



Comprehensive Annual  
Financial Report  
Fiscal Year Ended September 30, 2011

**COMPREHENSIVE  
ANNUAL FINANCIAL  
REPORT  
of the  
CITY OF SUNRISE,  
FLORIDA**

**Fiscal Year Ended  
September 30, 2011**



**prepared by the  
Finance Department**

**Laura Toebe, Director of Finance  
Wendy Friedman, Assistant Finance Director**

CITY OF SUNRISE, FLORIDA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

**TABLE OF CONTENTS**

	<u>Page</u>
<b>I. INTRODUCTORY SECTION</b>	
Letter of Transmittal	1
GFOA Certificate of Achievement	7
Organization Chart	8
List of Elected and Principal Officials	9
<b>II. FINANCIAL SECTION</b>	
Independent Auditors' Report	11
Management's Discussion and Analysis (unaudited)	13
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	26
Statement of Activities	27
Fund Financial Statements:	
Balance Sheet – Governmental Funds	28
Reconciliation of the Balance Sheet to the Statement of Net Assets – Governmental Funds	29
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	32
Statement of Net Assets – Proprietary Funds	34
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	36
Statement of Cash Flows – Proprietary Funds	38
Statement of Fiduciary Net Assets – Fiduciary Funds	40
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	41
Notes to the Financial Statements	42
Required Supplementary Information (unaudited):	
Schedule of Funding Progress – General Employees', Police Officers', and Firefighters' Pension Funds	83
Schedule of Funding Progress – Retirees' Subsidy Plan	83
Schedule of Funding Progress – Other Post-Employment Benefit Plan	84
Schedule of Employer Contributions– Other Post-Employment Benefit Plan	84
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	88
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	89
Combining Balance Sheet – Nonmajor Special Revenue Funds	90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	92
Combining Balance Sheet – Nonmajor Debt Service Funds	94
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Debt Service Funds	95

	<u>Page</u>
Combining Balance Sheet – Nonmajor Capital Projects Funds	96
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds	97
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Community Development Block Grant Special Revenue Fund	98
Impact Fees Special Revenue Fund	99
Urban Area Security Initiative Grant Special Revenue Fund	100
Broward County Home Consortium Grant Special Revenue Fund	101
Broward County Disaster Recovery Initiative Grant Special Revenue Fund	102
Neighborhood Stabilization Program Grant Special Revenue Fund	103
Energy Efficiency Grant Special Revenue Fund	104
Fuel and Roadway Special Revenue Fund	105
State Housing Initiatives Partnership Grant Special Revenue Fund	106
Police Confiscation Special Revenue Fund	107
Public Improvement Debt Service Fund	108
Special Recreation District Phase I Debt Service Fund	109
Special Recreation District Phase II Debt Service Fund	110
Special Tax District No. 1 Debt Service Fund	111
Public Service Tax Debt Service Fund	112
Special Tax District No. 1 Capital Projects Fund	113
Capital Improvements Capital Projects Fund	114
Combining Statement of Net Assets – Nonmajor Enterprise Funds	116
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Nonmajor Enterprise Funds	117
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	118
Combining Statement of Net Assets – Internal Service Funds	122
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Internal Service Funds	123
Combining Statement of Cash Flows – Internal Service Funds	124
Combining Statement of Fiduciary Net Assets – Fiduciary Funds	128
Combining Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	129

### **III. STATISTICAL SECTION (Unaudited)**

Schedule 1 – Net Assets by Component	132
Schedule 2 – Changes in Net Assets	133
Schedule 3 – Fund Balances, Governmental Funds	135
Schedule 4 – Changes in Fund Balances, Governmental Funds	136
Schedule 5 – Tax Revenues by Source, Governmental Funds	137
Schedule 6 – Assessed Value and Estimated Actual Value of Taxable Property	138
Schedule 7 – Direct and Overlapping Property Tax Rates	139
Schedule 8 – Principal Property Taxpayers	140
Schedule 9 – Property Tax Levies and Collections	141
Schedule 10 – Ratios of Outstanding Debt by Type	142
Schedule 11 – Direct and Overlapping Governmental Activities Debt	143
Schedule 12 – Pledged Revenue Coverage	144
Schedule 13 – Demographic and Economic Statistics	146
Schedule 14 – Principal Employers	147
Schedule 15 – Full-time Equivalent City Government Employees by Function	148
Schedule 16 – Operating Indicators by Function	149
Schedule 17 – Capital Asset Statistics by Function	150

#### **IV. COMPLIANCE AUDIT SECTION**

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

Independent Auditors' Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

Schedule of Expenditures of Federal Awards

Notes to Schedule of Expenditures of Federal Awards

Schedule of Findings and Questioned Costs

Summary Schedule of Prior Audit Findings

#### **V. MANAGEMENT LETTER**

Management Letter in Accordance with the Rules of the Auditor General of the State of Florida

*Section I*  
*City of Sunrise, Florida*  
*Introductory Section*



March 12, 2012

To the Honorable Mayor and members of the City Commission:

We are pleased to present the City of Sunrise's (the City) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2011. State law requires that all general-purpose local governments publish a complete set of financial statements within nine months of the close of each fiscal year. The financial statements included in this report conform with generally accepted accounting principles (GAAP) and are audited 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 by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the City. Responsibility for both the reliability of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Marcum LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit and the reports of other auditors, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended September 30, 2011, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader federal mandated “Single Audit” designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls over financial reporting and compliance and other matters.

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

### **City Profile**

The City of Sunrise, incorporated in 1961, is located in southeastern Florida in Broward County. 2011 marked the 50<sup>th</sup> anniversary of Sunrise, a city that encompasses an area of approximately 18 square miles with an approximate population of 90,000 (23rd largest of Florida’s 400+ municipalities). The City is convenient to three international airports and two deep-water ports, and hosts more than 28 million visitors each year.

The City has operated under a city commission/city manager form of government since 1989. The city commission is comprised of the mayor, deputy mayor, assistant deputy mayor, and two commissioners, who enact laws, determine policies and adopt the annual budget. The city manager is appointed by the city commission and is responsible for carrying out the policies of the city commission and for overseeing the daily management of the City. The city manager appoints the heads of the various departments.

The City provides a full range of services including police and fire protection, emergency medical service, water, wastewater and gas services, sanitation services, recycling services, stormwater services, recreational and cultural activities/events, construction and maintenance of streets and other infrastructure and general administrative services. Internal services of the City, accounted for on a cost reimbursement basis, include a workers’ compensation fund and vehicle replacement fund. The City is financially accountable for two legally separate special recreation districts and a special tax district, all of which are included as an integral part of the City’s financial statements. Additional information on all three of these legally separate entities can be found in the notes to the financial statements (See Note I.A).

The annual budget serves as the foundation for the City’s financial planning and control. All departments of the City are required to submit requests for appropriation to the city manager. The city manager uses these requests as the starting point for developing a proposed budget. The city manager then presents the proposed budget to the city commission on or before August 1 of each year. The city commission is required to hold public hearings on the proposed budget and to adopt a final budget by September 30<sup>th</sup> of each year. The appropriated budget is prepared by fund, function (e.g., Public Safety),



and department (e.g., Police). The city manager is authorized to transfer appropriations within a department, office or agency; however, any other revisions require approval of the city commission. Additionally, program budgeting has been implemented for the General Fund departments to help the reader understand the true cost of various programs.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. In addition, the governmental fund subsection includes project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted.

## **Economic Outlook and Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

### **Local Economy**

Sunrise, situated in the heart of the tri-county region (Miami-Dade, Broward and Palm Beach), is well diversified and continues to be a prime location for corporate headquarters and major office operations. The City continues to be a leader in the region for the attraction of new corporate investment, job growth and business expansion. The City offers developers and business owners superior access to a lucrative customer base. As the region's population base continues to shift north and west, the Sawgrass area of Sunrise has become the population center of the tri-county area. As such, the City is uniquely situated to offer a large pool of prospective employees and customers to many multi-national corporations, regional corporate offices and headquarters for leading domestic and international corporations.

The following facts reflect Sunrise's economic condition and outlook:

- Sunrise is home to a diversified group of businesses, including corporate offices, financial services and research and development (R & D) companies. A strong endorsement of the City's business appeal is that corporations, hotels, restaurants, office parks and attractions already located in our community continue to expand and invest in the area. The City is a job growth leader, consistently ranking at the top of Broward County municipalities in the creation of new employment opportunities. Prior to the economic recession which began in 2006, South Florida's unemployment rate of 3.5% significantly outperformed the national average. However, since then, unemployment rates in South Florida have risen higher than the rest of the country. This year, national unemployment peaked at 9.5%, while South Florida was nearly 11%. Despite a deep national recession, a significant level of corporate business and development activity occurred in the City during 2011. Some of the more notable activity this year included: *Emerson*

*Electric*, relocated their South American headquarters to a 30,000 square foot office that will employ 75 executives; *Wendy's International* established its Southeast U.S. regional operations center and Latin American headquarters in 11,000 square feet that will house 60 employees; *Eyecast* purchased a 30,000 square foot facility and will be hiring 100 new positions; *Taleo Systems* is expanding their current Sunrise location by 12,000 square feet and adding 60 new jobs; and *Healthcare Corporation of America* is expanding their presence by adding 23,000 square feet and 125 new jobs. Other companies that relocated to the City this year were Johnny Rockets and Tropical Supply.

- Sunrise's four major industrial parks consist of Sawgrass International Corporate Park with 612 acres, Sunrise Commerce Center with 550 acres, Broward Lakes Business Center with 120 acres and Sawgrass Technology Park with 100 acres. The Sawgrass International Corporate Park is the most significant of these, ranking as the largest corporate office park in South Florida and the 6<sup>th</sup> largest office park in the State of Florida. The latest addition to the Sawgrass International Corporate Park is Lakeshore Office Plaza II, a five-story, 145,000 square foot class A office building. This building is Broward's first LEED (Leadership in Energy and Environmental Design) certified "Green Office Building". Additionally, the Stiles Corporation received approvals to move forward with plans for a major mixed-use development called Westerra. The proposed Westerra project will feature 1.6 million square feet of class A office space, 1,500 luxury high-rise residential units, 400,000 square feet of upscale retail, and a boutique hotel.
- Sawgrass Mills Mall, a 2.7 million square foot shopping mall and entertainment complex located in the City, is second only to Walt Disney World as a tourist attraction in Florida. In 2011, the mall began a 40,000 square foot expansion to house designer retail boutiques. With the most amount of leasable retail space under one roof, Sawgrass Mills is the largest mall in the United States. In addition to Sawgrass Mills, another major amenity drawing visitors to the City is the 20,000 seat Bank Atlantic Center. The Bank Atlantic Center is one of the finest arenas in the country and home to the NHL's Florida Panthers. Both of these regional destinations remained significant contributors to the City's economy, with over 28 million visitors a year.

Tax reform legislation, known as Amendment 1, took effect October 2008. Amendment 1 provided for an additional \$25,000 property tax exemption for homesteaded properties, portability of the Save Our Homes benefit, and a \$25,000 exemption on tangible personal property. The impact on the city's property tax revenues are described in more detail in the MD & A on page 19 and in Note I on page 71.

During the past ten years, the City's expenses related to public safety have increased not only in amount, but also as a percentage of total expenses (a ten-year increase of 9 percent). Much of the increase reflects a trend that has seen the salaries and benefits of

police and firefighters growing at a faster rate than those of other categories of public-sector employees.

### **Long-term Financial Planning**

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 54 “*Fund Balance Reporting and Governmental Fund Type Definitions*”. GASB 54 establishes various classifications of fund balance based on a certain hierarchy. Fund balances classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or other governments through laws and regulations. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the City Commission through an ordinance or resolution. Assigned fund balances are constraints that reflect a government’s intended use of resources for specific purposes but are neither restricted or committed. Unassigned fund balance can be viewed as the net resources available at the end of the fiscal year.

### **Major Initiatives**

The City has seen moderate and steady growth over the past ten years. Growth in the commercial sector construction has slowed as overall demand for office space wanes and access to capital for new development has been difficult due to the national recession. Although the economic environment has presented challenges, the City has seen an improvement of its office space vacancy rate over last year. The City’s total office space inventory was pegged at 3.5 million square feet in 2011, with an approximate vacancy rate of 17% as contrasted with 3.2 million square feet of office space inventory in 2010, with an approximate vacancy rate of 24%.

Additional Sawgrass area development plans include two major projects called “Metropica” and “Artesia”.

Metropica would be a first-class, mixed-use project consisting of approximately 500,000 square feet of class A office buildings with structured parking, several full service restaurants, upscale specialty retail boutiques and nearly 400 luxury high-rise residences.

Ongoing construction continues on Artesia, an upscale, gated community which, upon completion, will be comprised of approximately 1,400 residences. Artesia will capture the color and character of such resort areas as Palm Beach (Florida), Marbella (Spain) and Portofino (Italy). Artesia’s multi-family residences are expected to set a new benchmark for luxury, resort-style living in South Florida.

A twin tower 26-story residential condominium project, called Tao, features 396 luxury units. Sales and rental activity at Tao has improved significantly. In 2011, 83% of the units were rented or sold.

The City is committed to enhancing the quality of life for its residents and visitors. In an effort to expand cultural activities and attract visitors to the City, Sunrise hosted the Fort Lauderdale Film Festival. The longest running film festival in the world, the event premiered over 40 international films at the Sunrise Theater. The festival attracted thousands of film enthusiasts, directors, producers, writers and actors to the City.

Another major initiative was the optional redemption of Public Facilities Revenue Bonds, Series 1999 in the amount of \$8,175,000 to achieve interest cost savings for the City.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sunrise, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2010. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report was made possible by the efficient and dedicated service of the Finance Department staff. Sincere appreciation is expressed for the contributions made by all individuals in the preparation of this report. Credit also must be given to the city commission for their commitment to prudent fiscal management practices that emphasize long-term financial stability.

Respectfully submitted,



Laura Toebe  
Director of Finance



Wendy Friedman  
Assistant Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Sunrise  
Florida

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2010

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



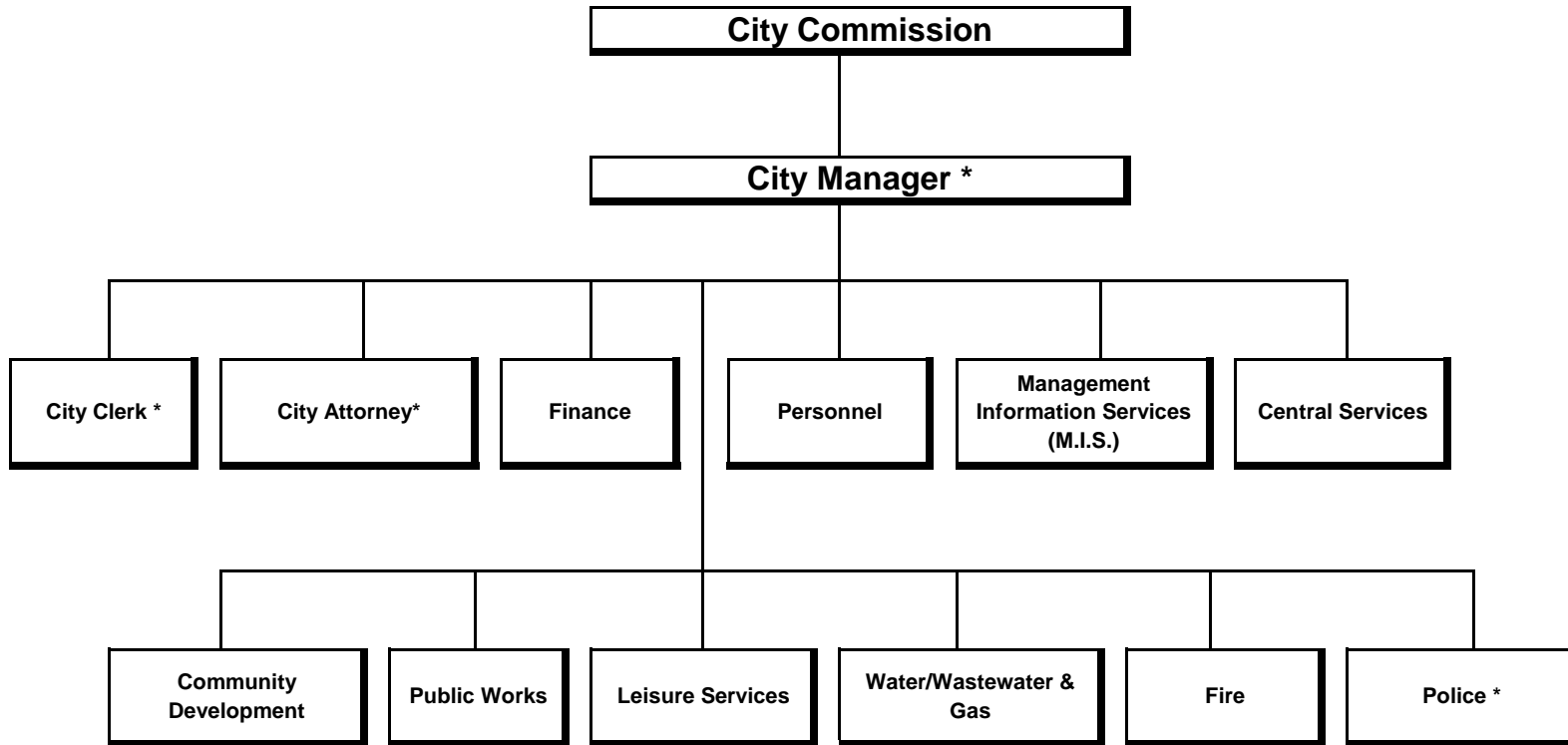
*Linda C. Sandson*

President

*Jeffrey R. Emer*

Executive Director

**City of Sunrise  
Departmental Organizational Chart  
Fiscal Year 2010/2011**



8

\* Charter Officer

**City of Sunrise, Florida  
List of City Officials  
September 30, 2011**

**Elected Officials**

**Mayor  
Deputy Mayor  
Assistant Deputy Mayor  
Commissioner  
Commissioner**

**Michael J. Ryan  
Donald K. Rosen  
Joseph A. Scutto  
Sheila D. Alu  
Lawrence A. Sofield**

**Principal Officials**

**Manager  
Attorney  
Clerk  
Director of Central Services  
Director of Finance  
Director of Leisure Services  
Acting Director of MIS  
Director of Personnel  
Director of Community Development  
Director of Public Works  
Director of Utilities  
Fire Chief  
Police Chief**

**Bruce Moeller  
Kimberly A. Kisslan  
Felicia Bravo  
Tariq Riaz  
Laura Toebe  
Caryl Ungerer  
Shirley Johnson  
Richard Fischer  
Mark Lubelski  
Chuck Meeks  
Tim Welch  
Norm Rynning  
John E. Brooks**

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*Section II*  
*City of Sunrise, Florida*  
*Financial Section*

## INDEPENDENT AUDITORS' REPORT

Honorable Mayor, City Commission and City Manager  
**City of Sunrise, 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 Sunrise, Florida (the City) as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Pension Trust Funds, which represent 84% and 47% of the total assets and revenues of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as it relates to the amounts included for the Pension Trust Funds are based upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the 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, as of September 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As more fully described in Note 1 to the financial statements, the City implemented the requirements of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which significantly changed the classifications of fund balance of governmental funds.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 12, 2012 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, 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 13 through 24 and the Schedules of Funding Progress on pages 83 and 84 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual fund statements and schedules and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual fund statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Marcum LLP*

Fort Lauderdale, FL  
March 12, 2012

## **MANAGEMENT'S DISCUSSION AND ANALYSIS** **(unaudited)**

The following discussion and analysis of the City of Sunrise's financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2011. Please read it in conjunction with the letter of transmittal which can be found on pages 1-6 of this report and the City's financial statements, which follow this section.

### **FINANCIAL HIGHLIGHTS**

#### **General Fund**

- At the end of the current fiscal year, fund balance for the general fund was \$67,558,129. Of this balance, \$15,345,639 for inventories, prepaid items and advances was nonspendable; \$1,199,657 was restricted for building department expenditures; \$28,313,106 was committed for revenue stabilization, contingency, economic and job growth, and reforestation replacement; and \$10,067,923 was assigned for subsequent year's expenditures, encumbrances, and tennis center capital. The balance of \$12,631,804 was unassigned and available for new spending.
- At the end of the fiscal year, the unassigned fund balance was \$12,631,804 or 14.8% of general fund revenues and 13.1% of general fund expenditures.
- General fund revenues and other financing sources decreased by \$26,213,778, a decrease of 20.8% from fiscal year 2010. This was due to transfers from the Emergency Management Fund and the Economic and Job Growth Fund, two special revenue funds that were closed in fiscal year 2011 and fiscal year 2010, respectively.
- General fund expenditures and other financing uses increased by \$13,795,660, or 14.3% more than last fiscal year due to increased transfers to fund capital projects.

#### **Governmental Activities**

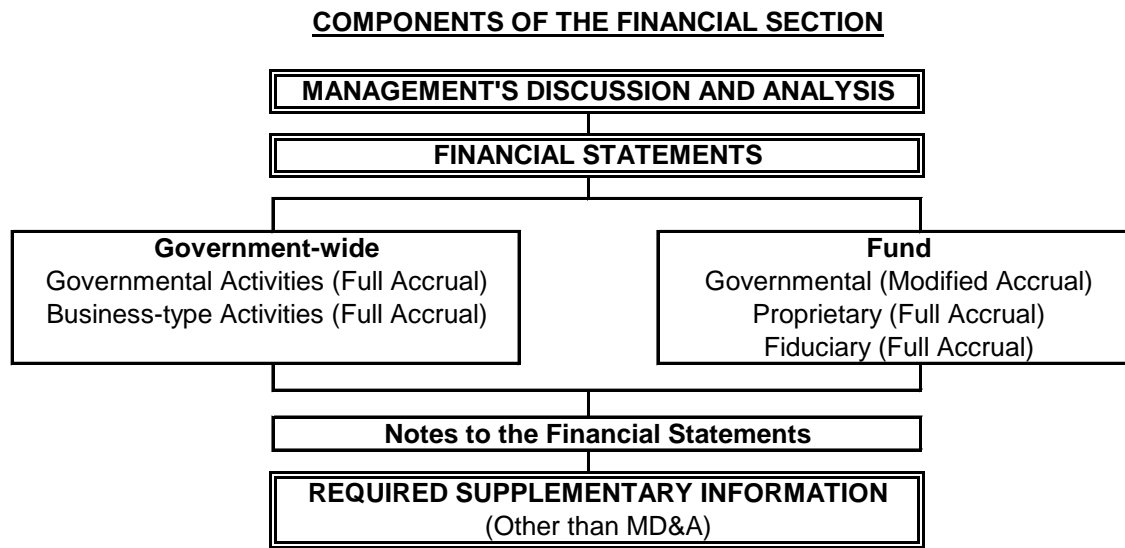
- On a government-wide basis for governmental activities, the City's general revenues of \$65,260,095 were \$14,903,606 less than the \$80,163,701 of expenses net of program revenue.
- As of September 30, 2011, the City's governmental activities reported total ending net asset balances of \$272,749,158. Approximately 37.7% of this total amount, \$102,909,539, is unrestricted and available for use within the City's policies.

#### **Government-wide**

- The City's total net assets, on a government-wide basis, totaled \$583,580,584 at September 30, 2011, an increase of .7% from September 30, 2010. Of this amount, \$163,737,546 is unrestricted.

## USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

The City's basic financial statements are presented within the financial section of this Comprehensive Annual Financial Report (CAFR). As illustrated in the following chart, the financial section has three components: management's discussion and analysis (this section), the basic financial statements and required supplementary information.



### GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements, the Statement of Net Assets and the Statement of Activities, report information about the City as a whole using accounting methods similar to those used by private-sector companies; they provide both long-term and short-term information about the City's overall financial status. The Statement of Net Assets includes all of the City's assets and liabilities, reported using the full accrual basis of accounting. The Statement of Activities accounts for all of the current year's revenues and expenses, regardless of when cash is received or paid.

The government-wide financial statements report the City's net assets and changes in them. The City's net assets - the difference between assets and liabilities - are one way to measure the financial health, or financial position, of the City. Over time, increases or decreases in net assets are an indicator of whether the financial position of the City is improving or deteriorating. However, in order to assess the overall health of the City, other non-financial factors such as changes in the City's property tax base and condition of the infrastructure must be considered.

The City's government-wide financial statements are divided into two categories:

**Governmental activities** – Most of the City's basic services are reported here, such as police, fire and other public safety services, culture and recreation, public works and general administration. Property, utility service and sales taxes, charges for services, franchise fees, and state/federal grants finance most of these activities. Three legal entities for which the City is financially accountable - Special Recreation District Phase I, Special Recreation District Phase II and Special Tax District No. 1 – are reported here as blended component units.

**Business-type activities** – The City's water, wastewater and gas, sanitation, recycling, stormwater and golf course operations are reported here. Fees are charged to customers to recover all or a significant portion of the costs of providing these services.

## **FUND FINANCIAL STATEMENTS**

The fund financial statements provide more information about the City's most significant funds – not the City as a whole. The fund financial statements focus on the individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. The City has three types of funds:

### **Governmental Funds**

General, special revenue, debt service and capital projects funds are governmental funds, funds which focus on 1) near-term inflows and outflows of spendable resources and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information follows the governmental funds statements that explain the differences between them.

In fiscal year 2011, the City maintained eighteen individual governmental funds but during the year, the Public Improvement debt service fund was closed. A portion of the assets of this fund were used to current refund the Public Facilities Revenue Bonds, Series 1999, with the remaining assets transferred to the general fund. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, Public Service Tax debt service fund and Capital Improvements capital projects fund, all of which are considered to be major funds. Data from the other fifteen 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.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

## **Proprietary Funds**

Services for which the City charges customers a fee are generally reported in proprietary funds. These funds, like the government-wide statements, provide both long-term and short-term financial information. The City's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but the fund financial statements provide more detail and additional information, such as cash flows. The City uses enterprise funds to account for its water, wastewater and gas, sanitation, recycling, stormwater and golf course operations. The City uses internal service funds (the other type of proprietary fund) to report activities that provide services for the City's other programs and activities. The Workers' Compensation and Vehicle Replacement funds are the City's two internal service funds. Because this service predominately benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

The proprietary fund financial statements provide separate information for the water, wastewater and gas utility system and the sanitation funds, both of which are considered to be major funds of the City. Data from the other three proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report.

## **Fiduciary Funds**

The City is the trustee, or fiduciary, for its employees' pension plans. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets and Statement of Changes in Fiduciary Net Assets. The City excludes these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations. The accounting used for fiduciary funds is similar to accounting used for proprietary funds. Data from the three pension trust funds are combined into a single aggregated presentation. Individual fund data is provided in the form of combining statements elsewhere in this report.

## FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

### Statement of Net Assets

The following table presents the condensed Statement of Net Assets:

	Summary of Statement of Net Assets As of September 30, 2011 and 2010 (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 156,050	\$ 185,417	\$ 241,670	\$ 217,857	\$ 397,720	\$ 403,274
Capital assets	<u>215,912</u>	<u>216,715</u>	<u>337,342</u>	<u>336,978</u>	<u>553,254</u>	<u>553,693</u>
Total assets	<u>371,962</u>	<u>402,132</u>	<u>579,012</u>	<u>554,835</u>	<u>950,974</u>	<u>956,967</u>
Current and other liabilities	16,309	21,480	30,700	20,473	47,009	41,953
Long-term liabilities	<u>82,904</u>	<u>92,686</u>	<u>237,481</u>	<u>242,783</u>	<u>320,385</u>	<u>335,469</u>
Total liabilities	<u>99,213</u>	<u>114,166</u>	<u>268,181</u>	<u>263,256</u>	<u>367,394</u>	<u>377,422</u>
Net assets:						
Invested in capital assets, net of related debt	155,501	142,039	215,951	225,850	371,452	367,889
Restricted	14,339	14,619	34,052	31,477	48,391	46,096
Unrestricted	<u>102,909</u>	<u>131,308</u>	<u>60,828</u>	<u>34,252</u>	<u>163,737</u>	<u>165,560</u>
Total net assets	<u>\$ 272,749</u>	<u>\$ 287,966</u>	<u>\$ 310,831</u>	<u>\$ 291,579</u>	<u>\$ 583,580</u>	<u>\$ 579,545</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. As of September 30, 2011, assets exceeded liabilities by \$583,580 thousand.

The majority of the City's net assets (63.6%) reflect its investment in capital assets, less any outstanding related debt used to acquire those 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.

An additional portion of the City's net assets (8.3%) represents resources that are subject to external restrictions on how they may be used, such as debt or capital projects. The remaining balance of unrestricted net assets (28.1%) may be used to meet the City's ongoing obligations to its citizenry.

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. The same held true for the prior fiscal year.

There was an increase in net assets of \$19,252 thousand for business-type activities and a decrease of \$15,217 thousand for governmental activities for the current fiscal year, resulting in a combined increase of \$4,035 thousand in net assets. The increase for business-type activities is primarily due to an \$18.7 million extraordinary loss on early extinguishment of debt in fiscal year 2010. The decrease for governmental activities is due to the optional redemption of Public Facilities Revenue Bonds, Series 1999, in the amount of \$8,175 thousand and the projected budgeted shortfall for fiscal year 2011 in the amount of \$5,169 thousand.



