



City of Oakland Park, Florida

*"A hometown choice for excellence
in people, public service, and community."*

Comprehensive Annual Financial Report

*For Fiscal Year Ended
September 30, 2010*



Comprehensive Annual Financial Report

of the



Fiscal Year Ended September 30, 2010

Prepared by the

Financial Services Department



City Of Oakland Park, Florida

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March 8, 2011

The Honorable Mayor, City Commissioners, and
Citizens of the City of Oakland Park:

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) for the City of Oakland Park, Florida (the “City”), for the fiscal year ended September 30, 2010, pursuant to Section 218.39 of the Florida Statutes and City Charter. The financial statements included in this report conform to the generally accepted accounting principles in the United States (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The financial statements have been audited by TCBA Watson Rice LLP, Certified Public Accountants. The independent auditor has issued an unqualified opinion that provides a reasonable basis for an opinion that the City's basic financial statements are fairly presented and complies with all reporting standards noted above.

The contents of the financial report have been influenced by compliance with GASB pronouncements, including GASB Statement 34 that requires the preparation of new government-wide financial statements on a full accrual basis of accounting for all funds as well as the Management Discussion and Analysis (MD&A). The MD&A can be found immediately following the independent auditors' report.

The Reporting Entity and Services

The City was originally incorporated as the Town of Floranada in 1925, and reincorporated as the City of Oakland Park in June 1929. The City's Charter was adopted by the State Legislature on July 15, 1959. The City operates under the Commission-Manager form of government where five members, one of whom is the Mayor, are elected at large. The City Commission determines the policies that guide the City's operations, hiring a City Manager to implement and administer these policies on a full-time basis.

In accordance with GASB Statement 14, the City has included the Oakland Park Community Redevelopment Agency (CRA), a blended component unit, in its report since the City is financially accountable for and is able to impose its will on the agency.

Oakland Park provides a full range of municipal services including fire, emergency medical services, police services contracted through the Broward Sheriff's Office, library, parks and leisure facilities, solid waste collection, water/wastewater, and stormwater management. Oakland Park is one of the few small cities that operates its own library, a wonderful resource for both City residents and Broward County residents. Oakland Park is also home to many wonderful parks, such as Royal Palm Park, Jaco Pastorius Park and Veterans Park that overlooks beautiful Blue Heron Lake. In addition, Oakland Park has many beautiful lakes, waterways and canals running through the City, making it an attractive place in which to live and work.

Economic Condition and Outlook

The City of Oakland Park comprises approximately eight square miles and is located in the eastern portion of central Broward County, a major metropolitan area. Numerous major attractions are situated in close proximity to the City, such as the Broward Center for Performing Arts and the Broward Convention Center, with the Atlantic Ocean less than three miles away. Local businesses benefit from the sizeable tourist trade the region generates. Residents and visitors have many transportation resources available, access to all major airlines at three nearby international airports, as well as access to rail service, shipping ports, and interstate highways.

Oakland Park, with a population of approximately 43,000, reflects a diverse residential community. 66% of our residents are Caucasian, 23% are African American and 11% are of other races. Close to 70% of our residents are under the age of 45 with the median age being 36. Although Oakland Park is primarily a residential community with slightly over 38% of land use dedicated to residences, the City also has a relatively high proportion devoted to commercial use, close to 20%, as well as a significant amount of land use, near 30%, dedicated to roads, waterways, canals, and lakes.

In 2010, as the housing market and the economy continued to decline, a further drop in permitting activity was noted. The Building Division of the Engineering and Community Development Department served approximately 14,000 customers and issued building permits with a construction value of \$34.8 million—a 27.1% decrease from 2009. As the economy deteriorates, so is the unemployment situation. Local unemployment rate was at 10.8% at year end and climbing. Overall real property taxable value declined further by 18% with the largest drop in institutional taxable value by 48% followed by residential by 24%. The City's tax base comprises of 57% residential, 25% commercial and 16% industrial use. The value of construction, together with the taxable value of the property located within Oakland Park, over the past five years is shown below:

Year	(\$ millions) <u>Construction Value</u>	(\$ billions) <u>Property Taxable Value</u>
2005	38.9	2.6
2006	71.7	3.2
2007	107.2	3.5
2008	62.3	3.2
2009	47.7	2.6
2010	34.8	2.3

Major Initiatives

The City of Oakland Park has been aggressively pursuing funds to continue its revitalization program over the past several years. From drainage to street, park improvements and redevelopment, “A City on the Move” embraces a new City Commission direction of an “Engaged, Inspired and United” community. An expanded revitalization program has begun and will address infrastructure upgrades to water and waste water distribution and collection systems. The following milestones are a testament to the City's progress:

- Improved the City's credit rating with rating agencies during the year with an upgrade to AA-.
- Successfully completed the issuance of \$14.8 million of water and sewer revenue refunding and new money bonds using a hybrid of tax-exempt and Build America Bonds.

- The City began its water and wastewater infrastructure improvements through the creation of a project delivery plan that identified approximately \$26 million in needed remediation to the existing systems.
- Completed construction on several Capital Improvement Program (CIP) projects, including Veteran's Park Shoreline Rehabilitation, Harlem McBride Drainage Improvement, Wimberly Complex Enhancement, Dr. Carter Woodson Park Improvements, Sleepy River Water Line Improvements, Pump Stations 8 & B-3 Rehabilitation projects under budget and within time.
- Initiated construction on several major CIP projects, including NW 21st Ave Improvements, Lakeside Rock Island Neighborhood Improvement, Lloyd Estates Drainage Improvements, NE 5th Ave Improvement, Floranada Business District Drainage Phase II, NE 38 Street & Dixie Highway Intersection Improvements, and Sleepy River North Dredging projects.
- Secured a Local Agency Program (LAP) Agreement from Florida Department of Transportation (FDOT) to reimburse the City for up to \$1.5 million in safety improvements for the NE 38 St & Dixie Highway Intersection Improvement Project.
- Obtained over \$1.5 Million in grant funding for the design and construction of the NE 5th Ave Improvement project.
- Completed design, permitting and initiated bidding process for the construction of Oakland Park Blvd Watermain Relocation and Upgrade project to facilitate the installation of improved lighting on Oakland Park Blvd.
- Completed design & permitting of Garden Acres Neighborhood Improvement project.
- Completed the Phase IA Community Appearance Ordinances (Accessory Structures, Off-Street Parking, Landscaping & Tree Preservation, Fences, Walls & Hedges) adopted by the City Commission.
- Completed the annual recertification and review for participation in the Community Rating System (CRS)/National Flood Insurance Program (NFIP) with a Class 7 grade awarded that is equal to a 15% property owner flood insurance premium discount.
- Adopted and recertified the Open Space Comprehensive Plan Amendment, Lakeside Sand Pine Preserve and Oak Tree Land Use Plan Amendments.
- Adopted and recertified the Comprehensive Plan Amendment related to the Capital Improvement Element (CIE).
- Completed an updated Geographic Information System (GIS)-based Official Zoning Map, Future Land Use Plan Map and many other required City maps that are part of the Comprehensive Plan.

Relevant Financial Policies and Long-Term Financial Planning

City Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not

absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state and local financial assistance, the government is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management.

In addition, the City maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Commission. A five-year capital improvement plan is also provided to City Commission with the current year of the capital plan appropriated by the City Commission, similar to the other funds. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the departmental level within each fund. The City also maintains an encumbrance accounting system.

The City Commission adopted and updated several fiscal policies during the year that have an impact over ongoing City operations. These policies establish the framework for sound financial management. The revised fiscal policies provide guidelines for budgeting, accounting records, investment and debt management. The policy provides for adequate fund balances and net assets in the City's various operating funds. One major change in fund balance policy is to increase the reserve for emergency or fiscal contingency from 10% to a minimum of 25% and a maximum of 30% of the current year operating appropriation for General Fund. This will serve to maintain the City's financial health, maintain excellent credit ratings and ensure that sufficient funds will be available to cover unforeseen events. The City's General Fund has met the fund balance reserve requirement.

The Commission also adopted a revised investment policy that follows recommended practices by GFOA, which provides more flexibility and expands the City's ability to improve its investment returns safely and securely. The policy focuses on the primary objectives of safety, liquidity and yield with stronger emphasis on safety and liquidity. The policy also requires the exercise of standard of prudence in investing City funds and sufficient internal control be established. The investment policy lays out the criteria for authorized investments with minimum credit rating of not lower than AAA by Standard & Poor's rating, a maximum maturity of not longer than five years and the proportion of each vehicle to the portfolio not to exceed a maximum of 50%. The portfolio will be reviewed and rebalanced on a quarterly basis. Currently, the City's investments are in highly liquid cash equivalent instruments due to near term outlook of upward trend in interest rate. However, other investment options are being considered.

A debt policy was also adopted to provide guidance for near- or long-term borrowings. The City's capital structure shall consist of fixed rate or variable rate debt. Total variable rate debt as a percent of total debt should preferably remain below 20%. Long term debt will be used to finance essential capital projects and equipment where it is cost effective and prudent and will not be used to finance current operating expenditures. To keep the issuance of new bonds on a parity basis, the City will need to demonstrate that revenues will be sufficient to cover the existing and new debt service by at least 1.50 times and for non ad valorem debt secured by a covenant to budget and appropriate pledge at minimum of 1.20 times. The City staff will monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the present value savings of a particular refunding should exceed 3% of the refunded maturities. Bond insurance will be used when it provides an economic savings for the City.

The City has traditionally issued tax-exempt debt which results in significant interest cost savings compared with the interest cost on taxable debt. However, under the America Recovery and Reinvestment Act, the City took advantage of the tax credit under the program and issued \$11.5 million of Build America Bonds to finance its water and wastewater systems. Along with that bond issuance was \$3.7 million in tax-exempt

bonds to retire \$1.5 million of Series 1994 bonds and to provide new money for the water and wastewater systems improvements. The net present value of savings as a result was \$86,703, or 5.6% of the refunded bonds. The City's underlying credit rating for the bond issue was AA-, however, bond insurance was purchased to improve the bond rating to AAA and thereby reducing the future financing cost. This is phase one of the long-term financing the City is seeking to finance the five-year capital improvement plan. Phase two of the borrowing for \$11 million will ensue once phase one water and sewer improvement projects are well underway.

The business environment nationwide including the City itself has been through a turbulent time in recent years. With the housing market remaining sluggish and daunting property tax reform on the horizon, the City is facing an unprecedented challenge. The City continues to re-examine the way it does its business and strives to reduce its operational costs without an enormous impact to the services it provides residents. The City is committed to explore all avenues to ensure that residents continue to be provided excellent services in the most cost-efficient manner. Under the City Commission guidance, seven Strategic Performance Areas (SPAs) have been identified:

- Financial stability and sustainability
- Infrastructure needs
- Protecting neighborhood safety and integrity
- Smart growth and redevelopment
- Maintaining parks, leisure facilities, and activities
- Focus on Oakland Park's image
- Customer-focused service

Each of these areas has its performance goals and key intended results. The actions taken in the preceding paragraphs demonstrate the City's progress toward these goals. A new logo has been created to establish the City brand. The City website has been given a face lift and designed to be more user-friendly. More channels are available for customer to make payments and single point customer contact have been implemented to improve customer service. Downtown redevelopment is slowly but surely improving despite current economic condition. Newly completed parks and community centers provide better facilities for residents' enjoyment. These are what the City staff endeavor to attain in order to meet its strategic plan.

Independent Audit

In accordance with Florida Statutes Section 218.39, the City has engaged the firm of TCBA Watson Rice LLP to perform the independent audit of the City's financial statements. The Independent Certified Public Accountant's report is included in the financial section of this Comprehensive Annual Financial Report.

Awards

The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2009. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

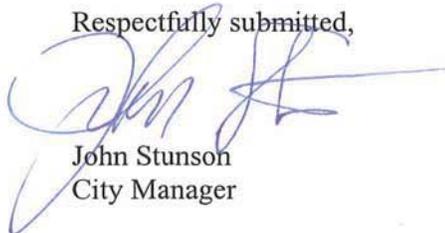
A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Financial Services Department and the City's audit firm, TCBA Watson Rice LLP. We express our appreciation to them for their interest and support in planning, conducting and attesting to the financial operations of the City in a responsible and progressive manner. We would also like to thank the various operating departments for their timely contributions in the writing of this report.

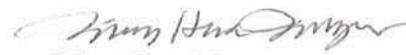
Respectfully submitted,



John Stunson
City Manager

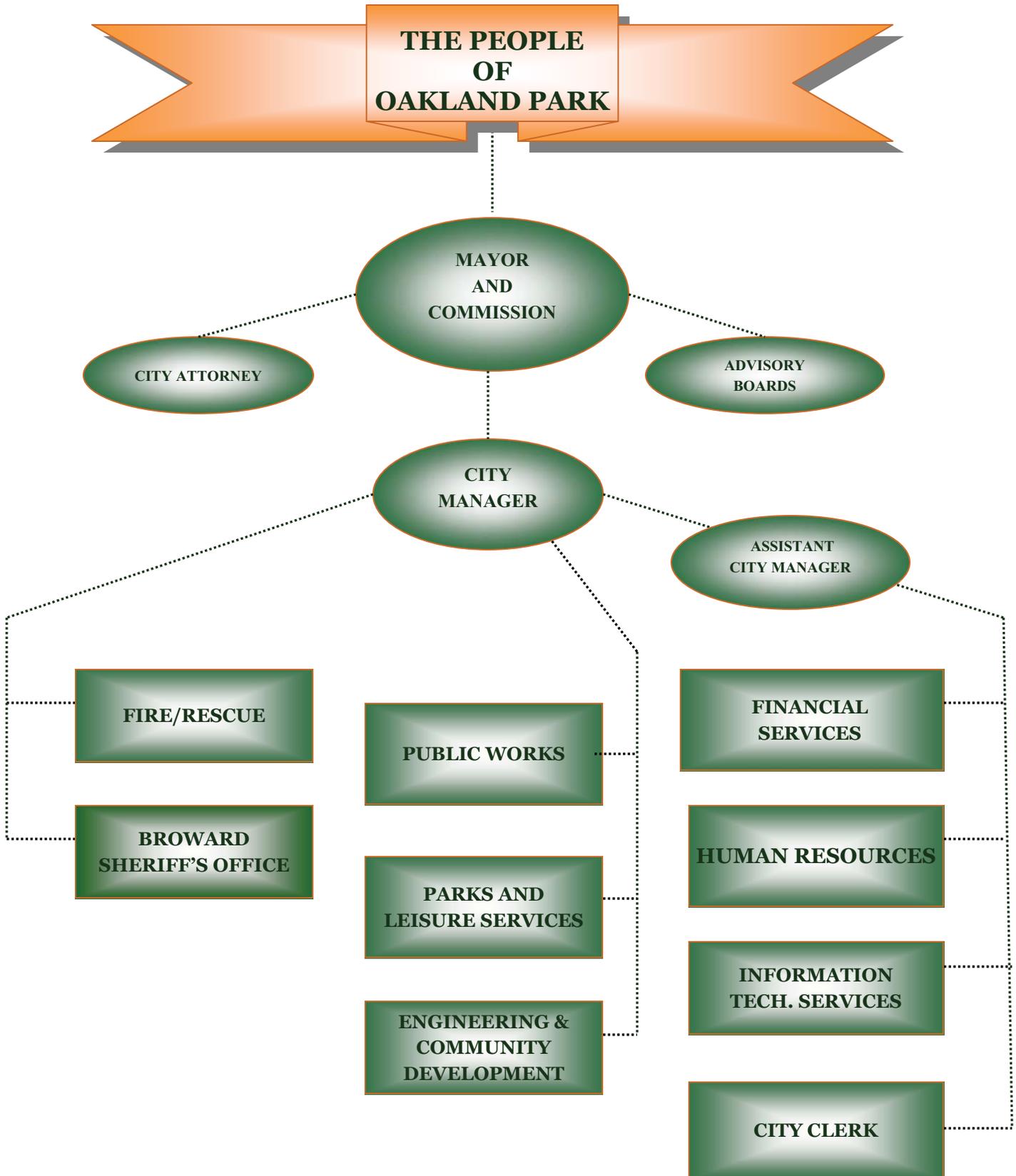


William F. Underwood, II
Financial Services Director



Ming-Hwa Meyer
Comptroller

CITY OF OAKLAND PARK ORGANIZATIONAL CHART



CITY OF OAKLAND PARK, FLORIDA

COMMISSION - MANAGER FORM OF GOVERNMENT

LIST OF PRINCIPAL OFFICIALS

As of September 30, 2010

CITY COMMISSION

ALLEGRA MURPHY

Mayor

SUZANNE BOISVENUE

Vice Mayor

ANNE SALLEE

Commissioner

JEDIDIAH SHANK

Commissioner

STEVEN ARNST

Commissioner

CITY MANAGER

John Stunson

ASSISTANT CITY MANAGER

Horace McHugh

FINANCIAL SERVICES DIRECTOR

William F. Underwood, II

CITY ATTORNEY

Donald J. Doody

HUMAN RESOURCES DIRECTOR

Lynn McCaffrey

POLICE CHIEF - BSO

John Bukata

PUBLIC WORKS DIRECTOR

Dave Womacks

FIRE CHIEF

Don Widing

ENGINEERING AND COMMUNITY DEVELOPMENT DIRECTOR

Harris Hamid

INFORMATION TECHNOLOGY SERVICES DIRECTOR

Vivienne Kedroe-Lake

PARKS & LEISURE SERVICES DIRECTOR

Jenna LaFleur

CITY CLERK

Janette Smith

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Oakland Park
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2009

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



President

Executive Director



OUR VISION

Oakland Park – A hometown choice for excellence in people, public service, and community.

OUR MISSION

We strive every day to deliver – in a friendly, courteous, reliable, and responsive manner – a diverse set of efficient and effective City services that exceed the expectations of our residents, businesses, and employees.

OUR VALUES

Our actions are guided by the following principles:

RESPECT

We value all members of our diverse community and will treat everyone with the highest respect.

INTEGRITY

The highest standards of honesty and fairness are the foundations of all policies and decisions.

SERVICE

We work together to satisfy the needs of our entire community in the most effective and efficient way possible.

EXCELLENCE

We are committed to excellence through hard work, innovation, creativity, and continuous improvement.

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Commission
City of Oakland Park, 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 Oakland Park, Florida, (the "City") as of and for the year ended September 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the Pension Trust Fund for the General Employees Pension Plan and the Police and Firefighters Pension Plan, which represents 98% of the assets of the aggregate remaining fund information. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Fund for General Employees Pension Plan and the Police and Firefighters, is based solely on the report of the other auditors.

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

In our opinion, based on our audit and the report of other 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 Oakland Park, Florida, as of September 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2011 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the Required Supplementary Information on pages 3 through 16 and 59 through 65, respectively, are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

Fort Lauderdale, Florida
March 8, 2011



MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of Oakland Park has included this section in the Comprehensive Annual Financial Report (CAFR) in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34. It is intended to provide readers of this report with a general overview of the financial activities of the City during fiscal year 2010. The information in this section should be considered in conjunction with additional information that is furnished in the letter of transmittal, the City's financial statements and the other required supplemental information.

This discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan, and (e) identify individual fund issues or concerns. The information contained within this section should be considered only a part of a greater whole. Due to rounding, minor differences may appear between the numbers used in the analyses and the condensed financial information.

FINANCIAL HIGHLIGHTS

The following are the highlights of financial activity for the fiscal year ending September 30, 2010:

- The assets of the City of Oakland Park exceeded its liabilities at the close of the most recent fiscal year by \$151.6 million (net assets). Of this amount, \$23.2 million (unrestricted net assets) may be used to meet the ongoing obligations to citizens.
- The City's \$42.6 million in revenues for governmental activities exceeded the \$38.6 million in expenses, providing a \$4.0 million increase in net assets before transfers. The increase mainly was attributed to \$5.3 million roadway improvement contributed by Broward County, offset partially by a combined \$1.5 million reduction in property and communication taxes. The remaining \$0.5 million grants came from federal, state and local grants.
- The business-type activities for the City recognized \$29.2 million in revenue against \$24.2 million in expenses that resulted in a \$5.0 million increase in net assets before transfers. The positive result is largely attributed to \$2.8 million drainage improvement contributed by Broward County and \$2.8 million from various federal and state capital grants.
- The General Fund's revenues exceeded expenditures by \$6.1 million before transfers. With \$6.3 million in transfers out, the net increase in fund balance was \$12,419.
- At the end of the current year, unreserved fund balance for the General Fund was \$14 million, or 40.2% of total General Fund operating revenues. The unreserved and undesignated fund balance was \$1.8 million, or 5.3% of total general fund operating revenues.
- Within the City's capital projects programs, \$3.2 million was spent during the year under the Small Town Renaissance Program.
- The CRA fund's expenditures exceeded its revenues by \$191,453. Currently, there is no funding except transfers from the General fund to supplement its operation.

- The Fire Rescue Fund’s expenditures exceeded its revenues by \$4.2 million before the transfers. The fund typically receives money transfers from the General fund to supplement its operation.
- The City’s total debt increased by \$12.8 million during the fiscal year due to the issuance of 2010 series Water and Sewer Revenue bonds to finance the advance refunding of the 1994 series bonds and to provide new money for utility system improvements.

OVERVIEW OF THE FINANCIAL STATEMENTS

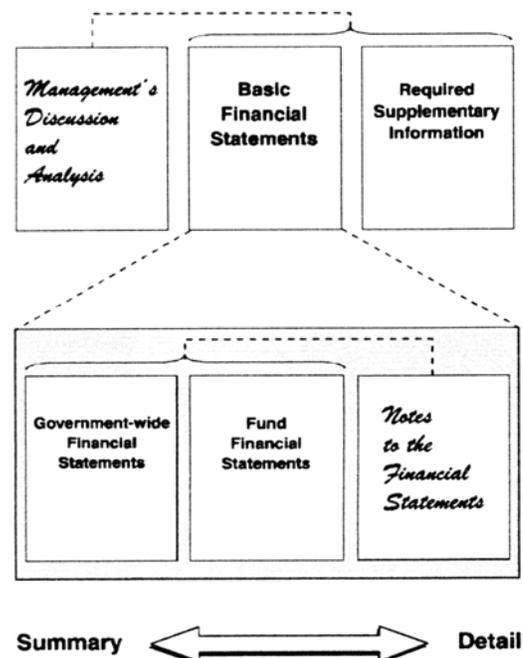
This annual report consists of four parts—*management’s discussion and analysis* (this section), the *basic financial statements*, *required supplementary information* and an additional section that presents *combining statements* for nonmajor governmental funds and capital assets used in the operations of governmental activities. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the City’s overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the City government, reporting the City’s operations in more detail than the government-wide statements.
- *Governmental funds* statements tell how general government services, such as parks and recreation, were financed in the short term as well as what remains for future spending.
- *Proprietary funds* statements offer short-term and long-term financial information about the activities the government operates like businesses, such as utilities (water and sewer), solid waste and stormwater systems.
- *Fiduciary funds* statements report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the government’s own programs.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* which further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and are related to one another. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds, each of which is added together and presented in single columns in the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City’s finances, in a manner similar to a private-sector business.

Figure A-1
Required Components of
City’s Annual Financial Report



OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Oakland Park include public works, engineering, parks and recreation, library, community development, fire rescue, police services provided by the Broward's Sheriff Office, and general administration services. The business-type activities of City include the water and sewer systems, the solid waste system and the stormwater operations.

The government-wide financial statements can be found on pages 17 and 18 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Oakland Park, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

The City of Oakland Park maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

statement of revenues, expenditures, and changes in fund balances for the General Fund, Fire Rescue Fund, Small Town Renaissance Capital Projects Fund, which are considered to be major funds. The CRA Fund, although non-major, is presented as a major fund in order to comply with its audit requirement per F.S. 163.387(8). Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. Budgetary comparison statements have been provided for the General Fund, the Fire Rescue and the CRA Special Revenue Funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 19 to 22 of this report.

Proprietary funds. The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, solid waste and stormwater operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the water and sewer, solid waste and stormwater operations, all of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 23 to 25 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 26 to 27 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28 to 58 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 59 to 65 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages page 66 to 77 of this report.

Our analysis of the financial statements of the City begins below. Certain reclassifications, such as tax revenues and assets of prior year's figures, in this and the statistical sections have been made to conform to current year presentation. The Statement of Net Assets and the Statement of Activities report information about the City's activities that will help answer questions about the position of the City. Both fiscal year 2009 and fiscal year 2010 are presented for comparison purposes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets:

As noted earlier, net assets may serve as a useful indicator over time of a government's financial position. The table below summarizes Oakland Park's net assets for fiscal year 2010 and fiscal year 2009:

City of Oakland Park, Florida						
Net Assets						
(In Thousands)						
	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 26,131	\$ 28,771	\$ 30,703	\$ 20,069	\$ 56,834	\$ 48,840
Capital assets	79,640	74,418	63,551	54,069	143,191	128,487
Total assets	<u>105,771</u>	<u>103,189</u>	<u>94,254</u>	<u>74,138</u>	<u>200,025</u>	<u>177,327</u>
Long-term liabilities	18,033	18,000	21,891	8,344	39,924	26,344
Other liabilities	2,776	4,028	5,745	4,422	8,521	8,450
Total liabilities	<u>20,809</u>	<u>22,028</u>	<u>27,636</u>	<u>12,766</u>	<u>48,445</u>	<u>34,794</u>
Net Assets:						
Invested in capital assets, net of related debt	65,305	60,159	55,756	46,579	121,061	106,738
Restricted for:						
Capital projects	2,361	3,080	4,612	8,189	6,973	11,269
Special revenue	315	2,259	-	-	315	2,259
Unrestricted	<u>16,981</u>	<u>15,663</u>	<u>6,251</u>	<u>6,604</u>	<u>23,232</u>	<u>22,267</u>
Total net assets	<u>\$ 84,962</u>	<u>\$ 81,161</u>	<u>\$ 66,619</u>	<u>\$ 61,372</u>	<u>\$ 151,581</u>	<u>\$ 142,533</u>

There are six basic transactions that will affect the comparability of the Statement of Net Assets summary presentation:

- 1) Net results of activities will impact current assets and unrestricted net assets.
- 2) Borrowing for capital will increase current assets and long-term debt.
- 3) Spending or lack of spending borrowed proceeds will affect current assets and capital assets.
- 4) Spending of non-borrowed current assets on new capital will reduce current assets, increase capital assets, reduce unrestricted net assets, and increase invested in capital assets, net of debt.
- 5) Principal payment on debt will reduce current assets, long-term debt, reduce unrestricted net assets and increase invested in capital assets, net of debt.
- 6) Reduction of capital assets through depreciation will reduce capital assets and invested in capital assets, net of debt.

