunteer Firefighters
Employer contribution	\$ 1,550,528	\$ 114,679
Covered payroll	808,245	N/A
% of actual covered annual payroll	191.84%	N/A

*General Employees and Police Pension Plan* members' contributions are equal to 10% of basic compensation for police officers and 11% of basic compensation for general employees. Any members terminating membership in the Plan with less than one year of credited services shall receive a return of contributions with no interest. A member who has completed more than one, but less than five years of credit service, shall receive a return of contributions plus 3.0% of the gross amount. After completion of five years of credited service, the terminated member will be entitled to a deferred vested benefit commencing on his or her normal retirement date, if living at such time. For the year ended September 30, 2011, employee contributions for General Employees and Police Pension Plan was \$86,178.

*Volunteer Firefighters Retirement System* members are not required to contribute to the system and benefits are not compensation related.

**c. Funding Policy and Funded Status**

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 funded status of the plans as of October 1, 2010, the date of the most recent actuarial valuation is as follows:

Pension Plan	Actuarial Value of Assets (a)	Accrued Liability (b)	Unfunded Liability (b-a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a % of Covered Payroll
GEPP	\$ 22,793,489	\$ 33,732,064	\$ 10,938,575	67.6%	\$ 919,415	1,189.7%
VFRS	679,750	1,108,974	429,224	61.3%	N/A	N/A

Details of the funding progress are presented as Required Supplemental Information (RSI) following immediately after the Notes to Financial Statements and presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**10. PENSION TRUST (CONTINUED)**

**d. Actuarial Method and Assumptions**

The actuarial assumptions presented below were determined as part of the actuarial valuation at the dates indicated:

	<u>General Employees and Police</u>	<u>Volunteer Firefighters</u>
Valuation date	10/1/10	10/1/10
Contribution rates:		
Employer (and State)	168.64%	N/A
Plan members	10.67%	N/A
Actuarial cost method	Entry age, normal cost	Entry age, normal actuarial cost method
Amortization method	Level dollar amount, closed	Level dollar amount, closed
Equivalent single amortization period		28 years
General members	19 years	
Police members	13 years	
Asset valuation method	5-years smoothed market with phase in	Smoothed market value
Actuarial assumptions:		
Investment rate of return*	7.50%	8.00%
Projected salary increases*	5.50%	N/A
Cost of living adjustments	N/A	N/A
* Includes inflation and other general increases at	3.00%	3.50%

*General Employees and Police Pension Fund*

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, 2011 and the two preceding years were as follows:

	<u>FY 2011</u>	<u>FY 2010</u>	<u>FY 2009</u>
Contribution Requirements	\$ 1,550,528	\$ 1,338,012	\$ 1,211,419
Contributions Made (100%)	1,550,528	1,338,012	1,211,419
Total Covered Payroll	808,245	1,121,175	1,443,000
% of actual covered annual payroll	191.84%	144.73%	83.95%
Net Pension Obligation	None	None	None

*Volunteer Firefighters Pension System*

The contribution requirements made for the System for the fiscal year ended September 30, 2011 and the preceding two years are as follows:

	<u>FY 2011</u>	<u>FY 2010</u>	<u>FY 2009</u>
Contribution Requirements	\$ 114,679	\$ 111,648	\$ 77,739
Contributions Made (100%)	114,679	111,648	77,739
Net Pension Obligation	None	None	None

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**10. PENSION TRUST (CONTINUED)**

**e. Annual Pension Cost and Net Pension Obligation**

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 ended September 30, 2011, the State of Florida contributed \$114,679 to this Plan. This amount is recognized as income and expenditures in the financial statements.

**f. Drop Plan**

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, 2011, \$2,058,301 is held for DROP participants.

**g. 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 at 2020 Wilton Drive, Wilton Manors, Florida, 33305.

**11. FLORIDA RETIREMENT SYSTEM**

Effective August 1, 2007, all new hire full time or part-time employees working in a regularly established position for the City are automatically enrolled in the statewide Florida retirement System (FRS), a multiple-employer, cost-sharing defined benefit plan. The City previously made an irrevocable election to participate in the FRS, a state-administered retirement system. All rates, benefits and amendments are established by the State of Florida through its legislative body.

The FRS has various classes of memberships. City employees fall under four of the classes, which are as follows:

Special Risk Class – All certified law enforcement officers, certified firefighters/paramedics and certified firefighters/EMTs of the City are covered by this class

Senior Management Service Class – The City Manager and certain senior management employees (department heads) are included in this class.

Regular Class – This class covers all City employees who do not qualify for membership in the special risk or the senior management service classes.

Elected Officers' Class – City Commissioners are covered under this class.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**11. FLORIDA RETIREMENT SYSTEM (CONTINUED)**

All FRS members with 6 years of service are entitled to a retirement benefit. Such benefit, payable monthly for life, is based on the percentage shown below, times the number of years of credited service, times the average of the member's five highest years of earnings.

Special Risk Class – Retirement up to age 55 or 25 years of service:	
Service from 12/1/70 through 9/30/74	2.00%
Service on and after 10/1/74	3.00%
Senior Management Service Class – Retirement up to age 62 or 30 years of service:	
Service on and after 2/1/87	2.00%
Regular Class:	
Retirement up to age 62 or 30 years of service	1.60%
Retirement at age 63 or 31 years of service	1.63%
Retirement at age 64 or 32 years of service	1.65%
Retirement at age 65 or 33 years of service	1.68%
Elected Officers' Class:	
Retirement up to age 62 or 30 years of service	3.00%

Normal retirement age in the regular, senior management service and elected officers' classes is 62. In the special risk service class, normal retirement age is 55. If a member is vested but has not reached normal retirement age, early retirement can be taken. The amount of the retirement benefit will be reduced 5% for each year the retirement date precedes the normal retirement age.

State law provides for all eligible FRS members to elect to participate in the Deferred Retirement Option Program (DROP). The DROP allows an employee to retire and defer their monthly retirement benefit to an interest-bearing account, for up to a maximum of sixty months, and to continue employment with the City. When the DROP period ends, the employee must terminate employment. At that time, the employee will receive payment of the accumulated DROP benefits, and direct receipt, thereafter, of the FRS monthly retirement benefit.

Contributions to the FRS are made by the City as a percentage of covered payrolls. Effective July 1, 2011, state law instituted a requirement that employees in all classes make a contribution to the FRS of 3.00% of their covered payroll, in addition to the employer's contribution. The required contribution rate in effect at year end for the City were 7.91% for regular class employees, 9.27% for senior management service class employees, 17.10% for special risk class employees, and 12.04% for elected officers' class. Additionally, the City is required to contribute 4.42% for all DROP participants. At September 30, 2011, the City had 107 employees participating in the FRS, 14 of which were participating in the DROP.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**11. FLORIDA RETIREMENT SYSTEM (CONTINUED)**

The contribution requirements of covered payroll and actual contributions made for fiscal year 2011 and the two preceding years were as follows:

	<u>FY 2011</u>	<u>FY 2010</u>	<u>FY 2009</u>
Contributions requirements	\$ 703,983	\$ 781,105	\$ 711,360
Contributions made (100%)	703,983	781,105	711,360
Total covered payroll	4,929,013	5,222,111	4,981,003
Percent of contributions to total covered payroll	14.92%	14.96%	14.28%

The FRS issues an annual report including a statement of financial condition, historical and statistical information and an actuarial report. A copy can be obtained from the State of Florida, Division of Retirement, Research, Education Section, 1317 Winewood Blvd., Tallahassee, Florida 32399-1560.

**12. OTHER POST EMPLOYMENT BENEFITS (OPEB)**

The City of Wilton Manors, Florida provides Post Employment Benefits Other than Pensions (OPEB) to employees as mandated by Florida Statutes 112.0801. The City has no formal plan that administers the City's post-employment healthcare, dental and life insurance coverage to eligible individuals and includes all regular employees of the City who retire from active service and are eligible for retirement or disability benefits. The retirees and their spouses and dependents pay 100% of the blended premium rates to obtain their elected health, dental and other insurance benefits. The blended rates provide an implicit subsidy to them because on an actuarial basis, their current and future claims are expected to result in higher costs to the employer.

**a. Funding Policy and Funded Status**

The City is financing the post employment benefits on a pay-as-you-go basis. For fiscal year ended September 30, 2011, eight (8) retirees and their spouses received the benefits. The annual required contributions amounted to \$37,000 for the current fiscal year, toward which the City made an actual contribution of \$32,600. At September 30, 2011, the City had a net OPEB obligation of \$69,900.