## Statement of Activities

The following table provides a condensed comparative summary of the City's operations for the fiscal years ended September 30, 2011 and 2010:

	<b>Changes in Net Assets</b>					
	<b>For the Fiscal Years Ended September 30, 2011 and 2010</b>					
	<b>(in thousands)</b>					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 36,652	\$ 34,649	\$ 108,821	\$107,704	\$145,473	\$142,353
Operating grants and contributions	10,164	5,718	-	-	10,164	5,718
Capital grants and contributions	2,056	1,731	1,952	999	4,008	2,730
General revenues:						
Property taxes	31,324	36,138	-	-	31,324	36,138
Insurance premium taxes	1,278	1,373	-	-	1,278	1,373
Utility service tax	7,657	7,688	-	-	7,657	7,688
Communications services tax	4,365	4,881	-	-	4,365	4,881
Local business tax	2,196	2,159	-	-	2,196	2,159
Franchise fees	9,008	9,765	-	-	9,008	9,765
Grants and contributions not restricted to specific programs	7,177	7,248	-	-	7,177	7,248
Unrestricted investment earnings	1,197	2,647	949	1,812	2,146	4,459
Miscellaneous	1,019	1,106	2,945	1,176	3,964	2,282
Gain on sale of capital assets	39	30	-	-	39	30
<b>Total revenues</b>	<u>114,132</u>	<u>115,133</u>	<u>114,667</u>	<u>111,691</u>	<u>228,799</u>	<u>226,824</u>
<b>Expenses</b>						
General government	20,272	20,082	-	-	20,272	20,082
Public safety	71,267	64,438	-	-	71,267	64,438
Physical environment	58	-	-	-	58	-
Economic development	3,394	4,809	-	-	3,394	4,809
Human services	6	31	-	-	6	31
Transportation	16,179	16,281	-	-	16,179	16,281
Culture and recreation	14,094	13,565	-	-	14,094	13,565
Interest on long-term debt	3,766	4,174	-	-	3,766	4,174
Water and wastewater	-	-	70,526	66,757	70,526	66,757
Gas	-	-	6,591	6,872	6,591	6,872
Sanitation	-	-	14,048	14,509	14,048	14,509
Recycling	-	-	546	560	546	560
Stormwater	-	-	2,169	2,181	2,169	2,181
Golf Course	-	-	1,848	832	1,848	832
<b>Total expenses</b>	<u>129,036</u>	<u>123,380</u>	<u>95,728</u>	<u>91,711</u>	<u>224,764</u>	<u>215,091</u>
Increase (decrease) in net assets before extraordinary loss and transfers	(14,904)	(8,247)	18,939	19,980	4,035	11,733
Extraordinary loss on early extinguishment of debt	-	-	-	(18,701)	-	(18,701)
Transfers	(313)	(1,668)	313	1,668	-	-
Change in net assets	(15,217)	(9,915)	19,252	2,947	4,035	(6,968)
Net assets – beginning	<u>287,966</u>	<u>297,881</u>	<u>291,579</u>	<u>288,632</u>	<u>579,545</u>	<u>586,513</u>
Net assets – ending	<u>\$272,749</u>	<u>\$287,966</u>	<u>\$310,831</u>	<u>\$291,579</u>	<u>\$ 583,580</u>	<u>\$ 579,545</u>

## Revenues

For the fiscal year ended September 30, 2011, revenues from governmental activities totaled \$114,132 thousand.

General property taxes were \$31,324 thousand, a decrease of \$4,814 thousand as compared to fiscal year 2010. Assessed property values decreased and the City maintained its previous year's millage rate.

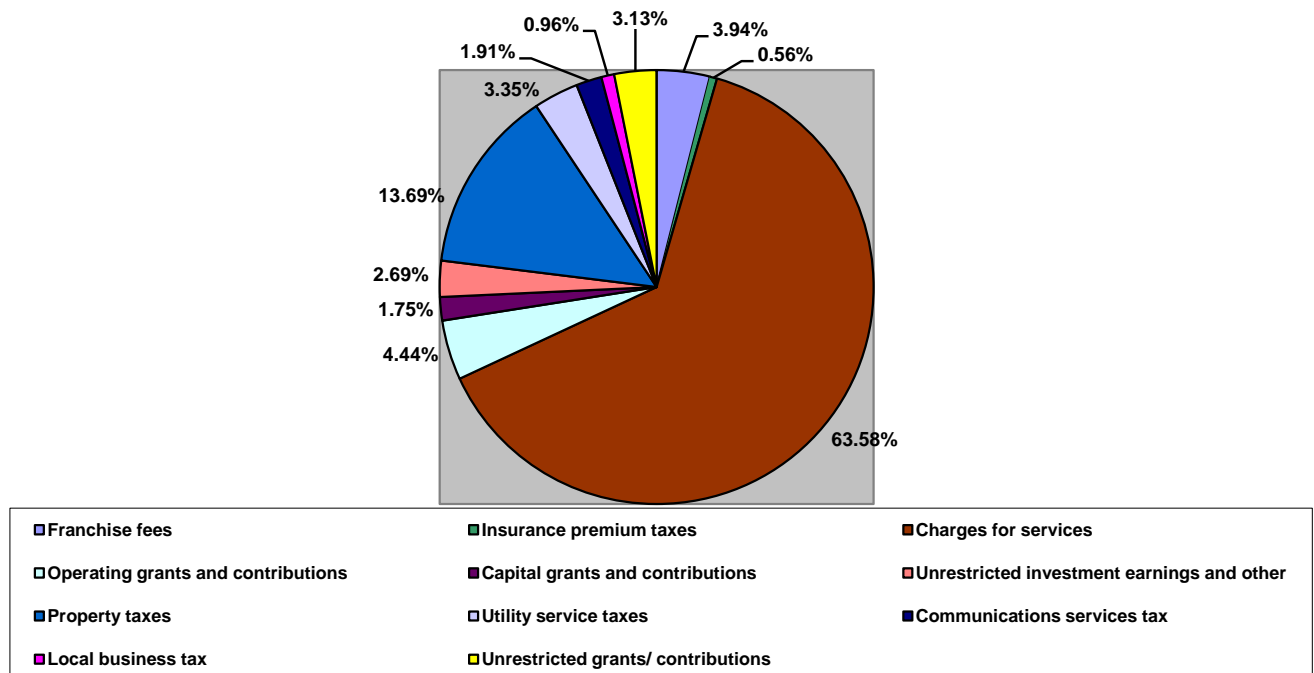
Charges for services increased by \$3,120 thousand mainly due to an increase in building and planning permit fees collected. In addition, the golf course was fully operational in FY2011.

Operating grants and contributions increased by \$4,446 thousand primarily due to an increase in forfeiture confiscation revenues.

Capital grants and contributions increased by \$1,278 thousand primarily due to an increase in developer contributions.

Unrestricted investment earnings decreased by \$2,313 thousand due to "mark-to-market" accounting resulting in lower unrealized investment gains as compared to fiscal year 2010 and a decrease in the average interest rate from approximately .7% in fiscal year 2010 to approximately .4% in fiscal year 2011.

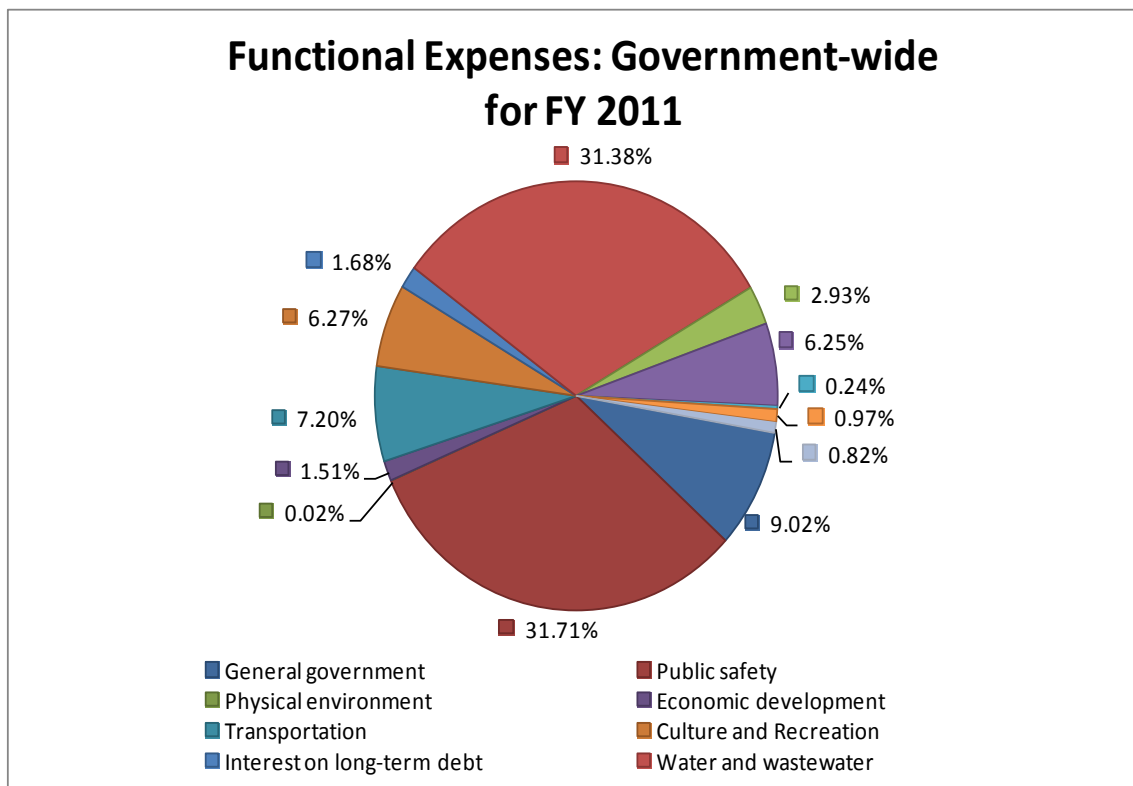
**Sources of Revenue: Government-wide  
for FY 2011**



## Expenses

For the fiscal year ended September 30, 2011, expenses for governmental activities totaled \$129,036 thousand, an increase of \$5,656 thousand, mainly due to increases for employee compensation expenses.

Expenses for the City's business-type activities, which provide water, wastewater and gas, sanitation, recycling and stormwater services and golf course operations, totaled \$95,728 thousand, an increase of \$4,017 thousand from fiscal year 2010. This increase is due to an increase in employee compensation expenses.



## **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

For the fiscal year ended September 30, 2011, the governmental funds reflect a combined fund balance of \$121,081,605, a decrease of \$23,840,844 in comparison with the prior year. Approximately 87 percent of this total amount (\$105,689,957) constitutes spendable fund balance. The remainder of fund balance is non-spendable to indicate that it is not available for new spending because it has already been committed for advances (\$610,939), prepaid items (\$14,609,734) and inventories (\$170,975). This year's decrease in fund balance is due to a number of reasons. The construction of the Public Safety Complex primarily contributed to the \$7,654,935 decrease in fund balance in the Capital Improvements capital projects fund. The other governmental funds fund balance decreased by \$4,431,946 primarily due to transfers from the Public Improvement debt service fund to the general fund and the Public Service Tax debt service fund in the amounts of \$4,207,147 and \$6,000,000, respectively, in preparation for the implementation of GASB 54 in fiscal year 2011 and to pay for the optional redemption of the Public Facilities Revenue Bonds, Series 1999. The general fund's expenditures and other financing uses were \$10,174,920 in excess of its revenues and other financing sources; \$5.2 million of this shortfall was anticipated during preparation of the 2011 budget. Differences between actual revenues and the final budget occurred in various revenue sources: property tax revenues decreased approximately \$950 thousand due to lower than anticipated ad valorem tax collections; permits and fees increased approximately \$1,002 thousand due to more activity in anticipated development; investment earnings increased by \$139 thousand due to the use of fair value accounting for investments; insurance premium taxes increased \$1,233 thousand due to higher than anticipated receipts of fire and police insurance premium taxes; judgments, fines, and forfeitures decreased \$1,429 thousand due to a delay in the adoption of the red light camera program; miscellaneous revenues increased by approximately \$552 thousand primarily due to the lien amnesty program (\$182 thousand), higher than anticipated code liens inquiry fees (\$118 thousand), insurance receipts (\$56 thousand), and foreclosure registry fees (\$31 thousand). In addition, total expenditures were approximately \$6 million less than final budget due to less than anticipated spending for economic development programs, capital items and contingencies as well as position vacancies. The fund balance of the Public Service Tax debt service fund decreased by \$1,579,043 primarily due to the optional redemption of Public Facilities Revenue Bonds, Series 1999.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The difference between the original budget and the final amended budget amounted to a \$12,617,078 increase in appropriations. Of this increase, \$203,591 was funded through various grants, \$45,000 was funded through insurance premium taxes, \$2,625,200 was funded from electric franchise fees, \$4,000 was funded from donations, \$540,000 was funded from red light camera fines, \$11,263,787 was funded from the general fund unreserved fund balance, and a \$2,064,500 reduction in operating transfers. Highlights of the supplemental appropriation follow:

- \$550,000 in increases for general government activities. Included in this amount are budgetary increases for economic development (\$500,000) and a donation to the Broward Police Memorial (\$50,000).

- \$1,272,283 in increases allocated to public safety. Included in this amount was a supplemental appropriation of \$45,000 to fund contributions to the Firefighters' Pension Plan, \$540,000 for contractual fees for the red light camera program, \$203,591 for public safety related grants, and \$483,692 for police salaries and benefits.
- \$164,865 in increases for culture and recreation for tennis center capital (\$10,865), for the leisure services master plan (\$150,000), and for operating supplies (\$4,000).
- \$10,629,930 in increases for transfers out to Capital Improvements capital projects fund for City Hall (\$6,800,000), Civic Center Pool (\$798,459), Civic Center Splash Pad (\$1,400,000), Oakland Park Median Modification (\$210,000), Public Safety Complex (\$1,071,471) and Sunrise Athletic Complex (\$350,000).

**General Fund  
FY 2011  
(in thousands)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>
Revenues and other financing sources			
Taxes	\$ 32,734	\$ 32,779	\$ 33,175
Permits and fees	3,505	3,505	4,507
Franchise fees	3,710	6,335	6,267
Intergovernmental	8,197	8,401	8,198
Charges for services	17,852	17,852	17,925
Other	<u>15,464</u>	<u>16,008</u>	<u>15,338</u>
Total	<u>81,462</u>	<u>84,880</u>	<u>85,410</u>
Expenditures	<u>100,962</u>	<u>102,949</u>	<u>96,531</u>
Deficiency of revenues under expenditures	<u>(19,500)</u>	<u>(18,069)</u>	<u>(11,121)</u>
Other financing sources (uses)			
Transfers in	16,502	14,437	14,476
Transfers out	(2,973)	(13,603)	(13,603)
Sale of capital assets	<u>-</u>	<u>-</u>	<u>73</u>
Total	<u>13,529</u>	<u>834</u>	<u>946</u>
Net change in fund balances	<u>\$ (5,971)</u>	<u>\$ (17,235)</u>	<u>\$ (10,175)</u>

Actual general fund revenues exceeded original budgeted revenues by \$3,948 thousand. This increase is primarily due to receipt of \$2,671 thousand in electricity franchise fees and \$1,233 thousand in insurance premium taxes that were unbudgeted. The original budget was amended to account for electricity franchise fees, red light fines and additional grant awards. Actual revenue collections exceeded the final budget by \$530 thousand. Actual general fund expenditures were less than the final budget by \$6.4 million primarily due to less than anticipated expenditures for economic development as well as position vacancies resulting in salary and related payroll cost savings.

## CAPITAL ASSETS

At the end of fiscal year 2011, the City's governmental activities had invested \$215,911,952 in a variety of capital assets and infrastructure, which represents a net decrease of \$802,610 from the prior year. The City's investment in capital assets for its business-type activities amounts to \$337,341,614, which represents a net increase of \$363,932 from the prior year. The following table reflects the components of capital assets and their changes:

	<b>Government-wide Change in Capital Assets (in thousands)</b>					
	Governmental Activities			Business-type Activities		
	Balance 10/1/10	Net Additions/ Deletions	Balance 9/30/11	Balance 10/1/10	Net Additions/ Deletions	Balance, 9/30/11
Non-depreciable assets:						
Land	\$ 14,701	\$ 56	\$ 14,757	\$ 10,985	\$ -	\$ 10,985
Construction in progress	40,531	(30,403)	10,128	14,053	3,153	17,206
Other capital assets:						
Intangibles	894	382	1,276	913	93	1,006
Buildings and system Improvements other than buildings	87,455	35,356	122,811	460,902	10,561	471,463
Machinery and equipment	30,386	7,631	38,017	8,941	1,079	10,020
Vehicles	11,373	3,717	15,090	7,598	333	7,931
Infrastructure	19,498	134	19,632	7,075	258	7,333
Accumulated depreciation on other capital assets	330,981	913	331,894	-	-	-
Totals	<u>(319,105)</u>	<u>(18,588)</u>	<u>(337,693)</u>	<u>(173,490)</u>	<u>(15,113)</u>	<u>(188,603)</u>
	<u>\$ 216,714</u>	<u>\$ (802)</u>	<u>\$ 215,912</u>	<u>\$ 336,977</u>	<u>\$ 364</u>	<u>\$ 337,341</u>

Major capital asset events during the current fiscal year included the following:

- The City completed the new state-of-the-art Public Safety Building and Fire Station #72.
- A complete renovation of the City's Seven Bridges at Springtree Golf Course was completed including a new maintenance building.
- The City purchased two new ambulances at a cost of \$487,999. Additionally, the City used grant funds to purchase a new armored SWAT vehicle for \$224,634.
- Various system additions and improvements were completed in the Water, Wastewater, and Gas Utility System at a cost of \$8,018,635.

Planning, design or construction is in progress on the following projects:

- Park Improvements: Four new parks on almost 25 acres are in process and will increase the City's total park acreage by over 16%.
- Streetscape: Sunset Strip streetscape improvements from NW 68 Avenue to Pine Island Road will be completed in early 2012.
- Pool: The replacement of the Civic Center's competitive pool will be completed in early 2012.
- Buildings: A public works facility that will include a City vehicle automotive repair garage is well underway.

Additional information on the City's capital assets can be found in note IV.C to the financial statements.

## **LONG-TERM DEBT**

At the end of the current fiscal year, the City had total debt outstanding of \$282,026,589. Of this amount, \$259,721,589 represents bonds secured solely by specified revenue sources, \$2,195,000 comprises public improvement bonds (bank notes), and \$20,110,000 is ad valorem tax bonds. More detailed information about the City's long-term liabilities is presented in Note IV.G and IV.H to the financial statements.

The City's governmental activities revenue bonds have an insured rating of "Baa2" by Moody's Investors Service while the ad valorem tax bonds have an insured rating of "Aa3". Standard and Poor's has given an insured rating of "BBB" for the governmental activities revenue bonds and an insured rating of "AA-" for the ad valorem tax bonds. The public improvement bonds (bank notes) are not rated. The Series 2010 utility bonds have a rating of "AA-" by Standard and Poor's and "AA" by Fitch. The other existing utility revenue bonds were also rated "AA-" by Standard and Poor's.

In March 2011, the City exercised its option for the redemption at par of the Public Facilities Revenue Bonds, Series 1999, allowing for interest cost savings to the City.

## **ECONOMIC FACTORS**

In the last five years for which data is available from the U. S. Department of Labor Bureau of Labor Statistics, the City's resident labor force increased over 529, with total resident employment of 45,608. As of September 2011, the City and Broward County resident unemployment rate was 9.4%, comparing favorably to the State's unemployment rate of 10.6%.

As of September 2011 (the latest data available from the U. S. Census Bureau), the City's median household income was \$49,496, while the State's median household income was \$47,661, but a slowing real estate market combined with volatile financial markets will continue to have a significant impact on the City's budget for the next several years. Projected general fund revenues will not keep pace with projected operating costs.

The City is carefully monitoring Florida Legislature initiatives and their future impact on the City's ability to function at its present level.

## **REQUEST FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 10770 West Oakland Park Blvd., Sunrise, Florida 33351.

## ***BASIC FINANCIAL STATEMENTS***



CITY OF SUNRISE, FLORIDA  
STATEMENT OF NET ASSETS  
SEPTEMBER 30, 2011

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 38,445,785	\$ 25,325,020	\$ 63,770,805
Investments	92,293,275	23,253,667	115,546,942
Receivables, net of allowance for uncollectibles	9,133,509	17,344,982	26,478,491
Internal balances	1,069,088	(1,069,088)	-
Inventories	170,975	2,182,778	2,353,753
Prepays	14,740,942	3,400,503	18,141,445
Deferred charges	197,027	2,004,662	2,201,689
Restricted assets:			
Cash and cash equivalents	-	151,524,626	151,524,626
Investments	-	17,703,160	17,703,160
Capital assets not being depreciated:			
Land	14,756,884	10,985,086	25,741,970
Construction in progress	10,128,369	17,205,794	27,334,163
Capital assets (net of accumulated depreciation):			
Intangibles	558,676	272,392	831,068
Buildings and system	97,866,879	296,277,027	394,143,906
Improvements other than buildings	18,039,210	7,368,400	25,407,610
Machinery and equipment	6,379,170	2,877,381	9,256,551
Vehicles	6,691,608	2,355,534	9,047,142
Infrastructure	61,491,156	-	61,491,156
Total assets	<u>371,962,553</u>	<u>579,011,924</u>	<u>950,974,477</u>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	2,152,713	5,057,901	7,210,614
Retainage payable	383,137	-	383,137
Intergovernmental payable	89,138	3,308,678	3,397,816
Matured bonds and interest payable	6,905,033	-	6,905,033
Accrued liabilities	2,110,192	520,492	2,630,684
Unearned revenue	2,219,744	116,328	2,336,072
Other liabilities	2,448,921	-	2,448,921
Liabilities payable from restricted assets	-	21,696,547	21,696,547
Non-current liabilities:			
Due within one year	8,774,348	6,154,299	14,928,647
Due in more than one year	74,130,169	231,326,253	305,456,422
Total liabilities	<u>99,213,395</u>	<u>268,180,498</u>	<u>367,393,893</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	155,500,859	215,951,117	371,451,976
Restricted:			
Debt service	10,039,721	-	10,039,721
Renewal and replacement	-	22,529,034	22,529,034
Operations and maintenance	-	11,523,268	11,523,268
Capital projects	775,267	-	775,267
Transportation	2,020,294	-	2,020,294
Impact fees	1,503,478	-	1,503,478
Unrestricted	102,909,539	60,828,007	163,737,546
Total Net Assets	<u>\$ 272,749,158</u>	<u>\$ 310,831,426</u>	<u>\$ 583,580,584</u>

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

CITY OF SUNRISE, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 20,272,440	\$ 6,461,395	\$ -	\$ -	\$ (13,811,045)	\$ -	\$ (13,811,045)
Public safety	71,266,497	17,010,389	5,253,068	1,357,548	(47,645,492)	-	(47,645,492)
Physical environment	58,450	11,966,332	-	-	11,907,882	-	11,907,882
Economic development	3,394,166	-	3,746,272	5,069	357,175	-	357,175
Human services	5,709	-	5,709	-	-	-	-
Transportation	16,178,619	56,145	1,126,853	587,556	(14,408,065)	-	(14,408,065)
Culture and recreation	14,093,867	1,158,463	31,799	105,690	(12,797,915)	-	(12,797,915)
Interest on long-term debt	3,766,241	-	-	-	(3,766,241)	-	(3,766,241)
<b>Total governmental activities</b>	<b>129,035,989</b>	<b>36,652,724</b>	<b>10,163,701</b>	<b>2,055,863</b>	<b>(80,163,701)</b>	<b>-</b>	<b>(80,163,701)</b>
<b>Business-type activities:</b>							
Water and wastewater	70,525,696	82,899,507	-	1,952,079	-	14,325,890	14,325,890
Gas	6,591,254	7,524,819	-	-	-	933,565	933,565
Sanitation	14,048,290	13,272,614	-	-	-	(775,676)	(775,676)
Recycling	545,524	175,689	-	-	-	(369,835)	(369,835)
Stormwater	2,169,113	4,054,391	-	-	-	1,885,278	1,885,278
Golf course	1,848,000	893,641	-	-	-	(954,359)	(954,359)
<b>Total business-type activities</b>	<b>95,727,877</b>	<b>108,820,661</b>	<b>-</b>	<b>1,952,079</b>	<b>-</b>	<b>15,044,863</b>	<b>15,044,863</b>
<b>Total</b>	<b>\$ 224,763,866</b>	<b>\$ 145,473,385</b>	<b>\$ 10,163,701</b>	<b>\$ 4,007,942</b>	<b>(80,163,701)</b>	<b>15,044,863</b>	<b>(65,118,838)</b>
<b>General revenues:</b>							
Property taxes					31,323,739	-	31,323,739
Insurance premium taxes					1,277,851	-	1,277,851
Utility service tax					7,656,725	-	7,656,725
Communications services tax					4,365,158	-	4,365,158
Local business tax					2,196,298	-	2,196,298
Franchise fees based on gross receipts					9,007,930	-	9,007,930
Grants and contributions not restricted to specific programs					7,177,354	-	7,177,354
Unrestricted investment earnings					1,197,371	949,692	2,147,063
Miscellaneous					1,018,796	2,944,897	3,963,693
Gain on sale of capital assets					38,873	-	38,873
Transfers					(312,864)	312,864	-
<b>Total general revenues and transfers</b>					<b>64,947,231</b>	<b>4,207,453</b>	<b>69,154,684</b>
Change in net assets					(15,216,470)	19,252,316	4,035,846
Net assets - beginning					287,965,628	291,579,110	579,544,738
Net assets - ending					<b>\$ 272,749,158</b>	<b>\$ 310,831,426</b>	<b>\$ 583,580,584</b>

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

CITY OF SUNRISE, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2011

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
		Public Service Tax	Capital Improvements		
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,266,761	\$ 4,341,920	\$ 9,065,861	\$ 13,835,334	\$ 29,509,876
Investments	50,458,378	-	28,925,092	4,856,219	84,239,689
Receivables, net of allowance for uncollectibles:					
Interest	178,922	119	93,874	17,398	290,313
Taxes	-	556,094	-	-	556,094
Franchise fees	1,124,995	-	-	-	1,124,995
Accounts receivable	344,728	-	-	-	344,728
Special assessments	-	-	-	2,533,593	2,533,593
Other	-	-	-	6,631	6,631
Due from other funds	1,805,480	1,072,071	-	-	2,877,551
Interfund	1,334,422	-	-	-	1,334,422
Intergovernmental	1,932,918	48,063	606,053	1,662,311	4,249,345
Prepaid items	14,609,734	-	106,138	25,070	14,740,942
Inventories	124,966	-	-	46,009	170,975
Advances to other funds	610,939	-	-	-	610,939
Total assets	<u>\$ 74,792,243</u>	<u>\$ 6,018,267</u>	<u>\$ 38,797,018</u>	<u>\$ 22,982,565</u>	<u>\$ 142,590,093</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	774,734	33	615,849	576,185	1,966,801
Accrued liabilities	2,079,817	-	12,269	18,106	2,110,192
Retainage payable	-	-	382,574	563	383,137
Intergovernmental payable	81,858	-	-	7,280	89,138
Due to other funds	1,216,361	235,893	1,260	3,347	1,456,861
Interfund payable	-	-	-	1,247,005	1,247,005
Matured bonds payable	-	4,340,000	-	2,005,000	6,345,000
Matured interest payable	-	-	-	560,033	560,033
Unearned revenue	2,214,123	-	-	5,621	2,219,744
Deferred revenue	-	48,063	-	2,533,593	2,581,656
Other	867,221	-	-	1,581,700	2,448,921
Advances from other funds	-	-	-	100,000	100,000
Total liabilities	<u>7,234,114</u>	<u>4,623,989</u>	<u>1,011,952</u>	<u>8,638,433</u>	<u>21,508,488</u>
<b>Fund balances:</b>					
<b>Nonspendable:</b>					
Inventories	124,966	-	-	46,009	170,975
Prepaid items	14,609,734	-	-	-	14,609,734
Advances	610,939	-	-	-	610,939
<b>Restricted for:</b>					
Building Department capital	1,199,657	-	1,690,697	-	2,890,354
Recreation	-	-	-	895,282	895,282
Public safety	-	-	-	5,529,584	5,529,584
Fire equipment	-	-	-	396,102	396,102
Median strips	-	-	-	143,164	143,164
Housing	-	-	-	324,302	324,302
Transportation	-	-	-	1,521,963	1,521,963
Capital projects	-	-	437,622	-	437,622
<b>Committed:</b>					
Revenue stabilization	4,569,089	-	-	-	4,569,089
Contingency	13,707,267	-	-	-	13,707,267
Economic & job growth	10,000,000	-	-	-	10,000,000
Reforestation replacement	36,750	-	-	-	36,750
<b>Assigned to:</b>					
Subsequent year's expenditures	9,412,347	-	15,658,095	122,615	25,193,057
Other purposes	647,190	-	-	-	647,190
Construction contracts	-	-	11,829,408	-	11,829,408
Landscaping improvements	-	-	500,000	-	500,000
Transportation	-	-	-	452,322	452,322
Tennis Center capital	8,386	-	-	-	8,386
Water, wastewater & gas utility system capital	-	-	6,310,000	-	6,310,000
Stormwater capital	-	-	150,000	-	150,000
Debt service funds	-	1,394,278	-	3,694,721	5,088,999
Capital projects funds	-	-	1,209,244	1,469,968	2,679,212
<b>Unassigned</b>					
General fund	12,631,804	-	-	-	12,631,804
Special revenue funds	-	-	-	(251,900)	(251,900)
Total fund balances	<u>67,558,129</u>	<u>1,394,278</u>	<u>37,785,066</u>	<u>14,344,132</u>	<u>121,081,605</u>
Total liabilities and fund balances	<u>\$ 74,792,243</u>	<u>\$ 6,018,267</u>	<u>\$ 38,797,018</u>	<u>\$ 22,982,565</u>	<u>\$ 142,590,093</u>

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

**CITY OF SUNRISE, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS -  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2011**

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<b>Fund balances - total governmental funds</b>	<b>\$ 121,081,605</b>
<b>Amounts reported for governmental activities in the statement of net assets are different because:</b>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	213,490,117
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	2,581,656
The internal service funds are used by management to charge the costs of workers' compensation and vehicle replacement to individual funds.	
The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	13,451,967
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(77,856,187)</u>
<b>Net assets of governmental activities</b>	<b><u>\$ 272,749,158</u></b>