The City's combined net assets were \$151.6 million for fiscal year 2010, \$85 million for governmental activities and \$66.6 million for business-type activities. This represents a \$9.1 million increase over fiscal year 2009 net assets which is an improvement in overall financial position from last year of 6.4%. A significant contributing factor for the increase was a \$8.1 capital contribution in roadway and drainage improvements from Broward County in connection with the North Andrew Garden annexation. For governmental activities, investment in capital

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Statement of Net Assets: (continued)

assets net of related debt increased \$5.1 million while the investment in capital assets for the business-wide activities increased \$9.2 million. A significant portion of these net assets are restricted as to use. For fiscal year 2010, the net assets of governmental activities are 80.0% restricted while business-type activities net assets are 90.6% restricted.

Investment in capital assets (such as land, buildings and equipment) is a significant portion of the restricted assets. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the net assets, \$2.7 million, or 3.2% represents resources for governmental activities that are subject to external restrictions on how they may be used while \$4.6 million or 6.9% are resources subject to external restrictions for business-type activities. The remaining balance of *unrestricted net assets*, \$23.2 million, may be used to meet the government's ongoing obligations to citizens and creditors.

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

Statement of Activities:

The following information is presented to assist the reader in understanding the different types of factors that can affect the result from operation. Examples of events that may impact the revenues are as follows:

- 1) **Economic condition** can reflect a declining, stable or growing environment and has a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits.
- 2) The City Commission has significant authority to set **increases or decreases in City's rates** (water, wastewater, stormwater, permitting, impact fees, user fees, etc.).
- 3) **Changing patterns in intergovernmental and grant revenues** (both recurring and non-recurring) can significantly change and impact the annual comparisons.
- 4) **Market impacts on investment income** may cause investment revenues to fluctuate from the prior year.

Other factors that may impact the expenses are presented below:

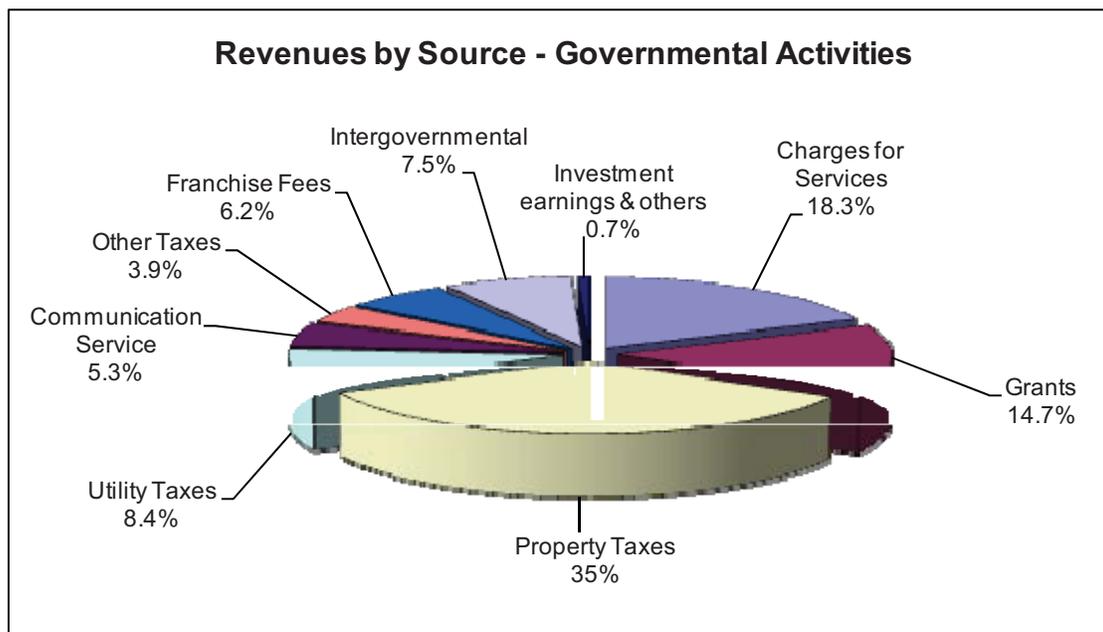
- 1) **Introduction of new programs or increase in the City's boundary** can have a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits for building permits, user fees and consumption.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Statement of Activities: (continued)

- 2) **Changes in service demand levels** can cause the City to increase or decrease authorized staffing. Staffing costs (salary and related benefits) represent 42% of the City's operating costs.
- 3) **Salary increases** such as cost of living, performance increases and market adjustments can impact personal service costs.
- 4) **While inflation** appears to be reasonably modest, the City is a major consumer of certain commodities such as chemicals, supplies, fuels and parts. Some functional expenses may experience unusual commodity specific increases.

As noted earlier, the *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year.



As shown above, there are two primary contributors to governmental revenues (exclusive of transfers), property taxes and charges for services. For fiscal year 2010, property taxes, at \$14.9 million, represent 35.0% of revenues while charges for services, at \$7.8 million, comprise 18.3% of revenues. Other major sources of revenues include \$3.6 million from utility taxes, \$2.6 million from franchise fees, \$2.2 million from communication service taxes and \$1.7 million in other taxes, totaling \$10.1 million that represent 23.8% of the revenues.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Statement of Activities: (continued)

The following table reflects the City's revenues and expenses for fiscal year 2010 compared to fiscal year 2009, with the resulting change in net assets:

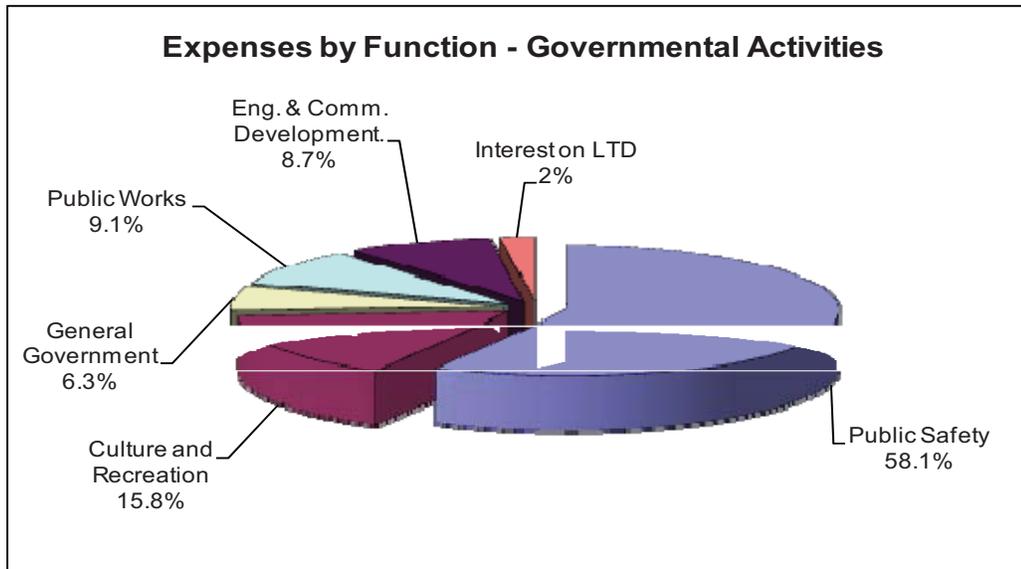
City of Oakland Park, Florida						
Changes in Net Assets (in Thousands)						
	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	\$ 7,788	\$ 7,708	\$ 23,105	\$ 23,103	\$ 30,893	\$ 30,811
Operating grants/contributions	236	120	6	-	242	120
Capital grants/contributions	6,056	3,444	6,025	562	12,081	4,006
General revenues						
Property taxes	14,905	16,052	-	-	14,905	16,052
Franchise fees	2,647	2,938	-	-	2,647	2,938
Utility taxes	3,577	3,275	-	-	3,577	3,275
Communication Service Taxes	2,246	2,615	-	-	2,246	2,615
Other Taxes	1,660	1,134	-	-	1,660	1,134
Intergovernmental	3,196	3,181	-	-	3,196	3,181
Investment earnings	91	31	58	1	149	32
Misc. revenue	224	(24)	-	-	224	(24)
Total revenues	<u>42,626</u>	<u>40,474</u>	<u>29,194</u>	<u>23,666</u>	<u>71,820</u>	<u>64,140</u>
Expenses:						
General government	2,438	2,622	-	-	2,438	2,622
Public safety	22,438	21,277	-	-	22,438	21,277
Public works	3,538	3,618	-	-	3,538	3,618
Water & Sewer	-	-	13,053	11,178	13,053	11,178
Solid Waste	-	-	7,912	7,966	7,912	7,966
Stormwater	-	-	3,193	3,082	3,193	3,082
Eng. & Community development	3,347	3,721	-	-	3,347	3,721
Culture/recreation	6,080	6,157	-	-	6,080	6,157
Interest on long-term debt	773	803	-	-	773	803
Total expenses	<u>38,614</u>	<u>38,198</u>	<u>24,158</u>	<u>22,226</u>	<u>62,772</u>	<u>60,424</u>
Increase in net assets before transfers	4,012	2,276	5,036	1,440	9,048	3,716
Transfers	(211)	281	211	(281)	-	-
Increase in net assets	<u>3,801</u>	<u>2,557</u>	<u>5,247</u>	<u>1,159</u>	<u>9,048</u>	<u>3,716</u>
Net assets beginning of year	<u>81,161</u>	<u>78,604</u>	<u>61,372</u>	<u>60,213</u>	<u>142,533</u>	<u>138,817</u>
Net assets end of year	<u>\$ 84,962</u>	<u>\$ 81,161</u>	<u>\$ 66,619</u>	<u>\$ 61,372</u>	<u>\$ 151,581</u>	<u>\$ 142,533</u>

When compared with fiscal year 2009, property taxes decline of \$1.1 million reflects the effect of continuing lower property value despite the increase in millage rate. Capital contributions increased \$8.1 million solely attributable to Broward County donated infrastructure improvements. Intergovernmental revenues and charges for services nearly unchanged for the year. Investment earnings increased by \$117,000 due to some recovery in SBA fund B investment.

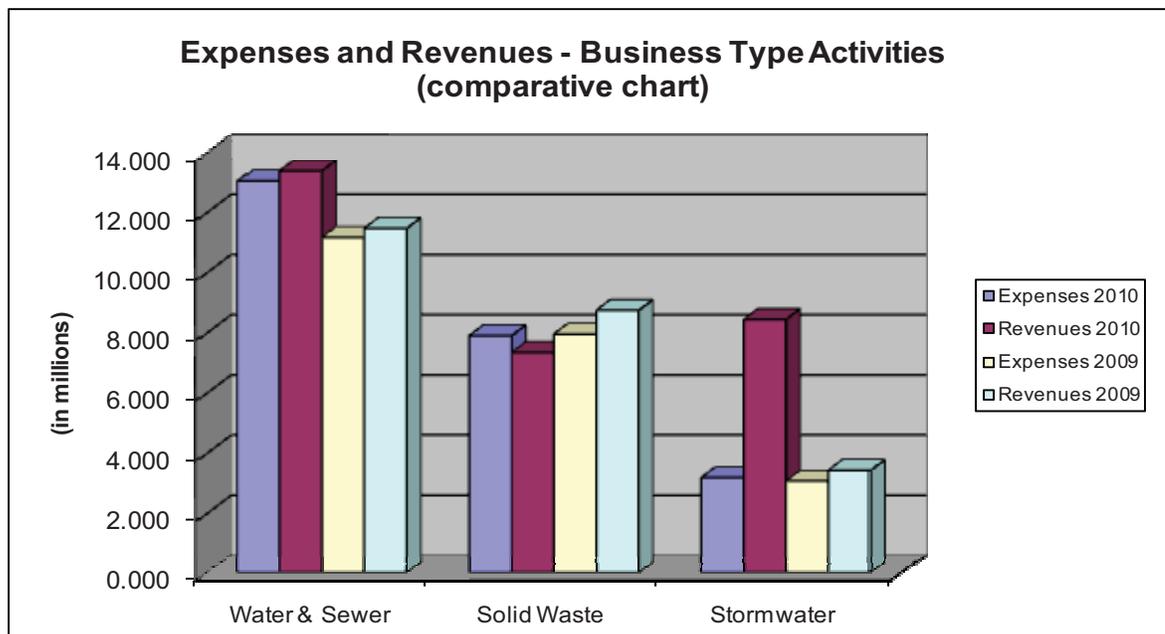
As shown in the following chart, governmental expenses are largely weighted in one function, public safety, which comprises of police (provided by Broward Sheriff's Office) and fire rescue services. At \$22.4 million, public safety costs represent 58.1% of total governmental expenses.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Statement of Activities: (continued)



Revenue earned by business-type activities is primarily concentrated in one source, charges for services, \$23.1million. This figure represents the fees charged for each of the City’s enterprise funds, \$12.9 million for Water and Sewer, \$7.3 million for Solid Waste and \$2.9 million for Stormwater. Operating revenues increased by \$1.4 million or 12.6% from a year ago for Water and Sewer fund due to its rate increase. The City Ordinance provides for scheduled water and sewer rate increases into fiscal year 2013 to meet the planned infrastructure capital improvements and to service its new debt financing. Solid Waste fund revenue decreased by \$1.4 million due to its rate reduction. Stormwater fund revenue remained steady.



GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Statement of Activities: (continued)

For business-type expenses, the \$24.2 million represents \$13.1 million for Water and Sewer, \$7.9 million for Solid Waste and \$3.2 million for Stormwater, compared to \$22.2 million in total expenses the previous year. The increase of \$2.0 million in total expense was the result of the increases in costs of water purchase and sewer treatment costs in the Water and Sewer fund.

As the City controlled costs substantially during the year, the City was able to increase its net assets by \$3.8 million for the governmental activities and \$5.2 million for the business-type activities. As stated in previous paragraphs, the increase was mainly attributed to Broward County capital contribution. Further analysis is provided in the government fund financial analysis section below.

GOVERNMENT FUNDS' FINANCIAL ANALYSIS

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

As the City completed the year its governmental funds reported combined fund balances of \$23.3 million, with the General Fund representing \$16.8 million. Of the \$16.8 million in the General Fund, \$2.9 million is reserved and \$12.1 million is designated, leaving \$1.8 million in unreserved, undesignated fund balance.

Included in this year's total change in fund balances for the General Fund is a \$6.1 million excess of revenues over expenditures. The net result is \$0.8 million less than prior year that is a combining result of reduced property and communication service taxes and continuing cost cutting in operational and personnel costs except for public safety, which increased by \$0.6 million. After deducting the \$6.3 million transfer to the fire rescue and other non-major funds, a gain of \$12,419 flowed through to fund balance.

Expenditures at \$28.9 million were well below the final approved budget of \$30.3 million as the City staff continue to curtail operational spending. Please refer to the General Fund Budget Highlights section below for further information.

The Fire Rescue Fund expenditures exceeded its revenues by \$4.2 million. This fund's operation has been supplemented annually by General Fund transfers. The fund had a negative change in fund balance of \$91,962 after the transfer of \$4.1 million from the General Fund.

During fiscal year 2010, the City continued to move forward on its Small Town Renaissance Program, spending \$3.2 million, resulting in a increase of the fund balance of \$0.9 million. At year-end, \$3.2 million is available for future projects related to the Small Town Renaissance Program.

The CRA Fund expenditures exceeded its revenues by \$0.2 million. This fund's operation has been supplemented annually by General Fund transfers. The fund had a positive change in fund balance of \$77,269 after the transfer of \$0.3 million from the General Fund

GOVERNMENT FUNDS' FINANCIAL ANALYSIS (CONTINUED)

The fund balance in the other non-major governmental funds decreased \$0.6 million from \$1.5 million to \$0.9 million due to the return of unused capital from the Vehicle Replacement fund to their original contributing funds. Total expenditures exceeded revenues by \$0.6 million which was covered by \$0.6 million transferred in from several funds, including the General Fund, to fund the Transportation funds' operations as well as the debt services for capital leases.

The City's proprietary funds are presented in more detail in the fund statements but represent the same activities reflected in the business-type activities noted above. For fiscal year 2010, a combined \$66.6 million net asset balance was reported, of which \$6.2 million was unrestricted. Among the City's three enterprise funds, both Water and Sewer and the Stormwater Funds have significant investments in capital assets that are required to run the daily operations. The Water and Sewer and the Solid Waste funds represent the bulk of the unrestricted assets at \$3.5 and \$2.3 million, respectively.

Net assets for the proprietary funds increased a combined \$5.2 million, resulted from a combination of water and sewer fee increase and the capital contribution from Broward County.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City Commission made revisions to the original appropriations. The General Fund budget was amended during the year to account for rollovers related to prior year encumbrances and to account for additional funding for unforeseen staffing and expenditure changes. The amended budget was increased by \$0.2 million or 0.5% from the originally approved budget of \$36.6 million, including transfers. Of this, approximately \$97,000 was related to FY09 encumbered purchase orders rolled over to FY10. Additionally, there was a decrease of \$0.6 million for non-departmental budget, offset by increases of \$0.9 million elsewhere in the General Fund, primarily due to anticipated higher pension and unemployment compensation costs.

Revenues were \$0.3 million below the amended revenue budget of \$35.1 million. This was mainly due to an unanticipated electric fuel charge credit and a 20% lower fuel charge that caused a \$0.5 million shortfall in franchise fees. Other taxes such as property and communication service taxes also declined, indicative of continuing soft economy. The declines in these revenues were offset by increases in utility taxes, licenses and permits, fines and forfeitures and other revenues. Utility tax increased due to two factors, higher electric consumption coupled by the fuel price adjustment that tend to increase its revenue base and a 11.5% City water rate hike that netted a \$139,000 increase in water utility tax revenue.

Expenditures were \$1.6 million favorable to the amended budget of \$36.6 million. Nearly all divisions were essentially on budget with two divisions having significant positive variances. Contributing to this savings were approximately \$0.1 million each of savings in Human Resources, Information Technology, Building Maintenance and the Engineering divisions. The variances were the combination results of utilization of in-house labor, conservation of energy, improved efficiency and the deferral of a couple projects.

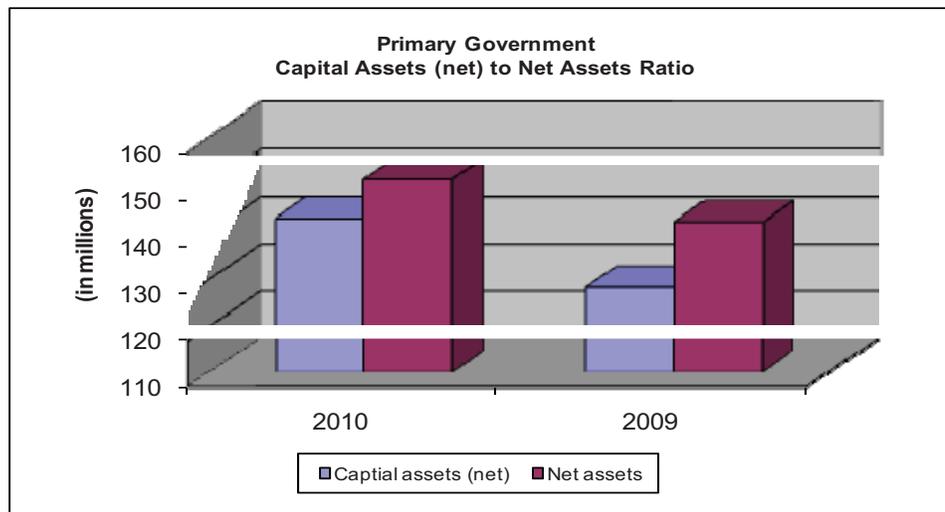
Additionally, the Parks & Leisure Services department had significant savings in excess of \$258,000, primarily due to lower utilization of part-time staff and contract services. The Community Development division had similar savings of \$254,000, benefited from two vacant positions for partial year and lower expenditure in professional services. As noted previously, all other divisions within the fund were substantially on budget with small favorable variances.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets:

The City's investment in capital assets net of accumulated depreciation for its governmental and business-type activities as of September 30, 2010 amounts to \$143.2 million compared to \$128.5 million from the previous year. Completed capital projects and Broward County capital contribution attributed to the net increase of \$14.7 million, of which \$9.5 million came from city projects. Among the major projects completed are street and water system improvements along NE 12th Ave, privacy wall along Commercial Blvd. and park improvements at the Carter Woodson and the Wimberly parks. Capital projects under construction dropped by \$0.6 million.

Capital assets net represents 94.5% and 90.1% of the total primary government net assets for year 2010 and 2009, respectively.



The City's capital assets net for its governmental and business-type activities for fiscal year 2010 and fiscal year 2009 is detailed below:

City of Oakland Park, Florida						
Capital assets						
(Net of Depreciation)						
(In thousands)						
	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land and easements	\$ 13,047	\$ 13,047	\$ 58	\$ 58	\$ 13,105	\$ 13,105
Construction in progress	1,535	6,621	7,839	3,389	9,374	10,010
Intangible - software	131	-	-	-	131	-
Buildings	12,027	12,356	129	139	12,156	12,495
Improvements other than buildings	13,482	11,606	-	-	13,482	11,606
Machinery and equipment	5,352	6,120	3,045	1,793	8,397	7,913
Infrastructure	34,066	24,668	52,480	48,690	86,546	73,358
Total	\$ 79,640	\$ 74,418	\$ 63,551	\$ 54,069	\$ 143,191	\$ 128,487

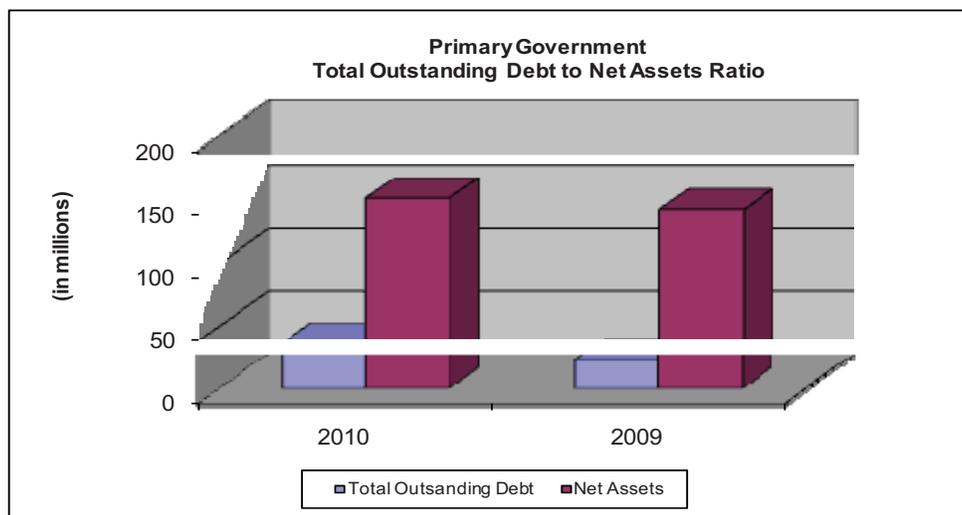
CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

Capital assets: (continued)

The City's fiscal year 2010 capital budget provided \$12.4 million spending for capital projects with \$2.6 million slated for NE 38th and Dixie highway downtown entrance, \$1.5 million for water and sewer improvements, \$5.7 million for stormwater improvements, and \$1.1 million for the purchase of five new garbage trucks. The amended budget increased to \$23.1 million mostly by prior year encumbrances rolled over of \$8.4 million. The City uses debt financing, loan proceeds, internal funds as well as grant funds to finance these projects. Additional information on the City's capital assets can be found in Note 4 on page 41 of this report.

Debt Administration:

Presented below is a chart showing the relationships of the City's total outstanding debt compared to its total assets for the last two years. The outstanding debt to net assets ratios were 24% and 16.5%, for year 2010 and 2009, respectively. An increase of \$12.8 million was the net result of a new \$14.9 million 2010 series bonds issue, a \$1.1 million new capital lease for the solid waste trucks and \$2.7 million in the principal payments for the applicable debt.



At year-end the City had \$36.4 million in outstanding debt, as noted in the following chart:

City of Oakland Park, Florida						
Outstanding Debt						
(In thousands)						
	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Loans	\$ 14,585	\$ 14,999	\$ 6,059	\$ 6,207	\$ 20,644	\$ 21,206
Revenue bonds	-	-	14,503	1,834	14,503	1,834
Capital lease payable	259	518	1,037	-	1,296	518
Total	\$ 14,844	\$ 15,517	\$ 21,599	\$ 8,041	\$ 36,443	\$ 23,558

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

Debt Administration: (continued)

More detailed information about the City's liabilities is presented in Note 7, Leases, and Note 8, Long-term debt, beginning on page 43 of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATIOS

The State of Florida, by constitution, does not have a State personal income tax and, therefore, the State operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties and school boards) primarily rely on property and a limited array of permitted other taxes (telecommunication, gasoline, utilities, services, etc.) and fees (franchise, building permits, etc.) to fund their governmental activities. There are a limited number of State-shared revenues and recurring and one-time grants from the state, local and federal governments. For the business-type and certain governmental activities (building inspections, recreational programs, etc.) the user pays a related fee or charge associated with the service.

The adopted FY 11 General Fund budget at \$37.9 million represents a 3.6% increase from the final amended FY 10 budget. This was accomplished through a 3.9% increase in operating expense and 8% decreases in transfers and other funds subsidized by the General Fund. More specifically, a wage freeze across the board continues for all City personnel will be in effect next year. All departments are asked to continue cut back on expenditures by reduced spending or improved operations efficiency. The property tax base declined again by 15% to \$2.3 billion. The millage rate remains at 5.7252 mills which overall will result in a \$2.6 million decline in budgeted property tax revenue.