The funded status of this benefit as of September 30, 2011, the date of the most recent actuarial valuation date is as follows (dollar amounts in thousands):

Plan Assets (a)	Accrued Liability (b)	Unfunded Liability (b-a)	Normal Cost (c)	Funded Ratio (a)/(b)	Covered Payroll (d)	Unfunded % of Payroll ((b- a)/d)
\$ -	\$523,600	\$523,600	\$22,900	0.00%	\$5,047,100	10.40%

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**12. OTHER POST EMPLOYMENT BENEFITS (OPEB)**

**a. Funding Policy and Funded Status (Continued)**

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

**b. Annual OPEB Cost and Net OPEB Obligation**

The City's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year to amortize any unfunded actuarial liabilities over a period of thirty years, the amount actually contributed to the plan and changes in the City's net OPEB obligation to the retirees as of September 30, 2011:

Annual required contribution	\$ 37,000
Interest on net OPEB obligation	2,600
Adjustment to annual required contribution	<u>(1,700)</u>
Annual OPEB cost	37,900
Employer contribution	(32,600)
Interest on employer contribution	<u>-</u>
Increase in net OPEB obligation	5,300
Net OPEB obligation, beginning of year	<u>64,600</u>
Net OPEB obligation, end of year	<u>\$ 69,900</u>

The annual OPEB cost, the percentage of annual OPEB cost contributed and the net OPEB obligation for 2011 was:

Annual OPEB cost	\$ 37,900
Percentage of OPEB cost contributed	86%
Net OPEB obligation	\$ 69,900

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**12. OTHER POST EMPLOYMENT BENEFITS (OPEB)**

**c. Actuarial Methods and Assumptions**

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

The actuarial valuation on September 30, 2011, the entry age normal cost method is used to determine the Plan's liabilities and costs. Under this cost method, the actuarial present value of projected benefits of every active Participant as if the Plan's provisions on the valuation date had always been in effect, is determined as a level percentage of expected annual earnings for each future year of expected service. A normal cost for each year from the assumed entry date is determined by applying this level percentage of pay to the assumed earnings for that year (or if benefits are not pay related, the level amount for each year). Under this method, inactive participants have no normal cost, and their actuarial liability is the present value of the plan benefits to which they and their beneficiaries are entitled. The Plan's total annual normal cost and actuarial liability are the sum of the individual participant amounts. An experience gain or loss is a decrease or increase in the unfunded actuarial liability attributable to actual experience that differed from that expected by the actuarial assumptions. Such gains or losses are explicitly recognized under this method. Summary of assumptions are as follows:

Valuation date	9/30/2011
Actuarial cost method	Entry Age Normal cost
Actuarial assumptions	30 years
Amortization method	
Investment rate of return*	4%
Medical trend rate	10% for 2011 declining by .5%/yr. until ultimate rate of 5.0% is reached
	* assumed inflation rate at 2.5% annual increase

**13. DEFERRED COMPENSATION PLAN**

The City adopted the provisions of IRS Section 457 deferred compensation plan. Employees have the option to join the plan and have the personal contributions to their individual accounts withheld from their paychecks. The City's involvement is limited to making the plan available to employees and remitting employee contributions directly to the third-party plan administrators who hold the funds in trust. The City does not make any matching contributions to the employees' accounts. The City makes no investment decisions and has no fiduciary responsibilities regarding the plan, therefore, the assets and liabilities of the plan are not included in the City's financial statements at September 30, 2011.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**14. 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 coverage 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 \$480,000. There has been no reduction in insurance coverage from the previous year and the amount of settlement did not exceed insurance coverage in each of the past three years.

**15. COMMITMENTS AND CONTINGENCIES**

***Grants***

Revenues recognized from grants may be subject to audit by the grantor agencies. In the opinion of City management, as a result of such audits, disallowances of grant revenues, if any, would not have a material adverse effect on the City's condition.

***Interlocal Agreement – EMS and Fire Protection Services***

On October 1, 2010, the City renewed its Interlocal agreement with the City of Fort Lauderdale to provide Emergency Medical and Fire Protection Services. The agreement is effective through September 30, 2015. The service fee for the year ended September 30, 2011 was approximately \$1,211,000. Future service fees are as follows:

Year Ending September 30,	
2012	\$ 1,478,587
2013	1,690,922
2014	1,903,258
2015	<u>2,115,594</u>
	<u>\$ 7,188,361</u>

The Interlocal agreement also provided that the City will contribute a monthly payment of \$4,600 to the Ft. Lauderdale Vehicle Replacement Account for the replacement of one fire engine. The accumulated amounts contributed to the replacement account earns interest at the monthly rate of 1/12 of the annual rate for U.S. Government Securities, Treasury Constant Maturities, 5-year Maturity, as published monthly in the U.S. Federal Reserve Statistical Release H.15 or its successor. The accumulated funds collected and earned under this agreement will be reviewed on an annual basis and will be adjusted accordingly to ensure sufficiency of funds towards meeting the goal of replacing one fire engine by March 31, 2015. In the event of termination of the agreement, the City of Ft. Lauderdale will return all the monies held, including interest earned, to the City of Wilton Manors. As of September 30, 2011, the City has approximately \$395,000 funds held by City of Ft. Lauderdale under the provisions of this agreement.

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2011**

**15. COMMITMENTS AND CONTINGENCIES (CONTINUED)**

***Interlocal Agreement – Water and Wastewater Services***

The City has entered into an agreement with the City of Fort Lauderdale to provide the City with water and wastewater services. The expenditure by the City for the year ended September 30, 2011 relating to this agreement totaled approximately \$1,830,000 and \$666,000 for water and wastewater, respectively.

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

***Contingencies***

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.

***Construction Commitments***

The City is a party to several construction contracts for City infrastructure improvements. The amount remaining on these uncompleted contracts as of September 30, 2011 was approximately \$245,000.

**16. DEFICIT FUND BALANCE**

At September 30, 2011, the Miscellaneous Grants Fund had deficit fund balance of \$264,034. The City expects to seek and obtain additional grant funding to reduce certain expenditures and any remaining deficiency will be funded by the General Fund.

**17. SUBSEQUENT EVENTS**

***General Obligation Refunding Note, Series 2011***

On December 1, 2011, the City Commission adopted Resolution 3751, to issue General Obligation Refunding Note, Series 2011 in the amount of \$1,477,298 to refinance the City's general obligation bonds, series 1999. The refunding bond was issued at an interest rate of 2.13% with a maturity date of June 1, 2019 and will yield an annual budgetary savings of approximately \$7,600, an overall savings of approximately \$105,000.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF WILTON MANORS, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Taxes:				
Ad Valorem	\$ 5,357,852	\$ 5,357,852	\$ 5,158,608	\$ (199,244)
Ad Valorem taxes for debt service	659,054	659,054	646,129	(12,925)
Utility Taxes	1,889,575	1,889,575	1,978,897	89,322
Franchise Fee	835,240	835,240	776,196	(59,044)
Licenses and Permits	601,550	601,550	552,339	(49,211)
Intergovernmental	1,143,915	1,143,915	1,114,482	(29,433)
Charges for Services	727,741	727,741	672,336	(55,405)
Impact Fees	-	-	21,880	21,880
Fines and Forfeitures	401,503	401,503	505,499	103,996
Investment Earnings	15,000	15,000	58,155	43,155
Miscellaneous	79,305	140,874	213,036	72,162
Total Revenues	<u>11,710,735</u>	<u>11,772,304</u>	<u>11,697,557</u>	<u>(74,747)</u>
<b>EXPENDITURES:</b>				
Current:				
General Government:				
City Commission	138,935	138,935	129,655	9,280
City Management	461,115	461,115	450,484	10,631
City Clerk	223,927	224,931	197,472	27,459
Finance	489,107	489,107	463,931	25,176
Human Resources	441,354	441,354	428,808	12,546
City Attorney	210,212	210,212	217,523	(7,311)
Non-Departmental	367,527	372,678	351,475	21,203
Total General Government	<u>2,332,177</u>	<u>2,338,332</u>	<u>2,239,348</u>	<u>98,984</u>
Public Safety:				
Police Department	5,560,093	5,592,721	5,608,546	(15,825)
Emergency Management	369,273	369,273	365,160	4,113
Community Development Services	757,183	757,183	828,231	(71,048)
Total Public Safety	<u>6,686,549</u>	<u>6,719,177</u>	<u>6,801,937</u>	<u>(82,760)</u>
Physical Environment:				
Transportation:	316,199	316,199	306,275	9,924
Culture and Recreation:	456,018	456,018	317,705	138,313
Library	512,381	512,381	497,173	15,208
Parks and Recreation	2,498,983	2,521,769	2,354,887	166,882
Total Culture and Recreation	<u>3,011,364</u>	<u>3,034,150</u>	<u>2,852,060</u>	<u>182,090</u>
Total Expenditures	<u>12,802,307</u>	<u>12,863,876</u>	<u>12,517,325</u>	<u>346,551</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,091,572)</u>	<u>(1,091,572)</u>	<u>(819,768)</u>	<u>271,804</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	1,169,406	1,169,406	1,169,406	-
Transfers Out	(77,834)	(77,834)	(77,834)	-
Total Other Financing Sources	<u>1,091,572</u>	<u>1,091,572</u>	<u>1,091,572</u>	-
Net Change in Fund Balances	-	-	271,804	271,804
Fund Balances, Beginning	3,662,311	3,662,311	3,662,311	-
Fund Balances Ending	<u>\$ 3,662,311</u>	<u>\$ 3,662,311</u>	<u>\$ 3,934,115</u>	<u>\$ 271,804</u>

See Notes to Budgetary Comparison Schedule

**CITY OF WILTON MANORS, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE - FIRE SPECIAL ASSESSMENT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Charges for Services	\$ 50,000	\$ 50,000	\$ 106,233	\$ 56,233
Special Assessments	1,312,458	1,312,458	1,410,511	98,053
Miscellaneous	1,200	26,200	6,437	(19,763)
Total Revenues	<u>1,363,658</u>	<u>1,388,658</u>	<u>1,523,181</u>	<u>134,523</u>
<b>EXPENDITURES:</b>				
Public Safety:				
Fire Operations and Prevention	<u>1,301,314</u>	<u>1,326,314</u>	<u>1,222,021</u>	<u>104,293</u>
Total Expenditures	<u>1,301,314</u>	<u>1,326,314</u>	<u>1,222,021</u>	<u>104,293</u>
Excess of Revenues Over Expenditures	<u>62,344</u>	<u>62,344</u>	<u>301,160</u>	<u>238,816</u>
<b>OTHER FINANCING (USES):</b>				
Transfers Out	<u>(62,344)</u>	<u>(62,344)</u>	<u>(62,344)</u>	<u>-</u>
Total Other Financing (Uses)	<u>(62,344)</u>	<u>(62,344)</u>	<u>(62,344)</u>	<u>-</u>
Net Change in Fund Balances	-	-	238,816	238,816
Fund Balances, Beginning	<u>542,647</u>	<u>542,647</u>	<u>542,647</u>	<u>-</u>
Fund Balances Ending	<u>\$ 542,647</u>	<u>\$ 542,647</u>	<u>\$ 781,463</u>	<u>\$ 238,816</u>

See Notes to Budgetary Comparison Schedule

**CITY OF WILTON MANORS, FLORIDA  
NOTES TO BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011**

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

***Budgetary Information***

Annual appropriated budgets are adopted for the general fund, recycling fund, fire assessment fund, Jenada assessment fund and the Road Improvement fund on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for encumbrances, which are reported as expenditures for budgetary purposes. A reconciliation of GAAP to the budgetary basis is shown below. In addition, the City prepares annual operating budgets for the enterprise funds. The City does not prepare budgets for the remaining governmental funds, including the miscellaneous grants fund which is presented as major fund for the current fiscal year.