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

CITY OF SUNRISE, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
		Public Service Tax	Capital Improvements		
<b>REVENUES</b>					
Taxes:					
Property	\$ 28,883,618	\$ -	\$ -	\$ 2,440,121	\$ 31,323,739
Local option fuel	-	-	-	1,551,129	1,551,129
Insurance premium	1,277,851	-	-	-	1,277,851
Utility service	-	7,656,725	-	-	7,656,725
Communications services	816,829	3,740,581	-	-	4,557,410
Local business	2,196,298	-	-	-	2,196,298
Permits and fees	4,506,666	-	-	-	4,506,666
Franchise fees	6,266,831	-	-	2,824,805	9,091,636
Intergovernmental	8,197,917	-	1,064,165	4,467,420	13,729,502
Charges for services	17,925,079	-	-	120,448	18,045,527
Administrative charges	5,280,317	-	-	-	5,280,317
Judgments, fines and forfeitures	499,237	-	-	3,920,921	4,420,158
Special assessments	6,990,304	-	-	551,869	7,542,173
Impact fees	-	-	-	134,266	134,266
Investment earnings	662,658	3,397	403,191	79,501	1,148,747
Contributions and donations	13,053	-	5,000	-	18,053
Miscellaneous	1,892,912	-	2,481	627,462	2,522,855
Total revenues	<u>85,409,570</u>	<u>11,400,703</u>	<u>1,474,837</u>	<u>16,717,942</u>	<u>115,003,052</u>
<b>EXPENDITURES</b>					
Current:					
General government	18,028,188	-	-	-	18,028,188
Public safety	64,829,960	-	-	1,805,185	66,635,145
Physical environment	-	-	-	58,450	58,450
Economic development	-	-	-	3,394,166	3,394,166
Human services	-	-	-	5,709	5,709
Transportation	2,728,818	-	-	1,034,440	3,763,258
Culture and recreation	9,780,996	-	-	-	9,780,996
Debt service:					
Principal	-	5,175,000	-	2,005,000	7,180,000
Principal repayment due to refunding	-	8,175,000	-	-	8,175,000
Interest	-	242,250	-	1,120,066	1,362,316
Other	-	6,781	-	45,216	51,997
Capital outlay	1,162,789	-	17,531,755	1,478,640	20,173,184
Total expenditures	<u>96,530,751</u>	<u>13,599,031</u>	<u>17,531,755</u>	<u>10,946,872</u>	<u>138,608,409</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,121,181)</u>	<u>(2,198,328)</u>	<u>(16,056,918)</u>	<u>5,771,070</u>	<u>(23,605,357)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	14,476,272	6,000,000	11,952,922	-	32,429,194
Transfers out	(13,603,257)	(5,380,715)	(3,550,939)	(10,207,147)	(32,742,058)
Sale of capital assets	73,246	-	-	4,131	77,377
Total other financing sources (uses)	<u>946,261</u>	<u>619,285</u>	<u>8,401,983</u>	<u>(10,203,016)</u>	<u>(235,487)</u>
Net change in fund balances	<u>(10,174,920)</u>	<u>(1,579,043)</u>	<u>(7,654,935)</u>	<u>(4,431,946)</u>	<u>(23,840,844)</u>
Fund balances - beginning (restatement-see Note J)	<u>77,733,049</u>	<u>2,973,321</u>	<u>45,440,001</u>	<u>18,776,078</u>	<u>144,922,449</u>
Fund balances - ending	<u>\$ 67,558,129</u>	<u>\$ 1,394,278</u>	<u>\$ 37,785,066</u>	<u>\$ 14,344,132</u>	<u>\$ 121,081,605</u>

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

CITY OF SUNRISE, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

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

Net change in fund balances -- total governmental funds	\$ (23,840,844)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(1,788,639)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, write-offs and donations) is to increase/(decrease) net assets.	216,973
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(725,370)
The issuance of long-term debt (e.g., bonds, leases) 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 of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	12,951,075
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(2,768,283)
Revenues reported in the funds that relate to prior periods are not reported in the statement of activities.	(550,315)
Internal service funds are used by management to charge the costs of workers' compensation and vehicle replacement to individual funds. The net revenue of certain activities of the internal service funds are reported with governmental activities.	<u>1,288,933</u>
Change in net assets of governmental activities	<u>\$ (15,216,470)</u>

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

CITY OF SUNRISE, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Property	\$ 29,833,919	\$ 29,833,919	\$ 28,883,618	\$ (950,301)
Insurance premium	-	45,000	1,277,851	1,232,851
Communications services	814,875	814,875	816,829	1,954
Local business	2,085,000	2,085,000	2,196,298	111,298
Permits and fees	3,504,975	3,504,975	4,506,666	1,001,691
Franchise fees	3,709,836	6,335,036	6,266,831	(68,205)
Intergovernmental	8,197,001	8,400,592	8,197,917	(202,675)
Charges for services	17,852,553	17,852,553	17,925,079	72,526
Administrative charges	5,280,317	5,280,317	5,280,317	-
Judgments, fines and forfeitures	1,388,681	1,928,681	499,237	(1,429,444)
Special assessments	6,899,822	6,899,822	6,990,304	90,482
Investment earnings	523,774	523,774	662,658	138,884
Contributions and donations	31,000	35,000	13,053	(21,947)
Miscellaneous	1,340,351	1,340,351	1,892,912	552,561
Total revenues	<u>81,462,104</u>	<u>84,879,895</u>	<u>85,409,570</u>	<u>529,675</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
City Commission	699,508	697,396	643,304	54,092
City Manager	1,032,601	1,032,601	1,004,281	28,320
City Clerk	484,167	482,910	466,520	16,390
City Attorney	633,321	633,321	490,352	142,969
Finance	2,376,187	2,376,187	2,253,393	122,794
Personnel	964,102	964,102	938,873	25,229
Management Information Services	2,421,944	2,384,444	2,301,279	83,165
Central Services	4,778,409	4,774,199	4,436,041	338,158
Planning and Development	2,127,820	2,150,669	2,007,859	142,810
Non-departmental	4,455,028	4,687,724	3,486,286	1,201,438
Total general government	<u>19,973,087</u>	<u>20,183,553</u>	<u>18,028,188</u>	<u>2,155,365</u>
Public safety:				
Police	38,471,849	38,864,243	36,763,861	2,100,382
Fire	23,775,803	23,875,472	23,874,774	698
Building	3,202,788	3,202,788	3,082,580	120,208
Code Enforcement	1,201,804	1,201,804	1,108,745	93,059
Total public safety	<u>66,652,244</u>	<u>67,144,307</u>	<u>64,829,960</u>	<u>2,314,347</u>
Transportation:				
Public Works	<u>3,050,023</u>	<u>3,050,023</u>	<u>2,728,818</u>	<u>321,205</u>
Culture and recreation:				
Leisure Services	<u>10,655,934</u>	<u>10,713,574</u>	<u>9,780,996</u>	<u>932,578</u>

(continued)

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

CITY OF SUNRISE, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL, continued  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Capital outlay:				
General government:				
City Commission	-	2,112	2,112	-
City Clerk	-	1,257	1,194	63
Management Information Services	308,027	345,527	295,104	50,423
Central Services	65,000	69,210	57,049	12,161
Non-departmental	1,400	295,855	229,455	66,400
Public safety:				
Police	162,090	833,479	330,360	503,119
Fire	10,546	119,377	111,119	8,258
Building	3,800	3,800	3,304	496
Culture and recreation:				
Leisure Services	79,928	187,153	133,092	54,061
Total capital outlay	<u>630,791</u>	<u>1,857,770</u>	<u>1,162,789</u>	<u>694,981</u>
Total expenditures	<u>100,962,079</u>	<u>102,949,227</u>	<u>96,530,751</u>	<u>6,418,476</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,499,975)</u>	<u>(18,069,332)</u>	<u>(11,121,181)</u>	<u>6,948,151</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	16,501,887	14,437,387	14,476,272	38,885
Transfers out	(2,973,327)	(13,603,257)	(13,603,257)	-
Sale of capital assets	-	-	73,246	73,246
Total other financing sources (uses)	<u>13,528,560</u>	<u>834,130</u>	<u>946,261</u>	<u>112,131</u>
Net change in fund balances	(5,971,415)	(17,235,202)	(10,174,920)	7,060,282
Fund balances - beginning (restatement-see Note J)	<u>77,733,049</u>	<u>77,733,049</u>	<u>77,733,049</u>	<u>-</u>
Fund balances - ending	<u>\$ 71,761,634</u>	<u>\$ 60,497,847</u>	<u>\$ 67,558,129</u>	<u>\$ 7,060,282</u>



CITY OF SUNRISE, FLORIDA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2011

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and cash equivalents	\$ 21,637,493	\$ 254,694	\$ 3,432,833	\$ 25,325,020	\$ 8,935,909
Investments	21,295,663	5,464	1,952,540	23,253,667	8,053,586
Interest receivable	80,001	-	7,090	87,091	27,810
Accounts receivable, net of allowance for uncollectibles	14,431,592	2,217,810	383,879	17,033,281	-
Assessments receivable, net	41,974	-	-	41,974	-
Other receivables	-	-	16	16	-
Due from other funds	136,059	-	-	136,059	-
Intergovernmental receivable	122,012	-	60,608	182,620	-
Inventories	2,100,691	-	82,087	2,182,778	-
Prepaid items	3,218,941	-	181,562	3,400,503	-
<b>Restricted cash and cash equivalents:</b>					
Revenue bond covenant accounts	13,058,945	-	-	13,058,945	-
<b>Total current assets</b>	<b>76,123,371</b>	<b>2,477,968</b>	<b>6,100,615</b>	<b>84,701,954</b>	<b>17,017,305</b>
<b>Noncurrent assets:</b>					
<b>Restricted cash, cash equivalents and investments:</b>					
Customer deposits	7,834,994	741,500	-	8,576,494	-
Revenue bond covenant accounts	147,592,347	-	-	147,592,347	-
Deferred charges	2,004,662	-	-	2,004,662	-
<b>Capital assets:</b>					
Land	9,761,786	-	1,223,300	10,985,086	-
Intangibles	1,005,664	-	-	1,005,664	1,742
Buildings and system	470,707,240	-	756,271	471,463,511	-
Improvements other than buildings	6,591,312	-	3,428,956	10,020,268	-
Machinery and equipment	6,317,971	-	1,612,655	7,930,626	72,270
Vehicles	6,876,422	-	457,002	7,333,424	2,839,317
Construction in progress	16,925,243	-	280,551	17,205,794	-
Less accumulated depreciation	(186,640,426)	-	(1,962,333)	(188,602,759)	(491,494)
<b>Total capital assets, net of accumulated depreciation</b>	<b>331,545,212</b>	<b>-</b>	<b>5,796,402</b>	<b>337,341,614</b>	<b>2,421,835</b>
<b>Total noncurrent assets</b>	<b>488,977,215</b>	<b>741,500</b>	<b>5,796,402</b>	<b>495,515,117</b>	<b>2,421,835</b>
<b>Total assets</b>	<b>565,100,586</b>	<b>3,219,468</b>	<b>11,897,017</b>	<b>580,217,071</b>	<b>19,439,140</b>

**Business-type Activities - Enterprise Funds**

	<b>Water, Wastewater and Gas Utility System</b>	<b>Sanitation</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	<b>Governmental Activities - Internal Service Funds</b>
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable	3,132,883	1,718,571	172,140	5,023,594	11,471
Accrued liabilities	496,950	-	23,542	520,492	-
Due to other funds	1,582,709	180,731	2,057	1,765,497	-
Interfund payable	-	-	87,417	87,417	-
Compensated absences	294,119	-	10,180	304,299	-
Intergovernmental payable	3,305,833	-	2,845	3,308,678	-
<b>Current liabilities payable from restricted assets:</b>					
Revenue bonds payable	7,185,000	-	-	7,185,000	-
Accrued interest payable	5,873,945	-	-	5,873,945	-
<b>Total current liabilities</b>	<b>21,871,439</b>	<b>1,899,302</b>	<b>298,181</b>	<b>24,068,922</b>	<b>11,471</b>
<b>Noncurrent liabilities:</b>					
Revenue bonds payable (net of unamortized discounts, premiums and deferred amount on refunding	227,624,479	-	-	227,624,479	-
Compensated absences	3,488,623	-	168,810	3,657,433	-
Other post employment benefits	2,751,598	-	194,061	2,945,659	-
Retiree subsidy	2,678,643	-	270,039	2,948,682	-
Advances from other funds	-	-	510,939	510,939	-
Claims and judgments	-	-	-	-	4,851,303
Unearned revenue	41,974	72,471	1,883	116,328	-
<b>Noncurrent liabilities payable from restricted assets:</b>					
Retainage payable	61,108	-	-	61,108	-
Customer deposits payable	7,834,994	741,500	-	8,576,494	-
<b>Total noncurrent liabilities</b>	<b>244,481,419</b>	<b>813,971</b>	<b>1,145,732</b>	<b>246,441,122</b>	<b>4,851,303</b>
<b>Total liabilities</b>	<b>266,352,858</b>	<b>2,713,273</b>	<b>1,443,913</b>	<b>270,510,044</b>	<b>4,862,774</b>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	210,223,795	-	5,727,322	215,951,117	2,420,725
<b>Restricted for:</b>					
Renewal and replacement	22,529,034	-	-	22,529,034	-
Operations and maintenance	11,523,268	-	-	11,523,268	-
Unrestricted	54,471,631	506,195	4,725,782	59,703,608	12,155,641
<b>Total net assets</b>	<b>\$ 298,747,728</b>	<b>\$ 506,195</b>	<b>\$ 10,453,104</b>	<b>309,707,027</b>	<b>\$ 14,576,366</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				1,124,399	
<b>Net assets of business-type activities</b>				<b>\$ 310,831,426</b>	

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

CITY OF SUNRISE, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
<b>Operating revenues:</b>					
<b>Charges for sales and services:</b>					
Water sales	\$ 38,546,721	\$ -	\$ -	\$ 38,546,721	\$ -
Wastewater service	41,638,539	-	-	41,638,539	-
Gas sales	7,479,490	-	-	7,479,490	-
Fees	-	13,272,614	5,123,721	18,396,335	-
Service charges	626,435	-	-	626,435	3,387,519
Guaranteed revenues	893,828	-	-	893,828	-
Administrative charges	670,141	-	-	670,141	-
<b>Total operating revenues</b>	<b>89,855,154</b>	<b>13,272,614</b>	<b>5,123,721</b>	<b>108,251,489</b>	<b>3,387,519</b>
<b>Operating expenses:</b>					
<b>Costs of sales and services:</b>					
Power, water and wastewater purchases	4,034,100	-	98,899	4,132,999	28,608
Natural gas purchases	2,450,439	-	-	2,450,439	-
Chemical purchases	3,004,202	-	117,496	3,121,698	-
Solid waste/sludge removal	1,408,910	13,272,614	-	14,681,524	-
Recycling charges	-	-	510,399	510,399	-
Materials and supplies	903,421	-	42,496	945,917	6,285
Repairs and maintenance	1,869,223	-	227,749	2,096,972	7,444
Salaries, wages and employee benefits	20,706,806	-	1,140,873	21,847,679	-
Insurance and other expenses	9,246,033	4,126	1,584,200	10,834,359	404,630
Claims expense	-	-	-	-	1,280,881
Administrative fees	4,629,689	770,771	549,998	5,950,458	-
Depreciation and amortization	15,945,022	-	268,977	16,213,999	340,461
<b>Total operating expenses</b>	<b>64,197,845</b>	<b>14,047,511</b>	<b>4,541,087</b>	<b>82,786,443</b>	<b>2,068,309</b>
<b>Operating income (loss)</b>	<b>25,657,309</b>	<b>(774,897)</b>	<b>582,634</b>	<b>25,465,046</b>	<b>1,319,210</b>

**Business-type Activities - Enterprise Funds**

	<b>Water, Wastewater and Gas Utility System</b>	<b>Sanitation</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	<b>Governmental Activities - Internal Service Funds</b>
<b>Non-operating revenues (expenses):</b>					
Investment earnings	918,548	3,996	27,148	949,692	114,797
Interest expense	(12,159,724)	(779)	(35,774)	(12,196,277)	-
Gain (loss) on sale of capital assets	(322,866)	-	-	(322,866)	-
Sale of recyclable materials	-	-	194,979	194,979	-
Other	2,583,940	55,314	110,664	2,749,918	1,807
<b>Total non-operating revenues (expenses)</b>	<b>(8,980,102)</b>	<b>58,531</b>	<b>297,017</b>	<b>(8,624,554)</b>	<b>116,604</b>
<b>Income (loss) before contributions and transfers</b>	<b>16,677,207</b>	<b>(716,366)</b>	<b>879,651</b>	<b>16,840,492</b>	<b>1,435,814</b>
<b>Capital contributions</b>	<b>1,952,079</b>	<b>-</b>	<b>-</b>	<b>1,952,079</b>	<b>-</b>
<b>Transfers in</b>	<b>-</b>	<b>794,871</b>	<b>855,464</b>	<b>1,650,335</b>	<b>-</b>
<b>Transfers out</b>	<b>(1,337,471)</b>	<b>-</b>	<b>-</b>	<b>(1,337,471)</b>	<b>-</b>
<b>Change in net assets</b>	<b>17,291,815</b>	<b>78,505</b>	<b>1,735,115</b>	<b>19,105,435</b>	<b>1,435,814</b>
<b>Total net assets - beginning</b>	<b>281,455,913</b>	<b>427,690</b>	<b>8,717,989</b>		<b>13,140,552</b>
<b>Total net assets - ending</b>	<b>\$ 298,747,728</b>	<b>\$ 506,195</b>	<b>\$ 10,453,104</b>		<b>\$ 14,576,366</b>
<b>Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.</b>				<b>146,881</b>	
<b>Change in net assets of business-type activities</b>				<b>\$ 19,252,316</b>	

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

CITY OF SUNRISE, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers and users	\$ 91,668,825	\$ 13,344,922	\$ 5,313,735	\$ 110,327,482	\$ 2,654,942
Receipts from interfund services provided	670,141	-	-	670,141	-
Payments to suppliers	(22,221,235)	(13,362,291)	(2,776,581)	(38,360,107)	(1,264,346)
Payments to and for employees	(21,953,152)	-	(1,173,120)	(23,126,272)	-
Payments for interfund services used	(5,085,950)	(770,771)	(599,183)	(6,455,904)	-
Net cash provided (used) by operating activities	<u>43,078,629</u>	<u>(788,140)</u>	<u>764,851</u>	<u>43,055,340</u>	<u>1,390,596</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfer from other funds	-	794,871	855,464	1,650,335	-
Transfer to other funds	(1,337,471)	-	-	(1,337,471)	-
Net cash provided (used) by noncapital financing activities	<u>(1,337,471)</u>	<u>794,871</u>	<u>855,464</u>	<u>312,864</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Payment of bond issuance costs	(290,048)	-	-	(290,048)	-
Capital contributions	1,256,697	-	-	1,256,697	-
Acquisition and construction of capital assets	(15,398,158)	-	(857,459)	(16,255,617)	(1,109,517)
Interest paid on capital debt	(8,403,942)	-	(35,774)	(8,439,716)	-
Proceeds from sales of capital assets	62,771	-	-	62,771	-
Advances from other funds	-	-	(83,057)	(83,057)	-
Net cash (used) by capital and related financing activities	<u>(22,772,680)</u>	<u>-</u>	<u>(976,290)</u>	<u>(23,748,970)</u>	<u>(1,109,517)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sales and maturities of investments	42,854,632	754,091	3,438,941	47,047,664	13,047,522
Purchase of investments	(46,140,337)	(726,959)	(2,948,737)	(49,816,033)	(11,597,975)
Interest and dividends received	738,962	4,854	27,828	771,644	103,950
Net cash provided (used) by investing activities	<u>(2,546,743)</u>	<u>31,986</u>	<u>518,032</u>	<u>(1,996,725)</u>	<u>1,553,497</u>
<b>Net increase in cash and cash equivalents</b>	<b>16,421,735</b>	<b>38,717</b>	<b>1,162,057</b>	<b>17,622,509</b>	<b>1,834,576</b>
<b>Cash and cash equivalents, October 1</b> (including \$146,268,372 and \$5,209 for the utility system and sanitation funds, respectively, reported in restricted accounts)	<u>156,715,314</u>	<u>229,657</u>	<u>2,270,776</u>	<u>159,215,747</u>	<u>7,101,333</u>
<b>Cash and cash equivalents, September 30</b> (including \$151,499,556 and \$13,680 for the utility system and sanitation funds, respectively, reported in restricted accounts)	<u>\$ 173,137,049</u>	<u>\$ 268,374</u>	<u>\$ 3,432,833</u>	<u>\$ 176,838,256</u>	<u>\$ 8,935,909</u>

**Business-type Activities - Enterprise Funds**

	Water, Wastewater and Gas Utility System	Sanitation	Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ 25,657,309	\$ (774,897)	\$ 582,634	\$ 25,465,046	\$ 1,319,210
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>					
Miscellaneous non-operating income from by-products of recycling activities	-	-	200,697	200,697	-
Miscellaneous non-operating income	2,583,734	54,535	104,946	2,743,215	1,807
Depreciation and amortization expense	15,945,022	-	268,977	16,213,999	340,461
(Increase) decrease in accounts receivable	(251,043)	15,833	15,484	(219,726)	89,261
Decrease in other receivables	115	-	42	157	-
Decrease in due from other funds	616,861	-	9,015	625,876	-
(Increase) in intergovernmental receivables	(121,614)	-	(4,363)	(125,977)	-
(Increase) in inventories	(192,757)	-	(15,779)	(208,536)	-
(Increase) in prepaid items	(3,187,541)	-	(180,462)	(3,368,003)	-
Increase (decrease) in customer deposits	139,748	(18,556)	-	121,192	-
Increase (decrease) in accounts payable	270,894	(85,551)	(191,580)	(6,237)	(48,574)
Increase in accrued liabilities	74,299	-	1,090	75,389	-
Increase (decrease) in due to other funds	96,504	5,866	39	102,409	(732,592)
Increase in intergovernmental payables	278,666	-	624	279,290	-
(Decrease) in other liabilities, current	-	-	(2,765)	(2,765)	-
Increase in unearned revenue	-	14,630	-	14,630	-
(Decrease) in retainage payable	(236,557)	-	(22,878)	(259,435)	-
Increase (decrease) in compensated absences payable	223,082	-	(1,867)	221,215	-
Increase (decrease) in other post employment benefits payable	569,870	-	(49,588)	520,282	-
Increase in retiree subsidy payable	612,037	-	48,702	660,739	-
Increase in claims and judgments	-	-	-	-	421,023
Total adjustments	17,421,320	(13,243)	182,217	17,590,294	71,386
Net cash provided by (used in) operating activities	\$ 43,078,629	\$ (788,140)	\$ 764,851	\$ 43,055,340	\$ 1,390,596
<b>Noncash investing, capital and financing activities:</b>					
Contributions of capital assets	\$ 695,382	\$ -	\$ -	\$ 695,382	\$ -
Capital asset trade-ins	15,200	-	-	15,200	-
Net increase in fair value of investments	273,294	907	1,664	275,865	23,612

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

**CITY OF SUNRISE, FLORIDA  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2011**

	<u>Pension Trust Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 31,693,341
Receivable from sale of securities	5,058,042
Interest and dividends receivable	764,469
Due from other funds	208,748
Other receivables	6,045
Investments, at fair value:	
U.S. government and agency securities	25,828,520
Corporate bonds	23,845,660
Mutual funds	55,985,553
Common stocks	108,937,444
International equity funds	24,781,800
Total investments	<u>239,378,977</u>
Prepaid items	10,828
Equipment, net of accumulated depreciation of \$27,304	178
Total assets	<u>277,120,628</u>
<b>LIABILITIES</b>	
Accounts payable	404,868
Prepaid contribution	18,102,742
Payable for securities purchased	5,744,324
Total liabilities	<u>24,251,934</u>
<b>NET ASSETS</b>	
Held in trust for pension benefits	<u>\$ 252,868,694</u>

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

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

	<b>Pension Trust Funds</b>
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 17,062,087
Plan members	5,091,978
Other sources	1,277,851
Total contributions	<u>23,431,916</u>
Investment earnings:	
Interest	2,275,565
Dividends	3,314,753
Net decrease in fair value of investments	(5,747,020)
Other	29,794
Total investment loss	<u>(126,908)</u>
Less investment expense	<u>1,374,349</u>
Net investment loss	<u>(1,501,257)</u>
Total additions	<u>21,930,659</u>
<b>DEDUCTIONS</b>	
Benefits	14,504,944
Refunds of contributions	147,931
Administrative expenses	579,344
Total deductions	<u>15,232,219</u>
Change in net assets	6,698,440
Net assets - beginning	<u>246,170,254</u>
Net assets - ending	<u>\$ 252,868,694</u>

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



**CITY OF SUNRISE, FLORIDA**  
**INDEX TO THE NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2011**

<b>Note</b>	<b>Topic</b>	<b>Page</b>
<b>I. Summary of Significant Accounting Policies</b>		
A.	Reporting entity.....	44
B.	Government-wide and fund financial statements.....	45
C.	Measurement focus, basis of accounting and financial statement presentation .....	46
D.	Assets, liabilities and net assets or equity	
1.	Cash and cash equivalents .....	48
2.	Investments .....	48
3.	Receivables and payables .....	49
4.	Inventories and prepaid items .....	50
5.	Restricted assets .....	50
6.	Capital assets.....	51
7.	Compensated absences.....	51
8.	Long-term obligations.....	52
9.	Net assets or fund equity.....	52
10.	Revenue stabilization .....	53
11.	Use of estimates .....	53
E.	Deficit fund balances .....	53
<b>II. Reconciliation of Government-wide and Fund Financial Statements</b>		
A.	Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets .....	54
B.	Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.....	54
<b>III. Stewardship, Compliance and Accountability</b>		
A.	Budgetary information .....	56
<b>IV. Detailed Notes on all Funds</b>		
A.	Deposits and investments.....	57
B.	Receivables.....	60
C.	Capital assets.....	62
D.	Construction commitments .....	64
E.	Encumbrances.....	64
F.	Interfund receivables, payables and transfers .....	64
G.	Leases.....	66
H.	Long-term debt.....	66
I.	Property taxes .....	71
J.	Restatement of fund balances.....	72

**CITY OF SUNRISE, FLORIDA**  
**INDEX TO THE NOTES TO THE FINANCIAL STATEMENTS-(Continued)**  
**SEPTEMBER 30, 2011**

<b>Note</b>	<b>Topic</b>	<b>Page</b>
<b>V.</b>	<b>Other Information</b>	
	A. Risk management.....	73
	B. Contingent liabilities .....	73
	C. Employee retirement systems and pension plans .....	74
	D. Other post-employment benefits .....	80

# CITY OF SUNRISE, FLORIDA

## I. Summary of Significant Accounting Policies

### A. Reporting entity

The City of Sunrise, Florida (the City) was incorporated in 1961 and has a population of approximately 90,000 living within an area of approximately 18 square miles. The City was established under Charter 61-2902, which was adopted in 1961 with a mayor/commission form of government. By referendum, the city commission/city manager form of government replaced the mayor/commission form of government in 1989. Five elected city commission members comprised of the mayor, deputy mayor, assistant deputy mayor and two commissioners govern the City.

In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. If the component unit's governing body is substantively the same as the City's, the component unit is blended (reported as if it was part of the City's operations).

#### Blended component units

**Special Recreation District Phase I** was created by Ordinance 183. It was established to provide recreational facilities. The governing body of the City is the governing body of the Special Recreation District.

**Special Recreation District Phase II** was created by Ordinance 185. It was established to provide recreational facilities. The governing body of the City is the governing body of the Special Recreation District.

**Special Tax District No. 1** (the District) was created by Ordinance 373. The District provides, or assists in the provision of, public works lying within its territorial limits. All elected and appointed officials and employees of the City are, ex officio, the officials and employees of the District.

The City Commission establishes rates for special assessments and ad valorem taxes for the special districts described above.

Separate financial statements are not required or prepared for the special districts. The special districts' financial statements are included in the debt service funds, as well as the capital projects fund for the Special Tax District No. 1, of the City.

## CITY OF SUNRISE, FLORIDA

### **B. Government-wide and fund financial statements**

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting. Pronouncements of the Financial Accounting Standards Board (FASB) issued prior to December 1, 1989 are followed in both the government-wide and proprietary fund financial statements to the extent that these standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent FASB pronouncements for their business-type activities and enterprise funds subject to this same limitation. The City has elected not to follow subsequent FASB guidance.

In February 2009, the GASB issued *Fund Balance Reporting and Governmental Fund Types Definitions* (Statement No. 54). In June 2010, the GASB issued *Financial Instruments Omnibus* (Statement No. 59). The City has applied the requirements, as applicable, of Statement No. 54 and Statement No. 59 effective October 1, 2010.

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been eliminated from these statements. Exceptions to this are administrative charges where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and wastewater function and various other functions of the City. The net residual amounts due between governmental and business-type activities are presented as internal balances in the statement of net assets. Amounts reported in the funds as receivable from or payable to fiduciary funds are included in the statement of net assets as receivable from and payable to external parties, rather than as internal balances.

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

## CITY OF SUNRISE, FLORIDA

### **C. Measurement focus, basis of accounting and financial statement presentation**

Measurement focus is commonly used to describe the types of transactions and events that are reported in a fund's operating statement. Basis of accounting refers to the point at which revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements and relates to the timing of the measurement made, regardless of the measurement focus applied.

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. The economic resources measurement focus is on the determination of net income and capital maintenance. All fund assets and liabilities, current and non-current, are accounted for in the fund. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The current financial resources measurement focus is on the determination of and changes in financial position. This concept emphasizes the acquisition, use and balance of governmental fund expendable available financial resources and related current liabilities. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used 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 are generally recorded when a liability is incurred. The exception to this general rule is that principal and interest on general long-term debt and compensated absences are recognized when due.

Property taxes, gas taxes, utility service taxes, franchise fees, fuel tax refunds, administrative charges 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. In applying the susceptible to accrual concept to intergovernmental revenues, revenues are recognized when all eligibility requirements are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

Governmental funds are used to account for the City's general government activities. The City reports the following major governmental funds:

The general fund is the operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The Public Service Tax debt service fund was created to accumulate public service tax monies for Public Facilities Revenue Bonds, Series 1992A, 1992B and Series 1999. Currently, only components of Series 1992B are outstanding.

## **CITY OF SUNRISE, FLORIDA**

The Capital Improvements capital projects fund accounts for general capital projects and the acquisition and construction in the Neighborhood Renaissance Program.

The other governmental funds are a summarization of all the non-major governmental funds.

The City reports the following major proprietary funds:

The Water, Wastewater, and Gas Utility System enterprise fund accounts for the provision of water, wastewater and natural gas services to residents inside and outside the City.

The Sanitation enterprise fund accounts for the provision of solid waste disposal services to City residents.

The other proprietary funds are a summarization of all the non-major enterprise funds.

Additionally, the City reports the following fund types:

The internal service funds are used to account for goods or services provided by one department to other departments of the City on a cost-reimbursement basis. The City operates two internal service funds for the purpose of worker compensation services and vehicle replacement.

The pension trust funds account for the activities of the City's general employees', police officers' and firefighters' pension plans, which accumulate resources for pension benefit payments to qualified employees.

Amounts reported as program revenues include 1) charges to customers 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. General revenues include all taxes.

Certain indirect costs are included in the program expense reported for business-type activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative fees, general expenses and depreciation on capital assets. Operating expenses for the internal service funds include claims, general expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first and then unrestricted resources as they are needed. In the governmental funds, when both restricted resources and other resources (committed, assigned, and unassigned) can be used, the spending priority is committed, assigned, then unassigned.