REQUESTS FOR INFORMATION

The City's financial statements are designed to present users (citizens, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. The financial statements are available on the City's website at www.oaklandparkfl.org. If you have questions about the report or need additional financial information, contact William F. Underwood, II, Financial Services Director, City of Oakland Park, 3650 NE 12 Avenue, Oakland Park, Florida 33334.

BASIC FINANCIAL STATEMENTS



CITY OF OAKLAND PARK, FLORIDA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2010

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 19,798,802	\$ 4,975,547	\$ 24,774,349
Accounts receivable - net	2,194,331	5,228,517	7,422,848
Inventories	64,492	143,535	208,027
Prepays	255,083	1,818	256,901
Other assets	5,000	-	5,000
Restricted assets:			
Cash and cash equivalents	3,666,214	20,354,114	24,020,328
Net pension assets	147,233	-	147,233
Capital assets not being depreciated	14,581,670	7,896,780	22,478,450
Capital assets being depreciated, net	<u>65,058,391</u>	<u>55,654,118</u>	<u>120,712,509</u>
Total assets	<u>105,771,216</u>	<u>94,254,429</u>	<u>200,025,645</u>
LIABILITIES			
Accounts payable and accrued expenses	950,602	3,744,957	4,695,559
Customer deposits	350	1,401,049	1,401,399
Accrued interest payable	327,268	212,351	539,619
Unearned revenues	927,524	339,339	1,266,863
Claims payable	348,252	-	348,252
Other liabilities	221,446	-	221,446
Noncurrent liabilities:			
Due within one year	1,094,966	685,896	1,780,862
Due in more than one year:			
Bonds and notes payables	14,243,850	20,959,189	35,203,039
Compensated absences	1,330,430	211,837	1,542,267
Net pension obligation	946,147	-	946,147
Net OPEB obligation	<u>418,000</u>	<u>81,000</u>	<u>499,000</u>
Total liabilities	<u>20,808,835</u>	<u>27,635,618</u>	<u>48,444,453</u>
NET ASSETS			
Invested in capital assets, net of related debt	65,305,447	55,756,450	121,061,897
Restricted for:			
Capital projects	2,360,589	4,611,848	6,972,437
Special revenue	314,815	-	314,815
Unrestricted	<u>16,981,530</u>	<u>6,250,513</u>	<u>23,232,043</u>
Total net assets	<u>\$ 84,962,381</u>	<u>\$ 66,618,811</u>	<u>\$ 151,581,192</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2010

<u>Functions/Programs</u>	<u>PROGRAM REVENUES</u>			<u>NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Primary Government:							
Governmental activities:							
General government	\$ 2,438,500	\$ 943,405	\$ 15,569	\$ -	\$ (1,479,526)	\$ -	\$ (1,479,526)
Public safety	22,438,120	4,966,694	179,281	-	(17,292,145)	-	(17,292,145)
Public works	3,537,960	-	-	5,810,303	2,272,343	-	2,272,343
Engineering and community development	3,347,367	1,362,529	-	-	(1,984,838)	-	(1,984,838)
Culture and recreation	6,079,667	515,184	40,788	245,722	(5,277,973)	-	(5,277,973)
Interest on long term debt	772,769	-	-	-	(772,769)	-	(772,769)
Total governmental activities	<u>38,614,383</u>	<u>7,787,812</u>	<u>235,638</u>	<u>6,056,025</u>	<u>(24,534,908)</u>	<u>-</u>	<u>(24,534,908)</u>
Business-type activities:							
Water and sewer	13,053,032	12,913,904	-	438,804	-	299,676	299,676
Solid waste	7,912,295	7,340,028	6,000	-	-	(566,267)	(566,267)
Stormwater	3,193,029	2,851,607	-	5,586,191	-	5,244,769	5,244,769
Total business activities	<u>24,158,356</u>	<u>23,105,539</u>	<u>6,000</u>	<u>6,024,995</u>	<u>-</u>	<u>4,978,178</u>	<u>4,978,178</u>
Total primary government	<u>\$ 62,772,739</u>	<u>\$ 30,893,351</u>	<u>\$ 241,638</u>	<u>\$ 12,081,020</u>	<u>(24,534,908)</u>	<u>4,978,178</u>	<u>(19,556,730)</u>

GENERAL REVENUES

Taxes:

Property taxes	14,905,227	-	-	14,905,227
Franchise fees	2,647,258	-	-	2,647,258
Utility taxes	3,576,651	-	-	3,576,651
Communication service taxes	2,245,920	-	-	2,245,920
Other taxes	1,660,518	-	-	1,660,518
Unrestricted investment earnings	91,123	57,639	-	148,762
Intergovernmental revenue - unrestricted	3,196,371	-	-	3,196,371
Miscellaneous	224,169	-	-	224,169
Transfers - net	(211,306)	211,306	-	-
Total revenues	<u>28,335,931</u>	<u>268,945</u>	<u>-</u>	<u>28,604,876</u>
Change in net assets	3,801,023	5,247,123	-	9,048,146
Net assets, beginning	81,161,358	61,371,688	-	142,533,046
Net assets, ending	<u>\$ 84,962,381</u>	<u>\$ 66,618,811</u>	<u>\$ -</u>	<u>\$ 151,581,192</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2010

	Major Funds					
		Special Revenue	Special Revenue	Small Town Renaissance	Other	Total
	General	Fire Rescue	Oakland Park CRA	Capital Projects Fund	Governmental Funds	Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 16,379,311	\$ 2,175,662	\$ 163,096	\$ -	\$ 1,080,733	\$ 19,798,802
Accounts receivable - net	1,539,438	272,779	-	246,431	135,683	2,194,331
Due from other funds	46,141	-	-	-	-	46,141
Inventories	64,492	-	-	-	-	64,492
Prepayments	251,097	-	840	-	3,146	255,083
Other assets	5,000	-	-	-	-	5,000
Advance to other funds	114,531	-	-	-	-	114,531
Temporarily restricted assets:						
Cash and cash equivalents	155,411	-	-	3,138,498	372,305	3,666,214
Total assets	\$ 18,555,421	\$ 2,448,441	\$ 163,936	\$ 3,384,929	\$ 1,591,867	\$ 26,144,594
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 528,769	\$ 203,534	\$ 7,058	\$ 187,470	\$ 23,771	\$ 950,602
Due to other funds	-	-	-	-	160,672	160,672
Compensated absences	202,556	-	-	-	-	202,556
Other liabilities	221,796	-	-	-	-	221,796
Deferred and unearned revenues	482,194	-	-	19,734	495,497	997,425
Claims payable	348,252	-	-	-	-	348,252
Total liabilities	<u>1,783,567</u>	<u>203,534</u>	<u>7,058</u>	<u>207,204</u>	<u>679,940</u>	<u>2,881,303</u>
Fund balances:						
Reserved for:						
Inventories	64,492	-	-	-	-	64,492
Prepaid costs	251,097	-	840	-	3,146	255,083
Advance	114,531	-	-	-	-	114,531
Certification maintenance	71,687	-	-	-	-	71,687
Library services	58,931	-	-	-	-	58,931
City beautification	2,089	-	-	-	-	2,089
Robert Horstman donation	2,884	-	-	-	-	2,884
Fire department education	20,500	-	-	-	-	20,500
Encumbrances	116,031	-	-	2,516,168	23,665	2,655,864
Public safety	-	1,062,406	-	-	319,289	1,381,695
Grant match	2,089,952	-	-	-	-	2,089,952
Capital projects	-	-	-	661,557	-	661,557
Unreserved, designated for subsequent year expenditures, reported in:						
General fund	1,706,740	-	-	-	-	1,706,740
Special revenue funds	-	1,182,501	-	-	-	1,182,501
Unreserved, designated, reported in:						
General fund - fiscal contingency	10,429,170	-	-	-	-	10,429,170
Unreserved, undesignated, reported in:						
General fund	1,843,750	-	-	-	-	1,843,750
Special revenue fund	-	-	156,038	-	565,827	721,865
Total fund balances	<u>16,771,854</u>	<u>2,244,907</u>	<u>156,878</u>	<u>3,177,725</u>	<u>911,927</u>	<u>23,263,291</u>
Total liabilities and fund balances	\$ 18,555,421	\$ 2,448,441	\$ 163,936	\$ 3,384,929	\$ 1,591,867	\$ 26,144,594

See notes to basic financial statements.

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

Fund balances - total governmental funds (Page 19) \$ 23,263,291

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

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

Governmental capital assets	101,432,691
Less accumulated depreciation	(21,792,630)

Net pension obligation	(798,914)
Net OPEB obligation	(418,000)

Accrued bond interest payable not reported in the governmental funds	(327,268)
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Governmental note payable	(14,585,473)
Capital leases	(258,742)
Compensated absences	(1,622,478)

The statement of net assets include certain assets that are not available to pay for current period's expenditures, but the funds exclude those assets.

Accounts receivable for revenue "not available" for offset with unearned revenue	69,904
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Net assets of governmental activities (Page 17) \$ 84,962,381

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Major Funds</u>					<u>Total Governmental Funds</u>
	<u>General</u>	<u>Special Revenue Fire Rescue</u>	<u>Special Revenue Oakland Park CRA</u>	<u>Small Town Renaissance Capital Projects Fund</u>	<u>Other Governmental Funds</u>	
REVENUES:						
Taxes:						
Property	\$ 14,905,227	\$ -	\$ -	\$ -	\$ -	\$ 14,905,227
Franchise fees	2,647,258	-	-	-	-	2,647,258
Utility taxes	3,576,651	-	-	-	-	3,576,651
Communications service taxes	2,245,920	-	-	-	-	2,245,920
Other taxes	614,811	312,446	-	-	733,262	1,660,519
Licenses and permits	1,237,729	15,569	-	-	174,306	1,427,604
Intergovernmental	2,845,564	22,833	-	-	327,974	3,196,371
Charges for services	5,937,707	4,830,064	-	-	-	10,767,771
Fines and forfeitures	664,719	-	-	-	115,736	780,455
Investment earnings (loss)	52,429	6,688	836	22,695	8,474	91,122
Grants	25,171	-	-	2,749,074	137,735	2,911,980
Other	237,400	3,361	-	-	4,858	245,619
Total revenues	<u>34,990,586</u>	<u>5,190,961</u>	<u>836</u>	<u>2,771,769</u>	<u>1,502,345</u>	<u>44,456,497</u>
EXPENDITURES:						
Current:						
General government	5,546,051	-	-	-	-	5,546,051
Public safety	12,661,364	9,365,927	-	-	10,351	22,037,642
Public works	2,222,649	-	-	-	1,152,917	3,375,566
Engineering and community develop.	3,190,273	-	192,289	-	-	3,382,562
Culture and recreation	5,026,533	-	-	208,925	46,655	5,282,113
Debt service:						
Principal	-	-	-	413,337	259,090	672,427
Interest	-	-	-	768,750	14,318	783,068
Capital outlay	290,554	34,228	-	1,861,422	624,047	2,810,251
Total expenditures	<u>28,937,424</u>	<u>9,400,155</u>	<u>192,289</u>	<u>3,252,434</u>	<u>2,107,378</u>	<u>43,889,680</u>
Excess (deficiency) of revenues over expenditures	6,053,162	(4,209,194)	(191,453)	(480,665)	(605,033)	566,817
OTHER FINANCING SOURCES (USES):						
Transfers in	295,468	4,117,232	268,722	1,502,234	650,613	6,834,269
Transfers out	(6,336,211)	-	-	(75,000)	(634,364)	(7,045,575)
Total other financing sources (uses)	<u>(6,040,743)</u>	<u>4,117,232</u>	<u>268,722</u>	<u>1,427,234</u>	<u>16,249</u>	<u>(211,306)</u>
Net change in fund balances	12,419	(91,962)	77,269	946,569	(588,784)	355,511
Fund balances, beginning	<u>16,759,435</u>	<u>2,336,869</u>	<u>79,609</u>	<u>2,231,156</u>	<u>1,500,711</u>	<u>22,907,780</u>
Fund balances, ending	<u>\$ 16,771,854</u>	<u>\$ 2,244,907</u>	<u>\$ 156,878</u>	<u>\$ 3,177,725</u>	<u>\$ 911,927</u>	<u>\$ 23,263,291</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA
RECONCILIATION OF THE CHANGE IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2010

Amounts reported for governmental activities in the statement of activities (Page 18) are different because:

Net change in fund balances - total governmental funds (page 21)	\$ 355,511
<p>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.</p>	
Expenditures for capital outlays	2,810,251
Less current depreciation	(2,901,939)
Capital assets contribution	5,330,495
The net effect of various transactions involving capital assets	(16,592)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	
Principal payments of bonds/notes payable	413,337
Principal payments of capital leases	259,090
<p>Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. These activities consist of:</p>	
Net decrease in Compensated absences	188,984
Net decrease in accrued interest payable	10,303
Net increase in pension obligation	(494,353)
Net increase in OPEB obligation	(204,000)
Some revenues reported in the statement of activities do not provide current financial resources and are not reported as revenues in the funds.	69,904
Some revenues reported in the fund statements are revenues of prior periods and are not reported as revenues in the statement of activities.	<u>(2,019,968)</u>
Change in net assets of governmental activities (Page 18)	<u>\$ 3,801,023</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2010

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water</u>			
	<u>and Sewer</u>	<u>Solid Waste</u>	<u>Stormwater</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,728,238	\$ 2,141,775	\$ 105,534	\$ 4,975,547
Accounts receivable, net	1,534,515	760,504	2,933,498	5,228,517
Inventories	143,535	-	-	143,535
Prepayments	1,560	-	258	1,818
Total current assets	<u>4,407,848</u>	<u>2,902,279</u>	<u>3,039,290</u>	<u>10,349,417</u>
Noncurrent assets:				
Restricted cash and cash equivalents	19,026,719	450,105	877,290	20,354,114
Capital assets:				
Land	50,500	-	7,599	58,099
Construction in progress	3,190,909	-	4,647,772	7,838,681
Buildings	440,600	-	92,394	532,994
Machinery and equipment	3,153,200	2,451,387	439,497	6,044,084
Infrastructure	33,732,955	-	38,317,187	72,050,142
Total capital assets	40,568,164	2,451,387	43,504,449	86,524,000
Less accumulated depreciation	(16,147,797)	(1,445,594)	(5,379,711)	(22,973,102)
Total capital assets, net	<u>24,420,367</u>	<u>1,005,793</u>	<u>38,124,738</u>	<u>63,550,898</u>
Total noncurrent assets	<u>43,447,086</u>	<u>1,455,898</u>	<u>39,002,028</u>	<u>83,905,012</u>
Total assets	<u>47,854,934</u>	<u>4,358,177</u>	<u>42,041,318</u>	<u>94,254,429</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	1,952,791	442,640	1,349,526	3,744,957
Due to other funds	-	-	-	-
Accrued interest payable	107,147	2,800	102,404	212,351
Compensated absences	13,751	20,638	12,112	46,501
Customer deposits	950,044	451,005	-	1,401,049
Unearned revenues	319,839	19,500	-	339,339
Current portion of bonds/loans payable	310,000	202,395	125,000	637,395
Total current liabilities	<u>3,653,572</u>	<u>1,138,978</u>	<u>1,589,042</u>	<u>6,381,592</u>
Noncurrent liabilities:				
Compensated absences	62,643	94,017	55,177	211,837
Revenue bonds payable	14,232,996	-	-	14,232,996
Loan payable	1,543,996	834,335	4,349,862	6,728,193
Net OPEB obligation	26,011	34,754	20,235	81,000
Total noncurrent liabilities	<u>15,865,646</u>	<u>963,106</u>	<u>4,425,274</u>	<u>21,254,026</u>
Total liabilities	<u>19,519,218</u>	<u>2,102,084</u>	<u>6,014,316</u>	<u>27,635,618</u>
NET ASSETS				
Invested in capital assets, net of related debt	21,749,190	(30,937)	34,038,197	55,756,450
Restricted for capital projects	3,095,294	-	1,516,554	4,611,848
Unrestricted	3,491,232	2,287,030	472,251	6,250,513
Total net assets	<u>\$ 28,335,716</u>	<u>\$ 2,256,093</u>	<u>\$ 36,027,002</u>	<u>\$ 66,618,811</u>

See notes to basic financial statements.

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

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water and Sewer</u>	<u>Solid Waste</u>	<u>Stormwater</u>	<u>Total</u>
Operating revenues:				
Charges for sales and services:				
Metered water sales (pledged)	\$ 6,783,116	\$ -	\$ -	\$ 6,783,116
Sewer fees (pledged)	5,853,092	-	-	5,853,092
Residential solid waste service	-	2,890,261	-	2,890,261
Commercial solid waste service	-	4,119,817	-	4,119,817
Other charges for services	161,604	134,713	-	296,317
Stormwater fees	-	-	2,788,146	2,788,146
Other revenues	<u>116,092</u>	<u>195,237</u>	<u>63,461</u>	<u>374,790</u>
Total operating revenues	<u>12,913,904</u>	<u>7,340,028</u>	<u>2,851,607</u>	<u>23,105,539</u>
Operating expenses:				
Water system operation	5,645,347	-	-	5,645,347
Sewer system operation	5,650,815	-	-	5,650,815
Administrative support	949,011	1,499,232	573,305	3,021,548
Solid waste operation	-	6,299,682	-	6,299,682
Stormwater system operation	-	-	1,418,734	1,418,734
Depreciation	<u>598,062</u>	<u>106,196</u>	<u>630,826</u>	<u>1,335,084</u>
Total operating expenses	<u>12,843,235</u>	<u>7,905,110</u>	<u>2,622,865</u>	<u>23,371,210</u>
Operating income	70,669	(565,082)	228,742	(265,671)
Non-operating revenues (expenses)				
Investment earnings (loss)	40,454	5,574	11,611	57,639
Interest and fiscal charges	<u>(209,797)</u>	<u>(7,185)</u>	<u>(224,550)</u>	<u>(441,532)</u>
Total non-operating revenues (expenses)	<u>(169,343)</u>	<u>(1,611)</u>	<u>(212,939)</u>	<u>(383,893)</u>
Income before transfers and contributions	(98,674)	(566,693)	15,803	(649,564)
Grants and capital contributions	438,804	6,000	5,586,191	6,030,995
Capital contribution to others	-	-	(345,614)	(345,614)
Transfers in	<u>186,000</u>	<u>25,306</u>	<u>-</u>	<u>211,306</u>
Changes in net assets	526,130	(535,387)	5,256,380	5,247,123
Total net assets, beginning	<u>27,809,586</u>	<u>2,791,480</u>	<u>30,770,622</u>	<u>61,371,688</u>
Total net assets, ending	<u>\$ 28,335,716</u>	<u>\$ 2,256,093</u>	<u>\$ 36,027,002</u>	<u>\$ 66,618,811</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Solid Waste	Stormwater	Total
Cash flows from operating activities:				
Cash received from customers	\$ 13,074,778	\$ 7,551,788	\$ 919,972	\$ 21,546,538
Cash paid to suppliers	(9,669,379)	(4,907,144)	532,112	(14,044,411)
Cash paid to employees	(1,425,427)	(1,414,449)	(925,621)	(3,765,497)
Cash paid for interfund services used	(949,011)	(1,499,232)	(1,146,346)	(3,594,589)
Net cash provided by operating activities	<u>1,030,961</u>	<u>(269,037)</u>	<u>(619,883)</u>	<u>142,041</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	186,000	25,306	-	211,306
Capital grants to other entities	-	-	(345,614)	(345,614)
Grants available for operating purpose	-	6,000	-	6,000
Net cash provided by (used in) noncapital financing activities	<u>186,000</u>	<u>31,306</u>	<u>(345,614)</u>	<u>(128,308)</u>
Cash flows from capital and related financing activities:				
Acquisition/construction of capital assets	(2,964,030)	(1,076,971)	(3,667,834)	(7,708,835)
Capital grants and contributions	93,190	-	2,823,699	2,916,889
Proceeds from capital debt	14,885,000	1,069,879	-	15,954,879
Payment of bond issue costs	(362,201)	-	-	(362,201)
Loss on defeased bonds	(19,802)	-	-	(19,802)
Principal paid on bonds/loans payable	(1,867,776)	(33,149)	(114,492)	(2,015,417)
Interest paid on capital debt	(129,985)	(5,291)	(226,900)	(362,176)
Net cash (used in) capital and related financing activities	<u>9,634,396</u>	<u>(45,532)</u>	<u>(1,185,527)</u>	<u>8,403,337</u>
Cash flows from investing activities:				
Interest on investments	40,454	5,574	11,611	57,639
Net cash provided by (used in) investing activities	<u>40,454</u>	<u>5,574</u>	<u>11,611</u>	<u>57,639</u>
Net increase (decrease) in pooled cash and cash equivalents	10,891,811	(277,689)	(2,139,413)	8,474,708
Pooled cash and cash equivalents, beginning	10,863,146	2,869,569	3,122,237	16,854,952
Pooled cash and cash equivalents, ending	<u>\$ 21,754,957</u>	<u>\$ 2,591,880</u>	<u>\$ 982,824</u>	<u>\$ 25,329,661</u>
Displayed as:				
Unrestricted	\$ 2,728,238	\$ 2,141,775	\$ 105,534	\$ 4,975,547
Restricted	19,026,719	450,105	877,290	20,354,114
Total, September 30	<u>\$ 21,754,957</u>	<u>\$ 2,591,880</u>	<u>\$ 982,824</u>	<u>\$ 25,329,661</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 70,669	\$ (565,082)	\$ 228,742	\$ (265,671)
Adjustments to reconcile operating income to net cash provided used by operating activities:				
Depreciation, amortization and OPEB expense	598,062	106,196	630,826	1,335,084
Change in assets and liabilities:				
(Increase) decrease in accounts receivables	153,574	184,320	(1,931,635)	(1,593,741)
(Increase) decrease in inventories	8,605	-	-	8,605
(Increase) decrease in other assets	(1,560)	-	(258)	(1,818)
Increase (decrease) in accounts payable and accrued liabilities	200,607	(59,935)	1,016,847	1,161,519
Increase (decrease) in due to other funds	-	-	(573,041)	(573,041)
Increase (decrease) in deferred revenue	-	14,000	-	14,000
Increase (decrease) in customers' deposits	7,300	13,440	-	20,740
Increase (decrease) in net OPEB obligation	12,800	17,200	10,000	40,000
Increase (decrease) in compensated absences	(19,096)	16,824	(1,364)	(3,636)
Net cash provided by operating activities	<u>\$ 1,030,961</u>	<u>\$ (269,037)</u>	<u>\$ (619,883)</u>	<u>\$ 142,041</u>
Noncash capital related financing activities:				
Capital assets contributions	\$ 345,614	\$ -	\$ 2,762,492	\$ 3,108,106

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2010

	Pension Trust Funds
Assets	
Cash and short-term investments	\$ 1,673,598
Receivables:	
Contributions	257,409
Accrued interest and dividends	234,875
Total receivables	<u>492,284</u>
Investments, at fair value:	
U.S. Government and agency securities	7,687,555
Corporate bonds and notes	10,344,020
Mutual funds	22,232,546
Common stocks	23,543,858
International equity commingled fund	3,531,351
Total investments	<u>67,339,330</u>
Total assets	<u>69,505,212</u>
Liabilities	
Accounts payable and accrued expenses	43,743
Drop plan payable	1,012,501
Total liabilities	<u>1,056,244</u>
Net Assets	
Net assets held in trust for pension benefits	<u>\$ 68,448,968</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	<u>Pension Trust Funds</u>
Additions:	
Contributions:	
Plan members	\$ 778,832
City	3,747,078
State of Florida	539,130
Broward Sheriff's Office	429,740
Total contributions	5,494,780
Investment income:	
Investment earnings	1,488,797
Net appreciation in fair value of investments	4,451,983
Total	5,940,780
Less:	
Investment expenses	(226,540)
Deferred retirement option plan participants' earnings	(67,647)
Net investment income	5,646,593
Misc. income:	2,889
Total additions	11,144,262
Deductions:	
Pension benefits paid	6,336,825
Participants' contributions refunded	9,474
Administrative expenses	220,417
Total deductions	6,566,716
Change in net assets	4,577,546
Net assets, beginning	63,871,422
Net assets, ending	\$ 68,448,968

See notes to basic financial statements.



NOTES TO BASIC FINANCIAL STATEMENTS



**CITY OF OAKLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2010**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the City of Oakland Park, Florida's (the "City") significant accounting policies is presented to assist the reader in interpreting the basic financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying basic financial statements.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. This report, the accounting systems, and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

a. Reporting Entity

The City of Oakland Park, Florida is a political subdivision of the State of Florida. The City, which was incorporated on June 7, 1929, is located in Broward County and operates under the Commission-Manager form of government. The legislative branch of the City is composed of a five-member elected Commission, including a rotating mayor. The City Commission is governed by the City Charter and by state and local laws and regulations.

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 financial reporting entity consists of the City, organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same, or substantially the same, as the City Commission or the component unit provides services entirely to the City.

The Oakland Park Community Redevelopment Agency (CRA) is a dependent special district established by the City Commission under authority granted by Florida Statute 163, Section III. The CRA is a legally separate entity governed by a five-member board appointed by the City Commission, currently comprised of the City Commission itself.

The CRA Board adopted ordinance # O-2005-037 on December 7, 2005 to establish a trust fund which was intended to be financed through tax increments based on Ad Valorem taxes. However, Broward County discontinued the granting of tax increment financing. Alternatively, the City entered into an interlocal agreement by Resolution R-2007-001 with Broward County to finance the CRA operations through a Broward County Redevelopment Capital Program (RCP) grant.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. *Reporting Entity (continued)*

Other than preparing and filing the RCP grant application, the CRA activities have been minimal since the establishment of its trust fund. There was no revenue other than the transfers from the General Fund, and the expenditures have been budgeted in the City's annual budget. Although the CRA activities did not meet the major fund criteria, the CRA's financial data is presented within the City's major governmental funds in order to comply with the audit requirement of F.S. 163.387(8). No separate financial statements will be issued.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above, but do not meet the criteria for blending. Currently, the City has no discretely presented component unit.