During the month of July each year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1. This budget includes proposed expenditures as well as the expected means of financing them. The Commission holds public hearings and a final budget must be prepared and adopted no later than October 1.

The appropriated budget is prepared by fund, function and department. The City Manager is authorized to transfer budgeted line items within a department classification; however, any revisions that alter the department totals must be approved by the City Commission. Therefore, the department level is the legal level of budgetary control. Budgeted amounts are as originally adopted or as amended. Individual type amendments were not material in relation to the original appropriations.

Encumbrance accounting is employed in governmental funds. All unencumbered appropriations lapse at year end are re-budgeted in the next fiscal year.

***Excess of Expenditure over Appropriations***

Expenditures exceeded the budget in the General fund for the fiscal year ended September 30, 2011 at the following department level, which is legally controlled level of appropriations:

<u>General Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Amount in Excess Final Budget</u>
City Attorney	\$ 210,212	\$ 217,523	\$ (7,311)
Police	5,592,721	5,608,546	(15,825)
Community Development Services	757,183	828,231	(71,048)

The excess expenditure in the Community Development Services Department was largely due to contractual expenses to Broward County for building inspection services.

***Budget/GAAP Reconciliation***

There are no reconciling items between GAAP and Budget.

**CITY OF WILTON MANORS, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF FUNDING PROGRESS**  
**PENSION TRUST FUNDS**  
**SEPTEMBER 30, 2011**  
(UNAUDITED)

CITY OF WILTON MANORS GENERAL EMPLOYEES AND POLICE PENSION PLAN (in \$'000)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
10/1/2010	\$ 22,793	\$ 33,732	\$ 10,939	67.6%	\$ 919	1189.7%
10/1/2009	23,491	32,155	8,664	73.1%	1,121	772.9%
10/1/2008	23,978	31,698	7,720	75.6%	1,571	491.4%
10/1/2007	23,215	30,443	7,228	76.3%	2,356	306.8%
10/1/2006	21,701	28,866	7,165	75.2%	4,882	146.8%

CITY OF WILTON MANORS VOLUNTARY FIREFIGHTERS' RETIREMENT SYSTEM

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
10/1/2010	\$ 679,750	\$ 1,108,974	\$ 429,224	61.3%	N/A	N/A
10/1/2009	666,307	1,067,712	401,405	62.4%	N/A	N/A
10/1/2008	646,453	1,025,746	379,293	63.0%	N/A	N/A
10/1/2007	593,576	974,213	380,637	60.9%	N/A	N/A
10/1/2006	482,457	917,677	435,220	52.6%	N/A	N/A

\* information not available

CITY OF WILTON MANORS OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
10/1/2010	\$ -	\$ 523,600	\$ 523,600	0.0%	\$ 5,047,100	10.4%
10/1/2009	-	715,500	715,500	0.0%	6,077,100	11.8%
10/1/2008	-	687,700	687,700	0.0%	6,077,100	11.3%

Note: The above schedule reflects data for three years only since City implemented GASB 45 effective 10/1/2008.

**CITY OF WILTON MANORS, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS AND OTHER CONTRIBUTING ENTITIES**  
**PENSION TRUST FUNDS**  
**SEPTEMBER 30, 2011**  
(UNAUDITED)

CITY OF WILTON MANORS GENERAL EMPLOYEES AND POLICE PENSION PLAN

Year Ended September 30,	Annual Required Contribution	Percentage Contributed
2011	\$ 1,550,528	100%
2010	1,338,012	100%
2009	1,211,419	100%
2008	1,263,599	100%
2007	1,229,891	100%
2006	1,081,629	100%

CITY OF WILTON MANORS VOLUNTARY FIREFIGHTERS' RETIREMENT SYSTEM

Year Ended September 30,	Annual Required Contribution *	Percentage Contributed
2011	\$ 77,607	100%
2010	68,752	100%
2009	76,864	100%
2008	84,187	100%
2007	84,459	100%
2006	52,014	100%

\* Contributions made by the State pursuant to Florida Statutes, Chapter 175.

CITY OF WILTON MANORS OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Year Ended September 30,	Annual Required Contribution	Percentage Contributed
2011	\$ 37,000	88.1%
2010	69,400	46.7%
2009	66,800	58.7%

Note: The above schedule reflects data for three years only since City implemented GASB 45 effective 10/1/2008.

# **COMBINING FUND STATEMENTS**

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

**Recycling Fund** - account for the revenues and expenditures associated with solid waste disposal and recycling.

**Police Training and Education Fund** - account for monies received for training and professional development.

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

**Jenada Assessment Fund** - account 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.

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

**CITY OF WILTON MANORS, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2011**

**SPECIAL REVENUE FUNDS**

	<u>Recycling Fund</u>	<u>Police Training and Education Fund</u>	<u>Police Forfeiture Fund</u>	<u>Jenada Assessment Fund</u>	<u>Road Improvement Fund</u>	<u>Total</u>
<b><u>ASSETS</u></b>						
Equity in pooled cash	\$ -	\$ 39,317	\$ 118,454	\$ 29,926	\$ 43,770	\$ 231,467
Accounts receivable	326,409	-	-	-	-	326,409
Due from other government	-	485	-	-	20,398	20,883
Inventories	-	-	-	-	15,299	15,299
Prepayments	-	416	-	-	-	416
Total assets	<u>\$ 326,409</u>	<u>\$ 40,218</u>	<u>\$ 118,454</u>	<u>\$ 29,926</u>	<u>\$ 79,467</u>	<u>\$ 594,474</u>
<b><u>LIABILITIES</u></b>						
Accounts payable	\$ 189,226	\$ 416	\$ -	\$ 56	\$ 2,692	\$ 192,390
Accrued expenses	3,966	-	-	-	-	3,966
Due to other funds	39,572	-	-	-	-	39,572
Deferred revenues	-	-	70,090	-	-	70,090
Total liabilities	<u>232,764</u>	<u>416</u>	<u>70,090</u>	<u>56</u>	<u>2,692</u>	<u>306,018</u>
<b><u>FUND BALANCES</u></b>						
Non spendable:						
Inventories and prepayments	-	416	-	-	15,299	15,715
Committed:						
Vehicle replacement	9,143	-	-	-	61,476	70,619
Assigned:	<u>84,502</u>	<u>39,386</u>	<u>48,364</u>	<u>29,870</u>	<u>-</u>	<u>202,122</u>
Total fund balances	<u>93,645</u>	<u>39,802</u>	<u>48,364</u>	<u>29,870</u>	<u>76,775</u>	<u>288,456</u>
Total liabilities and fund balances	<u>\$ 326,409</u>	<u>\$ 40,218</u>	<u>\$ 118,454</u>	<u>\$ 29,926</u>	<u>\$ 79,467</u>	<u>\$ 594,474</u>

**CITY OF WILTON MANORS, FLORIDA**  
**COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	SPECIAL REVENUE FUNDS					Total
	Recycling Fund	Police Training and Education Fund	Police Forfeiture Fund	Jenada Assessment Fund	Road Improvement Fund	
<b>REVENUES:</b>						
Charges for services	\$ 44,326	\$ -	\$ -	\$ -	\$ -	\$ 44,326
Franchise fees	453,670	-	-	-	-	453,670
Fines and forfeitures	-	7,167	-	-	-	7,167
Special assessments	-	-	-	9,854	-	9,854
Intergovernmental	-	-	-	-	247,106	247,106
Interest income	39	71	175	71	99	455
Miscellaneous	-	-	-	549	-	549
Total revenues	<u>498,035</u>	<u>7,238</u>	<u>175</u>	<u>10,474</u>	<u>247,205</u>	<u>763,127</u>
<b>EXPENDITURES:</b>						
Current:						
Transportation	-	-	-	-	94,762	94,762
Public safety	-	2,809	15,681	-	-	18,490
Culture and recreation	1,695	-	-	-	-	1,695
Physical environment	<u>299,047</u>	<u>-</u>	<u>-</u>	<u>7,523</u>	<u>-</u>	<u>306,570</u>
Total expenditures	<u>300,742</u>	<u>2,809</u>	<u>15,681</u>	<u>7,523</u>	<u>94,762</u>	<u>421,517</u>
Excess (deficiency) of revenues over expenditures	<u>197,293</u>	<u>4,429</u>	<u>(15,506)</u>	<u>2,951</u>	<u>152,443</u>	<u>341,610</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers out	<u>(254,939)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(89,356)</u>	<u>(344,295)</u>
Total other financing sources (uses)	<u>(254,939)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(89,356)</u>	<u>(344,295)</u>
Net change in fund balances	(57,646)	4,429	(15,506)	2,951	63,087	(2,685)
Fund balances - beginning	<u>151,291</u>	<u>35,373</u>	<u>63,870</u>	<u>26,919</u>	<u>13,688</u>	<u>291,141</u>
Fund balances - ending	<u>\$ 93,645</u>	<u>\$ 39,802</u>	<u>\$ 48,364</u>	<u>\$ 29,870</u>	<u>\$ 76,775</u>	<u>\$ 288,456</u>