## **CITY OF SUNRISE, FLORIDA**

### **D. Assets, liabilities and net assets or equity**

#### **1. Cash and cash equivalents**

The City has defined cash and cash equivalents to include cash on hand, demand deposits, short-term investments (including restricted assets) with original maturities at time of purchase of three months or less, Florida State Board of Administration's (SBA) Florida PRIME Investment Pool, mutual funds, and equity in the City's pooled cash.

Pooled cash is an investment tool employed by the City that maximizes earning potential by investing large amounts of idle cash for short periods of time. It is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions. The City maintains pooled cash accounts in all of its funds except for the pension trust funds, the Water, Wastewater and Gas Utility System enterprise fund, all debt service funds and the Special Tax District No. 1 capital projects fund. Interest income is distributed monthly based on average daily balances. Each fund's equity in the City's pooled cash is considered to be a cash equivalent since the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

The City invests surplus funds in a variety of investment vehicles. One such vehicle is the Florida PRIME, an external investment pool. The City owns shares of the pool, not the underlying securities. This fund is administered by the SBA, who provides regulatory oversight, and managed by Federated Investors since February 2008. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for administration of the investment pool. Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, the SBA has adopted operating procedures consistent with the requirements for a 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant net asset value (NAV) of \$1 per share. The fair value of the position in Florida PRIME is equal to the value of the pool shares. The investments in Florida PRIME are not insured by FDIC or any other governmental agency.

The City also invests in the Florida Surplus Asset Fund Trust (FLSAFE). The City owns shares of the pool, not the underlying securities. FLSAFE operates under Section 218.415, Florida Statutes. Additionally, the City invests in Goldman Sachs Financial Square Government Fund and PFM Government Fund, two mutual funds that invest strictly in U.S. Government obligations. The City also maintains a position in Fidelity Institutional Prime and PFM's Prime Funds, two money market mutual funds.

#### **2. Investments**

The City's investments, including restricted investments, consist of U.S. government securities, certificates of deposit with original maturities at time of purchase greater than three months, corporate bonds, common stocks, mutual funds, obligations of U.S. government sponsored enterprises implicitly or explicitly guaranteed by the U.S. government, the SBA Fund B, and international equity funds.

## CITY OF SUNRISE, FLORIDA

Investments are stated at fair value (quoted market price or the best available estimate thereof). However, money market investments, including short-term, highly liquid investments with a remaining maturity at time of purchase of one year or less, are reported at amortized cost.

Bond ordinances authorize trust account investments in deposit accounts of any banks that are fully insured by federal depository insurance or fully collateralized by federal securities, repurchase agreements and general obligation or full faith credit bonds, notes or obligations of any state or subdivision provided such obligations meet certain rating requirements. The bond ordinances also provide that monies on deposit in the reserve account may be invested only in federal securities.

The City's pension funds' investment policies are determined by the respective Boards of Trustees. Their portfolios may consist of obligations guaranteed by the U.S. government, time or savings accounts, corporate bonds, common or preferred stocks, international equity funds (up to 25% of portfolios) and mutual funds. Fair values of investments are determined as follows: securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year at current exchange rates; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the past reported bid and asked prices; and investments that do not have an established market are reported at estimated fair value as determined by the Board of Trustees. Time deposits and short-term investment pools are valued at cost that approximates market.

SBA's Fund B is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of Fund B. The fund is accounted for as a fluctuating NAV pool. Fund B principally consists of segregated securities, which are securities originally purchased for the Florida PRIME that (1) defaulted in the payment of principal and interest; (2) were extended; (3) were restructured or otherwise subject to workout; (4) experienced elevated market illiquidity; or (5) did not meet the criteria of the nationally recognized statistical rating organization (NRSRO). Fund B is not subject to participant withdrawal requests. Fund B's primary objective is to maximize the present value of distributions from Fund B. Distributions from Fund B, as determined by the SBA, are effected by transferring eligible cash or securities to the Florida PRIME, consistent with the pro rata allocation of pool shareholders of record at the creation of Fund B. One hundred percent of such distributions from Fund B are available as liquid balance within the Florida PRIME. The investments in Fund B are not insured by FDIC or any other governmental agency. As of September 30, 2011, the fair value factor for Fund B was \$.75683860 per share.

### **3. Receivables and payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding



## CITY OF SUNRISE, FLORIDA

between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Advances to other funds (an asset), as reported in the governmental fund financial statements, are classified as nonspendable fund balance to indicate they are not available for appropriation.

Customer receivables are shown net of an allowance for uncollectibles. All assessments are reported, including delinquencies.

### **4. Inventories and prepaid items**

All City inventories are maintained on a consumption basis of accounting where items are purchased for inventory and charged as an expenditure/expense as the items are consumed. The reported governmental fund type inventories are offset by a fund balance classified as nonspendable that indicates unavailability of spendable resources. Inventories held by the general fund consist of fuel and tires. Inventories included in the special revenue funds consist of irrigation parts and road materials. Inventories included in the enterprise funds consist of chemicals, meters, fuel and parts and supplies. Governmental fund inventories are stated at cost, using the first-in/first-out (FIFO) method. The chemicals and fuel inventories in the enterprise funds are stated at lower of cost or market, using the FIFO method; the meters and parts and supplies inventories are stated at lower of cost or market, using the weighted average method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. In addition, the governmental fund financial statements consider prepaid items to be nonspendable fund balance.

### **5. Restricted assets**

Certain proceeds of the City’s enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The “revenue bond operations and maintenance” account is used to report resources set aside to pay operating and maintenance expenses. The “revenue bond construction” account is used to report those proceeds of revenue bond issuances that are restricted for capital expenses. The “revenue bond debt service” account is used to segregate resources accumulated for debt service payments over the next twelve months. The “revenue bond reserve” account is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account. The “revenue bond renewal and replacement” account is used to report resources set aside to cure deficiencies in the debt service account or the reserve account, or to fund asset renewals and replacements.

## CITY OF SUNRISE, FLORIDA

### 6. Capital assets

Capital assets, which include property, plant, equipment, vehicles, intangibles and infrastructure assets (e.g., roads, bridges, etc.), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Generally, the City, with the exception of the firefighters' pension fund, defines capital assets as assets with an initial, individual cost of \$1,000 or greater and an estimated useful life in excess of one year. The firefighters' pension fund has established a capital threshold of \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed assets are recorded at estimated fair market value as of the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs are capitalized when incurred in the business-type activities on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of specified qualifying assets is offset against interest costs in determining the amount to be capitalized. The City capitalizes interest as a component of capital assets constructed for its own use.

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

Intangibles	5 years
Buildings	25 – 50 years
Improvements other than buildings	5 – 20 years
Water and wastewater plant	30 – 50 years
Gas plant	25 – 50 years
Deep well injection system	50 years
Machinery & equipment	3 – 10 years
Vehicles	5 – 10 years
Public domain infrastructure	30 – 50 years

Contributions of funds from federal, state or local sources for the purpose of purchasing property, plant and equipment and connection fees intended to recover the cost of connecting new customers to the system are recorded as capital contributions on the proprietary statement of revenues, expenses, and changes in fund net assets.

### 7. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from City service if certain criteria are met. The accumulated compensated absences and associated employee-related costs are accrued when incurred in the government-wide and proprietary fund financial statements. The current portion is the amount estimated to be used in the following fiscal year. The compensated absences for governmental funds represents a reconciling item between the fund and the government-wide presentations.

## CITY OF SUNRISE, FLORIDA

### **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 premiums/discounts, issuance costs and future appreciated principal (on capital appreciation bonds) are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method except that the premium on the Series 2010 bonds in the Water, Wastewater and Gas Utility System enterprise fund is amortized using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and deferred amounts on refunding.

In the government-wide financial statements and proprietary fund types in the fund financial statements, the difference between the re-acquisition price (new debt) and the net carrying value of the old debt is deferred and amortized as a component of interest expense using the proportionate to stated interest method.

### **9. Net assets or fund equity**

The governmental funds' financial statements report five categories of fund balance: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balances include amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Commission through an ordinance or resolution are classified as committed fund balances. These constraints remain binding unless removed or changed in the same manner employed to commit those resources. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. With the exception of the general fund, this is the residual fund balance classification for all governmental funds with positive balances. Unassigned fund balance is the residual classification that has not been restricted, committed or assigned. This number must be positive in the general fund but other governmental funds may report a negative balance, as the result of overspending for specific purposes for which amounts have been restricted, committed or assigned.

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt represent the City's investment in capital assets. Net assets are reported as restricted when there are limitations imposed to meet the various covenants as may be specified and defined in the revenue bond indenture or other legal document.

## **CITY OF SUNRISE, FLORIDA**

### **10. Revenue stabilization**

A general fund revenue stabilization account was approved by City Commission through resolution to mitigate the impacts of future revenue shortfalls. Minimum funding level is five percent (5%) of audited actual operating expenditures based on the most recent year in which audited operating expenditures are available. Disbursements from the revenue stabilization account may be made by the City Commission if the following criteria is met: the revenue shortfall in a fiscal year results from revenue collections short of the amount budgeted by five percent (5%) or more or the revenue shortfall results from projected budgeted revenues for any ensuing year that are less than the previous year's adopted revenue budget and the revenue shortfall is expected to persist through the end of the fiscal year. Appropriations from the revenue stabilization account shall be by enactment of an ordinance requiring a majority plus one vote.

### **11. Use of estimates**

The preparation of the financial statements in conformity with GAAP in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### **E. Deficit fund balances**

At September 30, 2011, the City had deficit fund balances in various nonmajor special revenue funds as follows: Broward County Home Consortium Grant \$121,524; Broward County Disaster Recovery Initiative Grant \$129,813; and Energy Efficiency Grant \$563. These deficits are expected to be eliminated by reimbursements from granting agencies in future years.

CITY OF SUNRISE, FLORIDA

II. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between *fund balances – total governmental funds* and *net assets of governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds”. The details of this \$77,856,187 are as follows:

Bonds payable	\$ 55,011,196
Less: Deferred charge for issuance costs (to be amortized over life of debt)	(197,027)
Compensated absences	10,993,874
Other post-employment benefits	8,232,869
Retiree subsidy	<u>3,815,275</u>
Net adjustment to reduce <i>fund balances - total governmental funds</i> to arrive at <i>net assets of governmental activities</i>	<u>\$ 77,856,187</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *change in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense”. The details of this \$1,788,639 difference are as follows:

Capital outlay	\$ 20,173,184
Depreciation expense	(20,167,715)
Capitalized operating expenditures	49,508
Non-capitalized capital outlay expenditures	<u>(1,843,616)</u>
Net adjustment to decrease <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i>	<u>\$ (1,788,639)</u>

**CITY OF SUNRISE, FLORIDA**

Another element of that reconciliation states that “the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, write-offs and donations) is to increase/ (decrease) net assets”. The details of this \$216,973 difference are as follows:

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.	\$ 131,728
Donations of capital assets increase net assets in the statement of activities but do not appear in the governmental funds because they are not financial resources.	119,619
The statement of activities reports losses arising from the write-off of capital assets. Governmental funds do not report any loss resulting from a capital asset write-off.	<u>(34,374)</u>
Net adjustment to decrease <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i>	<u><u>\$ 216,973</u></u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) 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”. The details of this \$12,951,075 difference are as follows:

Amortization of bond issuance costs	\$ (19,703)
Capital appreciation bonds accretion	(2,384,222)
Bond principal repayments	<u>15,355,000</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i>	<u><u>\$ 12,951,075</u></u>

Another element of that reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds". This \$(2,768,283) represents the increase in compensated absences (\$320,297), other post employment benefits (\$1,716,257) and retiree subsidy (\$731,729).

**CITY OF SUNRISE, FLORIDA**

Another element of that reconciliation states that “revenues reported in the funds that relate to prior periods are not reported in the statement of activities”. The details of this \$(550,315) are as follows:

Special Recreation District Phase I special assessment	\$ (272,082)
Special Recreation District Phase II special assessment	<u>(278,233)</u>

Net adjustment to decrease <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i>	<u>\$ (550,315)</u>
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III. Stewardship, Compliance and Accountability

**A. Budgetary information**

Budgets are legally adopted for all governmental and proprietary fund types. Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Project-length budgets are adopted in the capital projects funds. All unencumbered annual appropriations lapse at fiscal year-end. Significant appropriations outstanding at year-end are reappropriated in the following year.

The appropriated budget is prepared by fund, function, and department. The city manager may make transfers of appropriations among programs within a department, office or agency. Transfers of appropriations between departments require the approval of the city commission.

Expenditures/expenses may not legally exceed appropriations at the individual fund level; exception is the general fund expenditures, which may not exceed appropriations at the department level. Supplemental appropriations for operating and capital expenditures of \$1,987,148 for the general fund, \$5,671,394 for the special revenue funds, \$8,044,986 for the debt service funds and \$11,139,503 for the capital projects funds were approved during the year and are included in the final budget. The City follows these procedures in establishing the legally adopted budgetary data:

1. Prior to August 1, the city manager submits to the city commission a proposed annual budget, budget message and capital program for the fiscal year commencing on October 1. The operating budget includes proposed expenditures/expenses and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through the passage of an ordinance as required by City charter.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders) outstanding at year-end are reported as assigned fund balance and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

**CITY OF SUNRISE, FLORIDA**

**IV. Detailed Notes on all Funds**

**A. Deposits and investments**

As of September 30, 2011, the fair value of the City’s deposits and investments, exclusive of the Pension trust funds, was \$8,299,534 in U.S. Treasuries, \$80,241,642 in U.S. Government sponsored enterprises; \$40,000,000 in certificates of deposit, \$125,857,217 in the SBA Florida PRIME, \$16,519,309 in the Florida Surplus Asset Fund Trust (FLSAFE), \$4,708,926 in the SBA Fund B investment pool, \$40,015,889 in five money market mutual funds (PFM Prime Fund, PFM Government Series Fund, Goldman Sachs Financial Square Government Fund, Fidelity Institutional Prime Money Market fund with Wells Fargo Securities and Fidelity Institutional Treasury Money Market fund with Bank of New York Mellon). The investments in the Florida PRIME, the FLSAFE and five mutual funds are classified as cash and cash equivalents. Additionally, cash and cash equivalents are comprised of \$66,975 on hand, \$19,777,097 with qualified public depositories and \$13,058,944 with authorized depositories pursuant to fiduciary agreements related to its utility bonds. Total investments, including restricted and unrestricted, amount to \$348,545,533.

The SBA’s Fund B has a maturity of greater than one year. The original investment of \$6,221,837 was adjusted to a fair value of \$4,708,926, resulting in a total unrealized loss of \$1,512,911. As the City recognized an unrealized loss of \$2,294,926 in prior years, an unrealized gain of \$782,015 was recognized in this current fiscal year. The actual realized loss cannot be determined until full maturity, liquidation, or sales of the investments occur.

As of September 30, 2011, the City had the following investments in the General Employees’ Pension trust fund:

**Investment Maturities (In Years)**

<b><u>Investment Type</u></b>	<b><u>Fair Value</u></b>	<b><u>Less than 1</u></b>	<b><u>1-5</u></b>	<b><u>6-10</u></b>	<b><u>More than 10</u></b>
Bond mutual funds	\$42,935,610	\$5,106,278	\$17,548,635	\$13,775,462	\$6,505,235

The City’s Police Officers’ Pension trust fund contained the following investments as of September 30, 2011:

<b><u>Investment Type</u></b>	<b><u>Fair Value</u></b>	<b><u>Effective Duration (Years)</u></b>	<b><u>Lehman Aggregate Bond Rating</u></b>
U.S. treasuries	\$ 1,470,455	1.22	AA
U.S. agencies	12,838,983	0.88	AA
Corporate bonds	12,711,719	2.59	A-AAA
Total fair value	<u>\$ 27,021,157</u>		
Portfolio weighted average duration		1.71	



**CITY OF SUNRISE, FLORIDA**

At September 30, 2011, the City’s Firefighters’ Pension trust fund had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More than 10</u>
U.S. treasuries	\$ 7,032,634	\$ -	\$ 2,237,298	\$ 1,389,987	\$ 3,405,349
U.S. agencies	4,486,448	269,000	1,025,023	798,365	2,394,060
Corporate bonds	11,133,944	511,000	5,508,699	3,537,490	1,576,755
	<u>\$ 22,653,026</u>	<u>\$ 780,000</u>	<u>\$ 8,771,020</u>	<u>\$ 5,725,842</u>	<u>\$ 7,376,164</u>

*Interest rate risk.* The City, exclusive of the Pension trust funds, manages its exposure to declines in fair value by limiting the weighted average duration of its investment portfolio to less than 18 months. The weighted average days to maturity of the U.S. Treasuries at September 30, 2011 was 160 days. The weighted average days to maturity of the SBA Florida PRIME at September 30, 2011 was 38 days. The weighted average maturity of the FLSAFE was 42 days at September 30, 2011. The weighted average life of SBA Fund B at September 30, 2011 is 4.82 years. The weighted average maturity for PFM Prime Series was 51 days. The weighted maturity average for PFM Government Series was 55 days. The weighted average maturity for Goldman Sachs Financial Square Government Fund and Fidelity Institutional Prime Money Market was 41 days. The weighted average maturity for Fidelity Institutional Treasury Money Market was 30 days. To limit exposure to interest rate risk, the City and its three Pension Plans: the General Employees’, Firefighters’ and Police Officers’ diversify investments by security type and institution, and limit holdings in any one type of investment with any one issuer with various durations of maturity. In addition, the Police Officers’ Pension Plan manages its exposure to declines in fair values by limiting the effective duration of its investment portfolio through the adoption of the Barclays Capital Government/Credit Intermediate Index.

*Credit risk.* The City’s investments, exclusive of the Pension trust funds, that are invested in U.S. government obligations are considered to have no credit risk. Consistent with State law, the SBA Florida PRIME, the General Employees’ Pension Plan and the Police Officers’ Pension Plans’ investment guidelines limit corporate bonds to the top three ratings issued by one of the nationally recognized statistical rating organizations. Florida PRIME, PFM Prime Series Fund, PFM Government Series Fund and FLSAFE are rated AAAM by Standard and Poor’s; Fund B is not rated by a nationally recognized statistical rating agency. Goldman Sachs Financial Square Government Fund, Fidelity Institutional Prime Money Market Fund and Fidelity Institutional Treasury Money Market Fund (money market mutual funds) are rated AAAM by Standard and Poor’s and Aaa by Moodys. Of the General Employees’ Pension Plan’s investments at September 30, 2011, \$29,160,282 were rated AAA, \$3,068,488 were rated AA, \$5,570,945 were rated A, \$4,896,363 were rated Baa and \$239,532 were rated BB. The credit ratings of investments in the corporate bonds of the Firefighters’ Pension Plan at September 30, 2011 were \$897,752 rated AAA, \$1,059,242 rated AA+, \$1,230,876 rated AA, \$522,103 rated AA-, \$3,010,709 rated A+, \$2,304,581 rated A, and \$2,108,681 rated A-. U.S. Government guaranteed obligations of \$11,519,082 are considered to have no credit risk.

## CITY OF SUNRISE, FLORIDA

*Concentration of credit risk.* The City's investment policy limits the investment in any single issuer to no more than 10% of the value of the portfolio, except for U.S. Government and Agency instruments, Government Sponsored Enterprise (GSE) securities or fully insured certificates of deposit. As of September 30, 2011, the City's investment in Federal Home Loan Mortgage Corporation (FHLMC) amounted to \$35,050,004, which represents 11% of the total portfolio; Federal National Mortgage Association (FNMA) amounted to \$17,474,458, which represents 5% of the total portfolio; Branch Banking & Trust (BB&T) amounted to \$30,000,000 of certificates of deposit, which amounted to 10% of the total portfolio. The investment policy limits the investment in Florida PRIME fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Florida Statute 163.01(FLSAFE), to no more than 60% of the value of the portfolio. The Florida PRIME fund investment pool's exposure to a single non-governmental issuer is limited to 5% and exposure to any single money market mutual fund will not exceed 10% of the Florida PRIME assets. The General Employees', Police Officers' and Firefighters' Pension Plans' investment policies do not allow for an investment in any one issuer that is five percent or more of the Plans' net assets available for benefits.

*Custodial credit risk – deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. All cash deposits are held in qualified public depositories pursuant to State of Florida Statutes Chapter 280, "Florida Security for Public Deposits Act". Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to a public depositor not covered by insurance provided by the Federal Depository Insurance Corporation (FDIC) and the proceeds from the sale of collateral pledged by the defaulting depository, will be assessed against other qualified public depositories of the same type as the depository in default. Accordingly, all deposits are deemed insured.

*Custodial credit risk – investments.* For an investment, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. No custodial credit risk exposure exists for the City.

*Foreign currency risk – investments.* For an investment, this is the risk that changes in the exchange rates will adversely affect the fair value of an investment. The investment policy does not permit general obligations issued by a foreign government and is therefore, not exposed to foreign currency risk. The foreign pension investments that are held by the General Employees', Police Officers' and Firefighters' pension funds are not subject to foreign currency risk as they are denominated in U.S. currency so there is no foreign currency risk.

**CITY OF SUNRISE, FLORIDA**

**B. Receivables**

Receivables at September 30, 2011, are as follows:

	<u>Interest</u>	Taxes/Franchise <u>Fees</u>	<u>Accounts</u>	Special <u>Assessments</u>	<u>Other</u>	Intergov- <u>ernmental</u>	Total <u>Receivables</u>
Governmental activities:							
General	\$ 178,922	\$ 1,124,995	\$ 344,728	\$ -	\$ -	\$ 1,932,918	\$ 3,581,563
Public Service Tax	119	556,094	-	-	-	48,063	604,276
Capital Improvements	93,874	-	-	-	-	606,053	699,927
Internal Service	27,810	-	-	-	-	-	27,810
Other governmental	<u>17,398</u>	<u>-</u>	<u>-</u>	<u>2,533,593</u>	<u>6,631</u>	<u>1,662,311</u>	<u>4,219,933</u>
 Total – governmental Activities	 <u>\$ 318,123</u>	 <u>\$ 1,681,089</u>	 <u>\$ 344,728</u>	 <u>\$ 2,533,593</u>	 <u>\$ 6,631</u>	 <u>\$ 4,249,345</u>	 <u>\$ 9,133,509</u>
 Amounts not scheduled for collection during the subsequent year	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 1,982,237</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 1,982,237</u>
 Business-type activities:							
Water, Wastewater & Gas Utility System	\$ 80,001	\$ -	\$ 14,581,592	\$ 41,974	\$ -	\$ 122,012	\$ 14,825,579
Sanitation	-	-	2,217,810	-	-	-	2,217,810
Other proprietary	<u>7,090</u>	<u>-</u>	<u>383,879</u>	<u>-</u>	<u>16</u>	<u>60,608</u>	<u>451,593</u>
Gross receivables	87,091	-	17,183,281	41,974	16	182,620	17,494,982
Less:							
Uncollectibles	<u>-</u>	<u>-</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>
	<u>\$ 87,091</u>	<u>\$ -</u>	<u>\$ 17,033,281</u>	<u>\$ 41,974</u>	<u>\$ 16</u>	<u>\$ 182,620</u>	<u>\$ 17,344,982</u>

Revenues of the Water, Wastewater & Gas Utility System enterprise fund are reported net of uncollectible amounts. Total uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to water and wastewater sales	\$153,781
Uncollectibles related to gas sales	23,099
Uncollectibles related to recycling services	367
Uncollectibles related to stormwater services	<u>7,283</u>
Total uncollectibles for the current fiscal year	<u>\$184,530</u>

**CITY OF SUNRISE, FLORIDA**

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue (unavailable) and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Special assessments not yet due (Special Recreation District Phase I)	\$1,974,497	\$ -
Special assessments not yet due (Special Recreation District Phase II)	559,096	-
Communications Services Tax (Public Service Tax debt service fund)	48,063	-
Prepaid license fees (general fund)	-	1,613,554
Prepaid inspection fees (general fund)	-	490,882
Prepaid sidewalk replacement fees (Fuel and Roadway special revenue fund)		5,621
Grant proceeds prior to meeting all eligibility requirements (general fund)	-	109,687
Total deferred/unearned revenue for governmental funds	<u>\$2,581,656</u>	<u>\$2,219,744</u>

**CITY OF SUNRISE, FLORIDA**

**C. Capital assets**

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 14,700,664	\$ 56,220	\$ -	\$ 14,756,884
Construction in progress	40,531,230	17,069,881	(47,472,742)	10,128,369
Total capital assets, not being depreciated	55,231,894	17,126,101	(47,472,742)	24,885,253
Capital assets, being depreciated:				
Intangibles	893,643	388,624	(6,603)	1,275,664
Buildings and system	87,455,797	35,355,781	-	122,811,578
Improvements other than buildings	30,386,486	7,638,857	(8,598)	38,016,745
Machinery and equipment	11,373,299	4,435,972	(719,672)	15,089,599
Vehicles	19,498,117	1,444,269	(1,309,821)	19,632,565
Infrastructure	330,980,615	912,917	-	331,893,532
Total capital assets, being depreciated	480,587,957	50,176,420	(2,044,694)	528,719,683
Less accumulated depreciation for:				
Intangibles	(560,380)	(163,211)	6,603	(716,988)
Buildings and system	(21,906,421)	(3,038,278)	-	(24,944,699)
Improvements other than buildings	(17,059,216)	(2,926,917)	8,598	(19,977,535)
Machinery and equipment	(8,062,519)	(1,264,538)	616,628	(8,710,429)
Vehicles	(12,563,777)	(1,665,832)	1,288,652	(12,940,957)
Infrastructure	(258,952,976)	(11,449,400)	-	(270,402,376)
Total accumulated depreciation	(319,105,289)	(20,508,176)	1,920,481	(337,692,984)
Total capital assets, being depreciated, net	161,482,668	29,668,244	(124,213)	191,026,699
Governmental activities capital assets, net	<u>\$216,714,562</u>	<u>\$ 46,794,345</u>	<u>\$(47,596,955)</u>	<u>\$215,911,952</u>

## CITY OF SUNRISE, FLORIDA

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 10,985,086	\$ -	\$ -	\$ 10,985,086
Construction in progress	14,053,630	12,056,834	(8,904,670)	17,205,794
Total capital assets, not being depreciated	<u>25,038,716</u>	<u>12,056,834</u>	<u>(8,904,670)</u>	<u>28,190,880</u>
Capital assets, being depreciated:				
Intangibles	912,779	99,636	(6,751)	1,005,664
Buildings and system	460,902,425	11,207,075	(645,989)	471,463,511
Improvements other than buildings	8,941,450	1,080,629	(1,811)	10,020,268
Machinery and equipment	7,597,621	604,452	(271,447)	7,930,626
Vehicles	7,074,588	824,054	(565,218)	7,333,424
Total capital assets, being depreciated	<u>485,428,863</u>	<u>13,815,846</u>	<u>(1,491,216)</u>	<u>497,753,493</u>
Less accumulated depreciation for:				
Intangibles	(599,336)	(139,652)	5,716	(733,272)
Buildings and system	(161,218,621)	(14,237,142)	269,279	(175,186,484)
Improvements other than buildings	(2,004,845)	(647,747)	724	(2,651,868)
Machinery and equipment	(4,699,928)	(614,737)	261,420	(5,053,245)
Vehicles	(4,967,167)	(574,721)	563,998	(4,977,890)
Total accumulated depreciation	<u>(173,489,897)</u>	<u>(16,213,999)</u>	<u>1,101,137</u>	<u>(188,602,759)</u>
Total capital assets, being depreciated, net	<u>311,938,966</u>	<u>(2,398,153)</u>	<u>(390,079)</u>	<u>309,150,734</u>
Business-type activities capital assets, net	<u>\$ 336,977,682</u>	<u>\$ 9,658,681</u>	<u>\$ (9,294,749)</u>	<u>\$ 337,341,614</u>

At September 30, 2011, amounts included in governmental activities recorded under capital leases include original amounts of \$22,393 of improvements other than buildings, \$936,482 of machinery and equipment and \$2,101,632 of vehicles; those included in business-type activities include \$203,242 of machinery and equipment and \$214,432 of vehicles.

At September 30, 2011, the capital assets of the pension trust funds consist of machinery, equipment, furniture and fixtures of \$27,482 less accumulated depreciation of \$27,304. Depreciation expense for the year ended September 30, 2011 is \$357.

As of September 30, 2011, the total amount of interest costs incurred related to business-type activities is \$12,410,714, of which \$250,990 has been capitalized.

**CITY OF SUNRISE, FLORIDA**

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

Governmental activities:	
General government	\$ 1,576,341
Public safety	3,215,545
Transportation, including depreciation of general infrastructure assets	11,677,591
Culture and recreation	4,038,699
Total depreciation expense - governmental activities	<u>\$ 20,508,176</u>
Business-type activities:	
Water, wastewater, and gas	\$ 15,945,022
Recycling	581
Stormwater	214,732
Golf course	53,664
Total depreciation expense - business-type activities	<u>\$ 16,213,999</u>

**D. Construction commitments**

At September 30, 2011, the City had in process various uncompleted construction projects with remaining balances totaling \$12,867,599. Funding of these projects is to be made primarily through the proceeds of the related bond issues and future taxes.

**E. Encumbrances**

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Encumbrances as of September 30, 2011 are as follows:

Major funds:	
General Fund	\$ 647,190
Public Service Tax debt service fund	7,000
Capital Improvements capital projects fund	<u>11,829,408</u>
Total Major funds:	12,483,598
Non-major Governmental Funds	<u>36,374</u>
Total Encumbrances	<u>\$12,519,972</u>

**F. Interfund receivables, payables and transfers**

The general fund advanced \$1,450,000 to the Stormwater Utility enterprise fund in the 1996-1997 fiscal year. This advance was made to enable capital purchases at the inception of the Stormwater Utility enterprise fund. This advance bears interest at the annual rate of 5.25% and is payable over 20 years. The general fund recognizes the advance as an asset and the noncurrent portion of the loan, \$510,939, as nonspendable fund balance. The current portion of the loan in the amount of \$87,417 is recorded as an interfund receivable/payable.

The general fund advanced \$100,000 to the CDBG Grant special revenue fund. This advance was made to enable expenditures in this fund prior to grant reimbursement. The general fund recognizes the advance as an asset with a corresponding nonspendable fund balance.

**CITY OF SUNRISE, FLORIDA**

The general fund advanced \$569,423 to the Urban Area Security Initiative grant special revenue fund as a short-term loan to fund operations.