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 and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days 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 judgments, are recorded only when payment is due.

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

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 elected not to follow subsequent private-sector guidance.

The City reports the following major governmental funds:

The **general fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **special revenue fund** (e.g. the Fire Rescue fund and the CRA) accounts for revenue sources that are legally restricted to expenditures for specific purposes (not including major capital projects).

The **capital projects fund** (Small Town Renaissance Capital Projects Fund) accounts for the acquisition of equipment and construction of major capital projects not being financed by proprietary funds.

The City reports the following major proprietary funds:

The **Water and Sewer fund** is used to account for the provision of water and sewer services to the residents and the commerce of the City.

The **Solid Waste fund** is used to account for the provision of solid waste collection, disposal and recycling for all residential and commercial customers within the City.

The **Stormwater fund** is used to account for the provision of stormwater management and drainage services to the residents and businesses of the City.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the City reports **pension trust funds** which accounts for the activities of the City' General Employees Pension Plan and the City's Police and Firefighters Retirement System.

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

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

Proprietary funds distinguish operating revenues and expenses from 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 of the City's water and sewer, solid waste and stormwater enterprise funds, are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

d. **Assets, Liabilities, and Net Assets of Fund Equity**

1. Deposits and Investments

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

The City's investments are reported at fair value. The City's investment in the State Board of Administration Investment Pool – Florida Prime fund A (a 2A-7 pool) is permitted to report at its amortized cost which is the fair value of its position in the pool, which is maintained at a constant value same as its value of the pool shares.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Net Assets of Fund Equity (continued)

1. Deposits and Investments (continued)

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

2. Receivables and Payables

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

Operating revenues in the water and sewer fund are generally recognized on the basis of cycle billings rendered monthly. Revenues for services delivered during the last month of the fiscal year that have not been read by September 30 are accrued based on meter readings for the applicable consumption period and billed in October.

Revenues and the associated receivable balances are accrued for taxes, franchise fees, and other utility services based on collections within 60 days of year-end.

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivables in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

The City's contracted service provider processes receivables associated with Emergency Medical Services (EMS). An allowance account is established for EMS receivables based on historical collection rates.

3. Property Taxes

Property values are assessed as of January 1 of each year, at which time taxes become an enforceable lien on property. Tax bills are mailed for the City by Broward County on or about October 1 of each year and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes.

Assessed values are established by the Broward County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters which provides for limiting the increases in homestead property valuations for ad valorem tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the City. Procedures for the collection of delinquent taxes by Broward

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Net Assets of Fund Equity (continued)

3. Property Taxes (continued)

County are provided for in the Laws of Florida.

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 tax levy of the City is established by the City Commission and the Broward County Property Appraiser incorporates the City's millage into the total tax levy, which includes the County and the County School Board tax requirements. The millage rate assessed by the City for the year ended September 30, 2010 was 5.7252 mills (\$5.7252 per \$1,000 of taxable assessed valuation).

4. Inventories and Prepaid Costs

Inventories are valued at cost using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased (consumption method). Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs.

5. Restricted Assets

Certain proceeds from the City's enterprise fund revenue bonds and the Florida Municipal Loan Council loans, 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 covenants.

The City's enterprise fund revenue bonds require certain reserves. The "revenue bonds reserve" account requirement is met by depositing an insurance policy to cover potential deficiencies from the City's operations that could adversely affect debt service payments.

The "renewal and replacement" account is used to account for those funds available to pay for the cost of extensions, improvements and additions to, or renewals and replacements of the capital assets of, or repairs of the system.

6. Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, machinery and equipment, and infrastructure assets (e.g., roads, sidewalks, culverts, pump stations, stormwater lines, catch basins, and similar items), are reported in the applicable governmental or business-type activities columns in government-wide financial statements. Capital asset is defined by the City as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as they are completed.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Net Assets of Fund Equity (continued)

<u>Assets</u>	<u>Years</u>
Buildings	50
Improvements other than buildings	20
Machinery and Equipment	5-20
System Infrastructure	50-65
Public Domain Infrastructure	50-65

7. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick pay is recognized as a liability and expense in the period benefits are earned in the government-wide statements and proprietary funds. Vacation and sick pay that is due and payable at September 30, 2010 and the amount expected to be liquidated with expendable available financial resources is reported as expenditure and a fund liability of the governmental funds that will pay it. Amounts not expected to be liquidated with expendable available financial resources are reported as a reconciling item between the fund and government-wide presentations. In 2009, the Commission fixed the payout rates as of September 30, 2009 for Federated union members and as of September 30, 2008 for all other city employees except for firefighters.

8. Long-Term Obligations

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

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

9. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific future purpose. The description of each reserve indicates the purpose for which each was intended.

Designations of fund balance represent tentative management plans that are subject to change. Unreserved undesignated fund balance is the portion of fund equity available for any lawful use.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Net Assets of Fund Equity (continued)

10. Unearned Revenues

Unearned revenues include amounts collected before revenue recognition criteria are met and receivables, which, under the modified accrual basis of accounting, are measurable, but not yet available. The deferred items consist primarily of license and permit revenues and special assessment revenues.

11. Use of Estimates

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

NOTE 2. DEPOSITS AND INVESTMENTS

a. Cash, Deposits and Investments

The City, for accounting and investment purposes, maintains a cash and investment pool for use by all City funds. This gives the City the ability to invest large amounts of idle cash for short periods of time and to maximize earning potential. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and cash equivalents and investments. Income earned on pooled cash and investments is allocated to the respective funds based on monthly ending balances.

In addition to insurance provided by the Federal Depository Insurance Corporation, cash deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires every qualified public depository to deposit with the Treasurer eligible collateral. Statutes provide that if a loss to a public depository is not covered by deposit insurance and the proceeds from the sale of securities pledged by the defaulting depository, the difference will be provided by an assessment levied against other public depositories of the same type as the depository in default.

The carrying amounts of the City's cash deposits were \$12,160,809 as of September 30, 2010. Bank balance before reconciling items were \$12,586,995 at that date, the total of which is collateralized or insured with securities held by the State Under the Florida Statutes Chapter 280, Florida Security for Public Deposits Act.

b. Cash Equivalents

The City cash equivalents include the Florida Prime, a Local Government Surplus Funds Trust Fund (LGSTF) administered by the State Board of Administration (SBA), investment pool managed by the Florida Municipal Investment Trust, and other highly liquid institutional money market funds offered through Florida qualified public depositories and pre-approved regional banks. The institutional funds must be registered with the Securities and Exchange Commission with the highest credit quality rating from a nationally recognized statistical rating organization. The LGSTF is not a registrant with the Securities and Exchange Commission, but the SBA Board has adopted operating procedures consistent with the requirements for a 2A-7 Fund. The LGSTF Fund B does not have a credit rating and is not considered a 2A-7 like fund, therefore, its value is reported using a factor to reflect its net asset value.

NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

b. Cash Equivalents (continued)

Cash equivalents in external investment pools and open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. These investments are also excluded from the concentration of credit risk disclosure requirement. The City may maintain a maximum exposure of up to 50% cash deposit with a bank and up to 75% of the cash equivalents portfolio balance in one investment pool to limit the credit risk due to concentration.

The following are cash equivalents held as of September 30, 2010:

	<u>Total Value</u>	<u>Average Maturity</u>	<u>S&P Rating</u>
Florida Prime fund A	\$ 28,941,746	52 days	AAAm
LGSTF Fund B (NAV)	181,569	7.49 years	unrated
Federated Money Market Funds	7,513,247	43-44 days	AAAm

c. Investments

The City's investment primary objectives are safety, liquidity and yield. Under the provisions of the City's investment policy, and in accordance with Florida Statutes, the following types of investments are authorized:

	<u>Maximum (%)</u>	<u>Individual Issue (%)</u>
United States Treasury	100	5
United States Agency	100	5
Government Sponsored Enterprise (GSE)	75	5
State & Local Government	30	5
Bank Deposit	50	50
Certificate of Deposit	30	5
Local Government Investment Pools	75	25
The State Board of Administration Pool (SBA)	75	25
Money Market Mutual Funds	50	25
Repurchase Agreements	50	25

The City invests its surplus funds in high quality highly liquid institutional money market funds with its share value remaining constant.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in interest rates. The City's investment policy limits that no security purchases shall cause the City investment portfolio to have duration of greater than five years.

Credit risk is the possibility that an issuer of a fixed income security will not fulfill its obligation to the holder of the investment. The City's investment policy limits the investments with authorized investment service providers and required securities purchased to meet specific credit quality criteria.

NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (continued)

City of Oakland Park General Employees Pension Plan (GEPP)

The GEPP's Board of Trustees has developed certain investment guidelines and has retained an investment monitor and managers. The investment monitor evaluates and reports on a quarterly basis compliance by the investment managers with the investment policy of the Board and investment performance of the GEPP. The investment managers are expected to maximize the return on the investment portfolio and may make transactions consistent with that expectation within the Board's guidelines.

Investments of the GEPP in common stocks, mutual funds, corporate bonds and government securities are valued at quoted market prices. Investments in money market funds are valued at cost. As of September 30, 2010, the following fixed income investments are held for GEPP:

	<u>Average Fair Value</u>	<u>Fitch Maturity</u>	<u>Rating</u>
High Quality Government Mutual funds	\$6,428,688	.78 years	AA

The GEPP's investment policy does not set a parameter on the duration of its fixed income securities. However, as of September 30, 2010, the weighted average maturity (WAM) of the fixed income portfolio is presented above.

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 Plan limits its credit risk by limiting its investments in fixed income securities to U.S. Government and agency securities or corporate bonds which meet or exceed a credit rating of "BBB: or higher. As of September 30, 2010, the GEPP's fixed income investments quality rating is presented above.

Concentration of Credit Risk: The GEPP's investment policy places investment limitations and provides target allocations to its investment managers to limit credit risk due to concentration. As of September 30, 2010, other than mutual funds, the Plan does not currently hold any securities that exceed 5% of plan net assets.

Custodial Credit Risk: The Plan does not have any investments in the possession of counterparties; all investments are held by the master custodian under the Plan's name.

Foreign currency risk: this risk refers to the risk that fluctuations in currency exchange rate may affect transactions conducted in foreign currencies as well as the carrying value of foreign investments. The GEPP's investment policy limits the foreign investments to no more than 10% of its investment balance. The Plan has invested in international equity funds. As of September 30, 2010, the Plan's foreign investments were 10% of total investments.

City of Oakland Park Retirement System for Police and Firefighters (RSP&F)

The RSP&F's investment policy as determined by the Board of Trustee provided for the following guidelines: (a) investment in all equity securities shall be limited to those listed on a major U.S. stock exchange and no more than 75% (at market) of the RSP&F's total asset value; (b) no more than 5% of the RSP&F's assets invested in the common stock of any one issuing company; (c) investment in stocks of foreign company shall be limited to 10% of the RSP&F's assets; and (d) fixed income portfolio shall be comprised of securities rated not less than "BBB"

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

b. Investments (continued)

**City of Oakland Park Retirement System for Police and Firefighters (RSP&F)
(continued)**

or “Baa” by the major rating services and is limited to no more than 65% (at market) of the RSP&F’s total asset value.

Interest Rate Risk: As a means of limiting its exposure to interest rate risk, the RSP&F diversify its investment by security type and institution, and limits holdings in any one type of investment with any one issuer with various duration and maturities.

Information about the sensitivity of the fair values of the RSP&F’s investment to market interest rate fluctuations is provided by the following table that shows the distribution of the RSP&F’s investment by maturity at September 30, 2010:

Investment Type	Investment Maturities (in years)				
	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
U.S. treasuries	\$ 1,352,829	\$ 70,817	\$ 1,282,012	\$ -	\$ -
U.S. agencies	6,334,726	-	1,487,518	1,021,714	3,825,494
Corporate bonds	10,344,020	246,796	3,872,237	5,645,357	579,630
Total fixed income securities	<u>\$ 18,031,575</u>	<u>\$ 317,613</u>	<u>\$ 6,641,767</u>	<u>\$ 6,667,071</u>	<u>\$ 4,405,124</u>

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NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (continued)

City of Oakland Park Police and Fire Fighters' Pension Plan (RSP&F) (continued)

Credit Risk: The RSP&F's investment policy utilizes portfolio diversification in order to control this risk. The following table discloses credit ratings by investment type, at September 30, 2010, as applicable:

	<u>Fair Value</u>	<u>Percentage of Portfolio</u>
U.S. government guaranteed*	\$ 7,687,555	42.63 %
Quality rating of credit risk debt securities		
AAA	103,001	0.57
AA+	584,292	
AA	42,913	0.24
AA-	272,542	1.51
A+	2,218,866	12.31
A	3,431,933	19.03
A-	2,483,497	13.77
BBB+	861,583	4.78
BBB	224,046	1.24
BBB-	121,347	0.67
Total credit risk debt securities	<u>10,344,020</u>	<u>57.37</u>
Total fixed income securities	<u>\$ 18,031,575</u>	<u>100.00 %</u>

*Obligation of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

Concentration of Credit Risk: There were no individual investments that represent 5% or more of plan net assets at September 30, 2010.

Custodial Credit Risk: Consistent with the RSP&F's investment policy, the investments are held by custodial bank and registered in the RSP&F's name. All of the RSP&F's deposits are insured and or collateralized by a financial institution separate from the RSP&F's depository financial institution.

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NOTE 3. DISAGGREGATION OF ACCOUNTS RECEIVABLES AND ACCOUNTS PAYABLE BALANCES

Accounts Receivable balances at September 30, 2010, were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Due from Other Governments</u>	<u>Other</u>	<u>Allowance Uncollectible Accounts</u>	<u>Net</u>
Governmental Activities						
General Fund	\$ -	\$ 1,380,840	\$ 61,467	\$ -	\$ (110,875)	\$ 1,539,438
SFR-Fire Rescue	3,546,572	20,697	-	-	(3,294,490)	272,779
Capital Project	-	-	246,431	-	-	246,431
Nonmajor	135,683	-	-	-	-	135,683
Total governmental activities	<u>\$ 3,682,255</u>	<u>\$ 1,401,537</u>	<u>\$ 307,898</u>	<u>\$ -</u>	<u>\$ (3,405,365)</u>	<u>\$ 2,194,331</u>
Business-type Activities						
Water/Sewer	\$ 1,870,115	\$ -	\$ 111,404	\$ 1,131	\$ (448,135)	\$ 1,534,515
Solid waste	1,056,839	-	120,082	-	(416,414)	760,504
Stormwater	838,888	-	2,572,843	-	(478,233)	2,933,498
Total business-type activities	<u>\$ 3,765,842</u>	<u>\$ -</u>	<u>\$ 2,804,329</u>	<u>\$ 1,131</u>	<u>\$ (1,342,782)</u>	<u>\$ 5,228,517</u>

Revenues of Fire Rescue funds are reported net of uncollectible amounts. Total amount charged to the provision related to revenues of the current period was \$826,727.

Accounts Payable and Accrued Liabilities balances at September 30, 2010, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Total</u>
Governmental Activities			
General	\$ 420,821	\$ 107,948	\$ 528,769
Fire Rescue	56,369	147,165	203,534
Capital Projects	187,470	-	187,470
Nonmajor and other funds	20,985	9,844	30,829
Total government activities	<u>\$ 685,645</u>	<u>\$ 264,957</u>	<u>\$ 950,602</u>
Business-type Activities			
Water and sewer	\$ 1,923,022	\$ 29,769	\$ 1,952,791
Solid waste	413,492	29,148	442,640
Stormwater	1,330,470	19,056	1,349,526
Total business-type activities	<u>\$ 3,666,984</u>	<u>\$ 77,973</u>	<u>\$ 3,744,957</u>

NOTE 4. CAPITAL ASSETS

The following is a summary of changes in capital assets for the fiscal year ended September 30, 2010:

	<u>Balance</u> <u>Oct. 1, 2009</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>Sept. 30, 2010</u>
Governmental activities:				
Capital assets not being depreciated:				
Land and Easements	\$ 13,046,629	\$ -	\$ -	\$ 13,046,629
Construction in progress	6,621,261	1,891,449	(6,977,669)	1,535,041
Total assets not being depreciated	<u>19,667,890</u>	<u>1,891,449</u>	<u>(6,977,669)</u>	<u>14,581,670</u>
Capital assets being depreciated/amortized:				
Intangible-software	217,649	31,546	-	249,195
Buildings	14,997,215	-	-	14,997,215
Improv other than buildings	14,672,379	2,641,560	-	17,313,939
Machinery & equipment	13,111,765	487,028	(437,566)	13,161,227
Infrastructure	31,062,611	10,066,834	-	41,129,445
Total capital assets being depreciated	<u>74,061,619</u>	<u>13,226,968</u>	<u>(437,566)</u>	<u>86,851,021</u>
Less accumulated depreciation/amortization for:				
Intangible-software	(76,004)	(41,808)	-	(117,812)
Buildings	(2,640,925)	(328,923)	-	(2,969,848)
Improv other than buildings	(3,066,023)	(765,789)	-	(3,831,812)
Machinery & equipment	(7,133,892)	(1,096,179)	420,974	(7,809,097)
Infrastructure	(6,394,821)	(669,240)	-	(7,064,061)
Total accumulated depreciation	<u>(19,311,665)</u>	<u>(2,901,939)</u>	<u>420,974</u>	<u>(21,792,630)</u>
Total capital assets being depreciated, net	<u>54,749,954</u>	<u>10,325,029</u>	<u>(16,592)</u>	<u>65,058,391</u>
Governmental activities capital assets, net	<u>\$ 74,417,844</u>	<u>\$ 12,216,478</u>	<u>\$ (6,994,261)</u>	<u>\$ 79,640,061</u>
	<u>Balance</u> <u>Oct. 1, 2009</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>Sept. 30, 2010</u>
Business type activities:				
Capital assets not being depreciated:				
Land	\$ 58,099	\$ -	\$ -	\$ 58,099
Construction in progress	3,389,215	6,966,587	(2,517,121)	7,838,681
Total capital assets not being depreciated	<u>3,447,314</u>	<u>6,966,587</u>	<u>(2,517,121)</u>	<u>7,896,780</u>
Capital assets being depreciated/amortized:				
Buildings	532,994	-	-	532,994
Machinery & equipment	4,628,693	1,472,588	(57,197)	6,044,084
Infrastructure	67,155,254	4,894,887	-	72,050,141
Total capital assets being depreciated	<u>72,316,941</u>	<u>6,367,475</u>	<u>(57,197)</u>	<u>78,627,219</u>
Less accumulated depreciation/amortization for:				
Buildings	(394,015)	(10,237)	-	(404,252)
Machinery & equipment	(2,835,635)	(220,329)	57,197	(2,998,767)
Infrastructure	(18,465,564)	(1,104,518)	-	(19,570,082)
Total accumulated depreciation	<u>(21,695,214)</u>	<u>(1,335,084)</u>	<u>57,197</u>	<u>(22,973,101)</u>
Total capital assets being depreciated, net	<u>50,621,727</u>	<u>5,032,391</u>	<u>-</u>	<u>55,654,118</u>
Business type activities capital assets, net	<u>\$ 54,069,041</u>	<u>\$ 11,998,978</u>	<u>\$ (2,517,121)</u>	<u>\$ 63,550,898</u>

NOTE 4. CAPITAL ASSETS (Continued)

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

Governmental Activities:	
General government	\$ 253,031
Public safety	422,742
Public works	1,361,399
Engineering & Community development	32,206
Parks and Leisure Services	<u>832,561</u>
Total depreciation expense - governmental activities	<u>\$ 2,901,939</u>
Business-type Activities:	
Water and sewer	\$ 598,062
Solid waste	106,196
Stormwater	<u>630,826</u>
Total depreciation expense - business activities	<u>\$ 1,335,084</u>

NOTE 5. INTERFUND BALANCES AND TRANSFERS

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

	<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Due to/from	General Fund	Nonmajor gov'tal funds	\$ 46,141	provide interim resources
Advance to/from	General Fund	Nonmajor gov'tal funds	114,531	provide interim resources
			<u>\$ 160,672</u>	

Interfund transfers for the year ended September 30, 2010, consisted of the following:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>	<u>Purpose</u>
Transfer In:					
General Fund	\$ -	\$ 75,000	\$ 220,468	\$ 295,468	Capital expenditure
Fire Rescue Fund	4,087,232	-	30,000	4,117,232	Supplement budget
Capital Projects	1,329,644	-	172,590	1,502,234	Capital expenditure
Nonmajor governmental	919,335	-	-	919,335	Supplement budget
Utilities Fund	-	-	186,000	186,000	Return unused funds
Solid Waste Fund	-	-	25,306	25,306	Return unused funds
	<u>\$ 6,336,211</u>	<u>\$ 75,000</u>	<u>\$ 634,364</u>	<u>\$ 7,045,575</u>	

NOTE 6. RESTRICTED ASSETS

General Fund: The City agreed to reserve certain amount for the transferred police officers to BSO as accrued leave obligation in the agreement dated August 1, 2000. At September 30, 2010, the reserve balance is \$155,411.

Capital Projects Fund: Restricted assets and the related reservations of fund balance of the Capital Projects Fund consists of \$3,138,498 of cash equivalents in the State Treasurer's Investment Pool and FMLC loan proceeds held at a local bank. All of the \$3,138,498 is restricted for construction projects.

Non-major Governmental Funds: Restricted assets consist of \$372,305 at September 30, 2010 which is reserved for park improvement.

Water and Sewer Fund: Restricted assets of the Water and Sewer Fund consist of the following balances at September 30, 2010:

FMLC loan	\$	411
Customer Deposits		894,956
Renewal and Replacement Reserve		922,123
Construction		<u>17,209,229</u>
		<u>\$19,026,719</u>

Solid Waste Fund: Restricted Assets of the Solid Waste Fund consists of \$450,105 at September 30, 2010 which is for customer deposits.

Stormwater Fund: Restricted assets of the Stormwater Fund at September 30, 2010 consist of \$388,321 of loan received from the Florida Municipal Loan Council and can only be expended on the approved projects and \$488,969 of funds reserved for construction projects.

NOTE 7. LEASES

Capital Leases

In 2003 the City entered into a capital lease agreement under a Master Lease Agreement dated December 26, 2002 for the purchase of various capital assets with total asset value of \$1,178,215. This original lease amount was paid in full in December 2009.

On February 23, 2005, under the same Master Lease Agreement, the City entered into a capital lease agreement for the purchase of fire rescue equipment with total asset value of \$1,105,090. The Master Lease Agreement requires no down payment and interest rates are set at lease inception. Upon final payment of the lease, title to the capital assets will revert to the City.

On July 8, 2010 under the same Master Lease Agreement, the City entered into a capital lease agreement for the purchase of five solid waste transport trucks with total asset value of \$1,069,879. The Master Lease Agreement requires no down payment and interest rates are set at lease inception. Upon final payment of the lease, title to the capital assets will revert to the City.

NOTE 7. LEASES (Continued)

Capital Leases (continued)

The following is a schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of September 30, 2010:

Year ending September 30:	Governmental Activities
2011	\$ 408,898
2012	319,766
2013	230,635
2014	230,635
2015	192,196
Total minimum lease payments	1,382,130
Less: amount representing interest at 2.99% and 3.326%	(86,658)
Present value of minimum lease payments	\$ 1,295,472

The assets acquired through the capital leases are as follows:

	Governmental Activities	Business-Type Activities
Asset:		
Machinery and Equipment	\$ 2,128,585	\$ 1,237,840
Less: Accumulated Depreciation	(1,231,519)	(249,448)
Net	\$ 897,066	\$ 988,392

NOTE 8. LONG-TERM DEBT

a. Revenue Bonds

Water and Sewer Revenue Bonds, Series 2010

On August 23, 2010 the City issued \$3,370,000 tax-exempt bonds of Series 2010A and \$11,515,000 of taxable bonds, Series 2010B (Build America Bonds-Direct Subsidy) Water and Sewer Revenue Bonds, together, the "Series 2010 Bonds". The proceeds of the bonds and other funds made available through the refunding program will be used to (1) pay capital expenditures of water and wastewater system improvements, (2) to refund and defease the Utility System Revenue Refunding and Improvement Bonds, Series 1994, totaling \$1,533,024, (3) to purchase a debt service reserve and insurance policies for the Series 2010 bonds, and (4) to pay the costs of issuance. The portion of the net proceeds from the issuance of the bonds attributed to the defeasance were deposited with an escrow agent to provide for the interest and principal payments on the old bonds. All of the defeased bonds were subsequently called in October 2010.

The American Recovery and Reinvestment Act of 2009 authorizes the City to issue taxable bonds known as "Build America Bonds" or "BABs" to finance capital expenditures, for which it could issue tax-exempt bonds, and to elect to receive a subsidy payment from the federal government equal to 35% of the amount of each interest payment on such taxable bonds (the

NOTE 8. LONG-TERM DEBT (Continued)

a. Revenue Bonds (continued)

Water and Sewer Revenue Bonds, Series 2010 (continued)

“Federal Direct Payments”). The available subsidy for the Series 2010B Bonds will be paid to the City; no holders of Series 2010B Bonds would be entitled to a tax credit. The City does not foresee the risk of loss on interest subsidy as probable, however, in the extraordinary event that a change does occur in the future and the subsidy is reduced or eliminated, the City has the option to redeem in whole or in part, the greater of 100% of the principal amount of the bonds or the sum of the present value of the remaining scheduled payments to the maturity date of the bonds being redeemed and to refinance the bonds through the issuance of tax-exempt debt.

The Series 2010A Bonds are composed of serial and term bonds. The serial bonds are due in varying annual installments from the year 2011 through 2020 and the term bonds are due in 2025. Series 2010A Bond interest rates vary from 2.0% to 4.0% with interest payable semi-annually. Series 2010B Bonds are term bonds, due in varying installments from the year 2025 through 2040, with interest payable semi-annually at interest rates varying from 5.451% to 6.243%. Interest payments are due on March 1 and September 1 of each year, beginning in 2011. The Series 2010 Bonds are limited obligations of the City, payable solely from water and sewer revenues of the Utility system. Net revenues are defined as the excess of the system’s gross revenues over the operating costs.