**CITY OF WILTON MANORS, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**RECYCLING FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>		
<b>REVENUES:</b>				
Franchise Fees	\$ 450,500	\$ 450,500	\$ 453,670	\$ 3,170
Charges for Services	106,230	106,230	44,326	(61,904)
Miscellaneous	<u>52,592</u>	<u>52,592</u>	<u>39</u>	<u>(52,553)</u>
Total Revenues	<u>609,322</u>	<u>609,322</u>	<u>498,035</u>	<u>(111,287)</u>
<b>EXPENDITURES:</b>				
Physical Environment:				
Public Services	344,173	344,173	299,047	45,126
Culture and Recreation:				
Leisure Services	<u>10,210</u>	<u>10,210</u>	<u>1,695</u>	<u>8,515</u>
Total Expenditures	<u>354,383</u>	<u>354,383</u>	<u>300,742</u>	<u>53,641</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>254,939</u>	<u>254,939</u>	<u>197,293</u>	<u>(57,646)</u>
<b>OTHER FINANCING (USES):</b>				
Transfers Out	<u>(254,939)</u>	<u>(254,939)</u>	<u>(254,939)</u>	<u>-</u>
Total Other Financing (Uses)	<u>(254,939)</u>	<u>(254,939)</u>	<u>(254,939)</u>	<u>-</u>
Net Change in Fund Balances	-	-	(57,646)	(57,646)
Fund Balances, Beginning	<u>151,291</u>	<u>151,291</u>	<u>151,291</u>	<u>-</u>
Fund Balances Ending	<u>\$ 151,291</u>	<u>\$ 151,291</u>	<u>\$ 93,645</u>	<u>\$ (57,646)</u>

**CITY OF WILTON MANORS, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**JENADA ASSESSMENT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Special Assessments	\$ 9,810	\$ 9,810	\$ 9,854	\$ 44
Miscellaneous	<u>50</u>	<u>50</u>	<u>620</u>	<u>570</u>
Total Revenues	<u>9,860</u>	<u>9,860</u>	<u>10,474</u>	<u>614</u>
<b>EXPENDITURES:</b>				
General Government:				
Jenada Operations	<u>9,860</u>	<u>9,860</u>	<u>7,523</u>	<u>2,337</u>
Total Expenditures	<u>9,860</u>	<u>9,860</u>	<u>7,523</u>	<u>2,337</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>2,951</u>	<u>2,951</u>
Net Change in Fund Balances	-	-	2,951	2,951
Fund Balances, Beginning	<u>26,919</u>	<u>26,919</u>	<u>26,919</u>	<u>-</u>
Fund Balances Ending	<u>\$ 26,919</u>	<u>\$ 26,919</u>	<u>\$ 29,870</u>	<u>\$ 2,951</u>

**CITY OF WILTON MANORS, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**ROAD IMPROVEMENT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Intergovernmental	\$ 236,369	\$ 236,369	\$ 247,106	\$ 10,737
Charges for Services	6,600	6,600	-	(6,600)
Miscellaneous	<u>-</u>	<u>57,431</u>	<u>99</u>	<u>(57,332)</u>
Total Revenues	<u>242,969</u>	<u>300,400</u>	<u>247,205</u>	<u>(53,195)</u>
<b>EXPENDITURES:</b>				
Transportation:				
Public Services	109,363	165,726	52,592	113,134
Leisure Services	<u>44,250</u>	<u>45,318</u>	<u>42,170</u>	<u>3,148</u>
Total Expenditures	<u>153,613</u>	<u>211,044</u>	<u>94,762</u>	<u>116,282</u>
Excess of Revenues Over Expenditures	<u>89,356</u>	<u>89,356</u>	<u>152,443</u>	<u>63,087</u>
<b>OTHER FINANCING (USES):</b>				
Transfers Out	<u>(89,356)</u>	<u>(89,356)</u>	<u>(89,356)</u>	<u>-</u>
Total Other Financing (Uses)	<u>(89,356)</u>	<u>(89,356)</u>	<u>(89,356)</u>	<u>-</u>
Net Change in Fund Balances	-	-	63,087	63,087
Fund Balances, Beginning	<u>13,688</u>	<u>13,688</u>	<u>13,688</u>	<u>-</u>
Fund Balances Ending	<u>\$ 13,688</u>	<u>\$ 13,688</u>	<u>\$ 76,775</u>	<u>\$ 63,087</u>

## FIDUCIARY FUND TYPE FUNDS

### PENSION TRUST FUNDS

**General Employees and Police Pension Plan** - to account for the accumulation of resources to be used for retirement benefits of the City's General Employees and Police Officers. Resources are contributed by employees at rates fixed by plan provisions and by the City at amounts determined by annual actuarial valuations.

**Volunteer Firefighters Retirement System** - to account for the accumulation of resources to be used for retirement benefits of all active members of the City's Volunteer Fire Department. Contributions made by the State pursuant to Florida Statutes, Chapter 175, are restricted to providing additional benefits only.

**CITY OF WILTON MANORS, FLORIDA**  
**COMBINING STATEMENT OF NET ASSETS**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2011**

	<u>General Employee and Police Pension</u>	<u>Volunteer Firefighter Retirement System</u>	<u>Total</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 857,426	\$ 31,140	\$ 888,566
Receivables:			
Due from Florida State Division of Retirement	-	37,117	37,117
Receivable from securities sold	35,738	1,298	37,036
Interest and dividends receivable	116,623	4,236	120,859
Total receivables	<u>152,361</u>	<u>42,651</u>	<u>195,012</u>
Investments, at fair value:			
U.S. Government and agency securities	4,333,086	157,369	4,490,455
Corporate bonds and notes	3,916,990	142,257	4,059,247
Domestic equity funds	759,838	78,474	838,312
Common stocks	10,058,125	365,292	10,423,417
International equity commingled fund	1,400,909	-	1,400,909
Total investments	<u>20,468,948</u>	<u>743,392</u>	<u>21,212,340</u>
Total assets	<u>21,478,735</u>	<u>817,183</u>	<u>22,295,918</u>
<b><u>LIABILITIES</u></b>			
Accounts payable and accrued expenses	120,179	-	120,179
Deferred retirement option payable (DROP)	2,058,301	-	2,058,301
Total liabilities	<u>2,178,480</u>	<u>-</u>	<u>2,178,480</u>
<b><u>NET ASSETS</u></b>			
Net assets held in trust for pension benefits	<u>\$ 19,300,255</u>	<u>\$ 817,183</u>	<u>\$ 20,117,438</u>

**CITY OF WILTON MANORS, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>General Employee and Police Pension</u>	<u>Volunteer Firefighter Retirement System</u>	<u>Total</u>
<b>Additions:</b>			
Contributions:			
Plan members	\$ 86,178	\$ -	\$ 86,178
State	-	114,679	114,679
City	<u>1,550,528</u>	<u>-</u>	<u>1,550,528</u>
Total contributions	<u>1,636,706</u>	<u>114,679</u>	<u>1,751,385</u>
Investment income:			
Net depreciation in fair value of investments	(799,166)	(31,429)	(830,595)
Interests and dividends	<u>716,486</u>	<u>28,178</u>	<u>744,664</u>
Total	(82,680)	(3,251)	(85,931)
Less:			
Investment expenses	122,532	-	122,532
Deferred retirement option plan participants' losses	<u>(44,229)</u>	<u>-</u>	<u>(44,229)</u>
Net investment loss	<u>(160,983)</u>	<u>(3,251)</u>	<u>(164,234)</u>
Total Additions	<u>1,475,723</u>	<u>111,428</u>	<u>1,587,151</u>
<b>Deductions:</b>			
Pension benefits paid	2,314,503	47,702	2,362,205
Administrative expenses	<u>133,503</u>	<u>34,846</u>	<u>168,349</u>
Total deductions	<u>2,448,006</u>	<u>82,548</u>	<u>2,530,554</u>
Change in net assets	(972,283)	28,880	(943,403)
Net assets, beginning	<u>20,272,538</u>	<u>788,303</u>	<u>21,060,841</u>
Net assets, ending	<u>\$ 19,300,255</u>	<u>\$ 817,183</u>	<u>\$ 20,117,438</u>

# **STATISTICAL SECTION**

## STATISTICAL SECTION

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

### Content

	<b>Page</b>
Financial Trends	68-72
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	73-76
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	77-81
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economical Information	82-83
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information	84-87
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

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

	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<b>Governmental Activities</b>									
Invested in Capital Assets, Net of Related Debt	\$ 12,948,670	\$ 13,445,955	\$ 13,957,754	\$ 14,546,968	\$ 17,858,934	\$ 17,321,290	\$ 23,749,894	\$ 24,737,103	\$ 23,737,572
Restricted	-	-	-	-	-	-	-	341,974	665,651
Unrestricted	<u>1,229,094</u>	<u>2,342,258</u>	<u>3,539,170</u>	<u>4,376,109</u>	<u>4,256,624</u>	<u>10,317,638</u>	<u>4,470,047</u>	<u>3,140,990</u>	<u>3,240,732</u>
	<u>14,177,764</u>	<u>15,788,213</u>	<u>17,496,924</u>	<u>18,923,077</u>	<u>22,115,558</u>	<u>27,638,928</u>	<u>28,219,941</u>	<u>28,220,067</u>	<u>27,643,955</u>
<b>Business-type Activities</b>									
Invested in Capital Assets, Net of Related Debt	4,016,222	4,844,075	5,631,174	4,613,924	4,970,463	8,161,532	9,214,788	8,405,247	8,939,594
Restricted	2,991,488	1,613,939	1,559,205	1,559,205	1,413,439	1,113,439	1,103,696	885,741	926,868
Unrestricted	<u>456,452</u>	<u>1,366,629</u>	<u>1,263,417</u>	<u>1,689,644</u>	<u>2,444,750</u>	<u>(360,576)</u>	<u>(1,363,483)</u>	<u>221,258</u>	<u>945,146</u>
	<u>7,464,162</u>	<u>7,824,643</u>	<u>8,453,796</u>	<u>7,862,773</u>	<u>8,828,652</u>	<u>8,914,395</u>	<u>8,955,001</u>	<u>9,512,246</u>	<u>10,811,608</u>
<b>Primary Government</b>									
Invested in Capital Assets, Net of Related Debt	16,964,892	18,290,030	19,588,928	19,160,892	22,829,397	25,482,822	32,964,682	33,142,350	32,677,166
Restricted	2,991,488	1,613,939	1,559,205	1,559,205	1,413,439	1,113,439	1,103,696	1,227,715	1,592,519
Unrestricted	<u>1,685,546</u>	<u>3,708,887</u>	<u>4,802,587</u>	<u>6,065,753</u>	<u>6,701,374</u>	<u>9,957,062</u>	<u>3,106,564</u>	<u>3,362,248</u>	<u>4,185,878</u>
	<u>\$ 21,641,926</u>	<u>\$ 23,612,856</u>	<u>\$ 25,950,720</u>	<u>\$ 26,785,850</u>	<u>\$ 30,944,210</u>	<u>\$ 36,553,323</u>	<u>\$ 37,174,942</u>	<u>\$ 37,732,313</u>	<u>\$ 38,455,563</u>