The general fund advanced \$399,543 to the Broward County Home Consortium grant special revenue fund as a short-term loan to fund operations.

The general fund advanced \$278,039 to the Broward County Disaster Recovery Initiative grant special revenue fund as a short-term loan to fund operations.

The composition of interfund balances as of September 30, 2011, is as follows.

<u>Fund</u>	<u>Interfund receivables</u>	<u>Interfund payables</u>
General fund	\$ 1,334,422	\$ -
Non-major governmental funds:		
Special revenue funds:		
Urban Area Security Initiative Grant	-	569,423
Broward County Home Consortium Grant	-	399,543
Broward County Disaster Recovery Initiative Grant	-	278,039
Total non-major governmental funds	-	1,247,005
Non-major enterprise fund:		
Stormwater	-	87,417
Total interfund receivables/payables	\$ 1,334,422	\$ 1,334,422

<u>Fund</u>	<u>Advance from</u>	<u>Advance to</u>
General fund	\$ 610,939	\$ -
Non-major governmental fund:		
Special revenue fund: CDBG Grant	-	100,000
Non-major enterprise fund:		
Stormwater	-	510,939
Total advances	\$ 610,939	\$ 610,939

<u>Fund</u>	<u>Due from other funds</u>	<u>Due to other funds</u>	<u>Purpose</u>
General fund	\$ 1,805,480	\$ 1,216,361	1,2,3,4,5
Debt service fund:			
Public Service Tax	1,072,071	235,893	2
Capital projects fund:			
Capital Improvements	-	1,260	3
Non-major governmental funds:			
Special revenue funds:			
Community Development Block Grant	-	793	3
Broward County Disaster Recovery Init. Grant	-	254	3
Neighborhood Stabilization Program Grant	-	186	3
Fuel and Roadway	-	87	3
Police Confiscation	-	2,027	5
Total non-major governmental funds	-	3,347	
Enterprise funds:			
Water, Wastewater, and Gas Utility System	136,059	1,582,709	1,2,3
Sanitation	-	180,731	4
Non-major enterprise funds:			
Stormwater	-	2,057	1,3
Pension trust funds:			
General Employees' Pension	87,841	-	3
Police Officers' Pension	63,553	-	3
Firefighters' Pension	57,354	-	3
Total pension trust funds	208,748	-	
Total due to/due from	\$ 3,222,358	\$ 3,222,358	



## CITY OF SUNRISE, FLORIDA

The reasons for the due to/due from other funds are:

- 1) Salary, fringe benefit, operating expense reimbursements
- 2) Utility service taxes
- 3) Pension plan funding
- 4) Franchise fee receivable/payable
- 5) Property taxes

### Interfund transfers:

	Transfer out:					Total
	General fund	Public Service Tax debt service fund	Capital Improvements capital projects fund	Non-major governmental funds	Water, Waste-water and Gas Utility System enterprise fund	
Transfer in:						
General fund	\$ -	\$ 5,380,715 a	\$ 3,550,939 d	\$ 4,207,147 a	\$ 1,337,471 a	\$ 14,476,272
Public Service Tax debt service fund				6,000,000 a		6,000,000
Capital Improvements capital projects fund	11,952,922 b	-	-		-	11,952,922
Sanitation enterprise fund	794,871 c	-	-	-	-	794,871
Non-major enterprise funds	855,464 c	-	-	-	-	855,464
<b>Total</b>	<u>\$ 13,603,257</u>	<u>\$ 5,380,715</u>	<u>\$ 3,550,939</u>	<u>\$ 10,207,147</u>	<u>\$ 1,337,471</u>	<u>\$ 34,079,529</u>

The reasons for these transfers are set forth below:

- a) Move unrestricted revenues collected in funds to finance various programs accounted for in other funds in accordance with budgetary authorizations
- b) Provide funds for capital outlay
- c) Subsidize operations
- d) Transfer restricted revenues not used for capital purposes

### G. Leases

The City leases office equipment and other items. There are no material operating leases with noncancellable terms in excess of one year.

### H. Long-term debt

Revenue bonds and other long-term liabilities directly related to and intended to be paid from proprietary funds are included in the accounts of such funds. Utility system revenue bonds are collateralized by a lien on the revenues earned by the utility system.

General Long-Term Debt Bonds are collateralized by multiple sources. The Public Facilities refunding revenue bonds are collateralized by a lien on and a pledge of a tax upon purchases within the city of electricity, metered and bottled gas, water service and telegraph and telecommunications service. The Sunrise Lakes Phase I and Phase II Special Recreation Districts' public improvement refunding bonds are collateralized by a general obligation pledge by the Districts of their full faith and credit; if the payments to the City as paying agent are insufficient to meet the bond requirements, the bonds will be paid from taxes to be levied and collected on all property in the respective Districts. The Special Tax District No. 1 ad valorem tax bonds and ad valorem tax refunding bonds are collateralized by voted debt service ad valorem taxes to be levied upon all taxable property within the District.

**CITY OF SUNRISE, FLORIDA**

The bonds of the three special districts are not general or limited obligation debt or bonded indebtedness of the City and the City is not obligated to pay the bonds or bond service charges.

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending September 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest*
2012	\$ 4,340,000	\$ -	\$ 5,850,000	\$ 11,652,339
2013	4,340,000	-	5,850,000	11,648,764
2014	4,340,000	-	5,860,000	11,387,789
2015	4,340,000	-	6,070,000	11,126,264
2016	4,340,000	-	4,425,000	10,850,439
2017-2021	21,700,000	-	31,775,000	51,552,395
2022-2026	4,340,000	-	72,335,000	39,282,545
2027-2031	-	-	49,290,000	22,586,034
2032-2035	-	-	46,505,000	7,001,288
	<u>47,740,000</u>	<u>-</u>	<u>227,960,000</u>	<u>177,087,857</u>
Plus/(less):				
Unappreciated accretion	(15,033,804)	-	(944,607)	-
Sub-total	32,706,196	-	227,015,393	177,087,857
Bond premium	-	-	2,607,976	-
Bond discount	-	-	(26,465)	-
Deferred amount on refunding	-	-	(1,972,425)	-
	<u>\$ 32,706,196</u>	<u>\$ -</u>	<u>\$ 227,624,479</u>	<u>\$ 177,087,857</u>

\*Does not take into account 35% Build America Bonds interest subsidy.

Annual debt service requirements for public improvement and ad valorem tax bonds are as follows:

Year Ending September 30	Principal	Interest
2012	\$ 2,090,000	\$ 1,036,509
2013	2,175,000	947,226
2014	1,995,000	852,330
2015	2,085,000	763,272
2016	2,170,000	668,323
2017-2021	<u>11,790,000</u>	<u>1,714,483</u>
Total	<u>\$ 22,305,000</u>	<u>\$ 5,982,143</u>

**CITY OF SUNRISE, FLORIDA**

Description of Individual Bond Issues Outstanding – Summarized below are the bonds outstanding for the City’s governmental activities:

	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>	<u>Interest Rate</u>
<b>Governmental activities</b>				
Public Facilities refunding revenue bonds, Series 1992A and 1992B	Refunding and fund certain municipal capital improvements			
Serial bonds		\$ 21,865,000	\$ -	3.30-6.20%
Term bonds		11,490,000	-	6.55%
Capital appreciation serial bonds		14,184,465	32,706,196	6.70-6.80%
Sunrise Lakes Phase I Special Recreation District public improvement refunding bonds, Series 1998	Refunding			
Bank Note		3,635,000	1,670,000	4.413%
Sunrise Lakes Phase II Special Recreation District public improvement refunding bonds, Series 1998	Refunding			
Bank note		3,125,000	525,000	4.316%
Special Tax District No. 1 ad valorem tax refunding bonds, Series 2001	Refunding			
Serial bonds		26,660,000	15,830,000	2.70%-5.00%
ad valorem tax bonds, Series 2003	Fund certain District capital improvements			
Serial bonds		<u>6,770,000</u>	<u>4,280,000</u>	1.25-4.60%
Total governmental activities bonds		<u>\$ 87,729,465</u>	<u>\$ 55,011,196</u>	

On May 1, 2011, the City redeemed all of the outstanding Public Facilities Revenue Bonds, Series 1999. The total redemption cost (\$9,010,000 principal at par and \$34,607 of accrued interest) was funded with accumulated pledged utility taxes revenues and communications services tax revenues and a \$6,000,000 contribution of unrestricted funds from the City.

The City has pledged future utility taxes revenues and communications services tax revenues to repay \$47,539,465 in revenue refunding bonds issued in 1992. Proceeds from the 1992A bonds were used to refund the City’s Public Service Tax Revenue Bonds, Series 1987 and proceeds from the 1992B bonds were used to fund public capital improvements. The bonds are payable solely from utility service taxes and communications services taxes. The Series 1992B bonds are payable through 2022. Total principal and interest remaining to be paid on the bonds is \$47,740,000. For the current year, principal and interest of \$4,340,000 was paid. Utility service tax revenues and communications services tax revenues were \$7,656,725 and \$3,740,581, respectively. The pledged revenues are expected to continue through maturity of the debt.

**CITY OF SUNRISE, FLORIDA**

Description of Individual Bond Issues Outstanding – Summarized below are the bonds outstanding for the City’s business-type activities:

	Purpose of Issue	Amount Issued	Principal Outstanding	Interest Rate
<b>Business-type activities</b>				
Utility revenue bonds:				
Series 1993	Refunding			
Serial bonds		\$ 11,100,000	\$ -	3.25-5.20%
Term bonds		1,855,000	-	5.60%
Capital appreciation bonds		7,194,299	8,600,393	5.55-5.80%
Series 1998	Refunding and fund			
Serial bonds	utility system	13,935,000	-	3.60-5.50%
Term bonds	improvements	143,650,000	88,295,000	5.06-5.20%
Series 1998A	Refunding and fund			
Term bonds	utility system			
	improvements	15,195,000	14,580,000	5.50%
Series 2010A	Fund utility system			
Serial bonds	improvements	19,960,000	19,960,000	4.00%
Series 2010B	Fund utility system			
Term bonds	improvements	93,915,000	93,915,000	5.813-5.913%
Series 2010C	Refunding			
Term bonds		<u>4,740,000</u>	<u>1,665,000</u>	3.00%-4.00%
Total business-type activities bonds		<u>\$ 311,544,299</u>	<u>\$ 227,015,393</u>	

The City has pledged future net water, wastewater, and gas revenues to repay \$311,544,299 of utility bonds issued in 1993, 1998 and 2010. Proceeds from the 1993 bonds were used to refund the City’s Public Improvement Revenue Bonds Series 1989; proceeds from the 1998 bonds were used to refund the City’s Utility System Revenue Bonds, Series 1986A, Series 1996, Series 1996A, and Series 1997 and to fund improvements to the City’s water, sewer and gas utility system; proceeds from the 1998A bonds were used to refund a portion of the Series 1986A and fund capital improvements to the utility system; proceeds from the Series 2010A bonds and Series 2010B bonds were issued to fund construction, acquisition or equipping of certain capital improvements to the City’s water/wastewater utility facilities; and proceeds from the Series 2010C bonds were issued to refund a portion of the City’s Utility System Revenue Refunding Bonds Series 1993 and Utility System Revenue Refunding Bonds, Series 1996. The Series 1993 bonds are payable through 2016; the Series 1998 bonds are payable through 2028; the Series 1998A bonds are payable through 2015; the Series 2010A bonds are payable through 2020; the Series 2010B bonds are payable through 2035; and the Series 2010C bonds are payable through 2019. Total principal and interest remaining to be paid on the utility bonds is \$405,047,857. Principal and interest paid for the current year and total customer net revenue were \$18,932,889 and \$41,602,331, respectively. The pledged revenues are expected to continue through maturity of the debt.

**CITY OF SUNRISE, FLORIDA**

**Defeased and refunded debt**

The City has a number of bond issues that have been refunded. Refunding provides for an irrevocable deposit with an escrow agent (a third party banking institution) of sufficient funds to pay the principal and interest, when due, on the refunded bonds to the earliest call date. On the earliest call date, all bonds outstanding are redeemed and interest subsequent to the refunding date will cease. Bonds are typically refunded for either economic gain to the governmental unit or to eliminate restrictive and antiquated covenants often associated therewith. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the City's books.

Summarized below are the refunded bonds of the City's business-type activities:

<u>Type</u>	<u>Series</u>	<u>Year Refunded</u>	<u>Outstanding as of 9/30/11</u>
Utility System revenue bonds	1976	1983	\$ 2,100,000
	1976A	1983	500,000
	1976B	1983	2,145,000
	1976C	1983	495,000
	1976D	1983	530,000
	1976E	1983	1,035,000
	1976F	1983	665,000
	1983A	1985	680,000
	1983C	1985	980,000
		1998	2010
Total outstanding defeased debt			<u>\$ 70,175,000</u>

**CITY OF SUNRISE, FLORIDA**

**Change in long-term liabilities**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable	\$ 67,981,974	\$ 2,384,222 *	\$(15,355,000)	\$ 55,011,196	\$ 6,430,000
Compensated absences	10,673,577	6,506,360	(6,186,063)	10,993,874	692,918
Other post employment benefits	6,516,612	2,250,224	(533,967)	8,232,869	-
Retiree subsidy	3,083,546	1,146,058	(414,329)	3,815,275	-
Claims and judgments	4,430,280	1,280,881	(859,858)	4,851,303	1,651,430
<b>Governmental activity long-term liabilities</b>	<b><u>\$ 92,685,989</u></b>	<b><u>\$ 13,567,745</u></b>	<b><u>\$(23,349,217)</u></b>	<b><u>\$ 82,904,517</u></b>	<b><u>\$ 8,774,348</u></b>
<b>Business-type activities:</b>					
<b>Bonds payable:</b>					
Revenue bonds	\$ 233,506,041	\$ 694,352 *	\$ (7,185,000)	\$ 227,015,393	\$ 5,850,000
<b>Less deferred amounts:</b>					
For issuance discounts	(45,504)	19,039	-	(26,465)	-
For issuance premiums	3,010,287	-	(402,311)	2,607,976	-
On refunding	<u>(2,141,861)</u>	<u>169,436</u>	<u>-</u>	<u>(1,972,425)</u>	<u>-</u>
Total bonds payable	234,328,963	882,827	(7,587,311)	227,624,479	5,850,000
Compensated absences	3,740,517	1,932,224	(1,711,009)	3,961,732	304,299
Other post employment benefits	2,425,377	719,987	(199,705)	2,945,659	-
Retiree subsidy	<u>2,287,943</u>	<u>851,254</u>	<u>(190,515)</u>	<u>2,948,682</u>	<u>-</u>
<b>Business-type activity long-term liabilities</b>	<b><u>\$ 242,782,800</u></b>	<b><u>\$ 4,386,292</u></b>	<b><u>\$ (9,688,540)</u></b>	<b><u>\$ 237,480,552</u></b>	<b><u>\$ 6,154,299</u></b>

\* includes future appreciated principal accretion

For governmental activities, compensated absences, other post-employment benefits, and retiree subsidy are generally liquidated by the general fund. Claims and judgments are liquidated by the Workers' Compensation internal service fund.

**I. Property taxes**

The State of Florida permits the City to levy taxes up to 10 mills of assessed property valuation for the general fund except for special benefits and debt service obligations which may be issued with the approval of those taxpayers subject to ad valorem taxes. The operating millage rate levied by the City and budgeted for the 2010-2011 fiscal year is 6.0543 mills. On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held during 2007 and became effective October 1, 2008. Amendment 1 increased the current \$25,000 homestead exemption by an additional \$25,000 (for property values between \$50,000 - \$75,000), except for school district taxes. Amendment 1 also provided "portability", allowing property owners to transfer up to \$500,000 of their "Save Our Homes" benefits to their next homestead when they move. "Save Our Homes" became effective in 1995 and limits (caps) the annual increase in assessed value for homesteaded property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less. Amendment 1 also provided a \$25,000 exemption for tangible personal property. Current tax collections for the year ended September 30, 2011 were approximately 98% of the total tax levy, net of discounts allowed.

## CITY OF SUNRISE, FLORIDA

Property taxes based on assessed values at January 1 are levied on November 1 of each year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percentage point each month thereafter. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid taxes and assessments are auctioned beginning June 1 of each year.

The City Commission establishes the tax levy of the City. The adoption of the final millage rate occurred September 23, 2010. Property tax collections are governed by Chapter 197, Florida Statutes. The Broward County Tax Collector (Tax Collector) bills and collects all property taxes levied within the County. The Tax Collector remits current taxes collected through four distributions to the City in the first quarter of the tax year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied.

The property tax calendar for revenues billed and received for the fiscal year ended September 30, 2011 is shown as follows:

Lien date	January 1, 2010
Levy date, tax bills mailed	November 1, 2010
Last date for 4% discount on taxes paid	November 30, 2010
Last date for 3% discount on taxes paid	December 31, 2010
Last date for 2% discount on taxes paid	January 31, 2011
Last date for 1% discount on taxes paid	February 28, 2011
Final due date of payment of taxes	March 31, 2011
First date for auctioning tax certificates on delinquent accounts	June 1, 2011

### **J. Restatement of fund balances**

The City has restated beginning fund balance for the General Fund, as well as the total nonmajor governmental funds. In fiscal year 2011, the Emergency Management Fund was reclassified to comply with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Types Definitions*; it was previously reported as a special revenue fund. The amount of this restatement of fund balance is \$21,949. It did not impact the government-wide statements.

**CITY OF SUNRISE, FLORIDA**

**V. Other Information**

**A. Risk management**

The City is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, injuries to employees and natural disasters. During the 1994-1995 fiscal year, the City established a Workers' Compensation fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Workers' Compensation fund self-insures losses up to \$250,000 per occurrence. The City purchases excess insurance through the Florida Municipal Insurance Trust, an intergovernmental pool, for claims in excess of coverage provided by the fund. The City also participates in intergovernmental pooling or carries commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

All departments of the City participate in the program and make payments to the fund based on actuarial estimates of the amounts needed to pay prior and current year claims (including allocated loss adjustment expenses and incurred but not reported claims). The claims liability of \$4,851,303, which is discounted at 4%, is reported in the fund at September 30, 2011 and is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the claim can be reasonably estimated.

The following schedule presents the changes in aggregate claims liability (in thousands) for the past two years:

	Year ended <u>9/30/10</u>	Year ended <u>9/30/11</u>
Unpaid claims, beginning of fiscal year	\$ 4,464	\$ 4,430
Incurred claims (and estimate changes)	763	1,281
Claim payments	<u>(797)</u>	<u>(860)</u>
Unpaid claims, end of fiscal year	<u>\$ 4,430</u>	<u>\$ 4,851</u>

**B. Contingent liabilities**

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.



## CITY OF SUNRISE, FLORIDA

### C. Employee retirement systems and pension plans

**Plan descriptions:** The City of Sunrise contributes to three single-employer defined benefit pension plans: General Employees' Pension Plan, Police Officers' Pension Plan and Firefighters' Pension Plan and one defined contribution plan: Governmental Money Purchase Plan and Trust. Additionally, the City maintains a retiree subsidy for general employees and a preservation of benefits plan.

In addition to normal retirement benefits, all three of the defined benefit pension plans provide for long-term disability and survivor benefits, as well as deferred pensions for former employees, dependent upon length of service or years of contributions and age upon death or disability. State Statute 112 and City ordinance provide the authority to establish and amend benefit provisions for all three defined benefit pension plans.

A deferred retirement option plan (DROP) was implemented in the Police Officers' Pension Plan (the Plan). Upon participation in the DROP, the participant becomes a retiree for all Plan purposes and any further benefits under the pension plan cease to accrue. Normal retirement payments that would have been payable to the participant as a result of retirement are accumulated and invested in the DROP to be distributed to the participant upon termination of employment. Effective July 10, 2007, an eligible member who elects to participate in the DROP within five years following the member's earliest normal retirement date may participate in the DROP for a maximum of six years. Effective August 9, 2011, an eligible member who elects to participate in the DROP within five years following the member's earliest normal retirement date may participate in the DROP for a maximum of seven years. There were twenty-nine members in the DROP as of September 30, 2011. Members of the plan who terminate employment and begin receiving normal retirement benefits subsequent to December 31, 2005 will receive a 2% cost of living adjustment. Members who begin receiving normal retirement benefits or enter the DROP on or after October 1, 2008 will receive a 2.5% cost of living adjustment. The Plan provides for supplemental pension distributions based on the cumulative net actuarial gain as identified in the most recent actuarial report for eligible participants who have retired prior to December 13, 2004. Any participant immediately eligible for early or normal retirement benefits or entered the DROP between August 14, 2001 and December 12, 2004 is eligible for a 13<sup>th</sup> check, the amount of which cannot exceed 100% of a participant's monthly retirement benefit. In the event that the cumulative net actuarial gain exceeds the amount distributed by the 13<sup>th</sup> check and the City's required contributions to the Plan, a 14<sup>th</sup> check will be distributed to eligible participants – those eligible for a 13<sup>th</sup> check, except for DROP participants.

City Ordinance 124-X-02-B, approved March 12, 2002, established a retirement incentive program for firefighters. During a "window period" of thirty calendar days, beginning February 27, 2002, eligible firefighters could have made an irrevocable election to participate in this program. The eligible firefighters must have retired and separated from City employment no later than April 15, 2002. Eligible firefighters who elected the program could have also elected to participate in a DROP for up to thirty-six months or, alternatively, elect a BAC-DROP option for up to eighteen months. Beginning four years after retirement or entry into the DROP, a 2% annual increase in retirement benefits is applicable for all members. As of June 10, 2008, eligible firefighters can now participate in the DROP for a

## CITY OF SUNRISE, FLORIDA

maximum period of 72 months. As of September 30, 2011, thirty-three firefighters were participating in this program.

Effective September 13, 1999, the General Employees' Pension Plan distinguished between general employees, management and senior management. DROP was implemented for management and senior management effective June 12, 2001 and for general employees effective January 1, 2004. Participation in the DROP is limited to a maximum 72 months prior to termination of employment. As of September 30, 2011, there were 92 participants in the DROP. Beginning one year after retirement or entry into the DROP, an annual increase in retirement benefits of 2% for management members and 2.5% for senior management who reach early or normal retirement age and begin receiving benefits after June 12, 2001, is applicable. For eligible general employees, a supplemental pension distribution in the form of an optional 13<sup>th</sup> check, based on the cumulative net actuarial gain is available; effective January 1, 2004, a minimum of one-half of the 13<sup>th</sup> check is guaranteed payable, notwithstanding actuarial gains.

The Governmental Money Purchase Plan and Trust (Purchase Plan) was established for senior managers who are members of the General Employees' Pension Plan. The Purchase Plan was subsequently amended on March 12, 2003 by Ordinance 715-X-03-A, to additionally include all management employees with more than 10 years of City service and city commissioners. The City contributes 3% of earnings each plan year (calendar year) on behalf of each eligible management employee and 6% of earnings each plan year on behalf of each senior management employee and each city commissioner; the eligible employees are not required to make contributions. The ICMA Retirement Corporation serves as administrator for this Purchase Plan. The City recognized expenditures/expenses of \$370,513 for the fiscal year ended September 30, 2011 for the seventy-seven employees covered under the plan. City ordinance provides the authority to establish and amend benefit provisions and contribution requirements for the Governmental Money Purchase Plan and Trust. The Purchase Plan was amended with Ordinance No. 715-X-09-A, effective May 1, 2009, which eliminated the benefit for employees newly hired, rehired, or promoted from a general employee position into a management position.

The City, under Ordinance No. 715-X-98-C and amended by Ordinance No. 715-X-00-C and Ordinance No. 715-X-03-A, established a retiree subsidy of \$200 per month for all general executive management and supervisory/professional employees who retired after September 28, 1999, except that senior managers who retired directly from the City after January 1, 2001, receive an amount equivalent to 80% of the total cost of family coverage under the City's health insurance program. Effective October 1, 1999, the City agreed to establish a subsidy of \$200 per month for all general employees, per the Collective Bargaining Agreement between the City and the Federation of Public Employees. The subsidy commenced at the same time the General Employees' Retirement Plan member began to receive normal or early retirement benefits and continues until the plan member reaches age 65. Upon attaining age 65, bargaining unit employees will receive 75% of the \$200 per month subsidy, except that senior managers will receive 75% of the benefit received immediately prior to attaining age 65. If a general executive management or supervisory/professional employee dies before age 65, the health insurance subsidy continues to be paid to that member's spouse until the date that member would have reached age 65. Effective October 1, 2006, eligible general employees who retire and separate employment will be paid a monthly subsidy of \$250, which shall continue for the life of the retiree.

## CITY OF SUNRISE, FLORIDA

Eligible general employees who retire and separate employment after February 26, 2008 will be paid a monthly subsidy of \$350, which shall continue for the life of the retiree. Effective under Ordinance No. 715-X-09-A, all management and supervisory/ professional employees who separate and retire from the City after May 1, 2009, whose health benefit at retirement is less than the benefit provided to general employees under the applicable collective bargaining agreement in effect at the time of separation, will receive a retiree subsidy equal to the general employee's benefit. There were 158 participants during the fiscal year ended September 30, 2011.

Effective September 28, 1999, under Ordinance No. 715-X-99-A, the City established a preservation of benefits plan as a deferred compensation plan for managers and senior managers who are members of the General Employees' Pension Plan. This plan, which is administered by the City, was established as a qualified governmental excess benefits arrangement pursuant to section 415(m) of the U. S. Internal Revenue Code. For each eligible payee, the City will provide a supplemental retirement benefit equal to the reduction of retirement benefits due to the application of section 401(a) (17) or section 415(b) of the U.S. Internal Revenue Code. There were five eligible participants covered during the fiscal year ended September 30, 2011.

All three defined benefit pension plans are included as part of the City's reporting entity as pension trust funds. Copies of separately issued financial reports that include financial statements and required supplementary information for each plan is available at the following locations:

General Employees' Pension Plan	Pension Resource Centers, LLC 4360 Northlake Boulevard Suite 206 Palm Beach Gardens, FL 33410 Attn: Margie Adcock	Telephone No. (561) 624-3277
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Police Officers' Pension Plan	City of Sunrise, Florida Police Officers' Retirement Plan 13790 N. W. Fourth St., Suite 105 Sunrise, FL 33325 Attn: Dave Williams	Telephone No. (954) 845-0298
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Firefighters' Pension Plan	Benefits USA, Inc. 3810 Inverrary Blvd., Suite 303 Lauderhill, FL 33319 Attn: Livia Nixon	Telephone No. (954) 730-2068
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**Funding policy and annual pension cost:** The contribution requirements of plan members and the City for the City's three single-employer defined benefit pension plans are established and may be amended by City Ordinance. Plan member contributions are recognized in the period in which the contributions are due. The City contributes an actuarially determined amount to fully fund benefits for active members. Any unfunded actuarial liability is amortized as a level percent of projected member payroll over a period of

**CITY OF SUNRISE, FLORIDA**

thirty years for the Police Officers’, Firefighters’, and General Employees’ Pension Plans. City contributions to the plans, as calculated by the plans’ actuaries, are recognized as revenue when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans. If the City’s calculated contribution, excluding the cost of post September 13, 1999 management and senior management benefits, exceeds 14% for the General Employees’ Pension Plan, member contributions, as well as the City contribution, are increased by half of the excess percentage of payroll except that the total maximum contribution for general employees is capped at 9.51% and the maximum contribution for management and senior management hired prior to October 1, 2009 is capped at 11.75% through the conclusion of the bargaining unit contract, September 30, 2011. Effective October 1, 2009, general employees, including management and senior management, hired on or after October 1, 2009 contribute 8%. The following schedule summarizes the required contribution rates for the City and its plan members:

	<u>General Employees’ Pension Plan</u>	<u>Police Officers’ Pension Plan</u>	<u>Firefighters’ Pension Plan</u>
Contributions:			
Contribution rates:			
City	29.89%	40.60%	28.00%
Plan members		9.84%	10.63%
General employees	9.51%		
Management, senior management	11.75%		
Employees hired after 10/1/09	8.00%		
Annual pension costs	\$ 10,568,229	\$ 7,756,543	\$ 5,107,144
Contributions made:			
City	\$ 7,914,922	\$ 5,954,543	\$ 3,192,622
Plan members	2,653,307	1,293,749	1,144,922
Other	-	508,251 <sup>1</sup>	769,600 <sup>1</sup>

<sup>1</sup>The Police Officers’ and Firefighters’ Pension Plans are partially funded by contributions from the State of Florida under Chapters 185 and 175, respectively, of the Florida Statutes. This contribution consists of excise taxes collected by the State on property and casualty insurance premiums on policies written within the City. This amount totaled \$1,277,851 for the year ended September 30, 2011: \$769,600 for property insurance contracts for firefighters under Chapter 175 and \$508,251 for casualty insurance contracts for police officers under Chapter 185. These amounts are recognized as insurance premium revenues and public safety expenditures in the General Fund.

The City has traditionally contributed the annual required contribution (ARC) and thus has never had, or had need to report, a net pension obligation (NPO) for the City’s three single-employer defined benefit pension plans. To date the City has followed a pay-as-you-go funding policy for the retirees’ subsidy plan, contributing only those amounts necessary to provide current year benefits.

## CITY OF SUNRISE, FLORIDA

**Actuarial methods and assumptions:** The annual required contributions for the current year were determined as part of the October 1, 2009 actuarial valuation for the Firefighters', General Employees', and Police Officers' Pension Plans. Additional information as of the latest actuarial valuation date of October 1, 2010 for the Firefighters', General Employees' and Police Officers' Pension Plans follows.

	<u>General Employees' Pension Plan</u>	<u>Police Officers' Pension Plan</u>	<u>Firefighters' Pension Plan</u>
Actuarial cost method	Entry age normal	Entry age normal	Entry age
Amortization method	Level percent, closed	Level percent, closed	Level percent, closed
Remaining amortization period	26 years	28 years	27 years
Actuarial assumptions:			
Investment rate of return	8.125%	8.3%	8.0%
Inflation rate	3.5%	4%	4.0%
Projected salary increases *	5.9%	5.2%-8.5%	6%-13%
Cost of living adjustments	2% for eligible management employees and commissioners, 2.5% for eligible senior management employees	2.5% for eligible employees	2% for eligible employees
Asset valuation:			
Reporting	Fair value	Fair value	Fair value
Actuarial valuation	5 year smoothed market without phase-in	5 year smoothed market	5 year smoothing
Non-government investment in excess of 5%	None	None	None

\*Projected salary increases include inflation.