The covenants of the Series 2010 bonds Ordinance require that certain accounts be maintained as follows:

Reserve Fund – Deposits sufficient to restore in not more than 12 equal monthly payments the funds on deposit therein to an amount equal to the reserve fund requirement. In lieu of this fund the City has purchased with Assured Guaranty Municipal Corp., surety bond for 2010A and 2010B series to meet the reserve requirement and a bond insurance policy to guarantee the principal and interest payments of 2010B series.

Renewal and Replacement Fund – The Ordinance requires that the City establish a renewal and replacement fund equal to 5% of the gross revenue of the preceding fiscal year or such other greater or lesser sum recommended by the consulting engineer. Whenever the balance is less than the requirement, the City shall deposit into or credit to the fund the lesser of the balance of all moneys remaining in the revenue fund or 2% of the deposits to the revenue fund during the current month, to the extent necessary to equal the renewal and replacement fund requirement. Excess moneys in the fund may be withdrawn by the City and deposited in the revenue fund. The City is in compliance with the renewal and replacement fund requirement.

The City has covenanted in the Ordinance to fix, establish and maintain and collect such rates and/or impact fees, and to revise the same to the extent necessary, so that the rates and/or impact fees will always provide in each fiscal year either (i) net revenues which are at least equal to 110% of the debt service requirement of the Bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto or (ii) net revenues which are at least equal to 100% of the debt service requirement for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto plus, and which, together with the expansion project percentage of impact fees, are at least equal to 120% of the debt service requirement for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto. The City is in compliance with this requirement.

NOTE 8. LONG-TERM DEBT (Continued)

a. Revenue Bonds (continued)

Water and Sewer Revenue Bonds, Series 2010 (continued)

The City is required by the bond resolution to establish, maintain and collect reasonable charges for the services furnished by the Utility System and it will adjust such charges as needed so that the gross revenues in each fiscal year will always be sufficient to pay 115% of the debt service requirements becoming due in the fiscal year on all bonds, in addition to the requirements to cover the cost of operations and maintenance and pay 100% of all reserve requirements set forth above. The City is in compliance with this requirement.

Annual principal and interest payments on the bonds are expected to require less than 45% of net revenues. Total principal and interest remaining to be paid on the bonds is \$30,761,145. Principal and interest paid for the current year were \$0 since no interest payment is due until March 1, 2011. Total customer net revenues for current year were \$802,375.

The following table reflects the debt service requirements of the Water and Sewer Revenue Bonds, Series 2010 as of September 30, 2010:

Fiscal Year ending September 30:	2010A		2010B			Total Payment after est. subsidy
	Principal	Interest	Principal	Interest	Est. Subsidy	
2011	\$ 270,000	\$ 90,083	\$ -	\$ 708,023	\$ 241,747	\$ 826,359
2012	270,000	82,725	-	692,631	242,421	802,935
2013	280,000	77,325	-	692,631	242,421	807,535
2014	285,000	71,725	-	692,631	242,421	806,935
2015	310,000	66,025	-	692,631	242,421	826,235
2016-2020	1,725,000	206,881	-	3,463,155	1,212,104	4,182,933
2021-2025	230,000	29,000	2,120,000	3,239,392	1,133,787	4,484,605
2026-2030	-	-	2,550,000	2,591,692	907,092	4,234,600
2031-2035	-	-	3,085,000	1,756,655	614,829	4,226,826
2036-2040	-	-	3,760,000	722,939	253,029	4,229,910
	<u>\$ 3,370,000</u>	<u>\$ 623,765</u>	<u>\$ 11,515,000</u>	<u>\$ 15,252,381</u>	<u>\$ 5,332,272</u>	<u>\$ 25,428,873</u>

b. Florida Municipal Loan Council – Loan I

On November 15, 2000, the City entered into a loan agreement with the Florida Municipal Loan Council for \$18,500,000. This amount will be used for various capital projects to improve the City. The loan is divided into two parts, \$5,500,000 for stormwater projects and \$13,000,000 for general government projects. In accordance with the loan agreement, the \$5,500,000 was recorded as debt of the Stormwater Fund and the \$13,000,000 was recorded as debt in the government-wide financial statements for governmental activities

Principal payments are due on November 1st of each year with interest payments due on November 1st and May 1st and a final payment due on November 1st 2030. The loan bears interest at variable rates ranging from 4.250% to 5.375%. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement. As of September 30, 2010, the City was in compliance with this covenant.

NOTE 8. LONG-TERM DEBT (Continued)

b. Florida Municipal Loan Council – Loan I (continued)

The following table reflects the debt service requirements of the Florida Municipal Loan Council - Loan I as of September 30, 2010:

Fiscal Year ending September 30:	Governmental activities		Business type activities	
	Principal	Interest	Principal	Interest
2011	\$ 290,000	\$ 575,024	\$ 125,000	\$ 242,800
2012	305,000	560,740	130,000	236,679
2013	325,000	545,300	135,000	230,185
2014	340,000	527,481	140,000	222,819
2015	360,000	507,356	150,000	214,481
2016-2020	2,110,000	2,204,994	890,000	931,919
2021-2025	2,735,000	1,563,147	1,160,000	660,456
2026-2030	3,560,000	721,056	1,555,000	304,897
2031	830,000	22,306	300,000	9,406
	<u>\$ 10,855,000</u>	<u>\$ 7,227,405</u>	<u>\$ 4,585,000</u>	<u>\$ 3,053,642</u>

c. Florida Municipal Loan Council – Loan II

On July 1, 2004, the City entered into a loan agreement with the Florida Municipal Loan Council for \$1,810,000. This amount will be used for various water and sewer capital improvements. In accordance with the loan agreement, the \$1,810,000 was recorded as a debt of the Public Utilities Capital Improvement Fund.

Principal payments are due on July 1st of each year with interest payments due on July 1st and January 1st and a final payment due on July 1, 2034. The loan bears interest at variable rates ranging from 3% to 5.125%. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement. As of September 30, 2010, the City was in compliance with this covenant.

The following table reflects the debt service requirements of the Florida Municipal Loan Council – Loan II as of September 30, 2010:

Fiscal Year ending September 30:	Principal	Interest	Total
2011	\$ 40,000	\$ 78,694	\$ 118,694
2012	40,000	77,094	117,094
2013	40,000	75,494	115,494
2014	45,000	73,894	118,894
2015	45,000	72,038	117,038
2016-2020	255,000	328,956	583,956
2021-2025	325,000	260,813	585,813
2026-2030	410,000	169,894	579,894
2031-2034	410,000	53,813	463,813
	<u>\$ 1,610,000</u>	<u>\$ 1,190,688</u>	<u>\$ 2,800,688</u>

NOTE 8. LONG-TERM DEBT (Continued)

d. Wachovia – Series 2007 Term Loan

On October 19, 2007, the City entered into a loan agreement with Wachovia Bank and issued a promissory note, series 2007, for \$4,000,000. The loan was used as partial reimbursement of the acquisition of the new municipal building, which will house the Oakland Park Division of the Broward Sheriff's Office and various City offices.

Principal payments are due on October 1st of each year with interest payments due on October 1st and April 1st, and the final payment is due on October 1, 2027. The loan bears interest at a fixed rate of 4.47% per annum. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget amounts of legally available non-ad valorem revenues attributable to the General Fund sufficient to satisfy its annual debt service requirements under the loan agreement.

<u>Fiscal Year ending</u> <u>September 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 139,297	\$ 163,639	\$ 302,936
2012	145,524	157,273	302,797
2013	152,029	150,623	302,652
2014	158,825	143,675	302,500
2015	165,924	136,417	302,341
2016-2020	947,729	561,337	1,509,066
2021-2025	1,179,349	324,540	1,503,889
2026-2028	841,796	57,539	899,335
	<u>\$ 3,730,473</u>	<u>\$ 1,695,043</u>	<u>\$ 5,425,516</u>

e. Defeased Bonds

In September 2010, the City issued \$14,885,000 Water and Sewer Revenue bonds, 2010 series for the purpose of providing funds to finance the construction of water/sewer improvements and to advance refund \$1.5 million of outstanding Utility System Revenue Refunding and Improvement Bonds, series 1994. The refunding proceeds of \$1.1 million along with \$.4 million in reserve fund were deposited into and held in an irrevocable escrow deposit trust for the purpose of refunding the series 1994 bonds on Oct. 7, 2010. The remaining proceeds of \$13.8 million are to be used to pay for costs of issuance and the construction of water and sewer system improvements. As a result, the 1994 series bonds were considered to be defeased and the liability for those bonds has been removed from the balance sheet. The advance refunding generated a net benefit of \$518,917 in cash flows savings and \$86,703 in economic gain.

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NOTE 8. LONG-TERM DEBT (Continued)

Changes in Long-Term Liabilities

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

	<u>Beg Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>End Balance</u>	<u>Due within a year</u>
<u>Governmental Activities:</u>					
Bonds and notes Payable					
FLMC 2000B	\$ 11,135,000	\$ -	\$ (280,000)	\$ 10,855,000	\$ 290,000
Capital lease 2003	93,572	-	(93,572)	-	-
Capital lease 2005	424,259	-	(165,517)	258,742	171,068
Note payable 2007	3,863,810	-	(133,337)	3,730,473	139,297
Total bonds and notes payable	15,516,641	-	(672,426)	14,844,215	600,365
Other Liabilities:					
Compensated absences	1,964,665	998,772	(1,138,409)	1,825,028	494,601
Governmental activity long-term Liabilities.	\$ 17,481,306	\$ 998,772	\$ (1,810,835)	\$ 16,669,243	\$ 1,094,966
<u>Business Activities:</u>					
Bonds and Notes payable:					
Utility Sys Revenue Refunding 1994 4	\$ 1,860,000	\$ -	\$ (1,860,000)	\$ -	\$ -
FLMC 2000 405	4,705,000	-	(120,000)	4,585,000	125,000
FLMC 2004 401	1,645,000	-	(35,000)	1,610,000	40,000
Capital lease 2010 402	-	1,069,879	(33,149)	1,036,730	202,395
Utility Sys Revenue Refunding 2010 4	-	14,885,000	-	14,885,000	272,000
Less deferred amount for issuance discounts	(168,876)	(383,237)	33,967	(518,146)	-
Total bonds and notes payable	8,041,124	15,571,642	(2,014,182)	21,598,584	639,395
Other liabilities:					
Compensated absences	261,974	188,398	(192,033)	258,339	46,501
Business-type activity long-term Liabilities	\$ 8,303,098	\$ 15,760,040	\$ (2,206,215)	\$ 21,856,923	\$ 685,896

For governmental activities, compensated absences are generally liquidated by the General Fund and Fire Rescue Fund.

Non-Commitment Debt-Industrial Development Revenue Bonds

Under provisions of the Florida Industrial Development Financing Act, to promote the City's economy and to increase the purchasing power and opportunities for gainful employment, the City authorized and issued Industrial Development Revenue Bonds, Series 1996 (Girl Scouts of Broward County Project) in the amount of \$1,600,000.

These bonds do not constitute a debt or pledge of the faith and credit of the City, and, accordingly, are not reported in the accompanying basic financial statements. There is approximately \$186,808 outstanding as of September 30, 2010 in Industrial Development Revenue Bonds.

NOTE 9. EMPLOYEE RETIREMENT PLANS

Summary of Significant Accounting Policies

Basis of Accounting: The pension plans are accounted for on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. City contributions are recognized when due. The Plans applies all GASB pronouncements as well as FASB pronouncements issued on or before November 30, 1089, unless they conflict with or contradict GASB pronouncements.

Method Used to Value Investments: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Purchases and sales of securities are recorded on a trade-date basis. Net appreciation includes the Plans' gains and losses on investments bought and sold as well as held during the year.

Plan description, Contribution Information and Funding Policies

All regular full-time employees are covered by (1) the City of Oakland Park 401(a) Plan, a defined contribution plan, administered by an independent agent, ICMA Retirement Corporation, or (2) the City of Oakland Park General Employees' Pension Plan ("GEPP"), or (3) the City of Oakland Park Retirement System for Police and Firefighters ("RSP&F"), or (4) the Florida Retirement System ("FRS"), a non-contributory, cost sharing, multi-employer, public employee pension plan, through a defined benefit or a defined contribution plan administered by the Florida Division of Retirement. All full-time and part-time general employees hired after September 30, 2007 are covered by the FRS plans. The City has no fiduciary responsibility for the 401(a) and the FRS plans.

a. *Plan Description*

The City's is the sponsor of two single-employer Public Employee Retirement System (PERS) Plans that are administered by two pension boards to provide pension, disability, and death benefits for its employees and beneficiaries. The two plans are the City of Oakland Park General Employees' Pension Plan (GEPP) and the City of Oakland Park Retirement System for Police and Firefighters (RSP&F). The General Employees' Pension Plan and the City of Oakland Park Retirement System for Police and Firefighters are administered by separate Board of Trustees with seven (7) and five (5) members, respectively.

The City of Oakland Park General Employees' Pension Plan was established by Referendum on May 1, 1963 (collectively known as the "Referendum") as amended on September 1, 1968, as amended by Ordinances O-76-5 and O-76-25 effective April 1, 1976 and Ordinance O-77-11 effective August 13, 1977.

The City of Oakland Park Retirement System for Police and Firefighters was established on December 3, 1975 by Ordinance O-75-15, as amended by Ordinance O-76-23 dated September 15, 1976, Ordinance O-83-23 dated December 21, 1983, Ordinance O-95-10 adopted July 5, 1995 and Ordinance O-2005-030 adopted September 7, 2005, (collectively known as the "Ordinances").

Each of the Plans (GEPP and RSP&F) issues a publicly available financial report that includes financial statements and required supplementary information. These financial reports may be obtained by writing to the Board of Trustees c/o City of Oakland Park, 3650 N.E. 12th Avenue, Oakland Park, Florida 33334.

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

b. Funding Policy and Funded Status (continued)

In October 2007, the City joined the FRS to provide retirement and survivor benefits to all new hired general employees. On that date, the employees that were in the GEPP plan had the option of making a one-time election of remaining in the GEPP plan or transferring to the FRS plan. Chapter 121, Florida Statutes, established the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions of the FRS plans. The FRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by contacting the State of Florida Department of Management Services, Division of Retirement, Research, Education and Policy Section, 2639 North Monroe Street, Building C, Tallahassee, Florida 32399-1560 or by calling (850) 488-5706.

Full-time employees of the City must participate in the Plan appropriate to their positions, except for the executive management under contract. There were no employee contributions to the General Employees' Pension Plan prior to July 2009. In June 2009, City Commission passed a resolution requiring GEPP plan participants to contribute 4% of their base wages. The contribution rates for the collective bargaining units are set in their bargaining unit agreements. Participants of the Retirement System for Police and Firefighters were required to contribute 10% of their compensation beginning July 2007. The employer's annual required contributions for the current year were determined as part of the most recent actuarial valuations. Contribution requirements of the Plan members and the City are established and may be amended by City Ordinance. For fiscal year 2010, the City's contributions to the General Employees' Pension Plan and the Retirement System for Police and Firefighters were 37.72% and 34.9%, respectively.

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

Pension Plan	(a) Actuarial Value of Assets	(b) Actuarial Liability (AAL) - Entry Age	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a)/(b)	(c) Covered Payroll	UAAL as a Percentage of Covered Payroll (b-a)/(c)
GEPP	\$ 21,133	\$ 44,782	\$ 23,650	47.2%	\$ 6,767	351%
RSP&F	45,395	64,951	19,556	69.9%	5,827	336%

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

The City is required to pay all contributions for employees participating in FRS plans. The contribution rates were 13.12% for senior management and 9.85% for regular employees up until June 30, 2010. Subsequently, the rates were increased to 14.57% and 10.77% for each respective class. The City's contribution to the FRS amounted to \$47,338 for senior management class and \$197,522 for regular class employees for the year ended September 30, 2010, which represented 100% of the City's required contribution.

The City offers a defined contribution plan, titled the "401(a) Executive Plan" (the Plan) to senior management. The City contributed 15% to 20% per contracts with each participant.

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

b. Funding Policy and Funded Status (continued)

The Plan is administered by International City Management Association Retirement Corporation (ICMA).

The contribution requirements of covered payroll and actual contributions made for fiscal year 2010 and the two preceding fiscal years for FRS and 401(a) plans were as follows:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Contribution requirements	\$ 387,286	\$ 360,652	\$ 329,953
Contributions made by employer (100%)			
401 (a) Plan	\$ 142,426	\$ 154,733	\$ 163,977
FRS Plan	244,860	205,919	165,976
Total contributions made	<u>\$ 387,286</u>	<u>\$ 360,652</u>	<u>\$ 329,953</u>
Total covered payroll	\$ 3,202,015	\$ 3,003,165	\$ 2,754,231
Percentage of contribution to total covered payroll	12.10%	12.01%	11.98%

c. Annual Pension Cost and Net Pension Asset or Obligation

The City's annual pension costs, contribution excess and net pension asset of the City's pension plans for the current year were as follows:

	<u>General Employees</u>	<u>Police and Firefighters</u>
Annual req contribution	\$ 3,051,661	\$ 1,962,037
Interest on net pension asset	35,048	(11,445)
Adjustment to annual required contribution	<u>(36,406)</u>	<u>11,888</u>
Annual pension cost	3,050,303	1,962,480
Contribution made	<u>(2,556,393)</u>	<u>(1,962,037)</u>
Increase (decrease) in NPO	493,910	443
Net pension obligation (asset), beg. of year	<u>452,237</u>	<u>(147,676)</u>
Net pension obligation (asset), end of year	<u>\$ 946,147</u>	<u>\$ (147,233)</u>

d. Actuarial Assumptions and Pension Plan Trend Information

(a) General Employees' Pension Plan

The City's annual required contribution for the current year was determined as part of the most recent actuarial valuation dated October 1, 2009 and using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return and (b) projected salary increases of 5% per year. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an closed basis. The remaining amortization period is 30 years.

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

b. Actuarial Assumptions and Pension Plan Trend Information (continued)

(a) General Employees' Pension Plan (continued)

General Employees' Pension Plan
Three-Year Trend Information

Year Ended September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset (Obligation)
2010	\$ 3,050,303	84%	\$ (946,147)
2009	2,863,505	82%	(452,237)
2008	2,279,923	73%	63,164

(b) Retirement System for Police and Firefighters

Participants are required to contribute 10% of their compensation. The employees' annual required contribution for the current year was determined as part of the most recent actuarial valuation dated October 1, 2009 using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses) and (b) projected salary increases of 5.75% per year. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an closed basis. The remaining amortization period was 30 years.

Premium taxes from the State of Florida contributions of \$226,684 and \$312,446 were recognized as revenues and expenditures in the General Fund and the Fire Rescue Fund, respectively.

Retirement System for Police and Firefighters
Three-Year Trend Information

Year Ended September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
2010	\$ 1,962,480	100%	\$ 147,233
2009	1,980,510	100%	147,676
2008	2,005,115	100%	148,248

b. DROP Plan

Effective January 3, 2001, the City created a Deferred Retirement Option Plan (DROP) under Ordinance 2001-001. This plan is a defined contribution plan created in accordance with Section 401(a) of the Internal Revenue Code. An active participant of the Police Officers' and Fire Fighters' Retirement System becomes eligible to participate in the DROP upon eligibility for normal service retirement at age 42 with 20 years of creditable service. Upon entry into the DROP, the member's average final compensation and accrued benefits shall be calculated. No change in the plan benefits made subsequent to entry into the DROP shall apply to the member unless otherwise applicable to retired members. Payments shall be made into the employee's DROP account in an amount determined by the employee's selection of the payment option as if the employee had terminated employment in the City. The maximum period of DROP participation is five (5) years.

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

c. Defined Contribution Plan

The City offers a defined contribution plan, titled the "401(a) Executive Plan" (the Plan) created in accordance with Internal Revenue Service Code Section 401(a) and Ordinance number 0-77-11. The Plan provides a portable retirement program for executive management. If a participant separates from service and subsequently becomes employed with another unit of a state or local government, then the participant may rollover the benefits into the new employers' pension plan providing the plan permits rollovers. At September 30, 2010, there were eight (8) Plan members. Plan members are not required to contribute to the Plan. The City contributed 15% to 20% to the Plan which amounted to \$142,426 to the Plan for the year ended September 30, 2010. Provisions of the Plan may be amended by the City Commission. The Plan is administered by International City Management Association Retirement Corporation. The Plan is held in a trust for the exclusive benefit of the participants and their beneficiaries, consequently, the City has no fiduciary responsibility and, therefore, the net assets of the Plan are not included in the City's financial statements.

d. Deferred Compensation Plan

An optional deferred compensation plan is offered to employees in addition to the defined benefit and defined contribution plans. The City adopted provisions of IRS Code 457(g) and GASB Statement No. 32, *Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans*. All assets and income of the Plan are held in trust for the exclusive benefit of participants. 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, 2010. The City currently contributes to the plan for executive management ranging from 3% up to 14% of salaries. For fiscal year 2010, the amount contributed was \$107,191.

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB)

The City of Oakland Park, 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 2010, twenty retirees received the benefits. Annual required contributions amounted to \$355,000 for the current fiscal year, toward which the City made an implied contribution of \$95,000. At September 30, 2010, the City recorded a net OPEB obligation of \$204,000 for governmental activities and \$40,000 for business-type activities in its government-wide statement of net assets. For the fiscal year, retiree contributions totaled \$145,994, of which, \$132,950 was for medical, \$7,406 for dental and \$5,638 for life insurance.

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

a. Funding Policy and Funded Status

The funded status of this benefit as of January 1, 2009, the date of the most recent actuarial valuation date (every two years) is as follows:

(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL) - Projected Unit Credit	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a)/(b)	(c) Covered Payroll	UAAL as a Percentage of Covered Payroll (b- a)/(c)
- \$	1,879,000	\$ 1,879,000	0.0%	\$ 13,149,000	14.3%

The unfunded actuarial accrued liability for benefits as of September 30, 2010 was \$2,071,000, all of which was unfunded. Detail of the funding progress is provided in a schedule immediately following the notes to the financial statements.

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 twelve years, the amount actually contributed to the plan and changes in the City's net OPEB obligation to the retirees as of September 30, 2010:

	Governmental Activities	Business-type Activities	Total
Annual required contribution	\$ 300,000	\$ 55,000	\$ 355,000
Interest on net OPEB obligation	9,000	2,000	11,000
Adjustment to ARC	(22,000)	(4,000)	(26,000)
Annual OPEB cost	287,000	53,000	340,000
Employer Contribution	(82,000)	(13,000)	(95,000)
Interest on employer contribution	(1,000)	-	(1,000)
Increase in net OPEB obligation	204,000	40,000	244,000
Net OPEB obligation, beg. of year	214,000	41,000	255,000
Net OPEB obligation, end of year	\$ 418,000	\$ 81,000	\$ 499,000

The annual OPEB cost, the percentage of annual OPEB cost contributed and the net OPEB obligation for the last two years were:

Year ended September 30	(A) Annual Required contributions	Employer Contribution	(B) Percentage Contributed	Net OPEB asset (obligation)
2010	\$ 355,000	\$ 95,000	28%	\$ 499,000
2009	342,000	86,000	25%	255,000

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

c. Actuarial Methods and Assumptions

Valuation date	1/1/2009
Actuarial cost method	Projected unit credit
Amortization method	12-year open period, level dollar payment
Actuarial assumptions:	
Investment rate of return*	4%
Healthcare cost trend rate	10% for 2009 graded to 6% for 2017

NOTE 11. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters for which the City carries commercial insurance. The City purchases commercial insurance for all types of claims with nominal deductible amount.

In prior years, the City was self insured under Professional Administration, Inc. and as of September 30, 2010, three cases covered under the old plan remain open while the carrier attempts to close the cases. The City has reserve balance of \$348,252 in the General Fund as claims payable to cover these cases.

NOTE 12. COMMITMENTS AND CONTINGENCIES

a. Contingencies

The City is currently a defendant in several pending claims and legal proceedings incidental to the operations of the City. The City is aggressively defending each action. The ultimate liability related to these claims is not presently determinable. Furthermore, it is the opinion of the City's management and legal counsel that the final resolution of these claims and legal proceedings would not have a material adverse effect on the financial condition of the City.

b. Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the City. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

c. Police Services

Effective October 1, 2005, the City entered into a five year contract with the Broward Sheriff's Office (BSO) for police services. The contract called for the City to pay BSO approximately \$981,570 per month for the first year, plus actual fuel usage charged by the City. Annual future increases will be based on BSO's budgeted costs but in no event will the increase be more than 5% over the budgeted costs for the preceding year. BSO is obligated to reimburse the City for any staffing shortages. The City recorded expenses of \$12,430,839 under the contract for the fiscal year ended September 30, 2010.

NOTE 12. COMMITMENTS AND CONTINGENCIES (Continued)

c. Police Services

At the date of the contract in August 2000, the City had eleven police officers that were eligible for retirement. The accrued compensated absence amount for these officers was approximately \$153,208 at September 30, 2010, which remains the responsibility of the City. This liability is recorded in the General Fund as accrued compensated absences with the funds maintained in a separate bank account. The compensated absences liability for the remaining officers was transferred to the BSO.

d. Wastewater Services Interlocal Agreement

On April 20, 1982 and November 2, 1988, the City entered into an agreement with Broward County, Florida and the City of Fort Lauderdale, for respectively, for the transmission, treatment and disposal of wastewater. The charges for service provided by the County include operating, maintenance and debt service charges for the facilities and the County Improvement, Repair, and Replacement Fund Surcharge. The charges are adjusted annually based upon actual costs incurred in the prior year. For the fiscal year ended September 30, 2010, the City recorded expenses of \$1,200,025 and \$3,035,177 under the Broward County and Fort Lauderdale, respectively.