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

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

	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<b>EXPENSES</b>									
Governmental Activities									
General Government	\$ 1,371,346	\$ 1,414,246	\$ 1,680,856	\$ 2,136,708	\$ 2,060,947	\$ 2,568,351	\$ 2,205,488	\$ 2,054,770	\$ 1,970,679
Public Safety	6,078,529	6,302,204	6,708,570	6,787,831	7,398,549	8,160,017	8,443,552	8,869,912	8,299,498
Culture and Recreation	2,140,185	2,063,604	2,593,071	2,596,851	3,063,009	3,439,236	3,713,402	3,731,279	3,559,499
Physical Environment	781,664	965,435	911,806	2,779,972 *	1,077,506	869,291	1,090,237	1,433,612	1,065,381
Transportation	-	-	-	-	-	-	-	-	421,435
Interest on Long-term Debt	130,076	124,502	118,680	168,411	200,780	217,741	471,098	468,124	355,356
Total Governmental Activities Expenses	<u>10,501,800</u>	<u>10,869,991</u>	<u>12,012,983</u>	<u>14,469,773</u>	<u>13,800,791</u>	<u>15,254,636</u>	<u>15,923,777</u>	<u>16,557,697</u>	<u>15,671,848</u>
Business-type Activities									
Water and Wastewater	3,222,515	3,441,063	3,561,575	3,726,449	4,185,052	4,920,272	4,635,430	4,824,835	4,822,600
Drainage	294,325	299,732	267,584	224,846	274,547	354,413	427,806	351,897	323,867
Total Business-type Activities Expenses	<u>3,516,840</u>	<u>3,740,795</u>	<u>3,829,159</u>	<u>3,951,295</u>	<u>4,459,599</u>	<u>5,274,685</u>	<u>5,063,236</u>	<u>5,176,732</u>	<u>5,146,467</u>
Total Primary Government Expenses	<u>14,018,640</u>	<u>14,610,786</u>	<u>15,842,142</u>	<u>18,421,068</u>	<u>18,260,390</u>	<u>20,529,321</u>	<u>20,987,013</u>	<u>21,734,429</u>	<u>20,818,315</u>
<b>PROGRAM REVENUES</b>									
Governmental Activities									
Charges for Services									
General Government	6,374,063	2,041,279	2,011,535	-	996,436	-	-	274,852	36,166
Public Safety	1,197,519	1,470,497	2,616,628	2,189,823	1,342,834	1,421,529	1,465,932	1,629,667	2,618,414
Culture and Recreation	220,893	230,069	244,850	540,290	244,081	255,340	269,017	269,886	289,984
Physical Environment	630,908	893,622	565,710	1,893,082 *	507,437	417,071	264,175	596,099	54,180
Transportation	-	-	-	-	-	-	-	-	309,521
Operating Grants/Contributions	-	-	-	-	1,368,685	852,169	1,510,700	69,875	107,958
Capital Grants/Contributions	-	-	-	-	-	-	-	1,136,272	318,981
Total Governmental Activities	<u>8,423,383</u>	<u>4,635,467</u>	<u>5,438,723</u>	<u>4,623,195</u>	<u>4,459,473</u>	<u>2,946,109</u>	<u>3,509,824</u>	<u>3,976,651</u>	<u>3,735,204</u>
Business-type Activities									
Charges for Services									
Water and Wastewater	4,122,190	4,251,905	4,561,813	4,774,159	5,469,707	5,190,185	5,024,936	6,263,494	6,794,707
Drainage	279,182	277,337	292,031	326,823	328,559	399,648	319,559	320,851	334,388
Total Business-type Activities Program	<u>4,401,372</u>	<u>4,529,242</u>	<u>4,853,844</u>	<u>5,100,982</u>	<u>5,798,266</u>	<u>5,589,833</u>	<u>5,344,495</u>	<u>6,584,345</u>	<u>7,129,095</u>
Total Primary Government Program Revenues	<u>12,824,755</u>	<u>9,164,709</u>	<u>10,292,567</u>	<u>9,724,177</u>	<u>10,257,739</u>	<u>8,535,942</u>	<u>8,854,319</u>	<u>10,560,996</u>	<u>10,864,299</u>
<b>NET (EXPENSE) REVENUE</b>									
Governmental Activities	(2,078,417)	(6,234,524)	(6,574,260)	(9,846,578) *	(9,341,318)	(12,308,527)	(12,413,953)	(12,581,046)	(11,936,644)
Business-type Activities	884,532	788,447	1,024,685	1,149,687	1,338,667	315,148	281,259	1,407,613	1,982,628
Total Primary Government Net Expense	<u>\$ (1,193,885)</u>	<u>\$ (5,446,077)</u>	<u>\$ (5,549,575)</u>	<u>\$ (8,696,891)</u>	<u>\$ (8,002,651)</u>	<u>\$ (11,993,379)</u>	<u>\$ (12,132,694)</u>	<u>\$ (11,173,433)</u>	<u>\$ (9,954,016)</u>

Continued on Next Page

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

	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<b>GENERAL REVENUES AND TRANSFERS</b>									
Governmental Activities									
Property Taxes	\$ 3,466,811	\$ 4,016,062	\$ 4,753,466	\$ 5,724,191	\$ 6,677,263	\$ 6,538,632	\$ 6,986,812	\$ 6,479,427	\$ 5,804,736
Other Taxes	2,508,288	2,476,395	2,589,539	2,907,770	2,535,611	3,506,362	3,152,734	3,229,077	3,455,869
Investment Earnings	-	-	82,583	244,358	351,841	221,132	30,547	163,920	65,047
Intergovernmental, not restricted	-	-	-	1,516,913	1,429,212	1,437,096	1,536,474	1,406,945	1,136,362
Other	55,610	98,941	329,149	232,589	1,142,003	1,619,564	535,849	407,009	213,584
Transfers	428,120	540,040	528,234	646,910	751,742	643,642	752,550	852,724	684,933
Total Governmental Activities Revenues	<u>6,458,829</u>	<u>7,131,438</u>	<u>8,282,971</u>	<u>11,272,731</u>	<u>12,887,672</u>	<u>13,966,428</u>	<u>12,994,966</u>	<u>12,539,102</u>	<u>11,360,531</u>
Business-type Activities									
Investment Earnings	70,580	33,719	70,967	127,319	293,945	143,182	9,135	2,356	1,667
Unrestricted Grants	-	-	-	211,107	-	-	-	-	-
Other	115,668	78,355	61,735	48,531	85,009	271,056	202,762	-	-
Transfers	(428,120)	(540,040)	(528,234)	(646,910)	(751,742)	(643,642)	(752,550)	(852,724)	(684,933)
Total Business-type Activities Revenues	<u>(241,872)</u>	<u>(427,966)</u>	<u>(395,532)</u>	<u>(259,953)</u>	<u>(372,788)</u>	<u>(229,404)</u>	<u>(540,653)</u>	<u>(850,368)</u>	<u>(683,266)</u>
Total Primary Government Revenues	<u>6,216,957</u>	<u>6,703,472</u>	<u>7,887,439</u>	<u>11,012,778</u>	<u>12,514,884</u>	<u>13,737,024</u>	<u>12,454,313</u>	<u>11,688,734</u>	<u>10,677,265</u>
<b>CHANGES IN NET ASSETS</b>									
Governmental Activities	4,380,412	896,914	1,708,711	1,426,153	3,546,354	1,657,901	581,013	(41,944)	(576,113)
Business-type Activities	642,660	360,481	629,153	889,734	965,879	85,744	(259,394)	557,245	1,299,362
Total Primary Government	<u>\$ 5,023,072</u>	<u>\$ 1,257,395</u>	<u>\$ 2,337,864</u>	<u>\$ 2,315,887</u>	<u>\$ 4,512,233</u>	<u>\$ 1,743,645</u>	<u>\$ 321,619</u>	<u>\$ 515,301</u>	<u>\$ 723,249</u>

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

\* 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.

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

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<b>General Fund</b>										
Reserved	\$ 508,973	\$ 1,107,800	\$ 1,746,628	\$ 2,214,428	\$ 2,696,320	\$ 2,763,928	\$ 4,560,832	\$ 4,277,450	\$ 1,921,877	\$ -
Unreserved	1,582,047	680,217	599,140	1,350,519	2,025,164	2,385,838	1,957,896	1,874,398	2,226,475	-
Nonspendable	-	-	-	-	-	-	-	-	-	130,156
Restricted	-	-	-	-	-	-	-	-	-	270,338
Committed	-	-	-	-	-	-	-	-	-	654,692
Unassigned	-	-	-	-	-	-	-	-	-	2,878,929
Total General Fund	<u>\$ 2,091,020</u>	<u>\$ 1,788,017</u>	<u>\$ 2,345,768</u>	<u>\$ 3,564,947</u>	<u>\$ 4,721,484</u>	<u>\$ 5,149,766</u>	<u>\$ 6,518,728</u>	<u>\$ 6,151,848</u>	<u>\$ 4,148,352</u>	<u>\$ 3,934,115</u>
<b>All Other Governmental Funds</b>										
Reserved	191,131	381,614	643,475	170,884	200,006	343,887	555,290	1,523,763	492,495	-
Unreserved, Reported In Special Revenue	1,919,781	(319,162)	(127,869)	319,273	(249,098)	(897,179)	3,937,764	(422,918)	(408,782)	-
Nonspendable	-	-	-	-	-	-	-	-	-	15,715
Restricted	-	-	-	-	-	-	-	-	-	395,313
Committed	-	-	-	-	-	-	-	-	-	100,994
Assigned	-	-	-	-	-	-	-	-	-	557,897
Unassigned	-	-	-	-	-	-	-	-	-	(264,034)
Total All Other Governmental Funds	<u>\$ 2,110,912</u>	<u>\$ 62,452</u>	<u>\$ 515,606</u>	<u>\$ 490,157</u>	<u>\$ (49,092)</u>	<u>\$ (553,292)</u>	<u>\$ 4,493,054</u>	<u>\$ 1,100,845</u>	<u>\$ 83,713</u>	<u>\$ 805,885</u>

Note: Fund balances for fiscal year 2011 have been reclassified per GASB Statement 54 new fund balance reporting standards. Prior year amounts have not been restated.