The actuarial accrued liability (AAL) for the retirees' subsidy plan was projected to September 30, 2010 based on the assumptions presented below. The results are not based on the assumption that all members terminate service as of the valuation date but rather on the assumptions about future disablement, future mortality, future termination of employment, and future retirement continuing to be operative. Benefits are assumed to be unfunded.

Actuarial valuation date	October 1, 2009
Actuarial cost method	Entry age normal
Amortization method	Level percent, closed
Remaining amortization period	28 years
Actuarial assumptions:	
Investment rate of return	4.5%
Inflation rate	3.0%
Projected salary increases	7.0%-7.5%
Asset valuation method	n/a

**CITY OF SUNRISE, FLORIDA**

**Funded status and funding progress:** The funded status of the three defined benefit pension plans as of October 1, 2010 was as follows (dollar amounts in thousands):

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
<b>General Employees' Pension Fund</b>						
10/1/10	\$ 117,662	\$ 177,684	\$ 60,022	66.2%	\$ 26,014	230.7%
<b>Police Officers' Pension Fund</b>						
10/1/10	\$ 57,736	\$ 108,374	\$ 50,638	53.3%	\$ 13,238	382.5%
<b>Firefighters' Pension Fund</b>						
10/1/10	\$ 76,423	\$ 115,403	\$ 38,980	66.2%	\$ 10,927	356.7%

The funded status of the retirees' subsidy plan as of October 1, 2009 was as follows (dollar amounts in thousands):

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
10/01/09	-	\$ 16,253	\$ 16,253	0.0%	\$ 29,136	55.8%

The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

For the fiscal year ended September 30, 2011, the annual cost of the retirees' subsidy plan of \$1,997,312 is not equal to the annual required contribution, which is \$1,967,021 due to interest and an adjustment to the annual required contribution. The contributions made by the City were \$604,844 resulting in an increase in the net pension obligation of \$1,392,468.

**CITY OF SUNRISE, FLORIDA**

Three-year trend information follows for the defined benefit pension plans:

	<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
General Employees' Pension Plan:	9/30/09	\$ 9,016,477	100%	\$0
	9/30/10	9,750,051	100	0
	9/30/11	10,568,229	100	0
Police Officers' Pension Plan:	9/30/09	\$ 5,879,538	100%	\$0
	9/30/10	7,009,595	100	0
	9/30/11	7,756,543	100	0
Firefighters' Pension Plan:	9/30/09	\$ 3,615,750	100%	\$0
	9/30/10	3,829,131	100	0
	9/30/11	5,107,144	100	0
	<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Retiree Pension Obligation</u>
Retirees' subsidy plan	9/30/09	\$ 1,945,812	17.6%	\$ 3,947,121
	9/30/10	1,905,331	25.2	5,371,489
	9/30/11	1,997,312	30.3	6,763,957

**D. Other post-employment benefits**

The cost of post-employment healthcare, life insurance, and long-term care benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45, the City recognizes the cost of these post-employment benefits in the year when the employee services are received.

**Plan description:** The City has previously established and maintains an employee group medical insurance plan, an employee group life insurance plan, and an employee group long-term care insurance plan that it makes available to eligible retirees in accordance with State of Florida law and City ordinance. The medical and life insurance plans are single-employer, experience-rated insurance plans that provide benefits to eligible retirees and their eligible dependents. The long-term care insurance plan is a single-employer, statewide filed and rated insurance plan available to eligible retirees and their eligible dependents. These plans are not accounted for in a trust fund, as an irrevocable trust has not been established.

**CITY OF SUNRISE, FLORIDA**

**Funding policy:** To date, the City has followed a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses. The contribution requirements, if any, of plan members are established by the City. The City pays any remaining required amounts after contributions of plan members are taken into account. Currently, eligible retirees do not pay for life insurance or long-term care insurance plans provided by the City, but do pay the premiums associated with the medical plan elected - no direct City subsidy is currently applicable. However, there are implicit costs of medical and direct costs of life and long-term care insurance plan benefits. Retiree’s spouses and other eligible dependents are also eligible under the City’s medical and life insurance plans and the retiree is responsible for the payment of the applicable medical and life insurance premiums.

State of Florida law prohibits the City from separately rating retirees and active employees for medical plan benefits. The City therefore assigns to both groups equal, blended-rate premiums and makes available to both groups the same plan options. Although both groups are assigned the same blended-rate premiums, GAAP requires the actuarial liabilities to be calculated using age-adjusted premiums approximating claim costs for eligible retirees separate from active eligible members. The use of age-adjusted premiums results in the full expected retiree obligation recognized in this disclosure.

**Annual OPEB cost and net OPEB obligation:** The City’s annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s net OPEB obligation.

Annual required contribution	\$ 2,920,067
Interest on net OPEB obligation	402,390
Adjustment to annual required contribution	<u>(352,246)</u>
Annual OPEB cost (expense)	2,970,211
Contributions made	<u>(733,672)</u>
Increase in net OPEB obligation	2,236,539
Net OPEB obligation – beginning of year	<u>8,941,989</u>
Net OPEB obligation – ending of year	<u><u>\$11,178,528</u></u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending September 30, 2011 is listed below.

Fiscal Year	Annual	Percentage of OPEB	Net OPEB
<u>Ending</u>	<u>OPEB Cost</u>	<u>Cost Contributed</u>	<u>Obligation</u>
09/30/09	\$3,652,657	8.2%	\$ 6,701,910
09/30/10	2,834,670	21.0	8,941,989
09/30/11	2,970,211	24.7	11,178,528



**CITY OF SUNRISE, FLORIDA**

**Funded status and funding progress:** The funded status of the plan as of October 1, 2009 was as follows:

Actuarial accrued liability (AAL)	\$25,051,313
Actuarial value of plan assets	-
Unfunded actuarial accrued liability	\$25,051,313
Funded ratio	0.00%
Annual covered payroll*	\$51,716,066
Unfunded actuarial accrued liability as a percentage of covered payroll	48.44%

\*Annual assumed payroll growth of 4%.

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

**Actuarial methods and assumptions:** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial calculations reflect a long-term perspective. The annual health care cost trend rate was assumed to decline gradually over the next several years from 7% at October 1, 2009, to an ultimate rate of 6% on and after 2012. These trend rates have been revised effective January 1, 2011 to be 9%, followed by a .5% decrease in the rate each successive year until reaching an annual trend rate of 5% per year. Benefits are assumed to be unfunded.

Actuarial valuation date	October 1, 2009
Actuarial cost method	Entry age normal
Amortization method	Level percent, closed
Remaining amortization period	28 years
Actuarial assumptions:	
Investment rate of return	4.5%
Inflation rate	3.0%
Projected salary increases	5.2%-13.0%
Asset valuation method	n/a

**CITY OF SUNRISE, FLORIDA**

**Required Supplementary Information  
(unaudited)**

**SCHEDULE OF FUNDING PROGRESS**  
(in thousands of dollars)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age*</u>	<u>Unfunded (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
<b>General Employees' Pension Fund</b>						
10/1/08	\$109,410	\$ 150,915	\$ 41,505	72.5%	\$ 27,552	150.6%
10/1/09	113,739	163,887	50,148	69.4	25,457	197.0
10/1/10	117,662	177,684	60,022	66.2	26,014	230.7
<b>Police Officers' Pension Fund</b>						
10/1/08	\$ 54,724	\$ 87,216	\$ 32,492	62.7%	\$ 13,476	241.1%
10/1/09	50,806	97,673	46,867	52.0	13,936	336.3
10/1/10	57,736	108,374	50,638	53.3	13,238	382.5
<b>Firefighters' Pension Fund</b>						
10/1/08	\$ 69,908	\$ 90,217	\$ 20,309	77.5%	\$ 9,973	203.6%
10/1/09	74,486	106,708	32,222	69.8	10,646	302.7
10/1/10	76,423	115,403	38,980	66.2	10,927	356.7

\*Actuarial accrued liability (AAL) entry age normal for General Employees' Pension fund, entry age for Firefighters' Pension fund, and entry age normal for Police Officers' Pension fund.

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
<b>Retirees' Subsidy Plan</b>						
10/1/07	-	\$ 16,678	\$ 16,678	0.0%	\$ 51,288	32.5%
10/1/08	-	18,766	18,766	0.0	53,339	35.2
10/1/09	-	16,253	16,253	0.0	29,136	55.8

The first actuarial valuation for the Retirees' Subsidy Plan was performed October 1, 2007.

**CITY OF SUNRISE, FLORIDA**

**(unaudited)**

**SCHEDULE OF FUNDING PROGRESS  
Other Post-Employment Benefit Plan**  
(in thousands of dollars)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
10/1/07	-	\$ 41,073	\$ 41,073	0.0%	\$ 51,288	80.1%
10/1/08	-	43,112	43,112	0.0	53,339	80.8
10/1/09	-	25,051	25,051	0.0	51,716	48.4

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
Other Post-Employment Benefit Plan**

<u>Fiscal Year Ended</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
09/30/09	\$ 298,024	\$ 3,712,339	8.0%
09/30/10	594,591	2,788,257	21.3
09/30/11	733,672	2,920,067	25.1

# *Nonmajor Governmental Funds*

## *Special Revenue Funds*

*Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.*

<i>Community Development Block Grant Fund</i>	<i>Accounts for the receipts and disbursements of the Community Development Block Grant funds.</i>
<i>Impact Fees Fund</i>	<i>Accounts for the receipts and disbursements of impact fees received from developers.</i>
<i>Urban Area Security Initiative Grant Fund</i>	<i>Accounts for the receipts and disbursements of the Urban Area Security Initiative Grant funds.</i>
<i>Broward County Home Consortium Grant Fund</i>	<i>Accounts for the receipts and disbursements of the Broward County Home Consortium Grant funds.</i>
<i>Broward County Disaster Recovery Initiative Grant Fund</i>	<i>Accounts for the receipts and disbursements of the Broward County Disaster Recovery Initiative Grant funds.</i>
<i>Neighborhood Stabilization Program Grant Fund</i>	<i>Accounts for the receipts and disbursements of the Neighborhood Stabilization Grant funds.</i>
<i>Energy Efficiency Grant Fund</i>	<i>Accounts for the receipts and disbursements of the Energy Efficiency and Conservation Grant funds.</i>
<i>Fuel &amp; Roadway Fund</i>	<i>Accounts for the government's share of motor fuel tax revenues that are legally restricted to the maintenance of, and improvements to, the streets, roadways, median strips, and street lights within the City.</i>
<i>State Housing Initiative Partnership Grant Fund</i>	<i>Accounts for the receipts and disbursements of the State Housing Initiative Partnership Grant funds.</i>
<i>Police Confiscation Fund</i>	<i>Accounts for the receipts and disbursements of police confiscation funds.</i>

## ***Debt Service Funds***

*Debt service funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal and interest.*

***Public Improvement Fund***      ***Accumulates electric franchise fee monies for Public Improvement Revenue Bonds.***

***Special Recreation  
District Phase I Fund***      ***Accumulates special district assessment revenue for Sunrise Lakes Phase I Special Recreation District Public Improvement Bonds, maturing on October 1, 2017.***

***Special Recreation  
District Phase II Fund***      ***Accumulates special district assessment revenue for Sunrise Lakes Phase II Special Recreation District Public Improvement Bonds, maturing on October 1, 2013.***

***Special Tax District No. 1 Fund***      ***Accumulates voted debt service ad valorem tax monies for Special Tax District No. 1 of the City of Sunrise, Florida Ad Valorem Tax Bonds, maturing on October 1, 2021.***

## ***Capital Projects Funds***

*Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.*

***Special Tax District No. 1 Fund***      ***Accounts for the construction of a parking garage and additional public works improvements for Special Tax District No. 1.***

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CITY OF SUNRISE, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2011

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 5,933,114	\$ 6,432,256	\$ 1,469,964	\$ 13,835,334
Investments	4,856,219	-	-	4,856,219
Interest receivable	17,232	162	4	17,398
Special assessments receivable	-	2,533,593	-	2,533,593
Other receivables	6,631	-	-	6,631
Intergovernmental receivable	1,662,311	-	-	1,662,311
Prepaid items	25,070	-	-	25,070
Inventories	46,009	-	-	46,009
Total assets	<u>\$ 12,546,586</u>	<u>\$ 8,966,011</u>	<u>\$ 1,469,968</u>	<u>\$ 22,982,565</u>
<b>LIABILITIES</b>				
Accounts payable	526,136	50,049	-	576,185
Accrued liabilities	18,106	-	-	18,106
Retainage payable	563	-	-	563
Intergovernmental payable	7,280	-	-	7,280
Due to other funds	3,347	-	-	3,347
Interfund payable	1,247,005	-	-	1,247,005
Matured bonds payable	-	2,005,000	-	2,005,000
Matured interest payable	-	560,033	-	560,033
Unearned revenue	5,621	-	-	5,621
Deferred revenue	-	2,533,593	-	2,533,593
Other	1,581,700	-	-	1,581,700
Advances from other funds	100,000	-	-	100,000
Total liabilities	<u>3,489,758</u>	<u>5,148,675</u>	<u>-</u>	<u>8,638,433</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Inventories	46,009	-	-	46,009
Restricted:				
Recreation	895,282	-	-	895,282
Public safety	5,529,584	-	-	5,529,584
Fire equipment	396,102	-	-	396,102
Median strips	143,164	-	-	143,164
Housing	324,302	-	-	324,302
Transportation	1,521,963	-	-	1,521,963
Assigned to:				
Subsequent year's expenditures	-	122,615	-	122,615
Transportation	452,322	-	-	452,322
Debt service	-	3,694,721	-	3,694,721
Capital projects	-	-	1,469,968	1,469,968
Unassigned	(251,900)	-	-	(251,900)
Total fund balances	<u>9,056,828</u>	<u>3,817,336</u>	<u>1,469,968</u>	<u>14,344,132</u>
Total liabilities and fund balances	<u>\$ 12,546,586</u>	<u>\$ 8,966,011</u>	<u>\$ 1,469,968</u>	<u>\$ 22,982,565</u>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Taxes:				
Property	\$ -	\$ 2,440,121	\$ -	\$ 2,440,121
Local option fuel	1,551,129	-	-	1,551,129
Franchise fees	-	2,824,805	-	2,824,805
Intergovernmental	4,467,420	-	-	4,467,420
Charges for services	120,448	-	-	120,448
Judgments, fines and forfeitures	3,920,921	-	-	3,920,921
Special assessments	-	551,869	-	551,869
Impact fees	134,266	-	-	134,266
Investment earnings	64,549	12,775	2,177	79,501
Miscellaneous	627,462	-	-	627,462
Total revenues	<u>10,886,195</u>	<u>5,829,570</u>	<u>2,177</u>	<u>16,717,942</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	1,805,185	-	-	1,805,185
Physical environment	58,450	-	-	58,450
Economic development	3,394,166	-	-	3,394,166
Human services	5,709	-	-	5,709
Transportation	1,034,440	-	-	1,034,440
Debt service:				
Principal	-	2,005,000	-	2,005,000
Interest	-	1,120,066	-	1,120,066
Other	-	45,216	-	45,216
Capital outlay	1,478,640	-	-	1,478,640
Total expenditures	<u>7,776,590</u>	<u>3,170,282</u>	<u>-</u>	<u>10,946,872</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,109,605</u>	<u>2,659,288</u>	<u>2,177</u>	<u>5,771,070</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
General fund	-	(4,207,147)	-	(4,207,147)
Debt service fund:				
Public Service Tax	-	(6,000,000)	-	(6,000,000)
Sale of capital assets	4,131	-	-	4,131
Total other financing sources and (uses)	<u>4,131</u>	<u>(10,207,147)</u>	<u>-</u>	<u>(10,203,016)</u>
Net change in fund balances	3,113,736	(7,547,859)	2,177	(4,431,946)
Fund balances - beginning (restatement-see Note J)	<u>5,943,092</u>	<u>11,365,195</u>	<u>1,467,791</u>	<u>18,776,078</u>
Fund balances - ending	<u>\$ 9,056,828</u>	<u>\$ 3,817,336</u>	<u>\$ 1,469,968</u>	<u>\$ 14,344,132</u>



CITY OF SUNRISE, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 SEPTEMBER 30, 2011

	Community Development Block Grant	Impact Fees	Urban Area Security Initiative Grant	Broward County Home Consortium Grant	Broward County Disaster Recovery Initiative Grant
<b>ASSETS</b>					
Cash and cash equivalents	\$ 29,628	\$ 737,787	\$ -	\$ -	\$ -
Investments	-	763,102	-	-	-
Interest receivable	-	2,589	-	-	-
Other receivables	-	-	-	-	-
Intergovernmental receivable	103,819	-	569,423	282,073	354,770
Prepaid items	-	-	-	-	-
Inventories	-	-	-	-	-
Total assets	<u>\$ 133,447</u>	<u>\$ 1,503,478</u>	<u>\$ 569,423</u>	<u>\$ 282,073</u>	<u>\$ 354,770</u>
<b>LIABILITIES</b>					
Accounts payable	14,432	-	-	4,054	203,846
Accrued liabilities	10,942	-	-	-	2,444
Retainage payable	-	-	-	-	-
Intergovernmental payable	7,280	-	-	-	-
Due to other funds	793	-	-	-	254
Interfund payable	-	-	569,423	399,543	278,039
Unearned revenue	-	-	-	-	-
Other	-	-	-	-	-
Advances from other funds	100,000	-	-	-	-
Total liabilities	<u>133,447</u>	<u>-</u>	<u>569,423</u>	<u>403,597</u>	<u>484,583</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventories	-	-	-	-	-
Restricted:					
Recreation	-	895,282	-	-	-
Public safety	-	68,930	-	-	-
Fire equipment	-	396,102	-	-	-
Median strips	-	143,164	-	-	-
Housing	-	-	-	-	-
Transportation	-	-	-	-	-
Assigned to:					
Transportation	-	-	-	-	-
Unassigned	-	-	-	(121,524)	(129,813)
Total fund balances	<u>-</u>	<u>1,503,478</u>	<u>-</u>	<u>(121,524)</u>	<u>(129,813)</u>
<b>Total liabilities and fund balances</b>	<u>\$ 133,447</u>	<u>\$ 1,503,478</u>	<u>\$ 569,423</u>	<u>\$ 282,073</u>	<u>\$ 354,770</u>

Neighborhood Stabilization Program Grant	Energy Efficiency Grant	Fuel and Roadway	State Housing Initiatives Partnership Grant	Police Confiscation	Total Nonmajor Special Revenue Funds
\$ 19,995	\$ -	\$ 1,154,675	\$ 138,315	\$ 3,852,714	\$ 5,933,114
-	-	756,631	185,095	3,151,391	4,856,219
-	-	2,622	892	11,129	17,232
-	-	6,631	-	-	6,631
21,707	5,069	260,707	-	64,743	1,662,311
-	-	7,153	-	17,917	25,070
-	-	46,009	-	-	46,009
<u>\$ 41,702</u>	<u>\$ 5,069</u>	<u>\$ 2,234,428</u>	<u>\$ 324,302</u>	<u>\$ 7,097,894</u>	<u>\$ 12,546,586</u>
39,650	5,069	207,589	-	51,496	526,136
1,866	-	837	-	2,017	18,106
-	563	-	-	-	563
-	-	-	-	-	7,280
186	-	87	-	2,027	3,347
-	-	-	-	-	1,247,005
-	-	5,621	-	-	5,621
-	-	-	-	1,581,700	1,581,700
-	-	-	-	-	100,000
<u>41,702</u>	<u>5,632</u>	<u>214,134</u>	<u>-</u>	<u>1,637,240</u>	<u>3,489,758</u>
-	-	46,009	-	-	46,009
-	-	-	-	-	895,282
-	-	-	-	5,460,654	5,529,584
-	-	-	-	-	396,102
-	-	-	-	-	143,164
-	-	-	324,302	-	324,302
-	-	1,521,963	-	-	1,521,963
-	-	452,322	-	-	452,322
-	(563)	-	-	-	(251,900)
-	(563)	2,020,294	324,302	5,460,654	9,056,828
<u>\$ 41,702</u>	<u>\$ 5,069</u>	<u>\$ 2,234,428</u>	<u>\$ 324,302</u>	<u>\$ 7,097,894</u>	<u>\$ 12,546,586</u>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Community Development Block Grant	Impact Fees	Urban Area Security Initiative Grant	Broward County Home Consortium Grant	Broward County Disaster Recovery Initiative Grant
<b>REVENUES</b>					
Local option fuel tax	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	958,192	-	569,423	1,023,459	1,004,905
Charges for services	-	-	-	-	-
Judgments, fines and forfeitures	-	-	-	-	-
Impact fees	-	134,266	-	-	-
Investment earnings	-	12,886	-	-	-
Miscellaneous	7,426	-	-	-	12,278
Total revenues	<u>965,618</u>	<u>147,152</u>	<u>569,423</u>	<u>1,023,459</u>	<u>1,017,183</u>
<b>EXPENDITURES</b>					
Current:					
Public safety	66,644	-	21,130	-	-
Physical environment	-	-	-	-	-
Economic development	822,933	-	-	489,314	893,147
Human services	5,709	-	-	-	-
Transportation	52,414	-	-	-	-
Capital outlay	-	-	267,927	-	-
Total expenditures	<u>947,700</u>	<u>-</u>	<u>289,057</u>	<u>489,314</u>	<u>893,147</u>
Excess (deficiency) of revenues over (under) expenditures	<u>17,918</u>	<u>147,152</u>	<u>280,366</u>	<u>534,145</u>	<u>124,036</u>
<b>OTHER FINANCING SOURCES</b>					
Sale of capital assets	-	-	-	-	-
Net change in fund balances	17,918	147,152	280,366	534,145	124,036
Fund balances - beginning (restatement-see Note J)	<u>(17,918)</u>	<u>1,356,326</u>	<u>(280,366)</u>	<u>(655,669)</u>	<u>(253,849)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 1,503,478</u>	<u>\$ -</u>	<u>\$ (121,524)</u>	<u>\$ (129,813)</u>

Neighborhood Stabilization Program	Energy Efficiency Grant	Fuel and Roadway	State Housing Initiatives Partnership Grant	Police Confiscation	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 1,551,129	\$ -	\$ -	\$ 1,551,129
778,672	63,519	-	69,250	-	4,467,420
-	-	42,798	-	77,650	120,448
-	-	-	-	3,920,921	3,920,921
-	-	-	-	-	134,266
-	-	10,829	7,620	33,214	64,549
483,905	-	123,853	-	-	627,462
<u>1,262,577</u>	<u>63,519</u>	<u>1,728,609</u>	<u>76,870</u>	<u>4,031,785</u>	<u>10,886,195</u>
-	-	-	-	1,717,411	1,805,185
-	58,450	-	-	-	58,450
890,700	-	-	298,072	-	3,394,166
-	-	-	-	-	5,709
-	-	982,026	-	-	1,034,440
-	5,632	589,367	-	615,714	1,478,640
<u>890,700</u>	<u>64,082</u>	<u>1,571,393</u>	<u>298,072</u>	<u>2,333,125</u>	<u>7,776,590</u>
<u>371,877</u>	<u>(563)</u>	<u>157,216</u>	<u>(221,202)</u>	<u>1,698,660</u>	<u>3,109,605</u>
				<u>4,131</u>	<u>4,131</u>
<u>371,877</u>	<u>(563)</u>	<u>157,216</u>	<u>(221,202)</u>	<u>1,702,791</u>	<u>3,113,736</u>
<u>(371,877)</u>	<u>-</u>	<u>1,863,078</u>	<u>545,504</u>	<u>3,757,863</u>	<u>5,943,092</u>
<u>\$ -</u>	<u>\$ (563)</u>	<u>\$ 2,020,294</u>	<u>\$ 324,302</u>	<u>\$ 5,460,654</u>	<u>\$ 9,056,828</u>

CITY OF SUNRISE, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR DEBT SERVICE FUNDS  
 SEPTEMBER 30, 2011

	Public Improvement	Special Recreation District Phase I	Special Recreation District Phase II	Special Tax District No. 1	Total Nonmajor Debt Service Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 231,377	\$ 262,779	\$ 5,938,100	\$ 6,432,256
Interest receivable	-	48	65	49	162
Special assessments receivable	-	1,974,497	559,096	-	2,533,593
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 2,205,922</b>	<b>\$ 821,940</b>	<b>\$ 5,938,149</b>	<b>\$ 8,966,011</b>
<b>LIABILITIES</b>					
Accounts payable	-	-	-	50,049	50,049
Matured bonds payable	-	190,000	245,000	1,570,000	2,005,000
Matured interest payable	-	41,040	16,617	502,376	560,033
Deferred revenue	-	1,974,497	559,096	-	2,533,593
<b>Total liabilities</b>	<b>-</b>	<b>2,205,537</b>	<b>820,713</b>	<b>2,122,425</b>	<b>5,148,675</b>
<b>FUND BALANCES</b>					
Assigned to:					
Subsequent year's expenditures	-	-	-	122,615	122,615
Debt service	-	385	1,227	3,693,109	3,694,721
<b>Total fund balances</b>	<b>-</b>	<b>385</b>	<b>1,227</b>	<b>3,815,724</b>	<b>3,817,336</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 2,205,922</b>	<b>\$ 821,940</b>	<b>\$ 5,938,149</b>	<b>\$ 8,966,011</b>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR DEBT SERVICE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Public Improvement	Special Recreation District Phase I	Special Recreation District Phase II	Special Tax District No. 1	Total Nonmajor Debt Service Funds
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ -	\$ 2,440,121	\$ 2,440,121
Franchise fees	2,824,805	-	-	-	2,824,805
Special assessments	-	272,619	279,250	-	551,869
Investment earnings	11,509	313	404	549	12,775
<b>Total revenues</b>	<b>2,836,314</b>	<b>272,932</b>	<b>279,654</b>	<b>2,440,670</b>	<b>5,829,570</b>
<b>EXPENDITURES</b>					
<b>Debt service:</b>					
Principal	-	190,000	245,000	1,570,000	2,005,000
Interest	-	82,080	33,233	1,004,753	1,120,066
Other	308	467	286	44,155	45,216
<b>Total expenditures</b>	<b>308</b>	<b>272,547</b>	<b>278,519</b>	<b>2,618,908</b>	<b>3,170,282</b>
<b>Excess (deficiency) of revenues     over (under) expenditures</b>	<b>2,836,006</b>	<b>385</b>	<b>1,135</b>	<b>(178,238)</b>	<b>2,659,288</b>
<b>OTHER FINANCING USES</b>					
<b>Transfers out:</b>					
General fund	(4,207,147)	-	-	-	(4,207,147)
Debt service fund:					
Public Service Tax	(6,000,000)	-	-	-	(6,000,000)
<b>Total other financing uses</b>	<b>(10,207,147)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,207,147)</b>
<b>Net change in fund balances</b>	<b>(7,371,141)</b>	<b>385</b>	<b>1,135</b>	<b>(178,238)</b>	<b>(7,547,859)</b>
Fund balances - beginning	7,371,141	-	92	3,993,962	11,365,195
Fund balances - ending	\$ -	\$ 385	\$ 1,227	\$ 3,815,724	\$ 3,817,336

CITY OF SUNRISE, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 SEPTEMBER 30, 2011

	Special Tax District No. 1 Capital Projects	Total Nonmajor Capital Projects Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,469,964	\$ 1,469,964
Interest receivable	4	4
<b>Total assets</b>	<b>\$ 1,469,968</b>	<b>\$ 1,469,968</b>
<b>LIABILITIES</b>		
Accounts payable	-	-
<b>FUND BALANCES</b>		
Assigned to:		
Capital projects	1,469,968	1,469,968
<b>Total liabilities and fund balances</b>	<b>\$ 1,469,968</b>	<b>\$ 1,469,968</b>

**CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Special Tax District No. 1 Capital Projects</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>REVENUES</b>		
Investment earnings	<u>\$ 2,177</u>	<u>\$ 2,177</u>
Excess of revenues over expenditures	2,177	2,177
Fund balances - beginning	<u>1,467,791</u>	<u>1,467,791</u>
Fund balances - ending	<u><u>\$ 1,469,968</u></u>	<u><u>\$ 1,469,968</u></u>



CITY OF SUNRISE, FLORIDA  
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 1,664,484	\$ 958,192	\$ (706,292)
Miscellaneous	-	7,426	7,426
<b>Total revenues</b>	<b>1,664,484</b>	<b>965,618</b>	<b>(698,866)</b>
<b>EXPENDITURES</b>			
Current:			
Public safety	66,834	66,644	190
Economic development	1,529,882	822,933	706,949
Human services	44,000	5,709	38,291
Transportation	56,945	52,414	4,531
<b>Total expenditures</b>	<b>1,697,661</b>	<b>947,700</b>	<b>749,961</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(33,177)</b>	<b>17,918</b>	<b>51,095</b>
Fund balances - beginning	(17,918)	(17,918)	-
Fund balances - ending	<b>\$ (51,095)</b>	<b>\$ -</b>	<b>\$ 51,095</b>

**CITY OF SUNRISE, FLORIDA**  
**IMPACT FEES SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Impact fees	\$ 15,000	\$ 134,266	\$ 119,266
Investment earnings	-	12,886	12,886
<b>Total revenues</b>	<u>15,000</u>	<u>147,152</u>	<u>132,152</u>
 <b>Excess of revenues over expenditures</b>	 15,000	 147,152	 132,152
 <b>Fund balances - beginning</b>	 <u>1,356,326</u>	 <u>1,356,326</u>	 <u>-</u>
 <b>Fund balances - ending</b>	 <u>\$ 1,371,326</u>	 <u>\$ 1,503,478</u>	 <u>\$ 132,152</u>

**CITY OF SUNRISE, FLORIDA**  
**URBAN AREA SECURITY INITIATIVE GRANT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 70,729	\$ 569,423	\$ 498,694
<b>EXPENDITURES</b>			
Current:			
Public safety	21,130	21,130	-
Capital outlay	274,372	267,927	6,445
Total expenditures	295,502	289,057	6,445
Excess (deficiency) of revenues over (under) expenditures	(224,773)	280,366	505,139
Fund balances - beginning	(280,366)	(280,366)	-
Fund balances - ending	\$ (505,139)	\$ -	\$ 505,139

**CITY OF SUNRISE, FLORIDA**  
**BROWARD COUNTY HOME CONSORTIUM GRANT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 599,868	\$ 1,023,459	\$ 423,591
<b>EXPENDITURES</b>			
Current:			
Economic development	599,868	489,314	110,554
Excess of revenues over expenditures	-	534,145	534,145
Fund balances - beginning	(655,669)	(655,669)	-
Fund balances - ending	\$ (655,669)	\$ (121,524)	\$ 534,145