These agreements will continue in existence and cannot be canceled on any condition except by mutual agreement between the City, Broward County and City of Fort Lauderdale. Management considers cancellation of this agreement remote. In addition, future payments under this agreement cannot be estimated.

e. Construction Commitments

The City has the following outstanding construction commitments as of September 30, 2010:

Water and Sewer Improvement	\$ 403,476
Stormwater drainage	1,236,711
Street repair and construction	731,881
	<u>\$ 2,372,068</u>

Funding of the above projects is to be made primarily through loan proceeds, grants and City's funds.

NOTE 13. SUBSEQUENT EVENTS

On December 30, 2010, the City refinanced its loan with the Florida Municipal Loan Council (FMLC) by entering into a loan with Branch Banking & Trust Company (BB&T) and issued a 20 year promissory note for \$15,637,000 at 3.7% interest. The proceeds of the loan are to be used to refund the loan with the FMLC, Series 2000B, which will occur on May 1, 2011 and to cover the costs of issuance and the call premium. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

NOTE 14. NEW FINANCIAL STANDARDS NOT YET IMPLEMENTED

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Types Definitions*; Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*; Statement No. 59, *Financial Instrument Omnibus*. The City has not elected early implementation and, therefore, has not determined the financial statement impact, if any, of these new pronouncements.

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REQUIRED SUPPLEMENTARY INFORMATION



CITY OF OAKLAND PARK, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010
(BUDGETARY BASIS)

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
Revenues:	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Taxes:				
Property	\$ 15,133,559	\$ 15,133,559	\$ 14,905,227	\$ (228,332)
Franchise fees	3,255,885	3,170,885	2,647,258	(523,627)
Utility taxes	3,167,091	3,313,554	3,576,651	263,097
Communications service taxes	2,431,000	2,431,000	2,245,920	(185,080)
Other taxes	390,080	390,080	388,127	(1,953)
Licenses and permits	1,104,183	1,106,529	1,237,729	131,200
Intergovernmental	2,854,924	2,854,924	2,845,564	(9,360)
Charges for services	5,897,443	5,921,443	5,937,707	16,264
Fines and forfeitures	470,900	470,900	664,719	193,819
Investment earnings	100,000	100,000	52,429	(47,571)
Grants	204,000	36,999	25,171	(11,828)
Other	63,700	121,518	237,400	115,882
Total revenues	<u>35,072,765</u>	<u>35,051,391</u>	<u>34,763,902</u>	<u>(287,489)</u>
Expenditures:				
Current:				
General government:				
City commission	118,019	142,914	110,673	32,241
City manager	750,276	776,913	725,344	51,569
City clerk	507,346	529,525	476,918	52,607
Human resources	1,429,891	1,509,569	1,384,281	125,288
Legal	335,011	335,011	258,771	76,240
Financial service	1,205,273	1,256,956	1,178,409	78,547
Public & intergovernmental	364,084	381,997	343,995	38,002
Information technology service	1,185,873	1,196,395	1,069,477	126,918
Non-departmental	829,826	246,842	179,312	67,530
Total general government	<u>6,725,599</u>	<u>6,376,122</u>	<u>5,727,180</u>	<u>648,942</u>
Public safety:				
Police	12,410,618	12,444,618	12,434,680	9,938
Total public safety	<u>12,410,618</u>	<u>12,444,618</u>	<u>12,434,680</u>	<u>9,938</u>
Public works:				
Administration	207,164	223,393	210,846	12,547
Building and maintenance	902,818	1,004,231	849,237	154,994
Garage	1,103,414	1,251,862	1,190,152	61,710
Total public works	<u>2,213,396</u>	<u>2,479,486</u>	<u>2,250,235</u>	<u>229,251</u>
Engineering and community development:				
Engineering	1,034,295	1,107,516	978,959	128,557
Community development	2,404,607	2,465,723	2,211,314	254,409
Total engineering and comm dev.	<u>3,438,902</u>	<u>3,573,239</u>	<u>3,190,273</u>	<u>382,966</u>
Culture/recreation:				
Library	544,987	561,378	493,169	68,209
Parks and recreation	4,731,269	4,873,472	4,615,203	258,269
Total culture/recreation	<u>5,276,256</u>	<u>5,434,850</u>	<u>5,108,372</u>	<u>326,478</u>
Total expenditures	<u>30,064,771</u>	<u>30,308,315</u>	<u>28,710,740</u>	<u>1,597,575</u>
Excess of revenues over expenditures	5,007,994	4,743,076	6,053,162	1,310,086
Other financing sources (uses):				
Transfers in	269,000	269,000	295,468	26,468
Transfers out	(6,388,391)	(6,336,201)	(6,336,211)	(10)
Net change in fund balance	<u>\$ (1,111,397)</u>	<u>\$ (1,324,125)</u>	12,419	<u>\$ 1,336,544</u>
Fund balance, beginning			16,759,435	
Fund balance, end			<u>\$ 16,771,854</u>	

See notes to budgetary comparison schedule.

CITY OF OAKLAND PARK, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FIRE RESCUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010
(BUDGETARY BASIS)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 5,057,454	\$ 5,057,454	\$ 4,830,063	\$ (227,391)
Licenses and permits	15,000	15,000	15,569	569
Intergovernmental	22,600	22,600	22,833	233
Investments earnings	15,000	15,000	6,689	(8,311)
Other	<u>-</u>	<u>-</u>	<u>3,361</u>	<u>3,361</u>
Total revenues	<u>5,110,054</u>	<u>5,110,054</u>	<u>4,878,515</u>	<u>(231,539)</u>
Expenditures:				
Current:				
Public safety	9,312,535	9,162,469	9,053,481	108,988
Capital outlay	<u>26,000</u>	<u>35,000</u>	<u>34,228</u>	<u>772</u>
Total expenditures	<u>9,338,535</u>	<u>9,197,469</u>	<u>9,087,709</u>	<u>109,760</u>
Deficiency of revenues over expenditures	(4,228,481)	(4,087,415)	(4,209,194)	(121,779)
Other financing sources (uses):				
Transfers in	4,228,481	4,087,232	4,117,232	30,000
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>4,228,481</u>	<u>4,087,232</u>	<u>4,117,232</u>	<u>30,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (183)</u>	<u>(91,962)</u>	<u>\$ (91,779)</u>
Fund balance, beginning			<u>2,336,869</u>	
Fund balance, end			<u>\$ 2,244,907</u>	

See notes to budgetary comparison schedule.

CITY OF OAKLAND PARK, FLORIDA
BUDGETARY COMPARISON SCHEDULE
OAKLAND PARK CRA FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010
(BUDGETARY BASIS)

	<u>Budgeted Amounts</u>			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Investments earnings	-	-	836	836
Total revenues	<u>-</u>	<u>-</u>	<u>836</u>	<u>836</u>
Expenditures:				
Current:				
Engineering and community develop.	<u>245,248</u>	<u>273,722</u>	<u>192,289</u>	<u>81,433</u>
Total expenditures	<u>245,248</u>	<u>273,722</u>	<u>192,289</u>	<u>81,433</u>
Deficiency of revenues over expenditures	(245,248)	(273,722)	(191,453)	82,269
Other financing sources (uses):				
Transfers in	245,248	268,722	268,722	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>245,248</u>	<u>268,722</u>	<u>268,722</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (5,000)</u>	77,269	<u>\$ 82,269</u>
Fund balance, beginning			<u>79,609</u>	
Fund balance, end			<u>\$ 156,878</u>	

See notes to budgetary comparison schedule.

CITY OF OAKLAND PARK, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

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 and fire rescue special revenue 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.

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. General Fund supplemental appropriations amounted to \$.2 million for the fiscal year ended September 30, 2010. 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 rebudgeted in the next fiscal year.

Certain General Fund and the Fire Rescue Fund operations are not budgeted and are excluded from the budget to actual presentation. The operations that are not budgeted are the State contributions for the Police and Firefighters Retirement System.

The following schedule reconciles the revenue and expenditure amounts on the budgetary comparison schedules to amounts on the statement of revenue, expenditures, and changes in fund balance on page 21:

	<u>General Fund</u>		<u>Fire Rescue Fund</u>	
	<u>Revenues</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Expenditures</u>
Revenues and expenditures - budgetary basis	\$ 34,763,902	\$ 28,710,740	\$ 4,878,515	\$ 9,087,709
State contribution for police and firefighters pension fund	226,684	-	312,446	-
Expenses related to the State contribution for the police and firefighters pension fund	-	226,684	-	312,446
Revenues and expenditures - GAAP basis	<u>\$ 34,990,586</u>	<u>\$ 28,937,424</u>	<u>\$ 5,190,961</u>	<u>\$ 9,400,155</u>

**CITY OF OAKLAND PARK, FLORIDA
PENSION TRUST FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF FUNDING PROGRESS

(In thousands)

SEPTEMBER 30, 2010

(Unaudited)

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a)/(b)	(c) Covered Payroll	UAAL as a Percentage of Covered Payroll (b- a)/(c)
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CITY OF OAKLAND PARK GENERAL EMPLOYEES' PENSION PLAN (GEPP)

10/1/2009	\$ 21,133	\$ 44,782	\$ 23,650	47.2%	\$ 6,738	351%
10/1/2008	21,539	38,581	17,042	55.8%	7,209	236%
10/1/2007	21,821	37,018	15,197	58.9%	7,387	206%
10/1/2006	21,133	34,861	13,728	60.6%	8,106	169%
10/1/2005	20,553	33,105	12,552	62.0%	7,248	174%
10/1/2004	21,570	31,693	10,123	68.1%	6,293	161%

CITY OF OAKLAND PARK RETIREMENT SYSTEM FOR POLICE AND FIREFIGHTERS (RSP&F)

10/1/2009	\$ 45,395	\$ 64,951	\$ 19,556	69.9%	\$ 5,827	336%
10/1/2008	46,826	60,407	13,581	77.5%	6,006	226%
10/1/2007	46,510	58,204	11,694	79.9%	6,095	192%
10/1/2006	43,845	55,951	12,106	78.4%	6,604	183%
10/1/2005	40,764	50,627	9,863	80.5%	6,095	162%
10/1/2004	37,705	47,581	9,876	79.2%	5,643	175%

CITY OF OAKLAND PARK, FLORIDA
PENSION TRUST FUNDS
 REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS
 SEPTEMBER 30, 2010
 (Unaudited)

Year Ended September 30	(A) Annual Required Contribution	Employer Contribution	(B) Percentage Contributed
CITY OF OAKLAND PARK GENERAL EMPLOYEES' PENSION PLAN			
2010	\$ 3,051,661	\$ 2,556,393	84%
2009	2,911,125	2,348,104	82%
2008	2,279,923	1,669,827	73%
2007	1,775,701	1,823,084	103%
2006	1,343,460	1,606,237	120%
2005	1,210,364	1,290,837	107%
CITY OF OAKLAND PARK RETIREMENT SYSTEM FOR POLICE AND FIREFIGHTERS			
2010	\$ 1,962,037	\$ 1,962,037	100%
2009	1,979,938	1,979,938	100%
2008	2,004,541	2,004,541	100%
2007	1,479,862	1,479,862	100%
2006	1,522,223	1,522,223	100%
2005	1,774,056	1,774,056	100%

(A) Actuarially determined contributions requirements.

(B) Total actual contributions as a percentage of annual required contributions.

**CITY OF OAKLAND PARK, FLORIDA
OTHER POSTEMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF FUNDING PROGRESS

SEPTEMBER 30, 2010
(Unaudited)

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL) - Projected Unit Credit	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a)/(b)	(c) Covered Payroll	UAAL as a Percentage of Covered Payroll (b-a)/(c)
1/1/2009	\$ -	\$ 1,879,000	\$ 1,879,000	0.0%	\$ 13,149,000	14.3%

Note: The above schedule reflects data for one year only due to the report being done bennially.

SCHEDULE OF EMPLOYER CONTRIBUTIONS
SEPTEMBER 30, 2010
(Unaudited)

Year ended September 30	(A) Annual Required contributions	Employer Contribution	(B) Percentage Contributed	Net OPEB asset (obligation)
2010	\$ 355,000	\$ 95,000	28%	\$ 499,000
2009	342,000	86,000	25%	255,000

(A) Actuarially determined contributions requirements.

(B) Total actual contributions as a percentage of annual required contributions.



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Firefighter Assistance Grants – (formerly FEMA Fund) to account for all grant monies and related program income for emergency medical services.

Justice Assistance Grant – to account for all grant monies and related program income from the U.S. Department of Justice, Justice Assistance Grant program.

Law Enforcement Trust Fund – to account for proceeds from the sale of forfeited property.

Police Education Fund – to account for the supplemental fee assessed on criminal matters pursuant to Florida Statute 943.25.

Public Safety Trust Fund – to account for developer contributions for fire station improvement west of I-95 pursuant to City Ordinance 80-20.

Tree Replacement Fund – (formerly Parks Fund) to account for developer contribution and private donations for parks and open spaces.

Federal Equitable Sharing Fund – to account for monies received from federally forfeited assets.

Adopt-A-Tree Fund – to account for private donations for the purchase of trees.

Library Grant Fund – to account for all grant monies received from the Florida Department of State.

Summer Food Program – to account for all aid monies received from Broward County for summer food service program.

Emergency Management Fund – (formerly Comprehensive Emergency Operations Plan) to account for the development and practical comprehensive emergency operations plan and the costs related to emergency management in response to various hazards.

Park Development Impact Fund – to account for fees collected from developers pursuant to the City's Land Development Code Section 24-175(G)(2)(c).

Urban Community and Forestry Grant – to account for federal grant for the development and enhancement of urban and community forestry programs.

Broward Beautiful Community Grant - to account for all funds received from Broward Beautiful Community grant program.

Downtown Mixed Use District - to account for fees imposed by City Ordinance O-2004-030 for the development of the downtown district.

Federal Highway Overlay District - to account for fees imposed by City Ordinance O-2006-002 for the development of a mixed use business and entertainment overlay district abutting North Federal Highway.

Transportation Fund – to account for the proceeds from the gas and fuel taxes that are restricted to the operations, acquisition and maintenance of streets and transportation facilities.

CAPITAL PROJECT FUND

Vehicle Replacement Fund – to account for purchases of vehicles through the use of the SunTrust Master Lease for City's vehicle replacement program.

DEBT SERVICE FUND

SunTrust Master Lease– to account for the accumulation of transfers from other funds the debt services of SunTrust Master Lease agreement.

CITY OF OAKLAND PARK, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2010

	<u>Special Revenue</u>				
	<u>Firefighters Assistance Grant</u>	<u>Justice Assistance Grant</u>	<u>Law Enforcement Trust</u>	<u>Police Education Fund</u>	<u>Public Safety Trust Fund</u>
ASSETS					
Cash and cash equivalents	\$ 6,603	\$ 4,328	\$ 109,461	\$ 32,400	\$ 125,936
Accounts receivable	-	-	6,877	-	-
Prepaid expenses	-	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-
Total assets	<u>\$ 6,603</u>	<u>\$ 4,328</u>	<u>\$ 116,338</u>	<u>\$ 32,400</u>	<u>\$ 125,936</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Unearned revenue	1,967	-	-	-	-
Total liabilities	<u>1,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Reserved for:					
Prepayment	-	-	-	-	-
Encumbrances	-	-	-	-	-
Public safety	4,636	4,328	116,338	32,400	125,936
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Unreserved reported in:					
Special revenue fund	-	-	-	-	-
Total fund balances	<u>4,636</u>	<u>4,328</u>	<u>116,338</u>	<u>32,400</u>	<u>125,936</u>
Total liabilities and fund balances	<u>\$ 6,603</u>	<u>\$ 4,328</u>	<u>\$ 116,338</u>	<u>\$ 32,400</u>	<u>\$ 125,936</u>

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

	Special Revenue				
	Tree Replacement Fund	Federal Equitable Sharing Fund	Adopt A Tree Fund	Library Grants	Summer Food Program
ASSETS					
Cash and cash equivalents	\$ 356,436	\$ 21,394	\$ 337	\$ 134,479	\$ 7,638
Accounts receivable	-	9,783	-	-	-
Prepaid expenses	-	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-
Total assets	<u>\$ 356,436</u>	<u>\$ 31,177</u>	<u>\$ 337</u>	<u>\$ 134,479</u>	<u>\$ 7,638</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 1,511	\$ -	\$ -	\$ 1,053	\$ -
Due to other funds	-	-	-	-	335
Other liabilities	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Unearned revenue	-	-	-	130,504	-
Total liabilities	<u>1,511</u>	<u>-</u>	<u>-</u>	<u>131,557</u>	<u>335</u>
FUND BALANCES					
Reserved for:					
Prepayment	-	-	-	-	-
Encumbrances	16,665	-	-	-	-
Public safety	-	31,177	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Unreserved reported in:					
Special revenue fund	<u>338,260</u>	<u>-</u>	<u>337</u>	<u>2,922</u>	<u>7,303</u>
Total fund balances	<u>354,925</u>	<u>31,177</u>	<u>337</u>	<u>2,922</u>	<u>7,303</u>
Total liabilities and fund balances	<u>\$ 356,436</u>	<u>\$ 31,177</u>	<u>\$ 337</u>	<u>\$ 134,479</u>	<u>\$ 7,638</u>

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

	Special Revenue			
	Emergency Management Fund	Parks Impact Fund	Urban Community Forestry Grant	Broward Beautiful Community Grant
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 685
Accounts receivable	56,535	-	-	-
Prepaid expenses	-	-	-	-
Restricted cash and cash equivalents	-	372,305	-	-
Total assets	<u>\$ 56,535</u>	<u>\$ 372,305</u>	<u>\$ -</u>	<u>\$ 685</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to other funds	45,806	-	-	-
Other liabilities	-	-	-	-
Deferred revenue	5,172	-	-	-
Unearned revenue	1,083	356,771	-	-
Total liabilities	<u>52,061</u>	<u>356,771</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Reserved for:				
Prepayment	-	-	-	-
Encumbrances	-	-	-	-
Public safety	4,474	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Unreserved reported in:				
Special revenue fund	-	15,534	-	685
Total fund balances	<u>4,474</u>	<u>15,534</u>	<u>-</u>	<u>685</u>
Total liabilities and fund balances	<u>\$ 56,535</u>	<u>\$ 372,305</u>	<u>\$ -</u>	<u>\$ 685</u>

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

	<u>Special Revenue</u>		
	<u>Downtown Mixed-used District</u>	<u>Federal Highway Overlay District</u>	<u>Transportation Fund</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ 281,036
Accounts receivable	-	-	62,488
Prepaid expenses	-	-	3,146
Restricted cash and cash equivalents	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 346,670</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 21,207
Due to other funds	80,496	34,035	-
Other liabilities	-	-	-
Deferred revenue	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>80,496</u>	<u>34,035</u>	<u>21,207</u>
FUND BALANCES			
Reserved for:			
Prepayment	-	-	3,146
Encumbrances	-	-	7,000
Public safety	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Unreserved reported in:			
Special revenue fund	<u>(80,496)</u>	<u>(34,035)</u>	<u>315,317</u>
Total fund balances	<u>(80,496)</u>	<u>(34,035)</u>	<u>325,463</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 346,670</u>

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

	<u>Capital Project</u>	<u>Debt Service</u>	
	<u>Vehicle Replacement Fund</u>	<u>Suntrust Lease</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ 1,080,733
Accounts receivable	-	-	135,683
Prepaid expenses	-	-	3,146
Restricted cash and cash equivalents	-	-	372,305
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,591,867</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 23,771
Due to other funds	-	-	160,672
Other liabilities	-	-	-
Deferred revenue	-	-	5,172
Unearned revenue	-	-	490,325
Total liabilities	<u>-</u>	<u>-</u>	<u>679,940</u>
FUND BALANCES			
Reserved for:			
Prepayment	-	-	3,146
Encumbrances	-	-	23,665
Public safety	-	-	319,289
Capital projects	-	-	-
Debt service	-	-	-
Unreserved reported in:			
Special revenue fund	-	-	565,827
Total fund balances	<u>-</u>	<u>-</u>	<u>911,927</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,591,867</u>

CITY OF OAKLAND PARK, FLORIDA
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2010

	Special Revenue				
	Firefighters Assistance Grant	Justice Assistance Grant	Law Enforcement Trust	Police Education Fund	Public Safety Trust Fund
Revenues:					
Grants	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings (loss)	29	16	473	124	484
Intergovernmental	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	85,837	-	-
Other	-	-	-	-	4,200
Total revenues	<u>29</u>	<u>16</u>	<u>86,310</u>	<u>124</u>	<u>4,684</u>
Expenditures:					
Current:					
Public safety	-	-	10,351	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Engineering and community development	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital Outlay	-	-	3,095	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>13,446</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>29</u>	<u>16</u>	<u>72,864</u>	<u>124</u>	<u>4,684</u>
Other financing sources:					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	29	16	72,864	124	4,684
Fund balance, beginning	<u>4,607</u>	<u>4,312</u>	<u>43,474</u>	<u>32,276</u>	<u>121,252</u>
Fund balance, ending	<u>\$ 4,636</u>	<u>\$ 4,328</u>	<u>\$ 116,338</u>	<u>\$ 32,400</u>	<u>\$ 125,936</u>

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

	Special Revenue				
	Tree Replacement Fund	Federal Equitable Sharing Fund	Adopt A Tree Fund	Library Grants	Summer Food Program
Revenues:					
Grants	\$ -	\$ -	\$ -	\$ 18,622	\$ 22,000
Investment earnings (loss)	1,635	319	1	484	38
Intergovernmental	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	29,899	-	-	-
Other	658	-	-	-	-
Total revenues	<u>2,293</u>	<u>30,218</u>	<u>1</u>	<u>19,106</u>	<u>22,038</u>
Expenditures:					
Current:					
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	9,024	-	-	18,622	19,009
Engineering and community development	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital Outlay	5,805	-	-	-	-
Total expenditures	<u>14,829</u>	<u>-</u>	<u>-</u>	<u>18,622</u>	<u>19,009</u>
Excess (deficiency) of revenues over expenditures	<u>(12,536)</u>	<u>30,218</u>	<u>1</u>	<u>484</u>	<u>3,029</u>
Other financing sources:					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(12,536)</u>	<u>30,218</u>	<u>1</u>	<u>484</u>	<u>3,029</u>
Fund balance, beginning	<u>367,461</u>	<u>959</u>	<u>336</u>	<u>2,438</u>	<u>4,274</u>
Fund balance, ending	<u>\$ 354,925</u>	<u>\$ 31,177</u>	<u>\$ 337</u>	<u>\$ 2,922</u>	<u>\$ 7,303</u>

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

	<u>Special Revenue</u>			
	<u>Emergency Management Fund</u>	<u>Parks Impact Fund</u>	<u>Urban Community Forestry Grant</u>	<u>Broward Beautiful Community Grant</u>
Revenues:				
Grants	\$ 96,947	\$ -	\$ -	\$ 166
Investment earnings (loss)	27	1,705	-	2
Intergovernmental	-	-	-	-
Licenses and permits	-	172,590	-	-
Fines and forfeitures	-	-	-	-
Other	-	-	-	-
Total revenues	<u>96,974</u>	<u>174,295</u>	<u>-</u>	<u>168</u>
Expenditures:				
Current:				
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Engineering and community development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>96,974</u>	<u>174,295</u>	<u>-</u>	<u>168</u>
Other financing sources:				
Transfers in	-	-	-	-
Transfers out	-	(172,590)	-	-
Total other financing sources	<u>-</u>	<u>(172,590)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	96,974	1,705	-	168
Fund balance, beginning	<u>(92,500)</u>	<u>13,829</u>	<u>-</u>	<u>517</u>
Fund balance, ending	<u>\$ 4,474</u>	<u>\$ 15,534</u>	<u>\$ -</u>	<u>\$ 685</u>

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

	<u>Special Revenue</u>		
	<u>Downtown Mixed-used District</u>	<u>Federal Highway Overlay District</u>	<u>Transportation Fund</u>
Revenues:			
Grants	\$ -	\$ -	\$ -
Taxes	-	-	733,262
Intergovernmental	-	-	327,974
Investment earnings (loss)	-	-	2,046
Licenses and permits	1,716	-	-
Fines and forfeitures	-	-	-
Other	-	-	-
Total revenues	<u>1,716</u>	<u>-</u>	<u>1,063,282</u>
Expenditures:			
Current:			
Public safety	-	-	-
Public works	-	-	1,152,917
Culture and recreation	-	-	-
Engineering and community development	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Capital Outlay	-	-	491,149
Total expenditures	<u>-</u>	<u>-</u>	<u>1,644,066</u>
Excess (deficiency) of revenues over expenditures	<u>1,716</u>	<u>-</u>	<u>(580,784)</u>
Other financing sources:			
Transfers in	-	-	377,369
Transfers out	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>377,369</u>
Net change in fund balance	1,716	-	(203,415)
Fund balance, beginning	<u>(82,212)</u>	<u>(34,035)</u>	<u>528,878</u>
Fund balance, ending	<u>\$ (80,496)</u>	<u>\$ (34,035)</u>	<u>\$ 325,463</u>

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

	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total Nonmajor Governmental Fund</u>
	<u>Vehicle Replacement Program</u>	<u>Sun Trust Lease</u>	
Revenues:			
Grants	\$ -	\$ -	\$ 137,735
Taxes	-	-	733,262
Intergovernmental	-	-	327,974
Investment earnings (loss)	1,091	-	8,474
Licenses and permits	-	-	174,306
Fines and forfeitures	-	-	115,736
Other	-	-	4,858
Total revenues	<u>1,091</u>	<u>-</u>	<u>1,502,345</u>
Expenditures:			
Current:			
Public safety	-	-	10,351
Public works	-	-	1,152,917
Culture and recreation	-	-	46,655
Engineering and community development	-	-	-
Debt service:			
Principal	-	259,090	259,090
Interest	-	14,318	14,318
Capital Outlay	123,998	-	624,047
Total expenditures	<u>123,998</u>	<u>273,408</u>	<u>2,107,378</u>
Excess (deficiency) of revenues over expenditures	<u>(122,907)</u>	<u>(273,408)</u>	<u>(605,033)</u>
Other financing sources:			
Transfers in	-	273,244	650,613
Transfers out	(461,774)	-	(634,364)
Total other financing sources	<u>(461,774)</u>	<u>273,244</u>	<u>16,249</u>
Net change in fund balance	(584,681)	(164)	(588,784)
Fund balance, beginning	<u>584,681</u>	<u>164</u>	<u>1,500,711</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 911,927</u>

FIDUCIARY FUND TYPES



PENSION TRUST FUNDS

Employee Retirement Funds — To account for the accumulation of resources to be used for retirement benefits for the City's General Employees and Police Officers and Firefighters.