**CITY OF WILTON MANORS, FLORIDA**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST NINE FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**

	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<b>REVENUES</b>									
Ad Valorem Taxes - Operating	\$ 3,215,278	\$ 3,760,912	\$ 4,464,191	\$ 5,375,753	\$ 6,446,700	\$ 6,307,226	\$ 6,331,548	\$ 5,830,640	\$ 5,158,607
Ad Valorem Taxes - Debt Service	251,533	255,150	289,275	348,438	230,564	231,406	655,264	648,787	646,129
Franchise Taxes	889,986	918,458	946,635	1,120,519	793,113	1,451,514	1,276,489	1,235,472	1,229,866
Utility Service Taxes	1,618,302	1,557,937	1,642,904	1,674,382	1,742,498	1,825,721	1,876,245	1,993,605	1,978,897
Licenses and Permits	480,347	596,309	1,237,688	1,012,557	996,436	939,314	456,386	462,889	552,339
Intergovernmental	6,374,063	2,041,279	2,011,536	2,751,543	2,458,351	1,437,097	3,047,174	2,576,703	1,788,527
Charges for Services	418,575	568,092	612,658	613,275	702,081	716,284	587,823	795,517	822,895
Fines and Forfeitures	332,110	407,164	310,487	173,702	274,895	237,677	273,882	265,813	512,666
Impact Fees	-	-	225,654	112,869	89,992	229,128	23,977	18,978	21,880
Special Assessments	818,288	936,477	1,040,703	993,537	1,027,384	1,139,982	1,137,419	1,227,306	1,420,365
Donations	-	34,108	94,569	316,707	1,090	100	2,400	2,000	-
Other	55,610	150,979	317,160	449,752	496,318	1,753,450	83,632	605,318	278,631
Total Revenues	<u>14,454,092</u>	<u>11,226,865</u>	<u>13,193,460</u>	<u>14,943,034</u>	<u>15,259,422</u>	<u>16,268,899</u>	<u>15,752,239</u>	<u>15,663,028</u>	<u>14,410,802</u>
<b>EXPENDITURES</b>									
Current									
General Government	1,252,320	1,271,701	1,447,971	1,613,291	1,772,521	1,866,577	2,010,513	2,001,787	1,603,626
Public Safety	5,647,740	6,127,273	6,448,340	6,457,864	7,008,181	8,084,855	7,849,531	7,961,871	8,005,903
Physical Environment	639,095	889,533	826,076	2,696,942 *	984,544	525,533	453,766	743,740	616,455
Culture and Recreation	1,870,392	1,856,161	2,161,440	2,483,280	2,766,439	3,068,679	3,067,543	2,940,422	2,610,015
Nondepartmental	38,114	37,131	85,646	200,010	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	412,467
Capital Outlay	7,529,979	1,031,700	1,302,455	1,974,435	3,176,110	2,591,459	6,081,455	5,299,689	499,511
Debt Service									
Principal Retirement	124,147	129,647	135,380	398,967	233,209	239,583	408,033	483,184	524,843
Interest and Fiscal Charges	131,888	126,389	120,656	147,867	146,077	84,925	393,037	329,522	314,980
Total Expenditures	<u>17,233,675</u>	<u>11,469,535</u>	<u>12,527,964</u>	<u>15,972,656</u>	<u>16,087,081</u>	<u>16,461,611</u>	<u>20,263,878</u>	<u>19,760,215</u>	<u>14,587,800</u>
Excess (Deficiency ) of Revenues									
Over (Under) Expenditures	(2,779,583)	(242,670)	665,496	(1,029,622)	(827,659)	(192,712)	(4,511,639)	(4,097,187)	(176,998)
<b>OTHER FINANCING SOURCES (USES)</b>									
Debt Issuance	-	-	-	1,000,000	-	5,964,378	-	223,835	-
Transfers In	812,243	967,252	1,010,562	1,072,511	1,300,048	1,226,202	1,220,580	3,495,723	1,169,406
Transfers Out	(384,123)	(427,212)	(482,328)	(425,601)	(548,306)	(582,560)	(468,030)	(2,642,999)	(484,473)
Total Other Financing Sources	<u>428,120</u>	<u>540,040</u>	<u>528,234</u>	<u>1,646,910</u>	<u>751,742</u>	<u>6,608,020</u>	<u>752,550</u>	<u>1,076,559</u>	<u>684,933</u>
Net Change in Fund Balances	<u>\$ (2,351,463)</u>	<u>\$ 297,370</u>	<u>\$ 1,193,730</u>	<u>\$ 617,288</u>	<u>\$ (75,917)</u>	<u>\$ 6,415,308</u>	<u>\$ (3,759,089)</u>	<u>\$ (3,020,628)</u>	<u>\$ 507,935</u>
Debt Service as a Percentage of									
Non-capital Expenditures	<u>2.64%</u>	<u>2.45%</u>	<u>2.28%</u>	<u>3.91%</u>	<u>2.94%</u>	<u>2.34%</u>	<u>5.65%</u>	<u>5.62%</u>	<u>5.96%</u>

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

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

Tax Roll Year	City's Fiscal Year							Total Taxable Assessed Value	% Change in 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	Personal Property	Less: Tax Exemptions						
2001	2001-02	515,492,821	72,767,350	13,834,260	41,134,020	35,423,730	193,596,826	485,055,355	11%	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	14%	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	17%	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	14%	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	19%	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	22%	6.5000	1,728,704,664	61.8%	5,351
2007	2007-08	1,637,247,290	157,941,260	19,992,110	92,995,180	33,967,108	675,846,884	1,266,296,064	19%	5.3219	1,942,142,948	65.2%	5,451
2008	2008-09	1,533,847,906	163,043,710	20,766,010	102,965,090	34,066,245	617,341,732	1,237,347,229	-2.3%	5.8652	1,854,688,961	66.7%	5,529
2009	2009-10	1,177,603,980	183,947,830	20,806,600	106,832,571	30,070,546	479,840,011	1,039,421,516	-16.0%	6.4527	1,519,261,527	68.4%	5,504
2010	2010-11	919,795,599	172,623,160	13,832,980	114,187,900	25,488,738	357,807,819	888,120,558	-14.6%	6.8483	1,245,928,377	71.3%	5,497

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
		<u>Operating</u>	<u>Debt Service</u>	<u>Total City</u>	<u>Broward County</u>	<u>Broward County Schools</u>	<u>South Florida Water Management District</u>	<u>Florida Inland Navigation District</u>	<u>Broward Children's Services Council</u>	<u>North Broward Hospital District</u>	
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
2007	2007-08	5.1340	0.1879	5.3219	5.2868	7.6484	0.6240	0.0345	0.3572	1.6255	20.8983
2008	2008-09	5.3122	0.5530	5.8652	5.3145	7.4170	0.6240	0.0345	0.3754	1.7059	21.3365
2009	2009-10	5.8000	0.6527	6.4527	5.3889	7.4310	0.6240	0.0345	0.4243	1.7059	22.0613
2010	2010-11	6.0855	0.7628	6.8483	5.5530	7.6310	0.6240	0.0345	0.4696	1.8750	23.0354

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 Nine Years Ago**

Taxpayer	Type of Business	Fiscal Year 2010-11		
		Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value
Marrinson Group	Retirement Home - Nursing Home	\$ 19,843,950	1	2.2%
LG Wilton Park LLC	Rental Apartments	17,389,980	2	2.0%
High Acres TIC LLC	Shopping Center	13,988,730	3	1.6%
RKOF Wilton Tower LLC	Rental Apartments	12,959,590	4	1.5%
Wilton Station LLC	Condominiums	8,140,200	5	0.9%
CAR Five Corners Plaza	Shopping Center	7,836,400	6	0.9%
Carol Williams Tr	Shopping Center	7,724,800	7	0.9%
2727 Palm Gardens LLC	Rental Apartments	7,710,920	8	0.9%
2675 N Andrews Ave LLC	Nursing Home	4,967,970	9	0.6%
Moss Office Building LLC	Office Building	4,095,880	10	0.5%
		<u>\$ 104,658,420</u>		<u>11.8%</u>
Total City Taxable Assessed Value		<u>888,120,558</u>		

Taxpayer	Type of Business	Fiscal Year 2001-02		
		Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value
Manor Pines Realty	Retirement Home	\$ 11,465,590	1	2.4%
American Equities	Shopping Center	4,393,910	2	0.9%
McRealty Group	Real Estate	3,768,270	3	0.8%
Greystone Palm Court	Real Estate	3,461,960	4	0.7%
American Equities	Camelot West Apartments	3,027,470	5	0.6%
William Thies & Sons	Wholesale Distributing	3,004,950	6	0.6%
Schmitt, Kathleen - revocable trust	Atlantic Securities	2,939,360	7	0.6%
Wilton Manors Shopping	Apartment Rentals	2,363,020	8	0.5%
Rodnic Associates	Apartment Rentals	2,130,270	9	0.4%
Impsat, USA	Apartment Rentals	1,379,340	10	0.3%
		<u>\$ 37,934,140</u>		<u>7.8%</u>
Total City Taxable Assessed Value		<u>\$ 485,055,355</u>		

Source: Broward County Property Appraiser.