CITY OF SUNRISE, FLORIDA  
 BROWARD COUNTY DISASTER RECOVERY INITIATIVE GRANT SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 2,717,947	\$ 1,004,905	\$ (1,713,042)
Miscellaneous	-	12,278	12,278
<b>Total revenues</b>	<u>2,717,947</u>	<u>1,017,183</u>	<u>(1,700,764)</u>
<b>EXPENDITURES</b>			
Current:			
Economic development	<u>3,717,545</u>	<u>893,147</u>	<u>2,824,398</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(999,598)</b>	<b>124,036</b>	<b>1,123,634</b>
Fund balances - beginning	<u>(253,849)</u>	<u>(253,849)</u>	<u>-</u>
Fund balances - ending	<u><u>\$ (1,253,447)</u></u>	<u><u>\$ (129,813)</u></u>	<u><u>\$ 1,123,634</u></u>

CITY OF SUNRISE, FLORIDA  
 NEIGHBORHOOD STABILIZATION PROGRAM GRANT SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 2,934,951	\$ 778,672	\$ (2,156,279)
Miscellaneous	400,000	483,905	83,905
Total revenues	<u>3,334,951</u>	<u>1,262,577</u>	<u>(2,072,374)</u>
<b>EXPENDITURES</b>			
Current:			
Economic development	<u>3,334,951</u>	<u>890,700</u>	<u>2,444,251</u>
Excess of revenues over expenditures	-	371,877	371,877
Fund balances - beginning	<u>(371,877)</u>	<u>(371,877)</u>	-
Fund balances - ending	<u>\$ (371,877)</u>	<u>\$ -</u>	<u>\$ 371,877</u>

**CITY OF SUNRISE, FLORIDA**  
**ENERGY EFFICIENCY GRANT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 840,700	\$ 63,519	\$ (777,181)
<b>EXPENDITURES</b>			
Current:			
Physical environment	100,800	58,450	42,350
Capital outlay	739,900	5,632	734,268
Total expenditures	840,700	64,082	776,618
Deficiency of revenues under expenditures	-	(563)	(563)
Fund balances - beginning	-	-	-
Fund balances - ending	\$ -	\$ (563)	\$ (563)

CITY OF SUNRISE, FLORIDA  
 FUEL AND ROADWAY SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Local option fuel tax	\$ 1,525,000	\$ 1,551,129	\$ 26,129
Charges for services	30,000	42,798	12,798
Investment earnings	9,400	10,829	1,429
Miscellaneous	115,000	123,853	8,853
Total revenues	<u>1,679,400</u>	<u>1,728,609</u>	<u>49,209</u>
<b>EXPENDITURES</b>			
Current:			
Transportation	1,208,398	982,026	226,372
Capital outlay	1,094,700	589,367	505,333
Total expenditures	<u>2,303,098</u>	<u>1,571,393</u>	<u>731,705</u>
Excess (deficiency) of revenues over (under) expenditures	(623,698)	157,216	780,914
Fund balances - beginning	<u>1,863,078</u>	<u>1,863,078</u>	-
Fund balances - ending	<u>\$ 1,239,380</u>	<u>\$ 2,020,294</u>	<u>\$ 780,914</u>



CITY OF SUNRISE, FLORIDA  
STATE HOUSING INITIATIVES PARTNERSHIP GRANT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 69,250	\$ 69,250
Investment earnings	-	7,620	7,620
<b>Total revenues</b>	<b>-</b>	<b>76,870</b>	<b>76,870</b>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Economic development	513,476	298,072	215,404
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(513,476)</b>	<b>(221,202)</b>	<b>292,274</b>
Fund balances - beginning	545,504	545,504	-
Fund balances - ending	<b>\$ 32,028</b>	<b>\$ 324,302</b>	<b>\$ 292,274</b>

CITY OF SUNRISE, FLORIDA  
POLICE CONFISCATION SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Charges for services	\$ -	\$ 77,650	\$ 77,650
Judgments, fines and forfeitures	-	3,920,921	3,920,921
Investment earnings	-	33,214	33,214
<b>Total revenues</b>	<b>-</b>	<b>4,031,785</b>	<b>4,031,785</b>
<b>EXPENDITURES</b>			
Current:			
Public safety	2,024,346	1,717,411	306,935
Capital outlay	783,290	615,714	167,576
<b>Total expenditures</b>	<b>2,807,636</b>	<b>2,333,125</b>	<b>474,511</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(2,807,636)</b>	<b>1,698,660</b>	<b>4,506,296</b>
<b>OTHER FINANCING SOURCES</b>			
Sale of capital assets	-	4,131	4,131
<b>Net change in fund balances</b>	<b>(2,807,636)</b>	<b>1,702,791</b>	<b>4,510,427</b>
Fund balances - beginning	3,757,863	3,757,863	-
Fund balances - ending	<b>\$ 950,227</b>	<b>\$ 5,460,654</b>	<b>\$ 4,510,427</b>

CITY OF SUNRISE, FLORIDA  
PUBLIC IMPROVEMENT DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Franchise fees	\$ 6,150,000	\$ 2,824,805	\$ (3,325,195)
Investment earnings	48,000	11,509	(36,491)
Total revenues	<u>6,198,000</u>	<u>2,836,314</u>	<u>(3,361,686)</u>
<b>EXPENDITURES</b>			
Debt service:			
Other	<u>4,500</u>	<u>308</u>	<u>4,192</u>
Excess of revenues over expenditures	6,193,500	2,836,006	(3,357,494)
<b>OTHER FINANCING USES</b>			
Transfers out	<u>(10,207,147)</u>	<u>(10,207,147)</u>	<u>-</u>
Net change in fund balances	(4,013,647)	(7,371,141)	(3,357,494)
Fund balances - beginning	<u>7,371,141</u>	<u>7,371,141</u>	<u>-</u>
Fund balances - ending	<u>\$ 3,357,494</u>	<u>\$ -</u>	<u>\$ (3,357,494)</u>

CITY OF SUNRISE, FLORIDA  
SPECIAL RECREATION DISTRICT PHASE I DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Special assessments	\$ 272,357	\$ 272,619	\$ 262
Investment earnings	200	313	113
<b>Total revenues</b>	<u>272,557</u>	<u>272,932</u>	<u>375</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	190,000	190,000	-
Interest	82,082	82,080	2
Other	475	467	8
<b>Total expenditures</b>	<u>272,557</u>	<u>272,547</u>	<u>10</u>
<b>Excess of revenues over expenditures</b>	-	385	385
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ 385</u>	<u>\$ 385</u>

CITY OF SUNRISE, FLORIDA  
SPECIAL RECREATION DISTRICT PHASE II DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Special assessments	\$ 278,333	\$ 279,250	\$ 917
Investment earnings	200	404	204
<b>Total revenues</b>	<u>278,533</u>	<u>279,654</u>	<u>1,121</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	245,000	245,000	-
Interest	33,233	33,233	-
Other	300	286	14
<b>Total expenditures</b>	<u>278,533</u>	<u>278,519</u>	<u>14</u>
<b>Excess of revenues over expenditures</b>	-	1,135	1,135
Fund balances - beginning	<u>92</u>	<u>92</u>	-
Fund balances - ending	<u>\$ 92</u>	<u>\$ 1,227</u>	<u>\$ 1,135</u>

CITY OF SUNRISE, FLORIDA  
SPECIAL TAX DISTRICT NO. 1 DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Property taxes	\$ 2,492,548	\$ 2,440,121	\$ (52,427)
Investment earnings	-	549	549
<b>Total revenues</b>	<u>2,492,548</u>	<u>2,440,670</u>	<u>(51,878)</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	1,570,000	1,570,000	-
Interest	1,004,753	1,004,753	-
Other	47,795	44,155	3,640
<b>Total expenditures</b>	<u>2,622,548</u>	<u>2,618,908</u>	<u>3,640</u>
<b>Deficiency of revenues under expenditures</b>	<b>(130,000)</b>	<b>(178,238)</b>	<b>(48,238)</b>
Fund balances - beginning	<u>3,993,962</u>	<u>3,993,962</u>	-
Fund balances - ending	<u><u>\$ 3,863,962</u></u>	<u><u>\$ 3,815,724</u></u>	<u><u>\$ (48,238)</u></u>

CITY OF SUNRISE, FLORIDA  
PUBLIC SERVICE TAX DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Utility service taxes	\$ 7,310,000	\$ 7,656,725	\$ 346,725
Communications services taxes	3,665,000	3,740,581	75,581
Investment earnings	4,000	3,397	(603)
<b>Total revenues</b>	<b>10,979,000</b>	<b>11,400,703</b>	<b>421,703</b>
<b>EXPENDITURES</b>			
<b>Debt service:</b>			
Principal	5,175,000	5,175,000	-
Principal repayment due to refunding	8,175,000	8,175,000	-
Interest	278,285	242,250	36,035
Other	15,000	6,781	8,219
<b>Total expenditures</b>	<b>13,643,285</b>	<b>13,599,031</b>	<b>44,254</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(2,664,285)</b>	<b>(2,198,328)</b>	<b>465,957</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	6,000,000	6,000,000	-
Transfers out	(5,380,715)	(5,380,715)	-
<b>Total other financing sources (uses)</b>	<b>619,285</b>	<b>619,285</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(2,045,000)</b>	<b>(1,579,043)</b>	<b>465,957</b>
Fund balances - beginning	2,973,321	2,973,321	-
Fund balances - ending	<b>\$ 928,321</b>	<b>\$ 1,394,278</b>	<b>\$ 465,957</b>

**CITY OF SUNRISE, FLORIDA**  
**SPECIAL TAX DISTRICT NO. 1 CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 2,177	\$ 2,177
Excess of revenues over expenditures	-	2,177	2,177
Fund balances - beginning	1,467,791	1,467,791	-
Fund balances - ending	<u>\$ 1,467,791</u>	<u>\$ 1,469,968</u>	<u>\$ 2,177</u>



CITY OF SUNRISE, FLORIDA  
 CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 1,564,359	\$ 1,064,165	\$ (500,194)
Investment earnings	450,000	403,191	(46,809)
Contributions and donations	-	5,000	5,000
Miscellaneous	-	2,481	2,481
<b>Total revenues</b>	<u>2,014,359</u>	<u>1,474,837</u>	<u>(539,522)</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>46,766,470</u>	<u>17,531,755</u>	<u>29,234,715</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(44,752,111)</b>	<b>(16,056,918)</b>	<b>28,695,193</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	11,952,922	11,952,922	-
Transfers out	<u>(3,550,939)</u>	<u>(3,550,939)</u>	-
<b>Total other financing sources (uses)</b>	<u>8,401,983</u>	<u>8,401,983</u>	-
<b>Net change in fund balances</b>	<b>(36,350,128)</b>	<b>(7,654,935)</b>	<b>28,695,193</b>
Fund balances - beginning	<u>45,440,001</u>	<u>45,440,001</u>	-
Fund balances - ending	<u>\$ 9,089,873</u>	<u>\$ 37,785,066</u>	<u>\$ 28,695,193</u>

# *Nonmajor Proprietary Funds*

## *Enterprise Funds*

*Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services. When debt is backed solely by fees and charges or there is a legal requirement or policy decision to recover costs, an enterprise fund must be used.*

### *Recycling Fund*

*Accounts for the provision of recycling services to City residents.*

### *Stormwater Fund*

*Accounts for the operations of a City stormwater utility.*

### *Golf Course Fund*

*Accounts for the operations of a City owned golf course.*

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF NET ASSETS  
 NONMAJOR ENTERPRISE FUNDS  
 SEPTEMBER 30, 2011

	Recycling	Stormwater	Golf Course	Total Nonmajor Enterprise Funds
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 26,406	\$ 3,224,644	\$ 181,783	\$ 3,432,833
Investments	10,860	1,510,462	431,218	1,952,540
Interest receivable	282	5,294	1,514	7,090
Accounts receivable, net of allowance for uncollectibles	11,421	372,458	-	383,879
Other receivables	-	-	16	16
Intergovernmental receivable	60,608	-	-	60,608
Inventories	-	81,281	806	82,087
Prepaid items	-	178,762	2,800	181,562
<b>Total current assets</b>	<b>109,577</b>	<b>5,372,901</b>	<b>618,137</b>	<b>6,100,615</b>
<b>Noncurrent assets:</b>				
<b>Capital assets:</b>				
Land	-	-	1,223,300	1,223,300
Buildings and system	-	756,271	-	756,271
Improvements other than buildings	-	3,270,985	157,971	3,428,956
Machinery and equipment	12,109	1,019,000	581,546	1,612,655
Vehicles	18,223	438,779	-	457,002
Construction in progress	-	280,551	-	280,551
Less accumulated depreciation	(30,332)	(1,651,995)	(280,006)	(1,962,333)
<b>Total capital assets, net of accumulated depreciation</b>	<b>-</b>	<b>4,113,591</b>	<b>1,682,811</b>	<b>5,796,402</b>
<b>Total assets</b>	<b>109,577</b>	<b>9,486,492</b>	<b>2,300,948</b>	<b>11,897,017</b>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable	31,450	39,038	101,652	172,140
Accrued liabilities	-	23,542	-	23,542
Due to other funds	-	2,057	-	2,057
Interfund payable	-	87,417	-	87,417
Compensated absences	-	10,180	-	10,180
Intergovernmental payable	-	-	2,845	2,845
<b>Total current liabilities</b>	<b>31,450</b>	<b>162,234</b>	<b>104,497</b>	<b>298,181</b>
<b>Noncurrent liabilities:</b>				
Compensated absences	-	168,810	-	168,810
Other post employment benefits	-	194,061	-	194,061
Retiree subsidy	-	208,002	62,037	270,039
Unearned revenue	-	-	1,883	1,883
Advances from other funds	-	510,939	-	510,939
<b>Total noncurrent liabilities</b>	<b>-</b>	<b>1,081,812</b>	<b>63,920</b>	<b>1,145,732</b>
<b>Total liabilities</b>	<b>31,450</b>	<b>1,244,046</b>	<b>168,417</b>	<b>1,443,913</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	-	4,078,586	1,648,736	5,727,322
Unrestricted	78,127	4,163,860	483,795	4,725,782
<b>Total net assets</b>	<b>\$ 78,127</b>	<b>\$ 8,242,446</b>	<b>\$ 2,132,531</b>	<b>\$ 10,453,104</b>

**CITY OF SUNRISE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Recycling</u>	<u>Stormwater</u>	<u>Golf Course</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Operating revenues:</b>				
<b>Charges for sales and services:</b>				
<b>Fees</b>	<b>\$ 175,689</b>	<b>\$ 4,054,391</b>	<b>\$ 893,641</b>	<b>\$ 5,123,721</b>
<b>Operating expenses:</b>				
<b>Costs of sales and services:</b>				
Power, water and wastewater purchases	-	5,556	93,343	98,899
Chemical purchases	-	19,822	97,674	117,496
Recycling charges	510,399	-	-	510,399
Materials and supplies	-	24,049	18,447	42,496
Repairs and maintenance	-	215,988	11,761	227,749
Salaries, wages and employee benefits	-	1,119,800	21,073	1,140,873
Insurance and other expenses	6,085	202,104	1,376,011	1,584,200
Administrative fees	28,459	345,512	176,027	549,998
Depreciation and amortization	581	214,732	53,664	268,977
<b>Total operating expenses</b>	<b>545,524</b>	<b>2,147,563</b>	<b>1,848,000</b>	<b>4,541,087</b>
<b>Operating income (loss)</b>	<b>(369,835)</b>	<b>1,906,828</b>	<b>(954,359)</b>	<b>582,634</b>
<b>Non-operating revenues (expenses):</b>				
Investment earnings	2,661	19,871	4,616	27,148
Interest expense	-	(35,774)	-	(35,774)
Sale of recyclable materials	194,979	-	-	194,979
Other	5,718	12,555	92,391	110,664
<b>Total non-operating revenues (expenses)</b>	<b>203,358</b>	<b>(3,348)</b>	<b>97,007</b>	<b>297,017</b>
<b>Income (loss) before transfers</b>	<b>(166,477)</b>	<b>1,903,480</b>	<b>(857,352)</b>	<b>879,651</b>
<b>Transfers in</b>	<b>45,766</b>	<b>-</b>	<b>809,698</b>	<b>855,464</b>
<b>Change in net assets</b>	<b>(120,711)</b>	<b>1,903,480</b>	<b>(47,654)</b>	<b>1,735,115</b>
<b>Total net assets - beginning</b>	<b>198,838</b>	<b>\$ 6,338,966</b>	<b>\$ 2,180,185</b>	<b>8,717,989</b>
<b>Total net assets - ending</b>	<b>\$ 78,127</b>	<b>\$ 8,242,446</b>	<b>\$ 2,132,531</b>	<b>\$ 10,453,104</b>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Recycling	Stormwater	Golf Course	Total Nonmajor Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 355,846	\$ 4,062,124	\$ 895,765	\$ 5,313,735
Payments to suppliers	(613,489)	(477,774)	(1,685,318)	(2,776,581)
Payments to and for employees	-	(1,149,221)	(23,899)	(1,173,120)
Payments for interfund services used	(28,459)	(394,697)	(176,027)	(599,183)
Net cash provided (used) by operating activities	<u>(286,102)</u>	<u>2,040,432</u>	<u>(989,479)</u>	<u>764,851</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfer from other funds	<u>45,766</u>	<u>-</u>	<u>809,698</u>	<u>855,464</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets	-	(698,087)	(159,372)	(857,459)
Interest paid on capital debt	-	(35,774)	-	(35,774)
Advances from other funds	-	(83,057)	-	(83,057)
Net cash (used) by capital and related financing activities	<u>-</u>	<u>(816,918)</u>	<u>(159,372)</u>	<u>(976,290)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sales and maturities of investments	248,904	2,481,589	708,448	3,438,941
Purchase of investments	(104,022)	(2,212,787)	(631,928)	(2,948,737)
Interest and dividends received	1,637	21,035	5,156	27,828
Net cash provided by investing activities	<u>146,519</u>	<u>289,837</u>	<u>81,676</u>	<u>518,032</u>
Net increase (decrease) in cash and cash equivalents	(93,817)	1,513,351	(257,477)	1,162,057
Cash and cash equivalents, October 1	<u>120,223</u>	<u>1,711,293</u>	<u>439,260</u>	<u>2,270,776</u>
Cash and cash equivalents, September 30	<u>\$ 26,406</u>	<u>\$ 3,224,644</u>	<u>\$ 181,783</u>	<u>\$ 3,432,833</u>

	Recycling	Stormwater	Golf Course	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (369,835)	\$ 1,906,828	\$ (954,359)	\$ 582,634
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Miscellaneous non-operating income from by-products of recycling activities	200,697	-	-	200,697
Miscellaneous non-operating income	-	12,555	92,391	104,946
Depreciation and amortization expense	581	214,732	53,664	268,977
Decrease in accounts receivable	468	15,016	-	15,484
Decrease in other receivables	-	-	42	42
Decrease in due from other funds	-	9,015	-	9,015
(Increase) decrease in intergovernmental receivables	(14,923)	-	10,560	(4,363)
(Increase) decrease in inventories	-	(16,127)	348	(15,779)
(Increase) in prepaid items	-	(178,762)	(1,700)	(180,462)
Increase (decrease) in accounts payable	(103,090)	9,347	(97,837)	(191,580)
Increase in accrued liabilities	-	1,090	-	1,090
Increase in due to other funds	-	39	-	39
Increase in intergovernmental payables	-	-	624	624
(Decrease) in other liabilities, current	-	-	(2,765)	(2,765)
Increase in unearned revenue	-	-	1,883	1,883
(Decrease) in retainage payable	-	(21,878)	(1,000)	(22,878)
(Decrease) in compensated absences payable	-	(1,867)	-	(1,867)
Increase (decrease) in other post employment benefits payable	-	38,916	(88,504)	(49,588)
Increase (decrease) in retiree subsidy payable	-	51,528	(2,826)	48,702
Total adjustments	<u>83,733</u>	<u>133,604</u>	<u>(35,120)</u>	<u>182,217</u>
Net cash provided by (used in) operating activities	<u>\$ (286,102)</u>	<u>\$ 2,040,432</u>	<u>\$ (989,479)</u>	<u>\$ 764,851</u>
Noncash investing activities:				
Net increase in fair value of investments	\$ 1,560	\$ 88	\$ 16	\$ 1,664

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## *Internal Service Funds*

*Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and other government units, on a cost reimbursement basis.*

*Workers' Compensation Fund*      *Accounts for the provision of workers' compensation services to departments.*

*Vehicle Replacement Fund*      *Accounts for funding for vehicle replacement.*



CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF NET ASSETS  
 INTERNAL SERVICE FUNDS  
 SEPTEMBER 30, 2011

	Workers' Compensation	Vehicle Replacement	Total
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 5,583,395	\$ 3,352,514	\$ 8,935,909
Investments	4,038,373	4,015,213	8,053,586
Interest receivable	13,992	13,818	27,810
<b>Total current assets</b>	<b>9,635,760</b>	<b>7,381,545</b>	<b>17,017,305</b>
<b>Noncurrent assets:</b>			
<b>Capital assets:</b>			
Intangibles	-	1,742	1,742
Machinery and equipment	-	72,270	72,270
Vehicles	-	2,839,317	2,839,317
Less accumulated depreciation	-	(491,494)	(491,494)
<b>Total capital assets, net of       accumulated depreciation</b>	<b>-</b>	<b>2,421,835</b>	<b>2,421,835</b>
<b>Total assets</b>	<b>9,635,760</b>	<b>9,803,380</b>	<b>19,439,140</b>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable	6,782	4,689	11,471
<b>Noncurrent liabilities:</b>			
Claims and judgments	4,851,303	-	4,851,303
<b>Total liabilities</b>	<b>4,858,085</b>	<b>4,689</b>	<b>4,862,774</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	-	2,420,725	2,420,725
Unrestricted	4,777,675	7,377,966	12,155,641
<b>Total net assets</b>	<b>\$ 4,777,675</b>	<b>\$ 9,798,691</b>	<b>\$ 14,576,366</b>

**CITY OF SUNRISE, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Workers'</u> <u>Compensation</u>	<u>Vehicle</u> <u>Replacement</u>	<u>Total</u>
<b>Operating revenues:</b>			
Charges for sales and services:			
Service charges	\$ 2,341,846	\$ 1,045,673	\$ 3,387,519
<b>Operating expenses:</b>			
Costs of sales and services:			
Power, water and wastewater purchases	-	28,608	28,608
Materials and supplies	-	6,285	6,285
Repairs and maintenance	-	7,444	7,444
Insurance and other expenses	383,737	20,893	404,630
Claims expense	1,280,881	-	1,280,881
Depreciation and amortization	-	340,461	340,461
<b>Total operating expenses</b>	<u>1,664,618</u>	<u>403,691</u>	<u>2,068,309</u>
 Operating income	 <u>677,228</u>	 <u>641,982</u>	 <u>1,319,210</u>
<b>Non-operating revenues:</b>			
Investment earnings	56,020	58,777	114,797
Other	-	1,807	1,807
<b>Total non-operating revenues</b>	<u>56,020</u>	<u>60,584</u>	<u>116,604</u>
 Change in net assets	 733,248	 702,566	 1,435,814
 Total net assets - beginning	 <u>4,044,427</u>	 <u>\$ 9,096,125</u>	 <u>13,140,552</u>
 Total net assets - ending	 <u>\$ 4,777,675</u>	 <u>\$ 9,798,691</u>	 <u>\$ 14,576,366</u>

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Workers' Compensation	Vehicle Replacement	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 2,341,846	\$ 313,096	\$ 2,654,942
Payments to suppliers	(1,186,552)	(77,794)	(1,264,346)
Net cash provided by operating activities	<u>1,155,294</u>	<u>235,302</u>	<u>1,390,596</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	-	(1,109,517)	(1,109,517)
Net cash (used) by capital and related financing activities	<u>-</u>	<u>(1,109,517)</u>	<u>(1,109,517)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sales and maturities of investments	6,560,825	6,486,697	13,047,522
Purchase of investments	(5,836,094)	(5,761,881)	(11,597,975)
Interest and dividends received	52,752	51,198	103,950
Net cash provided by investing activities	<u>777,483</u>	<u>776,014</u>	<u>1,553,497</u>
Net increase (decrease) in cash and cash equivalents	1,932,777	(98,201)	1,834,576
Cash and cash equivalents, October 1	<u>3,650,618</u>	<u>3,450,715</u>	<u>7,101,333</u>
Cash and cash equivalents, September 30	<u>\$ 5,583,395</u>	<u>\$ 3,352,514</u>	<u>\$ 8,935,909</u>

	<u>Workers'</u> <u>Compensation</u>	<u>Vehicle</u> <u>Replacement</u>	<u>Total</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income	<u>\$ 677,228</u>	<u>\$ 641,982</u>	<u>\$ 1,319,210</u>
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>			
Miscellaneous non-operating income	-	1,807	1,807
Depreciation and amortization expense	-	340,461	340,461
Decrease in accounts receivable	89,261	-	89,261
(Decrease) in accounts payable	(32,218)	(16,356)	(48,574)
(Decrease) in due to other funds	-	(732,592)	(732,592)
Increase in claims and judgments	421,023	-	421,023
Total adjustments	<u>478,066</u>	<u>(406,680)</u>	<u>71,386</u>
<b>Net cash provided by operating activities</b>	<u><u>\$ 1,155,294</u></u>	<u><u>\$ 235,302</u></u>	<u><u>\$ 1,390,596</u></u>
<b>Noncash investing activities:</b>			
Net increase in fair value of investments	\$ 9,513	\$ 14,099	\$ 23,612

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# *Fiduciary Funds*

## *Pension Trust Funds*

*Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans.*

*General Employees',  
Police Officers' and  
Firefighters' Pension  
Trust Funds*

*Account for the accumulation of resources to be used for retirement benefit payments to City employees.*

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 SEPTEMBER 30, 2011

	Employee Retirement Funds			
	General Employees' Pension	Police Officers' Pension	Firefighters' Pension	Total Pension Trust Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 12,648,877	\$ 9,101,377	\$ 9,943,087	\$ 31,693,341
Receivable from sale of securities	-	58,695	4,999,347	5,058,042
Interest and dividends receivable	189,160	380,212	195,097	764,469
Due from other funds	87,841	63,553	57,354	208,748
Other receivables	2,379	3,666	-	6,045
Investments, at fair value:				
U.S. government and agency securities	-	14,309,438	11,519,082	25,828,520
Corporate bonds	-	12,711,716	11,133,944	23,845,660
Mutual funds	42,935,610	-	13,049,943	55,985,553
Common stocks	51,754,721	31,626,537	25,556,186	108,937,444
International equity funds	15,155,461	4,332,307	5,294,032	24,781,800
Total investments	<u>109,845,792</u>	<u>62,979,998</u>	<u>66,553,187</u>	<u>239,378,977</u>
Prepaid items	-	10,828	-	10,828
Equipment, net of accumulated depreciation of \$27,304	-	178	-	178
Total assets	<u>122,774,049</u>	<u>72,598,507</u>	<u>81,748,072</u>	<u>277,120,628</u>
<b>LIABILITIES</b>				
Accounts payable	259,520	95,094	50,254	404,868
Deferred revenue	8,377,259	6,034,320	3,691,163	18,102,742
Payable for purchase of securities	117,443	302,821	5,324,060	5,744,324
Total liabilities	<u>8,754,222</u>	<u>6,432,235</u>	<u>9,065,477</u>	<u>24,251,934</u>
<b>NET ASSETS</b>				
Held in trust for pension benefits	<u>\$ 114,019,827</u>	<u>\$ 66,166,272</u>	<u>\$ 72,682,595</u>	<u>\$ 252,868,694</u>

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

	Employee Retirement Funds			
	General Employees' Pension	Police Officers' Pension	Firefighters' Pension	Total Pension Trust Funds
<b>ADDITIONS</b>				
<b>Contributions:</b>				
Employer	\$ 7,914,922	\$ 5,954,543	\$ 3,192,622	\$ 17,062,087
Plan members	2,653,307	1,293,749	1,144,922	5,091,978
Other sources	-	508,251	769,600	1,277,851
<b>Total contributions</b>	<b>10,568,229</b>	<b>7,756,543</b>	<b>5,107,144</b>	<b>23,431,916</b>
<b>Investment earnings (loss):</b>				
Interest	298	1,336,850	938,417	2,275,565
Dividends	1,996,313	926,277	392,163	3,314,753
Net decrease in fair value of investments	(3,639,710)	(2,099,071)	(8,239)	(5,747,020)
Other	20,452	3,110	6,232	29,794
<b>Total investment earnings (loss)</b>	<b>(1,622,647)</b>	<b>167,166</b>	<b>1,328,573</b>	<b>(126,908)</b>
Less investment expense	664,880	390,592	318,877	1,374,349
<b>Net investment earnings (loss)</b>	<b>(2,287,527)</b>	<b>(223,426)</b>	<b>1,009,696</b>	<b>(1,501,257)</b>
<b>Total additions</b>	<b>8,280,702</b>	<b>7,533,117</b>	<b>6,116,840</b>	<b>21,930,659</b>
<b>DEDUCTIONS</b>				
Benefits	8,095,148	3,264,734	3,145,062	14,504,944
Refunds of contributions	97,687	-	50,244	147,931
Administrative expenses	158,691	245,405	175,248	579,344
<b>Total deductions</b>	<b>8,351,526</b>	<b>3,510,139</b>	<b>3,370,554</b>	<b>15,232,219</b>
<b>Change in net assets</b>	<b>(70,824)</b>	<b>4,022,978</b>	<b>2,746,286</b>	<b>6,698,440</b>
<b>Net assets - beginning</b>	<b>114,090,651</b>	<b>\$ 62,143,294</b>	<b>\$ 69,936,309</b>	<b>246,170,254</b>
<b>Net assets - ending</b>	<b>\$ 114,019,827</b>	<b>\$ 66,166,272</b>	<b>\$ 72,682,595</b>	<b>\$ 252,868,694</b>



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*Section III*  
*City of Sunrise, Florida*  
*Statistical Section*  
*(unaudited)*

## Statistical Section

This part of the City'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.