CITY OF OAKLAND PARK, FLORIDA
Combining Statement of Fiduciary Net Assets
Pension Trust Funds
September 30, 2010

	General Employees Pension Fund	Police and Firefighters Pension Fund	Total
Assets			
Cash and short-term investments	\$ 89,287	\$ 1,584,311	\$ 1,673,598
Receivables:			
Contributions	103,702	153,707	257,409
Accrued interest and dividends	-	234,875	234,875
Total receivables	<u>103,702</u>	<u>388,582</u>	<u>492,284</u>
Investments, at fair value:			
U.S. Government and agency securities	-	7,687,555	7,687,555
Corporate bonds and notes	-	10,344,020	10,344,020
Mutual funds	22,232,546	-	22,232,546
Common stocks	-	23,543,858	23,543,858
International equity fund	-	3,531,351	3,531,351
Total investments	<u>22,232,546</u>	<u>45,106,784</u>	<u>67,339,330</u>
Total assets	<u>22,425,535</u>	<u>47,079,677</u>	<u>69,505,212</u>
Liabilities			
Accounts payable and accrued expenses	-	43,743	43,743
Drop plan payable	-	1,012,501	1,012,501
Total liabilities	<u>-</u>	<u>1,056,244</u>	<u>1,056,244</u>
Net Assets			
Net assets held in trust for pension benefits	<u>\$ 22,425,535</u>	<u>\$ 46,023,433</u>	<u>\$ 68,448,968</u>

CITY OF OAKLAND PARK, FLORIDA
Combining Statement of of Changes in Fiduciary Net Assets
Pension Trust Funds
For the Year September 30, 2010

	<u>General Employees Pension Fund</u>	<u>Police and Firefighters Pension Fund</u>	<u>Total</u>
Additions			
Contributions:			
Plan members	\$ 238,540	\$ 540,292	\$ 778,832
City	2,556,393	1,190,685	3,747,078
State of Florida	-	539,130	539,130
Broward Sheriff's Office	-	429,740	429,740
Total contributions	<u>2,794,933</u>	<u>2,699,847</u>	<u>5,494,780</u>
Investment income:			
Investment earnings	-	1,488,797	1,488,797
Net appreciation (depreciation) in fair value of investments	<u>2,062,063</u>	<u>2,389,920</u>	<u>4,451,983</u>
Total	2,062,063	3,878,717	5,940,780
Less:			
Investment expenses	(64)	(226,476)	(226,540)
Deferred retirement option plan participants' earnings	<u>-</u>	<u>(67,647)</u>	<u>(67,647)</u>
Net investment income	<u>2,061,999</u>	<u>3,584,594</u>	<u>5,646,593</u>
Misc. income:	<u>2,889</u>	<u>-</u>	<u>2,889</u>
Total additions	<u>4,859,821</u>	<u>6,284,441</u>	<u>11,144,262</u>
Deductions:			
Pension benefits paid	2,259,460	4,077,365	6,336,825
Participants' contributions refunded	-	9,474	9,474
Administrative expenses	<u>88,974</u>	<u>131,443</u>	<u>220,417</u>
Total deductions	<u>2,348,434</u>	<u>4,218,282</u>	<u>6,566,716</u>
Change in net assets	2,511,387	2,066,159	4,577,546
Net assets, beginning	<u>19,914,148</u>	<u>43,957,274</u>	<u>63,871,422</u>
Net assets, ending	<u>\$ 22,425,535</u>	<u>\$ 46,023,433</u>	<u>\$ 68,448,968</u>

City of Oakland Park, Florida

Statistical Section

This part of the City of Oakland Park's 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 City's overall financial health.

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Financial Trends – These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
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Revenue Capacity – These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	
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Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning that year.



City of Oakland Park, Florida
Net Assets by Component
Last Eight Fiscal Years
(Accrual Basis)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities								
Invested in Capital assets, net of related debt	\$ 12,674,416	\$ 17,166,452	\$ 17,816,772	\$ 39,818,067	\$ 53,895,457	\$ 55,337,625	\$ 60,159,043	\$ 65,305,447
Restricted for:								
Special Revenue	669,498	693,536	1,744,181	1,584,674	2,053,253	2,300,353	2,258,736	314,815
Capital projects	-	-	-	3,091,947	-	3,772,193	3,080,491	2,360,589
Debt service	-	-	-	-	-	230	164	-
Unrestricted	8,038,831	8,221,283	11,480,101	13,558,532	16,003,939	17,193,338	15,662,924	16,981,530
Total governmental activities net assets	\$ 21,382,745	\$ 26,081,271	\$ 31,041,054	\$ 58,053,220	\$ 71,952,649	\$ 78,603,739	\$ 81,161,358	\$ 84,962,381
Business-type activities								
Invested in Capital assets, net of related debt	\$ 20,751,202	\$ 21,877,711	\$ 20,580,381	\$ 33,130,758	\$ 43,576,892	\$ 45,517,049	\$ 46,578,666	\$ 55,756,450
Restricted for:								
Capital projects	-	-	-	2,803,228	4,685,729	4,764,600	8,189,442	4,611,848
Debt service	-	-	-	609,886	643,563	660,082	-	-
Unrestricted	5,135,975	6,935,027	12,121,837	9,486,478	8,310,013	9,271,111	6,603,580	6,250,513
Total business-type activities net assets	\$ 25,887,177	\$ 28,812,738	\$ 32,702,218	\$ 46,030,350	\$ 57,216,197	\$ 60,212,842	\$ 61,371,688	\$ 66,618,811
Primary Government								
Invested in Capital assets, net of related debt	\$ 33,425,618	\$ 39,044,163	\$ 38,397,153	\$ 72,948,825	\$ 97,472,349	\$ 100,854,674	\$ 106,737,709	\$ 121,061,897
Restricted for:								
Public safety	669,498	693,536	1,744,181	1,584,674	2,053,253	2,300,353	2,258,736	314,815
Capital projects	-	-	-	5,895,175	4,685,729	9,115,172	11,269,933	6,972,437
Debt service	-	-	-	609,886	643,563	660,082	164	-
Unrestricted	13,174,806	15,156,310	23,601,938	23,045,010	24,313,952	25,886,070	22,266,504	23,232,043
Total primary government net assets	\$ 47,269,922	\$ 54,894,009	\$ 63,743,272	\$ 104,083,570	\$ 129,168,846	\$ 138,816,351	\$ 142,533,046	\$ 151,581,192

Source: City of Oakland Park Financial Services Department

Note: The City began to report accrual information when it implemented Statement 34 in fiscal year 2003.

City of Oakland Park, Florida
Changes in Net Assets
Last Eight Fiscal Years
(Accrual Basis)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental activities:								
General government	\$ 1,466,069	\$ 1,712,799	\$ 2,202,904	\$ 2,103,482	\$ 2,747,577	\$ 2,504,226	\$ 2,621,516	\$ 2,438,500
Public safety	16,811,156	15,674,753	16,103,824	19,367,880	19,706,593	20,228,595	21,277,262	22,438,120
Public works	1,688,833	2,139,947	2,081,813	2,504,491	3,022,188	3,357,843	3,618,324	3,537,960
Eng. & Community development	1,735,333	1,794,526	2,164,273	3,013,221	3,677,618	3,621,683	3,720,899	3,347,367
Culture and recreation	2,352,710	2,800,637	3,836,060	5,417,599	5,893,269	5,959,675	6,157,143	6,079,667
Interest on long term debt	776,634	671,834	695,396	699,745	675,693	821,630	802,500	772,769
Total governmental activities expenses	24,830,735	24,794,496	27,084,270	33,106,418	35,722,938	36,493,652	38,197,644	38,614,383
Business type activities								
Water and sewer	9,742,433	10,249,142	10,441,850	11,415,278	10,742,644	10,720,150	11,178,014	13,053,032
Solid waste	5,881,851	6,187,699	6,250,985	12,915,506	7,854,687	8,324,405	7,965,651	7,912,295
Stormwater	1,322,179	1,394,443	1,483,702	2,243,826	2,268,894	2,732,743	3,081,617	3,193,029
Total business type activities expenses	16,946,463	17,831,284	18,176,537	26,574,610	20,866,225	21,777,298	22,225,282	24,158,356
Total primary government expenses	\$ 41,777,198	\$ 42,625,780	\$ 45,260,807	\$ 59,681,028	\$ 56,589,163	\$ 58,270,950	\$ 60,422,926	\$ 62,772,739
Program Revenues								
Governmental activities								
Charges for services								
General government	\$ 360,012	\$ 183,406	\$ 899,381	\$ 1,507,299	\$ 1,219,655	\$ 955,459	\$ 956,841	\$ 943,405
Public safety	7,181,523	5,909,919	5,469,039	4,872,595	4,828,244	5,056,973	5,072,237	4,966,694
Eng. & Community development	1,099,968	1,232,073	1,389,814	2,191,517	2,438,051	1,677,335	1,117,734	1,362,529
Culture/Recreation	141,387	213,988	302,712	343,236	379,335	598,886	560,744	515,184
Operating grants and contributions	509,921	382,685	703,676	475,785	188,947	310,177	120,206	235,638
Capital grants and contributions	1,483,350	940,703	732,177	338,355	2,128,013	3,498,515	3,443,900	6,056,025
Total governmental activities program revenues	10,776,161	8,862,774	9,496,799	9,728,787	11,182,245	12,097,345	11,271,662	14,079,475
Business type activities								
Charges for services:								
Water and sewer	11,798,134	11,870,451	11,913,397	11,693,294	11,401,508	10,861,223	11,471,826	12,913,904
Solid waste	6,138,710	6,881,224	6,777,094	8,582,611	8,282,327	8,593,925	8,744,276	7,340,028
Stormwater	1,190,608	2,293,062	2,474,389	3,210,335	3,149,698	2,993,510	2,886,472	2,851,607
Operating grants and contributions	-	-	331,624	4,941,598	294,232	348	-	6,000
Capital grants and contributions	-	-	571,473	658,315	5,600,599	2,463,321	561,885	6,024,995
Total business type activities program revenues	19,127,452	21,044,737	22,067,977	29,086,153	28,728,364	24,912,327	23,664,459	29,136,534
Total primary government program revenues	\$ 29,903,613	\$ 29,907,511	\$ 31,564,776	\$ 38,814,940	\$ 39,910,609	\$ 37,009,672	\$ 34,936,121	\$ 43,216,009
Net (Expense)/Revenue								
Governmental activities	\$ (14,054,574)	\$ (15,931,722)	\$ (17,587,471)	\$ (23,377,631)	\$ (24,540,693)	\$ (24,396,307)	\$ (26,925,982)	\$ (24,534,908)
Business type activities	2,180,989	3,213,453	3,891,440	2,511,543	7,862,139	3,135,029	1,439,177	4,978,178
Total primary government net expense	\$ (11,873,585)	\$ (12,718,269)	\$ (13,696,031)	\$ (20,866,088)	\$ (16,678,554)	\$ (21,261,278)	\$ (25,486,805)	\$ (19,556,730)

City of Oakland Park, Florida
Changes in Net Assets
Last Eight Fiscal Years
(Accrual Basis)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Taxes:								
Ad valorem	\$ 8,950,986	\$ 9,832,684	\$ 10,888,858	\$ 14,750,985	\$ 17,163,113	\$ 16,244,067	\$ 16,052,029	\$ 14,905,227
Franchise fees	1,855,311	1,955,397	2,058,438	2,622,372	3,066,551	3,052,000	2,938,113	2,647,258
Utility taxes	4,828,291	4,794,523	4,864,914	3,288,220	3,368,683	3,376,226	3,275,238	3,576,651
Communication service taxes	-	-	-	2,195,104	2,197,071	2,207,164	2,614,835	2,245,920
Other taxes	-	-	-	804,371	781,076	1,161,605	1,133,684	1,660,518
Unrestricted investment earnings	278,358	210,847	624,202	1,322,084	1,939,118	911,087	31,459	91,123
Intergovernmental revenue - unrestricted	3,327,550	3,372,347	3,660,842	4,574,494	4,343,402	3,575,248	3,181,234	3,196,371
Miscellaneous	(154,641)	329,770	420,000	900,500	437,824	520,000	281,000	224,169
Transfers - net	-	-	-	19,931,667	5,143,284	-	-	-
Capital assets, transferred from other gov.	-	-	-	50,389,797	38,440,122	31,047,397	29,483,601	28,335,931
Total governmental activities	19,085,855	20,495,568	22,547,254	50,389,797	38,440,122	31,047,397	29,483,601	28,335,931
Business type activities:								
Unrestricted investment earnings	187,943	176,559	418,040	757,135	608,903	381,616	669	57,639
Transfers	154,641	(329,770)	(420,000)	(900,500)	(437,824)	(520,000)	(281,000)	211,306
Capital assets, transferred from other gov.	-	-	-	10,921,944	3,152,629	-	-	-
Total business type activities	342,584	(153,211)	(1,960)	10,778,579	3,323,708	(138,384)	(280,331)	268,945
Total primary government	\$ 19,428,439	\$ 20,342,357	\$ 22,545,294	\$ 61,168,376	\$ 41,763,830	\$ 30,909,013	\$ 29,203,270	\$ 28,604,876
Change in Net Assets								
Governmental activities	\$ 5,031,281	\$ 4,563,846	\$ 4,959,783	\$ 27,012,166	\$ 13,899,429	\$ 6,651,090	\$ 2,557,619	\$ 3,801,023
Business type activities	2,523,573	3,060,242	3,889,480	13,290,122	11,185,847	2,996,645	1,158,846	5,247,123
Total primary government	\$ 7,554,854	\$ 7,624,088	\$ 8,849,263	\$ 40,302,288	\$ 25,085,276	\$ 9,647,735	\$ 3,716,465	\$ 9,048,146

Source: City of Oakland Park Financial Services Department

Note: The City began to report accrual information when it implemented Statement 34 in fiscal year 2003.

**City of Oakland Park, Florida
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis)**

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund										
Reserved	\$ 1,148,941	\$ 980,516	\$ 463,733	\$ 345,516	\$ 934,327	\$ 825,810	\$ 828,663	\$ 930,119	\$ 975,280	\$ 702,241
Unreserved, reported in:										
General fund, designated for:										
Community Redevelopment Agency	-	200,000	200,000	200,000						
Equipment repairs and replacement	-	2,133,459	2,133,459	2,133,459	2,133,459	2,133,459	2,133,459	2,133,459	-	-
General Employee's Pension/Benefits	-	406,167	300,000	-	-	-	-	-	-	-
Natural disaster/public emergency	-	-	2,641,883	2,744,831	2,953,768	3,854,581	4,075,209	3,837,982	-	-
Subsequent year expenditures	-	-	-	-	-	-	-	-	-	1,706,740
Fiscal contingency*	-	-	-	-	-	-	-	-	5,525,956	10,429,170
Grant matching	-	-	-	-	-	-	-	-	2,466,733	2,089,952
General fund, unreserved, undesignated	141,222	1,380,917	2,553,692	2,672,155	2,912,322	6,545,719	9,282,863	10,245,453	7,791,466	1,843,751
Total general fund	\$ 1,290,163	\$ 5,101,059	\$ 8,292,767	\$ 8,095,961	\$ 8,933,876	\$ 13,359,569	\$ 16,320,194	\$ 17,147,013	\$ 16,759,435	\$ 16,771,854
All Other Governmental Funds										
Reserved										
Special Revenue Funds										
Capital Project Funds	11,897,463	8,627,869	5,088,372	7,057,407	7,195,677	7,009,596	3,955,404	1,596,533	891,463	661,557
Debt service	-	-	-	-	79	79	79	230	164	-
Other	-	-	2,283,469	1,965,559	3,265,683	2,154,653	1,359,973	7,314,786	2,282,281	2,543,819
Unreserved, designated - sub. Year expend.										
Special Revenue Funds										
Un reserved, Undesignated:										
Special revenue fund	912,469	1,537,809	3,151	5,929	6,429	481,447	627,095	651,749	436,805	721,865
Total all other governmental funds	\$ 12,809,932	\$ 10,165,678	\$ 8,928,483	\$ 10,278,366	\$ 12,212,049	\$ 11,667,022	\$ 8,595,960	\$ 12,061,006	\$ 6,148,345	\$ 6,491,437
Total governmental funds	\$ 14,100,095	\$ 15,266,737	\$ 17,221,250	\$ 18,374,327	\$ 21,145,925	\$ 25,026,591	\$ 24,916,154	\$ 29,208,019	\$ 22,907,780	\$ 23,263,291

Source: City of Oakland Park, Financial Services Department

* Fiscal policy on fund balance reserve was changed in Sept. 2009 from 10% of General Fund revenue to 15% of its appropriations.

City of Oakland Park, Florida
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
 (Modified accrual basis)

	Fiscal Year									
	2001*	2002*	2003*	2004*	2005*	2006	2007	2008	2009	2010
Revenues										
Taxes:										
Ad Valorem	\$ 6,678,911	\$ 8,241,777	\$ 8,950,986	\$ 9,832,684	\$ 10,888,858	\$ 14,750,985	\$ 17,163,113	\$ 16,244,067	\$ 16,052,029	\$ 14,905,227
Utility taxes	3,770,529	2,615,051	2,826,049	2,800,636	2,854,208	3,288,220	3,368,683	3,376,226	3,275,238	3,576,651
Communication Service	-	2,227,188	2,002,242	1,993,887	2,040,706	2,195,104	2,197,071	2,207,164	2,614,835	2,245,920
Other Taxes	-	586,462	598,928	609,577	607,481	804,371	781,076	1,161,605	1,133,684	1,660,518
Franchise fees	2,188,006	1,828,291	1,855,311	1,955,397	2,058,438	2,622,372	3,066,551	3,052,000	2,938,113	2,647,258
Licenses and permits	928,387	918,206	949,317	1,013,801	1,403,480	2,225,257	2,471,831	1,708,199	1,132,104	1,253,298
Intergovernmental	3,117,084	2,577,221	2,728,622	2,762,770	3,425,094	5,288,683	4,343,402	3,632,843	3,204,843	3,196,371
Charges for service	3,003,564	4,110,564	10,025,767	10,969,364	10,684,354	11,369,982	11,262,183	12,085,958	11,253,302	10,942,077
Fines and forfeitures	500,991	596,099	468,759	471,423	628,590	530,139	436,453	566,544	736,046	780,455
Fire assessment	-	2,340,423	2,279,676	-	-	-	-	-	-	-
Development impact fees	1,351	2,850	-	-	-	-	-	-	-	-
Grants	697,719	260,400	1,993,271	1,323,388	619,046	-	2,217,229	2,343,473	2,783,196	2,911,980
Investment earnings	-	-	278,358	210,847	624,202	1,322,084	1,939,118	911,088	31,459	91,123
Other	858,674	3,355,377	963,105	348,505	234,820	1,246,865	552,204	100,436	127,657	245,619
Total revenues	21,745,216	29,659,909	35,320,391	34,292,279	36,069,277	45,644,062	49,798,914	47,389,603	45,282,506	44,456,497
Expenditures										
Current:										
General government	5,368,410	5,988,212	6,442,951	6,341,629	6,784,954	7,885,414	7,421,517	6,430,053	5,884,361	5,546,051
Public safety	11,809,416	15,668,803	16,568,098	15,473,048	15,891,603	18,770,414	19,017,434	19,716,715	20,796,664	22,037,642
Public works	2,750,826	1,889,020	1,532,554	1,974,916	1,758,356	1,901,300	3,514,795	3,739,216	3,830,871	3,375,566
Eng. and Community development	-	-	1,720,727	1,788,414	2,160,239	3,017,978	3,559,552	3,578,734	3,704,052	3,382,561
Library	-	-	-	-	-	-	-	-	-	-
Culture/Recreation	565,184	2,457,575	2,248,224	2,708,952	3,728,523	5,049,997	5,309,048	5,303,451	5,473,631	5,282,113
Grants	697,415	260,704	-	-	-	-	-	-	-	-
Debits issuance costs	542,156	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	-	220,000	280,351	369,520	455,510	545,226	565,687	586,500	743,868	672,427
Interest	312,927	680,138	684,597	691,359	706,261	704,151	682,838	739,707	813,354	783,068
Capital outlay	1,294,257	3,338,630	4,911,949	4,255,814	3,337,322	4,789,418	10,276,304	7,523,361	10,616,944	2,810,252
Total expenditures	23,340,591	30,503,082	34,389,451	33,603,652	34,822,768	42,663,898	50,347,175	47,617,737	51,863,745	43,889,680
Excess (deficiency) of revenues over expenditures	(1,595,375)	(843,173)	930,940	688,627	1,246,509	2,980,164	(548,261)	(228,134)	(6,581,239)	566,817
Other Financing Sources (Uses)										
Bond/loan proceeds	13,000,000	-	-	-	-	-	-	4,000,000	-	-
Capital lease proceeds	-	-	1,178,215	-	1,105,090	-	-	-	-	-
Transfers in	-	-	600,145	5,625,220	7,494,656	6,947,675	9,528,150	10,110,095	7,861,847	6,834,269
Transfers out	-	-	(754,786)	(5,295,450)	(7,074,656)	(6,047,175)	(9,090,326)	(9,590,096)	(7,580,847)	(7,045,575)
Total other financing sources (uses)	13,000,000	-	1,023,574	329,770	1,525,090	900,500	437,824	4,519,999	281,000	(211,306)
Net change in fund balances	\$ 11,404,625	\$ (843,173)	\$ 1,954,514	\$ 1,018,397	\$ 2,771,599	\$ 3,880,664	\$ (110,437)	\$ 4,291,865	\$ (6,300,239)	\$ 355,511
Debt service as a percentage of noncapital expenditures	1.4%	3.3%	3.3%	3.6%	3.7%	3.3%	3.1%	3.3%	3.8%	3.5%

Source: City of Oakland Park, Financial Services Department
 Note: *Communication, Gas taxes, and library have been reclassified for comparison purposes. In prior years, Communication Service Taxes were combined with Utility Taxes, Gas Taxes were included as intergovernmental revenue, whereas Library expenditures were listed separately previously but are now combined with Culture/Recreation.

City of Oakland Park, Florida
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(dollars in thousands)

Assessment Value									
Fiscal Year (2)	Residential Property	Commercial Property	Industrial Property	Personal & Other property	Total Assessed Property Value(1)	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	
2001	-	-	-	155,617	1,690,690	350,369	1,340,321	5.2126	
2002	-	-	-	151,913	1,867,500	398,609	1,468,891	5.9715	
2003	-	-	-	141,982	2,113,055	510,487	1,602,568	5.9715	
2004	-	-	-	142,340	2,378,939	624,475	1,754,464	5.9715	
2005	-	-	-	138,817	2,683,092	728,275	1,954,817	5.8868	
2006	2,597,139	771,392	324,986	155,600	3,849,117	1,239,440	2,609,677	5.8868	
2007	3,375,618	864,768	382,623	168,041	4,791,050	1,593,293	3,197,757	5.5823	
2008	3,687,649	1,000,372	409,456	158,658	5,256,135	1,719,770	3,536,365	4.7662	
2009	3,232,410	1,023,424	432,285	154,116	4,842,235	1,620,386	3,221,849	5.1041	
2010	2,340,147	1,080,049	435,967	151,365	4,007,528	1,663,244	2,344,284	5.7252	

Source: Broward County Property Appraiser DR403, 420 & real estate use code summary report.

Note: (1) State Law requires that assessed values be established at 100% of current fair market value.

(2) As of December 31st of each year listed.

Tax rates are per \$1,000 of taxable assessed value. Certain information for fiscal years 2000 to 2005 is not available.

**City of Oakland Park, Florida
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Fiscal Year	City Direct Rate		Overlapping Rates				
	Oakland Park Basic Rate	Broward County	Broward County School Board	South Florida Water Mgmt District	North Broward Hospital District	Florida Inland Navigation District	Children Services Council
2001	5.2126	7.5250	8.9553	0.6970	2.4803	0.0410	-
2002	5.9715	7.4005	8.7541	0.6970	2.4803	0.0385	0.3055
2003	5.9715	7.3650	8.8825	0.6970	2.4803	0.0385	0.3316
2004	5.9715	7.1880	8.4176	0.6970	2.5000	0.0385	0.3920
2005	5.8868	7.0230	8.2695	0.6970	2.4803	0.0385	0.4231
2006	5.8868	6.7830	8.0623	0.6970	2.1746	0.0385	0.4231
2007	5.5823	6.0661	7.8687	0.6970	1.8317	0.0385	0.4073
2008	4.7662	5.2868	7.6484	0.6240	1.6255	0.0345	0.3572
2009	5.1041	5.3145	7.4170	0.6240	1.7059	0.0345	0.3754
2010	5.7252	4.8889	7.4310	0.6240	1.7059	0.3450	0.4243

Source: Broward County Property Appraiser

Note: Tax rates are per \$1,000 of taxable assessed value.

The city's basic property tax rate may be increased only by a majority vote of the city's residents.