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

<b>Fiscal Year</b>	<b>Property Tax Levy</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collection in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2001-02	3,234,729	3,130,335	97%	8,453	3,138,788	97%
2002-03	3,586,457	3,466,811	97%	-	3,466,811	97%
2003-04	4,155,060	4,005,648	96%	10,414	4,016,062	97%
2004-05	4,933,050	4,747,254	96%	6,212	4,753,466	96%
2005-06	5,923,289	5,700,801	96%	23,390	5,724,191	97%
2006-07	6,436,678	6,443,790	100%	527,971	6,971,761	108%
2007-08	6,263,166	5,779,255	92%	542,124	6,321,378	101%
2008-09	6,337,369	5,789,424	91%	74,748	5,864,172	93%
2009-10	5,857,825	5,755,892	98%	18,050	5,773,942	99%
2010-11	5,257,852	5,139,150	98%	-	5,139,150	98%

**CITY OF WILTON MANORS, FLORIDA  
RATIO 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 Per Capita Personal
			General Obligation Bonds	Revenue Bonds	Note Payable	Capital Leases	Revenue Bonds				
2001-02	12,790	33,255	3,043,237	-	-	-	9,298,796	12,342,033	965	2.9%	
2002-03	12,697	33,834	2,919,090	-	-	-	8,567,646	11,486,736	905	2.7%	
2003-04	12,414	35,714	2,789,448	-	-	-	7,809,849	10,599,297	854	2.4%	
2004-05	12,282	38,460	2,654,068	-	-	-	7,091,152	9,745,220	793	2.1%	
2005-06	12,546	40,822	2,255,101	-	1,000,000	-	6,335,933	9,591,034	764	1.9%	
2006-07	12,848	42,673	2,122,896	-	900,000	-	10,221,907	13,244,803	1,031	2.4%	
2007-08	12,929	43,331	7,979,916	-	800,000	-	9,373,851	18,153,767	1,404	3.2%	
2008-09	12,929	41,185	7,673,250	-	700,000	-	8,469,406	16,842,656	1,303	3.2%	
2009-10	12,895	N/A	7,305,903	-	600,000	207,986	7,528,019	15,641,908	1,213	N/A	
2010-11	11,632	N/A	6,923,833	-	500,000	165,225	6,550,648	14,139,706	1,216	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.

N/A - indicates information is not available.

**CITY OF WILTON MANORS, FLORIDA**  
**RATIO 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
2001-02	12,790	\$ 485,055,355	\$ 3,043,237	0.63%	\$ 238
2002-03	12,697	552,349,616	-	0.00%	-
2003-04	12,414	645,177,186	-	0.00%	-
2004-05	12,282	732,786,914	-	0.00%	-
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
2007-08	12,929	1,266,296,064	8,779,916	0.69%	679
2008-09	12,929	1,237,347,229	7,981,283	0.65%	617
2009-10	12,895	1,039,421,516	7,305,903	0.70%	567
2010-11	11,632	888,120,558	6,923,833	0.78%	595

**CITY OF WILTON MANORS, FLORIDA  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES NET DEBT  
SEPTEMBER 30, 2011**

	Net Debt Outstanding	Estimated Amount Applicable to Wilton Manors	Estimated Share of Overlapping Net Debt	Per Capita
<b><u>Direct Debt</u></b>	<b><u>\$ 7,589,058</u></b>	<b>100%</b>	<b><u>\$ 7,589,058</u></b>	<b><u>\$ 652</u></b>
<b><u>Overlapping Debt</u></b>				
Debt Repaid with Property Taxes:				
Broward County				
General Obligation Bonds	356,215,000			
School Board of Broward County				
Certificates of Participation	1,907,842,000			
Capital Leases	23,740,000			
Capital Outlay Bonds	63,490,000			
Other Debt:				
Broward County				
Special Obligation Bonds	374,980,000			
Loans	27,205,000			
<b>Total Overlapping Debt</b>	<b><u>\$ 2,753,472,000</u></b>	<b>0.69%</b>	<b><u>\$ 18,895,059</u></b>	<b><u>\$ 1,624</u></b>
<b>Total Direct And Overlapping Debt</b>	<b><u>\$ 2,761,061,058</u></b>		<b><u>\$ 26,484,117</u></b>	<b><u>\$ 2,277</u></b>

	<u>Wilton Manors</u>	<u>Broward County</u>	<u>Percentage</u>
Population	11,632	1,748,066	0.67%
Taxable Assessed Value of Property	888,120,558	129,420,879,372	0.69%

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

**CITY OF WILTON MANORS, FLORIDA  
LEGAL DEBT MARGIN**

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

**CITY OF WILTON MANORS, FLORIDA  
 PLEDGED REVENUE\* COVERAGE  
 Last Ten Fiscal Years**

Fiscal Year	Utility Service Charges	Less: Operating Expenses**	Net Available Revenue	Principal	Interest	Coverage
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
2007-08	5,461,241	3,754,669	1,706,572	848,056	390,813	1.38
2008-09	5,024,936	3,707,670	1,317,266	807,932	346,766	1.32
2009-10	6,081,733	3,869,683	2,212,050	941,387	287,748	1.80
2010-11	6,671,550	3,864,803	2,806,747	977,371	261,370	2.27

\* Pledged revenues consist of essentially all revenues of the Water and Sewer Enterprise Fund.

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

**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
1969-70	10,949	627,868	\$ 3,094,859	\$ 4,929	N/A
1979-80	12,742	1,026,062	12,426,575	12,111	N/A
1989-90	11,804	1,263,301	29,134,079	23,062	5.9%
1999-00	12,697	1,632,291	50,930,004	31,212	3.8%
2001-02	12,790	1,701,763	56,491,705	33,255	5.6%
2002-03	12,697	1,722,971	58,162,612	33,834	5.3%
2003-04	12,414	1,745,691	62,188,587	35,714	4.3%
2004-05	12,282	1,770,707	67,945,619	38,460	3.5%
2005-06	12,546	1,772,745	71,941,404	40,821	3.2%
2006-07	12,848	1,819,622	74,547,657	41,859	3.8%
2007-08	12,929	1,758,494	75,970,354	41,974	6.1%
2008-09	12,929	1,762,285	72,752,112	N/A	10.1%
2009-10	12,895	1,744,922	N/A	N/A	10.6%
2010-11	11,632	1,748,066	N/A	N/A	9.4%

\* Personal income in thousands of dollars.  
N/A - indicates information is not available.

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.

**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  
Pace Center for Girls  
Publix Supermarkets  
School Board of Broward County  
Wilton Manors Rehabilitation Center/Palm Court

**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:

Square Miles	2.67
Miles of streets	47
Miles of waterways	13.7
Miles of sidewalks	7.1

Police Department:

Stations	1
Uniformed officers	24
Nonuniformed officers	8

Water & Sewer Utilities:

Active accounts - Water	4,223
Active accounts - Sewer	4,202

Recreation & open space (approximately 66.26 acres):

- 811 NE 28th Street (ICPP Annex)
- Andrews Avenue Extension Pocket Park
- Colohatchee Park
- Coral Gardens Park
- Donn Eisele Park
- Hagen Park
- Island City Park Preserve
- Jaycee Park
- M. E. DePalma Park
- Mickel Field
- NE 15th Avenue Extension Pocket Park
- Rachel Richardson Park
- Richardson Historical Park
- Veteran's Park
- Wilton Manors Elementary School
- Woman's Club

Sources: Various City Departments.

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

<b>FUNCTION:</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
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	11.6	11.6	12.9	12.3	13.4	14.3	13.76	14.13	14.13	14.13
Public Safety										
Police and Fire	47	47	47.1	45	43.5	43.5	41.95	43.95	43.95	43.95
Community Services	7.4	7.6	10.6	10.5	10.8	8.8	8.25	8.25	6.75	6.42
Physical Environment										
Public Works	13	13	11	11	11	13	13	13	12	12
Culture and Recreation										
Leisure Services	36.5	38.4	41	41.4	43.7	43.8	41.84	41.13	39.93	36.42
<b>Total</b>	<b>118.0</b>	<b>120.1</b>	<b>125.1</b>	<b>122.7</b>	<b>124.9</b>	<b>125.9</b>	<b>121.3</b>	<b>122.96</b>	<b>119.26</b>	<b>115.42</b>

Source: FY09-10 Adopted Budget

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

<b>FUNCTION:</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>General Government</b>									
Occupational Licenses Issued	1,353	1,266	1,200	1,195	998	998	534	915	898
<b>Public Safety</b>									
Physical Arrests	366	396	371	293	362	472	575	571	371
Traffic Violations	9,624	9,625	7,440	3,092	3,910	4,716	5,491	6,266	5,155
Parking Violations	124	132	87	71	695	877	1,004	2,696	10,504
Fire/EMS Emergency Responses	1,952	1,995	1,946	1,979	3,123	3,210	2,454	2,264	2,352
Fire Inspections	1,961	2,270	2,193	3,401	3,755	2,311	2,506	2,059	1,832
Building Permits Issued	1,845	1,231	1,423	1,983	1,477	1,008	1,090	978	1,213
<b>Physical Environment</b>									
New Water Connections	35	74	46	97	29	11	25	10	3
Water Main Breaks	N/A	8	11	4	5	5	11	8	9
Average Daily Water Consumption *	1,530	1,634	1,656	1,655	1,511	1,450	1,496	1,447	1,361
Average Daily Sewage Treatment *	1,293	1,539	1,957	1,649	1,862	2,315	1,845	1,675	1,509
<b>Culture and Recreation</b>									
Athletic Programs	10	10	10	10	4	3	5	5	4
Volumes in Library Collection	22,245	23,083	24,575	29,132	32,581	27,212	35,435	37,741	38,648
Total Volumes Borrowed	43,028	42,743	41,641	54,012	36,362	35,918	48,469	48,018	51,230

\* Thousands of Gallons

FY2001-02 information is not available.

N/A - indicates information is not available.

Sources: Various City Departments.