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

**City of Oakland Park, Florida
Principal Property Tax Payers
Current Year and Six Years Ago
(dollars in thousands)**

Taxpayer	2010			2004		
	Taxable Assessed Value (a)	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value (a)	Rank	Percentage of Total City Taxable Assessed Value
WRI JT Northridge LP	34,084	1	1.45%	\$ 22,255	2	1.27%
Florida Power & Light Co	31,167	2	1.33%			
Southern Tier Southeast	18,246	3	0.78%	-		0.00%
Alliance HTFL LP	18,230	4	0.78%	-		0.00%
Mainstreet AEW V	17,071	5	0.73%			0.00%
Lowe's Home Centers Inc	17,416	6	0.74%	-		0.00%
Festival Center LLC	14,757	7	0.63%	17,332	5	0.99%
Oakland Center Associates, LTD	13,556	8	0.58%			
Bridgewater Place Assoc LTD	12,092	9	0.52%			0.00%
Mederos Crystal Lake Condos LLC	10,796	10	0.46%	15,302	8	0.87%
Holy Cross Hospital Inc						
SSC Property Holdings Inc				-		0.00%
Set Point Associates LTD PRTNR						
Weingarten Nostat Inc				21,762	3	1.24%
Rak Lakeview Ltd Partnership						
OPA of Broward						0.00%
FL Health Complex Inc				-		0.00%
SCI Forest Fund LLC				-		0.00%
Eastside Village Lofts						0.00%
Spilake Inc				29,743	1	1.70%
Waterton Park LLC				21,747	4	1.24%
Mohammad R Mazaheri				16,937	6	0.97%
North Ridge Medical Center				15,678	7	0.89%
Summerlake OP Ltd				15,265	9	0.87%
CMD Southwest Inc				14,820	10	0.84%
Total	<u>\$ 187,415</u>		<u>7.99%</u>	<u>\$ 190,841</u>		<u>10.88%</u>

Source: Broward County Revenue Collection

Note: Information prior to fiscal year 2004 is unavailable

(a) amount in thousands

**City of Oakland Park, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for Fiscal Year		Collected within the Fiscal Year of Levy		Collections in Subsequent Years (b)	Total Collections to Date	
	Year (a)	Amount	Amount	Percentage of Levy		Amount	Percentage of Levy
2001	6,986,562	6,576,308	94.13%		103,649	6,679,957	95.61%
2002	8,771,481	8,214,594	93.65%		29,117	8,243,711	93.98%
2003	9,565,701	8,929,742	93.35%		23,931	8,953,673	93.60%
2004	10,476,783	9,808,887	93.62%		26,589	9,835,476	93.88%
2005	11,457,293	10,798,135	94.25%		102,784	10,900,919	95.14%
2006	15,295,576	14,606,182	95.49%		91,888	14,698,070	96.09%
2007*	17,774,596	17,061,562	95.99%		67,795	17,129,356	96.37%
2008	16,860,344	16,059,798	95.25%		33,170	16,092,968	95.45%
2009	16,583,339	15,911,781	95.95%		9,890	15,921,671	96.01%
2010	16,474,540	14,846,618	90.12%		-	14,846,618	90.12%

Source: City of Oakland Park, Financial Services Department

Note: (a) Broward County Property Appraiser

(b) Collections in subsequent years for the year of levy were not available prior to fiscal year 2006.

The amounts listed before fiscal year 2006 represent aggregate amount collected for levies of prior years. Delinquent taxes are recognized when received.

* Fiscal year 2007 taxes levied was recomputed based on final adopted millage rate of 5.5823.

City of Oakland Park, Florida
Ratios of Outstanding Debt by Type
Last Eight Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities					Total Primary Government	Percent of Personal Income	Per Capita
	General Obligation FMLC	Wachovia Series 2007 Note	Capital Lease	Utility Bonds	Stormwater FMLC	Water & Sewer FMLC	Solid Waste Lease				
2003	\$ 12,575,000	\$ -	\$ 1,102,864	\$ 3,550,000	\$ 5,320,000	\$ -	\$ -	\$ 22,547,864	n/a	n/a	
2004	12,360,000	-	948,344	3,300,000	5,230,000	1,810,000	-	23,648,344	n/a	n/a	
2005	12,135,000	-	1,822,924	3,040,000	5,135,000	1,780,000	-	23,912,924	n/a	n/a	
2006	11,900,000	-	1,512,698	2,765,000	5,035,000	1,750,000	-	22,962,698	2.45%	\$ 541	
2007	11,655,000	-	1,192,011	2,480,000	4,930,000	1,715,000	-	21,972,011	2.36%	\$ 522	
2008	11,400,000	4,000,000	860,510	2,180,000	4,820,000	1,680,000	-	24,940,510	2.67%	\$ 590	
2009	11,135,000	3,863,810	517,831	1,860,000	4,705,000	1,645,000	-	23,726,641	2.22%	\$ 562	
2010	10,855,000	3,730,473	258,742	14,885,000	4,485,000	1,610,000	1,036,730	35,824,215	3.62%	\$ 842	

Source: City of Oakland Park, Financial Services Department

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

See schedule 14 for personal income and population data.

Data prior to 2003 are not available

City of Oakland Park, Florida
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2001	-	0.00%	-
2002	-	0.00%	-
2003	-	0.00%	-
2004	-	0.00%	-
2005	-	0.00%	-
2006	-	0.00%	-
2007	-	0.00%	-
2008	-	0.00%	-
2009	-	0.00%	-
2010	-	0.00%	-

Source: City of Oakland Park, Financial Services Department

Note: The City has no general bonded debt outstanding

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

Data prior to 2000 are not available

City of Oakland Park, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2010

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Broward County Debt Service *	\$ 393,665,000	1.851%	\$ 7,285,311
Broward Public Schools Debt Service **	-	1.732%	-
Subtotal, overlapping debt			7,285,311
Oakland Park direct debt			<u>15,516,641</u>
Total direct and overlapping debt			<u><u>\$ 22,801,952</u></u>

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

Sources:

City of Oakland Park, Financial Services Department

* Broward County Accounting Division

** School Board of Broward County Financial Reporting Division

City of Oakland Park, Florida
Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2010

Assessed value	\$ 2,344,284
Bonded debt limit - 15% of assessed value	351,643
Debt applicable to limit	
General Obligation Bonds	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	<u>351,643</u>
Legal debt margin	<u>\$ 351,643</u>

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt Limit	\$ 201,048	\$ 220,334	\$ 240,385	\$ 263,170	\$ 293,223	\$ 391,452	\$ 479,664	\$ 530,455	\$ 483,277	\$ 351,643
Total net debt application to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 201,048	\$ 220,334	\$ 240,385	\$ 263,170	\$ 293,223	\$ 391,452	\$ 479,664	\$ 530,455	\$ 483,277	\$ 351,643
Total net debt applicable to the limit as a % of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Source: City of Oakland Park, Financial Services Department
Note: The City has no general bonded debt outstanding
Details regarding the city's outstanding debt can be found in the notes to the financial statements.

City of Oakland Park, Florida
Pledged-Revenue Coverage
Last Eight Fiscal Years
(dollars in thousands)

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
Water and Sewer - 2004A FMLC Loan						
2003	\$ -	\$ -	\$ -	\$ -	\$ -	-
2004	23,066	18,873	4,193	-	20	209.65
2005	24,319	19,662	4,657	30	82	41.58
2006	23,795	22,264	1,531	30	84	13.39
2007	24,116	20,681	3,435	35	83	29.11
2008	27,010	21,249	5,761	35	82	49.24
2009	25,282	22,446	2,836	35	81	24.45
2010	24,498	22,894	1,604	35	80	13.95
General - 2000B FMLC Loan						
2003	\$ 25,304	\$ 20,750	\$ 4,554	\$ 205	\$ 665	5.23
2004	25,423	19,860	5,563	215	656	6.39
2005	27,222	20,741	6,481	225	646	7.44
2006	32,636	23,975	8,661	235	636	9.95
2007	32,148	22,343	9,805	245	635	11.14
2008	30,182	23,265	6,917	255	613	7.97
2009	28,177	24,699	3,478	265	601	4.02
2010	27,565	24,313	3,252	280	588	3.75
Stormwater - 2000B FMLC Loan						
2003	\$ 25,304	\$ 20,750	\$ 4,554	\$ 85	\$ 281	12.44
2004	25,423	19,860	5,563	90	277	15.16
2005	27,222	20,741	6,481	95	273	17.61
2006	32,636	23,975	8,661	100	269	23.48
2007	32,148	22,343	9,805	105	267	26.36
2008	30,182	23,265	6,917	110	259	18.75
2009	28,177	24,699	3,478	115	254	9.43
2010	27,565	24,313	3,252	120	249	8.81
General - 2007 Wachovia Loan						
2008	\$ 21,951	\$ 12,540	\$ 9,411	\$ -	\$ 80	117.64
2009	20,238	13,441	6,797	136	176	21.79
2010	19,834	13,806	6,028	133	170	19.89
Utility System Revenue Bonds, 2010 series						
2010	\$ 12,954	\$ 11,296	\$ 1,658	\$ -	\$ -	n/a

Source: City of Oakland Park, Financial Services Department

Note: Data prior to 2003 are not available

Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Gross revenues exclude grants and restricted revenues. Operating expenses exclude depreciation.

**City of Oakland Park, Florida
Demographic and Economic Statistics
Last Five Fiscal Years**

	Population*	Personal Income	Per Capita Personal income*	Unemploy ment Rate**
2006	42,427	\$ 939,079,218	\$ 22,134	3.10%
2007	42,081	931,420,854	22,134	3.60%
2008	42,241	934,962,294	22,134	6.10%
2009	42,242	1,070,623,490	25,345	7.90%
2010	42,565	989,551,120	23,248	8.80%

Source: *City Engineering and Community Development Department

**Florida Agency for Workforce Innovation

Note: Data prior to 2006 are not available

**City of Oakland Park, Florida
Principal Employers
Current Year and Four Years Ago**

2010

2006

Employer	Employees	Rank	Percentage of Total City Employment
Lauderdale Clinical Svc *	1000	1	4.54%
Home Depot	300	2	1.36%
AAA All Emergency Restoration	300	3	1.36%
Nations Funding Source Inc	300	4	1.36%
Fort Lauderdale Public Works	280	5	1.27%
City of Oakland Park	245	6	1.11%
Costamar Travel Cruise & Tours	200	7	0.91%
Jam Builders Inc	180	8	0.82%
Agency Workforce Innovation	172	9	0.78%
Northeast High School	165	10	0.75%

Employer	Employees	Rank	Percentage of Total City Employment
Tenet Healthcare Corp	1000	1	5.06%
Sunshine Sportswear Inc	500	2	2.53%
Home Depot	312	3	1.58%
AAA All Emergency Restoration	300	4	1.52%
Fort Lauderdale Public Works	280	5	1.42%
City of Oakland Park	271	6	1.37%
Steel Fabricators LLC	200	7	1.01%
Jobs & Benefits Ctr	172	8	0.87%
Northeast High School	165	9	0.84%
Lauderdale Clinical Svc	163	10	0.82%

Source: InfoUSA Employer Database 2010 ed. 2
via Florida Agency for Workforce Innovation
Note: Data prior to 2006 are not available
* Formerly Tenet Healthcare Corp.

City of Oakland Park, Florida
Full-time Equivalent City Government Employees by Function/Program
Last Seven Fiscal Years

Full-time Equivalent Employees as of September 30							
	2004	2005	2006	2007	2008	2009	2010
Function/Program							
General Government	38	42	45	41	37	29	27
Broward Sheriff's Office*	83	85	85	95	97	97	97
Fire Rescue	74	77	77	69	69	70	67
Public Works	21	16	24	21	19	17	17
Engineering	0	6	7	8	8	8	7
Community Development	17	21	21	19	18	20	18
Library	9	12	11	9	8	8	7
Parks and Leisure	33	45	51	51	49	48	45
Water & Sewer	16	16	18	17	19	23	26
Solid Waste	20	20	20	19	21	17	19
Storm Water	6	9	12	12	13	13	12
Total	317	349	371	361	358	350	342

*Staffing level set by contract

Source: City of Oakland Park, Financial Services Department

Note: Data prior to 2004 are not available

City of Oakland Park, Florida
Operating Indicators by Function/Program
Last Five Fiscal Years

Function/Program	2006	2007	2008	2009	2010
Police					
Physical arrests	3,546	3,093	3,152	3,407	2,111
Parking violations	318	153	110	110	61
Traffic violations	10,022	10,268	10,845	16,585	8,438
Fire Rescue					
Emergency responses	8,921	8,147	7,431	7,732	7,491
Fires extinguished	194	144	118	134	130
Inspections	4,693	3,190	4,587	4,764	4,210
Refuse collection					
Refuse collected (tons per day)	155	168	149	146	140
Recyclables collected (tons per day)	8	6	3	3	4
Other public works					
Street resurfacing (miles)	0	5	6	5	5
Potholes repaired	100	2,200	1200	1,956	1,588
Parks and Leisure					
Athletic field permits issued	*	150	415	540	388
Community center admissions	*	1,000	150,000	170,000	46,700
Library					
Volumes in collection	43,508	53,777	56,006	56,446	56,437
Total volumes borrowed	48,607	105,970	107,413	112,912	112,687
Water					
New connections	1,065	986	924	n/a	42
Water main breaks	88 **	97	52	58	105
Average daily consumption (thousands of gallons)	4,397	4,060	3358	3,771	3,540
Peak daily consumption (thousands of gallons)	*	*	*	4,200	3,790
Sewer					
Avg. daily sewage treatment by other (in thousands)	6,292 ***	5,806 ***	6156 ***	5,675 ***	8,427 ***

Source: Various City departments

*Not tracked by the City

**Includes 57 resulting from Hurricane Wilma, 10/05

***The City does not have a wastewater treatment facility

Note: Data prior to 2006 are not available

**City of Oakland Park, Florida
Capital Asset Statistics by Function/Program
Last Five Fiscal Years**

Function/Program	2006	2007	2008	2009	2010
Police					
Stations	1	1	1	1	1
Zone offices	1	1	1	1	1
Patrol units	75	63	69	61	72
Fire stations	3	3	3	3	3
Refuse Collection					
Collection trucks	10	9	9	9	10
Other public works					
Streets (miles)	132	132	134	134	134
Highways (miles)	0 (a)				
Streetlights	2023 *	2023 *	2027 *	2321 *	2321
Traffic signals	0 (a)				
Parks and Leisure					
Acreage	183	183	189	189	189
Playgrounds	6	8	8	8	9
Baseball/softball diamonds	9	9	9	9	9
Soccer/football fields	3	3	3	3	3
Tennis courts	12	12	12	14	14
Community centers	3	3	4	4	4
Basketball Courts	3	3	3	3	3
Handball/Racquetball Courts	4	4	4	4	4
Bocce Courts	2	2	2	2	2
Water					
Water mains (miles)	197	197	197	197	92
Fire hydrants	1126	1128	1269	790	810
Storage capacity (thousand of gallons)	0 **	0 **	0 **	0 **	0 **
Sewer					
Sanitary sewers (miles)	100	100	100	100	83
Storm sewers (miles)	60	62.2	60	60.1	60.1
Treatment capacity (thousand of gallons)	0 ***	0 ***	0 ***	0 ***	0 ***
Transit - minibuses	2	2	2	0	0

Source: Various City departments

*Majority are owned by FPL; the City pays a maintenance fee

**No water storage tanks owned by the City

***The City does not have a wastewater treatment facility

Note: Data prior to 2006 are not available

(a) Non owned by the City



City of Oakland Park, Florida

Schedule of Expenditures of Federal Awards
Fiscal Year Ended September 30, 2010

<u>Federal Agency/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Contract Grant Number</u>	<u>Expenditures</u>
U.S. Department of Housing and Urban Development			
Community Development Block Grant- R - 34th Year	14.218	10-HFCDD-0041	\$ 200,000
2005 Community Development Block Grant Disaster Recovery Initiative -1	14.228		339,712
Community Development Block Grant - Disaster Recovery Initiative (Supplemental - DRI)	14.228	08DB-D3-11-16-01-A06	314,556
Total U.S. Department of Housing and Urban Development			<u>854,268</u>
U.S. Department of Justice			
Federal Equitable Sharing	16.000	N/A	40,003
Total U.S. Department of Justice			<u>40,003</u>
Federal Emergency Management Agency - CFDA 97.039			
<i>Pass-Through FL Division of Emergency Management</i>			
Federal Emergency Management Agency- Pre-Disaster Mitigation Grant - NW 21st Ave Drainage	97.039	08DM-07-11-16-02-107	1,288,907
Federal Emergency Management Agency- Hazard Mitigation Grant - Sleepy River/Lloyd Estates	97.039	07HM-4@-11-16-02-082	891,646
Federal Emergency Management Agency- Hazard Mitigation Grant - Lloyd Estates Res & Ind	97.039	09HM-37-11-16-02-161	75,273
Total Federal Emergency Management Agency - CFDA 97.039			<u>2,255,826</u>
Federal Emergency Management Agency - CFDA 97.036			
Federal Emergency Management Agency-Hurricane Wilma	97.036	06-WL-&K-11-16-02-707	208,924
Total Federal Emergency Management Agency - CFDA 97.036			<u>208,924</u>
US Department of Transportation			
<i>Pass-Through State of Florida Department of Transportation</i>			
Hwy Planning & Construction Grant - Local Agency Program Agreement for Dixie Hwy Beautification	20.205	A0062	552
Total US Department of Transportation			<u>552</u>
U.S. Environmental Protection Agency			
<i>Pass-Through State of Florida Department of Environmental Protection</i>			
Capitalization Grant for State Revolving Funds	66.458	SW061400	249,960
Capitalization Grant for State Revolving Funds - Companion Loan	66.458	SW061401	23,913
Total U.S. Environmental Protection Agency			<u>273,873</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 3,633,446</u></u>

See Note to Schedule of Federal Awards.

CITY OF OAKLAND PARK, FLORIDA

Note To Schedule of Expenditures of Federal Awards
For The Fiscal Year Ended September 30, 2010

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Oakland Park, Florida and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.



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

Honorable Mayor and Members of the City Commission
City of Oakland Park, 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 Oakland Park, Florida (the "City") as of and for the year ended September 30, 2010, and have issued our report thereon dated March 8, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our 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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of significant deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an

opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Fort Lauderdale, Florida
March 8, 2011

The logo for TCBA Water Rise LLP is written in a dark purple, cursive script. The letters are connected and flow together, with 'TCBA' being the most prominent part of the text.



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Mayor and Members of the City Commission
City of Oakland Park, Florida

Compliance

We have audited the compliance of the City of Oakland Park, Florida (the "City") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement*, that could have a direct and material effect on each of its major Federal programs for the year ended September 30, 2010. The City's major Federal programs are identified in the summary of auditors' results section of the accompanying *Schedule of Findings and Questioned Costs*. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards, OMB Circular A-133, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended September 30, 2010.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to Federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the

effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis.

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

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the City of Oakland Park, Florida (the "City"), as of and for the year ended September 30, 2010, and have issued our report thereon dated March 8, 2011. Our audit was performed for the purpose of forming an opinion on the financial statements of the City. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by the OMB's Circular A-133, and is not a required part of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

Fort Lauderdale, Florida
March 8, 2011

TCBA Watson Rice LLP

CITY OF OAKLAND PARK, FLORIDA

Schedule of Findings and Questioned Costs
Fiscal Year Ended September 30, 2010

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? Yes **x** No
- Significant control deficiencies identified that are not considered to be material weaknesses? Yes **x** None Reported

Noncompliance material to financial statements noted? Yes **x** No

Federal Program

Internal control over major programs:

- Material weaknesses identified? Yes **x** No
- Significant control deficiencies identified that are not considered to be material weaknesses? Yes **x** None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes **x** No

Identification of major programs:

CFDA Numbers

14.228
66.458
97.039

Name of Federal Program

CDBG Disaster Recovery Initiative
EPA State Revolving Fund
Pre-disaster and Hazard Mitigation Grant

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? **✓** Yes No

CITY OF OAKLAND PARK, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - FEDERAL PROGRAMS
FISCAL YEAR ENDED SEPTEMBER 30, 2010
(Continued)

SECTION II FINDINGS RELATED TO FINANCIAL STATEMENTS AUDIT AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

None.

SECTION III FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

2010-01 Verify Vendors under Federal Awards

Criteria

Vendors getting awards of \$25,000 and above, under a federal award, should be verified in the Excluded Party List System (EPLS) to ensure compliance with the federal requirement.

Condition

We noted that the City does not have a system in place to ensure that vendors providing goods and services amounting to \$25,000 and above, under a federal award, are not debarred or suspended.

Context

This finding is systemic in nature. However, no instances of compliance findings were noted as a result of the lack of implementation of this control.

Questioned Cost

Undeterminable.

Effect

Absence of review of vendors providing goods and services amounting to \$25,000 and above, under a federal award, may result to awarding of contracts to debarred vendors which will cause the allowable cost to be disallowed.

Cause

The City's Procurement Policy did not incorporate the federal requirement to check whether such vendor(s) serving contracts of \$25,000 and above is(are) not in the Federal list of debarred suppliers.

Recommendation

We suggest that the City establish policies and procedures to ensure that vendors providing goods and services under a federal award are verified against the EPLS prior to issuing the Purchase Order.

CITY OF OAKLAND PARK, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - FEDERAL PROGRAMS
FISCAL YEAR ENDED SEPTEMBER 30, 2010
(Continued)

View of Responsible Officials and Planned Corrective Action

When advised, management immediately implement a procedure where the City contracting department will verify that a vendor, proposed to provide goods and services amounting to \$25,000 and above, under a federal award, is not a debarred vendor. Verification will be made via the Excluded Party List System (EPLS) and proof that the vendor is not debarred via printout from the EPLS will be attached to the Agenda Item Report, required for City Commission of such a contract.

CITY OF OAKLAND PARK, FLORIDA

Summary Schedule of Prior Audit Findings
For the Year Ended September 30, 2010

2006-03 Compliance Monitoring

Condition

During the fiscal year 2006, multiple individuals had responsibility for ensuring compliance with contract requirements. In addition, the City had not adopted written policies and procedures governing the accounting and administration of its grant programs.

Current Year Status

The City's grant administration is still decentralized although a responsible person in the Financial Services Department has been tasked to coordinate with the implementing departments as regards the compliance of the requirements specific to the grant being administered by the concerned department.

Management Response

Management understands the need to monitor all contracts to ensure compliance with grantor requirements. However, due to continuing budget constraint, it is not feasible to add a position specifically dedicated to grant management. The compliance responsibility rests with the department that applies and utilizes the grants. The department staff will be trained to utilize a contract management application to assist them meeting the reporting requirements. The Financial Services department will oversee the financial administration of the grants.

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

Honorable Mayor and City Commission
City of Oakland Park, Florida

We have audited the basic financial statements of the City of Oakland Park, Florida (the "City") as of and for the fiscal year ended September 30, 2010, and have issued our report thereon dated March 8, 2011.

We conducted our audit in accordance with auditing standards generally accepted in the United of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters, Independent Auditors' Report on Compliance with Requirements Applicable to each Major Federal Program and on Internal Control over Compliance, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedules, which are dated March 8, 2011, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. This letter is required to include the following information:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the City of Oakland Park, Florida complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we have recommendations described in ML-2010-01.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

more than inconsequential. In connection with our audit, we did not have any such findings.

- Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City of Oakland Park, Florida was incorporated on June 7, 1929. The City included the Oakland Park Community Redevelopment Agency as its blended component unit.
- Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the City of Oakland Park, Florida, did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the City of Oakland Park, Florida, for the fiscal year ended September 30, 2010, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2010. In connection with our audit, we determined that these two reports were in agreement.
- Section 10.554(i)7.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.

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

Fort Lauderdale, Florida
March 8, 2011

Handwritten signature in purple ink that reads "TCBA Watson Rice LLP".

CITY OF OAKLAND PARK, FLORIDA

Management Letter
Fiscal Year Ended September 30, 2010

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

ML-2010-01 Review of Utility Billing Process

Finding

In the Utility Department, we noted that there is no Supervisory Control over changes made to the billing data such as water consumption and billing rate prior to processing the data for billing. Although we understand that the edits made by the Billing Coordinator are necessary to correct some erroneous information (such as zero consumption or high usage), the absence of Supervisory review and approval does not allow the detection of errors made in the process.

Recommendation

We suggest that the Billing Manager review and sign-off on the edits/changes made to provide the necessary check and balance and to signify approval. Such review and approval should also cover the processing of refunds to customers.

Management's Response

Management concurs with the recommendation and will review and approve the edit report before any final billing is done. In addition, such reviewing and approval procedures will also be performed for customer refunds and uncollectible accounts.

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CITY OF OAKLAND PARK, FLORIDA

Management Letter
Fiscal Year Ended September 30, 2010

II. STATUS OF PRIOR YEAR'S RECOMMENDATIONS AND MANAGEMENT'S RESPONSE

<u>Finding Number</u>	<u>Prior Year Comment</u>	<u>Comment Has Been Addressed</u>	<u>Comment Partially Implemented</u>
ML-06-02	Written Policies and Procedures	✓	
ML-05-01	Preparation of Financial Statements	✓	

ML-2006-02 Written Policies and Procedures

2006 Finding and Recommendation

Various City-written policies and procedures need to be updated (time-keeping, purchasing, billing and collections, community development revenue generating activities).

It was recommended that these policies and procedures be reviewed and updated to incorporate the current policies and procedures followed by City personnel.

Current Year Status

The updating of the City's outdated Utility Billing policy and procedures is completed.

Management's Response

Utility and Billing policy and procedures have been updated to include cashiering, customer payment plan, utility account adjustments, meter reading, and account opening and closing. Management will continue to review the procedures on utility billing and make changes when necessary.

ML-05-1 Preparation of Financial Statements

2005 Finding and Recommendation

During the 2005 audit, we noted that the City did not prepare interim financial reports that provide information on the City's financial position and changes in its financial position in accordance with accounting principles in the United States (GAAP) for Governmental entities (similar to year-end financials), and certain required disclosures were not identified by management in the preparation of its external financial statements.

CITY OF OAKLAND PARK, FLORIDA

Management Letter
Fiscal Year Ended September 30, 2010

It was recommended that Management prepare monthly financial reports that provide information regarding the City's financial position and changes in its financial position, on a GAAP basis.

Current Year Status

The condition has been addressed.

Management's Response

Management continues to improve the monthly financial activity reports to the Commission for all major funds by providing more useful information in an easy to read format. The monthly report includes budget to actual comparison for major revenues by source and expenditures by function. A net change in financial position has been provided in the monthly report. As stated previously, it is not practical for management to prepare monthly activity report on GAAP basis which will require additional staff dedicated to such reporting. However, despite continuing staffing issue, management has added a quarterly balance sheet report along with the activities report to provide more information on City's financial position.