**CITY OF WILTON MANORS, FLORIDA  
CAPITAL ASSETS STATISTICS BY FUNCTION  
Last Eight Fiscal Years**

<b>FUNCTION:</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>
<b>Public Safety</b>								
Police Stations	1	1	1	1	1	1	1	1
Police Patrol Units	34	39	35	22	25	33	23	23
Fire Stations	1	1	1	1	1	1	1	1
Fire Hydrants	246	248	249	261	249	266	268	268
<b>Physical Environment</b>								
Miles of Sanitary Sewers	34	34	34	35.7	35.7	35.7	35.7	35.7
Miles of Storm Sewers	2.5	2.5	2.5	3.8	3.8	3.8	3.8	3.8
Wastewater Lift Stations	12	12	12	12	12	12	12	12
Acres of Lakes and Canals	14	14	14	14	14	14	14	14
<b>Culture and Recreation</b>								
Parks Acreage	66	66	66	66	66	66	66	66.26
Parks/Schools	8	8	8	8	8	14	14	16
Playgrounds	5	5	5	5	4	5	5	5
Baseball/Softball Diamonds	3	3	3	3	3	3	3	3
Soccer/Football Fields	2	2	2	2	3	4	4	4
Basketball Courts	6	6	6	6	5	2	2	2
Volleyball Courts	2	2	2	2	2	2	2	2
Roller Hockey/Multipurpose Court	1	1	1	1	0	0	0	0
Multi-Use Fields					7	3	3	3
Tennis Courts	6	6	6	6	6	6	6	6
Boat Ramps	1	1	1	1	1	2	2	2
Canoe Launch Sites	3	3	3	3	3	3	3	3
Shelters/Pavilions	8	8	8	8	8	10	10	10
Fitness Center	0	0	0	1	1	1	1	1
Community Multipurpose Centers	2	2	2	2	2	3	3	4
Libraries	1	1	1	1	1	1	1	1

FY2001-02 information is not available.

Sources: Various City Departments.

# **COMPLIANCE SECTION**



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

To the Honorable Mayor, City Commissioners  
and City Manager  
City of 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, 2011, which collectively comprise the City of Wilton Manors' basic financial statements and have issued our report thereon dated March 5, 2012. We did not audit the financial statements of the Pension Trust Funds, which represent 100% of the assets, revenues and deduction of the fiduciary fund totals. Those financial statements were audited by other independent auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Funds are based solely on the reports of the other independent auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

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

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weakness, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Letter to Management that we consider to be significant deficiencies in internal control over financial reporting, see item 2010-01. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

To the Honorable Mayor, City Commissioners  
and City Manager

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**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 matter that are required to be reported under Government Auditing Standards and which is described in the accompanying Letter to Management as item 2008-01.

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

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

*GLSC & Company, PLLC*

March 5, 2012





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

To the Honorable Mayor, City Commissioners  
and City Manager  
City of 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 City of Wilton Manors, Florida (the "City"), as of and for the year ended September 30, 2011, which collectively comprise the City of Wilton Manors' basic financial statements and have issued our report thereon dated March 5, 2012. We did not audit the financial statements of the Pension Trust Funds, which represent 100% of the assets, revenues and deduction of the fiduciary fund totals. Those financial statements were audited by other independent auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Funds are based solely on the reports of the other independent auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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 Auditor's 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. Disclosures on that report, which is dated March 5, 2012, should be considered in conjunction with this management letter.

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

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

To the Honorable Mayor, City Commissioners  
and City Manager

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

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

GLSC & Company, PLLC

March 5, 2012



## LETTER TO MANAGEMENT

### I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

NONE

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

#### 2010 – 01 Fixed Assets

Condition: We noted during our test of fixed assets the following deficiencies in internal control:

- a) Several items included in the detailed fixed assets listings were no longer in existence or are considered obsolete by the City.
- b) No physical count of fixed assets is conducted on a regular basis
- c) No monitoring system to track fixed assets purchased using federal or state funds.

Current Status: A physical inspection of all assets took place during the fiscal year. However, as of September 30, 2011, the City still has no formal written policy on fixed assets indicating that recommended controls will be consistently applied.

Management Response: Subsequent to the completion of the audit but prior to the release of the City's audited financial statements, staff completed a written policy on fixed assets. A copy was provided to the auditors.

#### 2010 – 02 Abandoned Property Form

Condition: Our review of the City's bank reconciliation disclosed checks outstanding for more than one year. These checks should have been included in accounts payable and declare abandoned property. We also noted that the City has not filed the annual report for abandoned property report due on April 30th of each year.

Current Status: The abandoned property report for the City was filed for 2008, 2009, and 2010 on April 27, 2011. This comment will not be repeated.

**LETTER TO MANAGEMENT  
(CONTINUED)**

**II. STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)**

**2010 – 03 Purchasing Policy**

Condition: Our review of the City's procurement and disbursement process disclosed the following deficiencies in the internal control as follows:

1. The City is not maintaining list of approved vendors and currently has no process of verifying that vendors are not suspended or debarred by the Federal or State agencies.
2. The City has no written procedures on receiving of goods or services prior to processing of invoice for payment. No designated personnel are assigned to verify that merchandise matches the description, quantity and conditions of items indicated in the purchase orders.

Current Status: The City uses its Code of Ordinances as its purchasing policy. In addition, the City has adopted a policy requiring all vendors to sign an affidavit confirming they are not debarred or a suspended vendor. This comment will not be repeated.

**2010 – 04 Permit Rates**

Condition: During our test of permits and licenses, we noted that the City had not adopted a revised Resolution to approve current year schedule of permit fees charged to permit applicants during the year.

Current Status: The City adopted new permit fees during the year through passing of a resolution. This comment will not be repeated.

**2010 – 05 Year – End Process**

Condition: Our audit indicated significant deficiencies in the City's year-end closing procedures as evident by a number of audit adjustments proposed by the auditors and posted by the City.

Current Status: Staff has implemented a year-end checklist for closing procedures that significantly improved the year-end audit and reporting process during the year. This comment will not be repeated.

**LETTER TO MANAGEMENT  
(CONTINUED)**

**II. STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)**

**2009-03 Financial Condition Assessment**

Condition: We performed an assessment of the City's financial condition and results of operations using the financial indicators prescribed by the Auditor General (AG). The City's overall financial condition is rated "Unfavorable" based on the guidelines provided by the Auditor General (AG, please see page 1 of Appendix A). Of the eighteen (18) applicable financial indicators, the City had ten (10) unfavorable, two (2) favorable and six (6) inconclusive. Furthermore, the City showed unfavorable results on three (3) critical indicators (1, 3G, & 3P).

Current Year Status: The fiscal year ended September 30, 2011 financial condition assessment indicated inconclusive results. Of the eighteen (18) applicable financial indicators, the City had seven (7) unfavorable, seven (7) favorable and four (4) inconclusive results. There are no indications that the City is in financial emergency as described in Section 218.503 of the Florida Statute. Management will continue to monitor the financial condition of the City and perform assessment annually as required by the Florida Auditor General, comments will not be repeated.

**2008-01 Strictly Follow Uniform Accounting System**

Condition: It was noted that some of the City's special revenue, capital project, and debt service funds are using different codes than those prescribed in the Uniform Accounting System Manual provided by the Department of Financial Services.

Current Year Status: Condition still exists, this will be re-evaluated upon end of the contractual agreement with the third party accounting software provider. Comments will be repeated.

Management Response: Staff believes that the City's chart of accounts materially complies with the Department of Financial Services standard requirements.

**LETTER TO MANAGEMENT  
(CONTINUED)**

**II. STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)**

**2008-02 Update the City's Policies and Procedures**

Condition: It was noted that the City's policies and procedures are outdated. Also, we noted that the City does not have documented policies and procedures on year-end closing procedures and capital assets management and disposal process.

Current Year Status: Condition still exists on capital asset management and disposal process, comments repeated as 2010-01.

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

1. Unless otherwise required to be reported in the auditors' report on internal control over financial reporting and on compliance and other matters or schedule of finding and questioned costs, the management letter shall include, but not be limited to a statement as to whether or not corrective actions have been taken to address significant findings and recommendations in the preceding annual financial audit report pursuant to Rule 10.557(3)(b)2. The City has taken corrective actions to address significant findings in the preceding annual financial reports except for findings 2010-01, 2008-01 and 2008-02.
2. The City of Wilton Manors complied with Section 218.415, Florida Statutes, regarding the investment of public funds.
3. There were significant findings and recommendations to improve the City's financial management, accounting procedures, and internal control for the fiscal year ended September 30, 2011, see item 2010-01 and 2008-01.
4. There were no violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or were likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential.
5. Based on our professional judgment, we may report on the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (a) violations of provisions of contract or grant agreements, fraud, illegal acts, or abuse (b) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.
6. The City of Wilton Manors, Florida was established as authorized by Chapter 30962, Laws of Florida, Acts of 1955. The City operates under a Commission / City Manager form of government. The City is financially independent as evidenced by the authority to make and approve its own budget, the power to tax, the authority to buy and sell property, and the authority to incur debt. The City has one potential component unit that was not included in the financial statements due to the insignificance to primary government.

**LETTER TO MANAGEMENT  
(CONTINUED)**

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

7. The City of Wilton Manors has not met one or more of the conditions described in Section 218.503(1), Florida Statutes.
8. The annual financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1) (a), Florida Statutes agrees with the September 30, 2011 financial audit report.
9. We applied financial condition assessment procedures pursuant to Rule 10.556(7) and no deteriorating financial conditions were noted based on the procedures performed. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.



## A Day in the Life of Wilton Manors

On January 18, 2012, Wilton Manors Main Street held a luncheon at The Manor Complex, celebrating the businesses of Wilton Manors. Prior to the luncheon, Main Street board members went door to door, photographing businesses and – whenever possible – the business owner as well. A collage of the images was made by Peter Clark of Hotspots Magazine and posters were given to the attendees of the event. The photographs on the covers of this document were taken from that collage.