### CONTENTS

	<u>Page</u>
<b>Financial Trends</b>	132
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
<b>Revenue Capacity</b>	138
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	
<b>Debt Capacity</b>	142
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
<b>Demographic and Economic Information</b>	146
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
<b>Operating Information</b>	148
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

SCHEDULE 1  
CITY OF SUNRISE, FLORIDA  
NET ASSETS BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Governmental activities:</b>										
Invested in capital assets, net of related debt	\$ 162,976,540	\$ 164,268,482	\$ 165,271,477	\$ 151,152,286	\$ 142,898,601	\$ 140,513,904	\$ 128,420,363	\$ 123,216,601	\$ 142,039,078	\$ 155,500,859
Restricted	15,238,693	9,689,016	9,598,418	12,064,472	13,272,982	11,935,865	16,197,224	14,247,059	14,748,436	14,338,760
Unrestricted	87,060,179	106,482,615	112,476,433	126,209,452	146,486,034	158,620,682	166,333,000	160,417,231	131,178,114	102,909,539
<b>Total governmental activities net assets</b>	<b>\$ 265,275,412</b>	<b>\$ 280,440,113</b>	<b>\$ 287,346,328</b>	<b>\$ 289,426,210</b>	<b>\$ 302,657,617</b>	<b>\$ 311,070,451</b>	<b>\$ 310,950,587</b>	<b>\$ 297,880,891</b>	<b>\$ 287,965,628</b>	<b>\$ 272,749,158</b>
<b>Business-type activities:</b>										
Invested in capital assets, net of related debt	\$ 152,873,729	\$ 155,695,678	\$ 157,063,189	\$ 156,539,235	\$ 157,516,304	\$ 159,819,328	\$ 159,866,417	\$ 165,211,690	\$ 225,849,507	\$ 215,951,117
Restricted	22,184,305	22,469,209	24,746,175	24,745,436	24,017,536	16,824,604	13,782,270	15,107,507	31,477,214	34,052,302
Unrestricted	98,566,646	92,708,563	94,262,479	99,351,532	102,097,084	108,328,663	103,375,663	108,312,854	34,252,389	60,828,007
<b>Total business-type activities net assets</b>	<b>\$ 273,624,680</b>	<b>\$ 270,873,450</b>	<b>\$ 276,071,843</b>	<b>\$ 280,636,203</b>	<b>\$ 283,630,924</b>	<b>\$ 284,972,595</b>	<b>\$ 277,024,350</b>	<b>\$ 288,632,051</b>	<b>\$ 291,579,110</b>	<b>\$ 310,831,426</b>
<b>Total:</b>										
Invested in capital assets, net of related debt	\$ 315,850,269	\$ 319,964,160	\$ 322,334,666	\$ 307,691,521	\$ 300,414,905	\$ 300,333,232	\$ 288,286,780	\$ 288,428,291	\$ 367,888,585	\$ 371,451,976
Restricted	37,422,998	32,158,225	34,344,593	36,809,908	37,290,518	28,760,469	29,979,494	29,354,566	46,225,650	48,391,062
Unrestricted	185,626,825	199,191,178	206,738,912	225,560,984	248,583,118	266,949,345	269,708,663	268,730,085	165,430,503	163,737,546
<b>Total net assets</b>	<b>\$ 538,900,092</b>	<b>\$ 551,313,563</b>	<b>\$ 563,418,171</b>	<b>\$ 570,062,413</b>	<b>\$ 586,288,541</b>	<b>\$ 596,043,046</b>	<b>\$ 587,974,937</b>	<b>\$ 586,512,942</b>	<b>\$ 579,544,738</b>	<b>\$ 583,580,584</b>

SCHEDULE 2  
CITY OF SUNRISE, FLORIDA  
CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>EXPENSES</b>										
<b>Governmental activities:</b>										
General government	\$ 11,396,263	\$ 14,229,369	\$ 12,728,139	\$ 20,725,080	\$ 22,398,846	\$ 17,106,530	\$ 17,448,298	\$ 18,173,477	\$ 20,082,293	\$ 20,272,440
Public safety	34,541,724	38,025,336	40,380,723	43,259,422	48,553,871	55,627,059	60,152,949	63,489,700	64,437,920	71,266,497
Physical environment	2,814,202	3,085,732	4,032,579	4,038,713	3,894,066	3,825,714	5,616,096	4,449,634	-	58,450
Economic development	1,642,634	1,334,180	1,356,125	1,599,428	1,220,839	1,309,622	1,918,783	3,344,301	4,809,338	3,394,166
Human services	53,049	52,064	53,100	53,309	50,112	5,212	42,441	43,625	30,911	5,709
Transportation	11,461,887	11,588,816	11,890,181	12,997,637	13,860,838	13,339,526	14,231,150	14,391,264	16,280,932	16,178,619
Culture and recreation	9,206,968	10,472,065	10,803,739	11,786,699	12,736,376	14,079,998	15,106,718	15,215,151	13,564,626	14,093,867
Interest on long-term debt	3,660,203	5,268,949	5,240,076	4,989,173	4,834,649	4,683,165	4,599,747	4,393,765	4,173,836	3,766,241
<b>Total governmental activities expenses</b>	<b>74,776,930</b>	<b>84,056,511</b>	<b>86,484,662</b>	<b>99,449,461</b>	<b>107,549,597</b>	<b>109,976,826</b>	<b>119,116,182</b>	<b>123,500,917</b>	<b>123,379,856</b>	<b>129,035,989</b>
<b>Business-type activities:</b>										
Water and wastewater	51,741,868	55,269,517	55,057,974	57,507,387	61,235,920	63,377,515	68,032,116	60,752,251	66,756,884	70,525,696
Gas	5,105,765	6,080,350	6,789,424	8,018,044	8,373,066	8,023,304	9,248,540	6,772,874	6,871,911	6,591,254
Sanitation	10,918,700	11,076,177	11,503,114	12,863,087	15,954,628	15,821,262	14,889,338	14,705,325	14,508,602	14,048,290
Recycling	292,845	294,905	275,659	367,695	430,064	519,441	564,707	604,604	559,919	545,524
Stormwater	1,182,701	1,453,683	1,470,516	1,439,906	2,028,070	1,634,407	1,842,738	1,924,842	2,181,131	2,169,113
Golf course	827,609	874,593	1,106,687	1,301,732	1,283,287	1,449,282	1,537,059	1,449,494	832,053	1,848,000
<b>Total business-type activities expenses</b>	<b>70,069,488</b>	<b>75,049,225</b>	<b>76,203,374</b>	<b>81,497,851</b>	<b>89,305,035</b>	<b>90,825,211</b>	<b>96,114,498</b>	<b>86,209,390</b>	<b>91,710,500</b>	<b>95,727,877</b>
<b>Total expenses</b>	<b>\$ 144,846,418</b>	<b>\$ 159,105,736</b>	<b>\$ 162,688,036</b>	<b>\$ 180,947,312</b>	<b>\$ 196,854,632</b>	<b>\$ 200,802,037</b>	<b>\$ 215,230,680</b>	<b>\$ 209,710,307</b>	<b>\$ 215,090,356</b>	<b>\$ 224,763,866</b>
<b>PROGRAM REVENUES</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General government	\$ 5,569,332	\$ 5,942,012	\$ 6,414,067	\$ 6,726,315	\$ 6,211,713	\$ 6,687,788	\$ 6,221,654	\$ 5,941,060	\$ 5,752,065	\$ 6,461,395
Public safety	9,395,510	9,952,259	11,157,111	13,211,164	15,739,691	14,982,473	13,886,094	16,015,292	15,803,017	17,010,389
Physical environment	7,037,802	7,289,397	7,505,414	7,554,593	7,988,216	7,995,686	8,316,019	9,638,883	11,953,369	11,966,332
Transportation	22,757	22,780	22,333	22,526	17,456	17,796	18,997	17,025	25,005	56,145
Culture and recreation	1,001,572	1,028,431	1,167,287	1,202,142	1,154,083	1,231,116	1,300,725	1,187,904	1,115,163	1,158,463
Operating grants and contributions	3,741,364	4,270,507	4,623,175	4,435,546	12,861,054	5,142,577	10,904,960	7,170,963	5,717,742	10,163,701
Capital grants and contributions	1,280,167	9,003,291	2,586,429	1,503,241	1,313,595	1,835,698	1,813,574	1,363,767	1,731,426	2,055,863
<b>Total governmental activities program revenues</b>	<b>28,048,504</b>	<b>37,508,677</b>	<b>33,475,816</b>	<b>34,655,527</b>	<b>45,285,808</b>	<b>37,893,134</b>	<b>42,462,023</b>	<b>41,334,894</b>	<b>42,097,787</b>	<b>48,872,288</b>
<b>Business-type activities:</b>										
<b>Charges for services:</b>										
Water and wastewater	49,968,998	51,216,884	52,027,790	52,462,626	52,853,098	52,454,892	56,115,889	65,397,327	81,881,749	82,899,507
Gas	5,686,691	6,658,908	7,013,495	7,900,934	9,591,125	8,832,133	9,779,418	8,290,006	7,808,387	7,524,819
Sanitation	10,571,840	10,719,375	11,153,684	12,545,084	15,433,205	14,997,289	14,189,961	13,977,607	13,729,802	13,272,614
Recycling	151,318	144,211	152,392	153,154	153,142	161,604	170,265	178,433	175,078	175,689
Stormwater	1,061,246	1,231,066	1,671,287	1,717,023	2,010,632	2,021,492	2,013,498	2,927,086	4,072,545	4,054,391
Golf course	400,796	328,475	364,268	552,802	508,397	595,702	565,554	493,963	36,176	893,641
Operating grants and contributions	-	41,906	105,917	143,486	821,187	240,685	82,488	20,911	-	-
Capital grants and contributions	6,932,935	5,703,599	7,288,180	6,860,165	3,457,391	2,534,123	3,272,683	2,416,271	998,783	1,952,079
<b>Total business-type activities program revenues</b>	<b>74,773,824</b>	<b>76,044,424</b>	<b>79,777,013</b>	<b>82,335,274</b>	<b>84,828,177</b>	<b>81,837,920</b>	<b>86,189,756</b>	<b>93,701,604</b>	<b>108,702,520</b>	<b>110,772,740</b>
<b>Total program revenues</b>	<b>\$ 102,822,328</b>	<b>\$ 113,553,101</b>	<b>\$ 113,252,829</b>	<b>\$ 116,990,801</b>	<b>\$ 130,113,985</b>	<b>\$ 119,731,054</b>	<b>\$ 128,651,779</b>	<b>\$ 135,036,498</b>	<b>\$ 150,800,307</b>	<b>\$ 159,645,028</b>
<b>NET (EXPENSE)/REVENUE</b>										
Governmental activities	\$ (46,728,426)	\$ (46,547,834)	\$ (53,008,846)	\$ (64,793,934)	\$ (62,263,789)	\$ (72,083,692)	\$ (76,654,159)	\$ (82,166,023)	\$ (81,282,069)	\$ (80,163,701)
Business-type activities	4,704,336	995,199	3,573,639	837,423	(4,476,858)	(8,987,291)	(9,924,742)	7,492,214	16,992,020	15,044,863
<b>Total (expense)/revenue</b>	<b>\$ (42,024,090)</b>	<b>\$ (45,552,635)</b>	<b>\$ (49,435,207)</b>	<b>\$ (63,956,511)</b>	<b>\$ (66,740,647)</b>	<b>\$ (81,070,983)</b>	<b>\$ (86,578,901)</b>	<b>\$ (74,673,809)</b>	<b>\$ (64,290,049)</b>	<b>\$ (65,118,838)</b>

(continued)

SCHEDULE 2  
CITY OF SUNRISE, FLORIDA  
CHANGES IN NET ASSETS, continued  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS</b>										
<b>Governmental activities:</b>										
Taxes:										
Property taxes	\$ 23,987,933	\$ 25,746,842	\$ 27,977,882	\$ 30,235,087	\$ 33,661,644	\$ 38,094,551	\$ 35,683,030	\$ 36,391,545	\$ 36,137,516	\$ 31,323,739
Insurance premium taxes	654,089	789,625	982,897	1,025,038	1,088,921	1,374,674	1,508,690	1,438,573	1,372,490	1,277,851
Utility service tax	6,382,415	6,426,592	6,405,548	6,543,281	6,616,716	6,588,897	6,764,876	6,956,486	7,688,446	7,656,725
Communications services tax	4,486,487	3,954,630	4,048,653	4,219,407	4,490,037	4,381,503	5,896,566	4,746,093	4,880,665	4,365,158
Local business tax	1,648,575	1,760,897	1,807,780	1,934,455	1,998,601	2,116,164	2,161,515	2,190,433	2,158,770	2,196,298
Franchise fees	7,436,246	7,493,198	8,036,229	8,870,918	9,930,871	9,949,711	9,916,270	9,898,820	9,765,447	9,007,930
Grants and contributions not restricted to specific programs	6,741,054	7,115,228	7,356,386	8,143,618	8,595,154	8,289,334	7,726,461	6,914,110	7,248,078	7,177,354
Unrestricted investment earnings	2,128,012	1,821,562	1,715,265	3,858,495	7,463,841	9,541,466	3,782,898	1,353,077	2,647,362	1,197,371
Surplus earnings on escrow fund	826,640	-	-	-	-	-	-	-	-	-
Miscellaneous	488,594	105,341	1,048,071	1,229,848	1,360,116	1,674,423	1,334,886	532,834	1,105,735	1,018,796
Gain on sale of capital assets	796,403	-	-	-	22,929	69,974	94,230	42,435	30,341	38,873
Transfers	1,179,000	6,498,620	536,350	813,669	266,366	(1,584,171)	1,664,873	(1,368,079)	(1,668,044)	(312,864)
<b>Total governmental activities</b>	<b>56,755,448</b>	<b>61,712,535</b>	<b>59,915,061</b>	<b>66,873,816</b>	<b>75,495,196</b>	<b>80,496,526</b>	<b>76,534,295</b>	<b>69,096,327</b>	<b>71,366,806</b>	<b>64,947,231</b>
<b>Business-type activities:</b>										
Unrestricted investment earnings	3,169,461	2,258,665	1,928,288	4,163,362	7,322,643	8,165,982	2,920,620	736,911	1,812,363	949,692
Miscellaneous	338,112	493,526	232,816	377,244	415,302	578,809	720,750	2,010,497	1,176,194	2,944,897
Extraordinary loss on early extinguishment of debt	-	-	-	-	-	-	-	-	(18,701,562)	-
Transfers	(1,179,000)	(6,498,620)	(536,350)	(813,669)	(266,366)	1,584,171	(1,664,873)	1,368,079	1,668,044	312,864
<b>Total business-type activities</b>	<b>2,328,573</b>	<b>(3,746,429)</b>	<b>1,624,754</b>	<b>3,726,937</b>	<b>7,471,579</b>	<b>10,328,962</b>	<b>1,976,497</b>	<b>4,115,487</b>	<b>(14,044,961)</b>	<b>4,207,453</b>
<b>Total</b>	<b>\$ 59,084,021</b>	<b>\$ 57,966,106</b>	<b>\$ 61,539,815</b>	<b>\$ 70,600,753</b>	<b>\$ 82,966,775</b>	<b>\$ 90,825,488</b>	<b>\$ 78,510,792</b>	<b>\$ 73,211,814</b>	<b>\$ 57,321,845</b>	<b>\$ 69,154,684</b>
<b>CHANGE IN NET ASSETS</b>										
Governmental activities	\$ 10,027,022	\$ 15,164,701	\$ 6,906,215	\$ 2,079,882	\$ 13,231,407	\$ 8,412,834	\$ (119,864)	\$ (13,069,696)	\$ (9,915,263)	\$ (15,216,470)
Business-type activities	7,032,909	(2,751,230)	5,198,393	4,564,360	2,994,721	1,341,671	(7,948,245)	11,607,701	2,947,059	19,252,316
<b>Total</b>	<b>\$ 17,059,931</b>	<b>\$ 12,413,471</b>	<b>\$ 12,104,608</b>	<b>\$ 6,644,242</b>	<b>\$ 16,226,128</b>	<b>\$ 9,754,505</b>	<b>\$ (8,068,109)</b>	<b>\$ (1,461,995)</b>	<b>\$ (6,968,204)</b>	<b>\$ 4,035,846</b>

SCHEDULE 3  
CITY OF SUNRISE, FLORIDA  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

	Pre-GASB 54									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	
General fund										
Reserved	\$ 1,296,851	\$ 1,247,921	\$ 1,566,180	\$ 1,543,783	\$ 1,075,367	\$ 1,223,176	\$ 1,126,038	\$ 906,751	\$ 781,078	
Unreserved	38,853,721	47,495,863	52,984,220	62,965,388	66,826,236	74,017,655	54,581,311	46,969,831	76,930,022	
<b>Total general fund</b>	<b>\$ 40,150,572</b>	<b>\$ 48,743,784</b>	<b>\$ 54,550,400</b>	<b>\$ 64,509,171</b>	<b>\$ 67,901,603</b>	<b>\$ 75,240,831</b>	<b>\$ 55,707,349</b>	<b>\$ 47,876,582</b>	<b>\$ 77,711,100</b>	
All other governmental funds										
Reserved	\$ 5,047,982	\$ 6,433,516	\$ 5,780,628	\$ 6,066,066	\$ 6,061,626	\$ 6,439,674	\$ 691,999	\$ 742,431	\$ 1,395,685	
Unreserved, reported in:										
Special revenue funds	18,827,090	19,214,304	20,080,788	20,762,692	20,880,009	16,213,389	50,690,054	43,728,427	4,569,356	
Debt service funds	3,251,854	2,807,170	3,650,096	4,957,563	6,937,339	6,592,050	10,284,203	13,071,464	14,338,516	
Capital projects funds	34,212,750	44,903,895	40,581,913	42,174,762	58,018,378	65,347,922	65,003,974	73,916,230	46,907,792	
<b>Total all other governmental funds</b>	<b>\$ 61,339,676</b>	<b>\$ 73,358,885</b>	<b>\$ 70,093,425</b>	<b>\$ 73,961,083</b>	<b>\$ 91,897,352</b>	<b>\$ 94,593,035</b>	<b>\$ 126,670,230</b>	<b>\$ 131,458,552</b>	<b>\$ 67,211,349</b>	

	Post-GASB 54
	2011
General fund	
Nonspendable	15,345,639
Spendable:	
Restricted	1,199,657
Committed	28,313,106
Assigned	10,067,923
Unassigned	12,631,804
<b>Total general fund</b>	<b>67,558,129</b>
All other governmental funds	
Nonspendable	46,009
Spendable:	
Restricted	10,938,716
Assigned	42,790,651
Unassigned	(251,900)
<b>Total all other governmental funds</b>	<b>53,523,476</b>

SCHEDULE 4  
CITY OF SUNRISE, FLORIDA  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>REVENUES</b>										
Taxes	\$ 38,784,060	\$ 40,324,133	\$ 42,893,805	\$ 45,631,850	\$ 49,542,416	\$ 54,209,097	\$ 52,418,963	\$ 54,091,176	\$ 54,123,339	\$ 48,563,152
Permits and fees	3,679,296	4,023,318	4,096,212	6,148,918	7,882,904	6,374,505	5,051,122	4,015,896	3,195,176	4,506,666
Franchise fees	7,436,246	7,493,198	8,036,229	8,870,918	9,930,871	9,949,711	9,916,270	9,956,320	9,856,813	9,091,636
Intergovernmental	8,999,772	9,757,317	11,375,915	11,100,519	19,316,393	11,527,526	11,184,237	10,284,225	12,484,748	13,729,502
Charges for services	10,971,032	11,414,114	12,135,714	12,635,252	13,224,635	13,529,185	13,654,942	15,096,127	17,544,176	18,045,527
Administrative charges	4,047,448	4,381,711	4,476,018	4,320,031	4,552,456	5,000,000	4,692,231	4,965,668	5,103,573	5,280,317
Judgments, fines and forfeitures	794,834	1,205,272	1,167,604	968,624	953,751	927,842	7,592,902	2,999,253	1,341,017	4,420,158
Special assessments	4,890,609	4,671,832	5,656,950	5,636,307	4,903,789	5,350,078	5,366,421	7,501,909	7,558,901	7,542,173
Impact fees	433,952	268,215	51,351	204,408	346,571	184,880	138,514	38,128	11,126	134,266
Investment earnings	2,249,217	1,783,009	1,762,267	3,963,045	7,641,401	9,683,248	3,877,039	1,441,684	2,544,657	1,148,747
Surplus earnings on escrow fund	826,640	-	-	-	-	-	-	-	-	-
Contributions and donations	-	-	-	-	-	-	-	84,889	17,822	18,053
Miscellaneous	1,028,544	1,241,880	1,886,830	2,057,288	2,610,919	3,467,993	2,616,691	2,148,045	2,045,547	2,522,855
<b>Total revenues</b>	<b>84,141,650</b>	<b>86,563,999</b>	<b>93,538,895</b>	<b>101,537,160</b>	<b>120,906,106</b>	<b>120,204,065</b>	<b>116,509,332</b>	<b>112,623,320</b>	<b>115,826,895</b>	<b>115,003,052</b>
<b>EXPENDITURES</b>										
General government	10,919,336	11,185,998	12,127,408	13,479,575	21,641,863	16,599,655	16,003,721	15,544,084	18,160,966	18,028,188
Public safety	32,337,503	35,458,207	38,043,714	41,130,920	46,056,731	53,965,850	55,089,106	58,289,107	62,852,805	66,635,145
Physical environment	2,392,809	2,440,773	2,555,451	2,897,245	2,873,367	3,407,318	3,748,891	3,486,746	-	58,450
Economic development	1,642,271	1,262,414	1,351,080	1,597,849	1,159,943	1,307,126	1,881,096	3,213,051	4,723,402	3,394,166
Human services	52,468	51,951	53,100	53,309	50,112	5,212	42,441	43,625	30,911	5,709
Transportation	826,680	844,718	850,358	866,615	834,399	916,432	876,030	958,354	3,673,074	3,763,258
Culture and recreation	7,429,318	7,975,533	8,178,149	8,852,681	9,301,665	10,291,099	10,342,798	10,597,706	9,439,482	9,780,996
Capital outlay	16,081,426	10,801,736	17,663,643	9,111,365	7,566,421	13,333,051	11,203,292	13,330,725	34,358,816	20,173,184
Debt service:										
Interest	3,660,203	3,244,866	3,101,227	2,731,027	2,422,956	2,107,375	1,848,578	1,750,965	1,646,525	1,362,316
Principal	7,466,887	7,060,958	7,565,000	7,796,191	7,943,085	6,658,084	6,875,000	6,975,000	7,070,000	7,180,000
Principal repayment due to refunding	-	-	-	-	-	-	-	-	-	8,175,000
Bond issuance costs	-	379,053	-	-	-	-	-	-	-	-
Other	95,837	94,651	92,179	78,765	80,756	84,497	88,471	62,057	55,023	51,997
<b>Total expenditures</b>	<b>82,904,738</b>	<b>80,800,858</b>	<b>91,581,309</b>	<b>88,595,542</b>	<b>99,931,298</b>	<b>108,675,699</b>	<b>107,999,424</b>	<b>114,351,420</b>	<b>142,011,004</b>	<b>138,608,409</b>
Excess (deficiency) of revenues over (under) expenditures	1,236,912	5,763,141	1,957,586	12,941,618	20,974,808	11,528,366	8,509,908	(1,728,100)	(26,184,109)	(23,605,357)
<b>OTHER FINANCING SOURCES (USES)</b>										
Ad valorem tax bonds issued	-	6,770,000	-	-	-	-	-	-	-	-
Discount on ad valorem tax bonds	-	(63,749)	-	-	-	-	-	-	-	-
Capital leases	93,469	-	-	-	-	-	-	-	-	-
Sale of capital assets	771,936	1,627,145	47,220	71,142	87,527	90,716	168,932	53,734	53,873	77,377
Transfers in	25,807,602	22,447,491	15,723,309	14,657,202	33,214,851	20,430,298	27,533,964	39,343,749	31,881,105	32,429,194
Transfers out	(24,635,228)	(15,931,607)	(15,186,959)	(13,843,533)	(32,948,485)	(22,014,469)	(23,669,091)	(40,711,828)	(33,549,149)	(32,742,058)
<b>Total other financing sources (uses)</b>	<b>2,037,779</b>	<b>14,849,280</b>	<b>583,570</b>	<b>884,811</b>	<b>353,893</b>	<b>(1,493,455)</b>	<b>4,033,805</b>	<b>(1,314,345)</b>	<b>(1,614,171)</b>	<b>(235,487)</b>
<b>Net change in fund balances</b>	<b>\$ 3,274,691</b>	<b>\$ 20,612,421</b>	<b>\$ 2,541,156</b>	<b>\$ 13,826,429</b>	<b>\$ 21,328,701</b>	<b>\$ 10,034,911</b>	<b>\$ 12,543,713</b>	<b>\$ (3,042,445)</b>	<b>\$ (27,798,280)</b>	<b>\$ (23,840,844)</b>
Debt service as a percentage of noncapital expenditures	16.7%	15.2%	14.2%	13.0%	11.0%	9.2%	8.8%	8.5%	8.1%	13.9%



SCHEDULE 5  
CITY OF SUNRISE, FLORIDA  
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

FISCAL YEAR	PROPERTY TAX <sup>a</sup>	LOCAL BUSINESS TAX	INSURANCE PREMIUM TAX	COMMUNICATIONS SERVICES TAX	LOCAL OPTION FUEL TAX	UTILITY SERVICE TAX	TOTAL
2002	\$ 23,987,933	\$ 1,648,575	\$ 654,089	\$ 4,486,487	\$ 1,624,561	\$ 6,382,415	\$ 38,784,060
2003	25,746,842	1,760,897	789,625	3,954,630	1,645,547	6,426,592	40,324,133
2004	27,977,882	1,807,780	982,897	4,048,653	1,671,045	6,405,548	42,893,805
2005	30,235,087	1,934,455	1,025,038	4,219,407	1,674,582	6,543,281	45,631,850
2006	33,661,644	1,998,601	1,088,921	4,490,037	1,686,497	6,616,716	49,542,416
2007	38,094,551	2,116,164	1,374,674	4,381,503	1,653,308	6,588,897	54,209,097
2008	35,683,030	2,161,515	1,508,690	4,676,356	1,624,496	6,764,876	52,418,963
2009	36,391,545	2,190,433	1,438,573	5,533,736	1,580,403	6,956,486	54,091,176
2010	36,137,516	2,158,770	1,372,490	5,072,917	1,693,200	7,688,446	54,123,339
2011	31,323,739	2,196,298	1,277,851	4,557,410	1,551,129	7,656,725	48,563,152
Change 2002-2011	30.6%	33.2%	95.4%	1.6%	-4.5%	20.0%	25.2%

<sup>a</sup>The City was able to decrease its property tax rates every year during the last ten years because of growth in property tax values (See Schedule of ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY).

SCHEDULE 6  
 CITY OF SUNRISE, FLORIDA  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (in thousands of dollars)

FISCAL YEAR	REAL PROPERTY				LESS EXEMPTIONS:		TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE	ESTIMATED ACTUAL TAXABLE VALUE	ASSESSED VALUE AS A PERCENTAGE OF ESTIMATED ACTUAL VALUE
	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	INDUSTRIAL PROPERTY	PERSONAL PROPERTY	REAL PROPERTY	PERSONAL PROPERTY				
2002	\$ 2,502,198	\$ 1,568,304	\$ 227,344	\$ 370,117	\$ 1,119,999	\$ 477	\$ 3,547,487	6.2750	\$ 4,667,963	76.00%
2003	2,884,455	1,699,896	262,818	379,161	1,358,074	337	3,867,919	6.2500	5,226,330	74.01%
2004	3,360,001	1,824,965	272,795	426,984	1,580,825	273	4,303,647	6.2370	5,884,745	73.13%
2005	3,876,930	2,122,925	305,828	432,174	2,084,960	457	4,652,440	6.2240	6,737,857	69.05%
2006	4,706,346	2,288,922	338,339	427,150	2,557,520	925	5,202,312	6.2100	7,760,757	67.03%
2007	6,079,698	2,557,213	372,884	428,874	3,338,191	1,067	6,099,411	6.1100	9,438,669	64.62%
2008	6,789,546	2,888,822	425,349	397,691	3,767,781	738	6,732,889	5.1232	10,501,408	64.11%
2009	6,104,566	2,994,643	465,670	424,880	3,494,777	38,961	6,456,021	5.4397	9,989,759	64.63%
2010	4,495,068	3,135,996	500,958	431,049	2,676,154	40,800	5,846,117	6.0543	8,563,071	68.27%
2011	3,431,438	3,018,307	426,934	411,900	2,180,507	40,821	5,067,251	6.0543	7,288,579	69.52%

138

Source: Broward County Property Appraiser

Note: Property in the City is reassessed each year. Tax rates are per \$1,000 of assessed value.

SCHEDULE 7  
CITY OF SUNRISE, FLORIDA  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(rate per \$1,000 of assessed value)

FISCAL YEAR	TAX ROLL YEAR	CITY OF SUNRISE OPERATING	SPECIAL TAX DISTRICT NO. 1**	OVERLAPPING RATES					
				BROWARD COUNTY	BROWARD COUNTY SCHOOLS	CHILDREN'S SERVICES COUNCIL	SO. FLORIDA WATER MGMT. DISTRICT	FL. INLAND NAVIGATION DISTRICT	NORTH HOSPITAL DISTRICT
2002	2001	\$ 6.2750	\$ 8.4350	\$ 7.4005	\$ 8.7541	\$ 0.3055	\$ 0.6970	\$ 0.0385	\$ 2.4803
2003	2002	6.2500	8.2000	7.3650	8.8825	0.3316	0.6970	0.0385	2.4803
2004	2003	6.2370	6.4869	7.1880	8.4176	0.3920	0.6970	0.0385	2.5000
2005	2004	6.2240	5.6525	7.0230	8.2695	0.4231	0.6970	0.0385	2.4803
2006	2005	6.2100	5.5069	6.7830	8.0623	0.4231	0.6970	0.0385	2.1746
2007	2006	6.1100	5.1572	6.0661	7.8687	0.4073	0.6970	0.0385	1.8317
2008	2007	5.1232	4.7113	5.2868	7.6484	0.3572	0.6240	0.0345	1.6255
2009	2008	5.4397	4.6137	5.3145	7.4170	0.3754	0.6240	0.0345	1.7059
2010	2009	6.0543	4.7426	5.3889	7.4310	0.4243	0.6240	0.0345	1.7059
2011	2010	6.0543	4.1217	5.5530	7.6310	0.4696	0.6240	0.0345	1.8750

Source: Broward County Property Appraiser

\*State law requires all counties to assess at 100% just valuation and limits millage for operating purposes to ten (10) mills.

\*\*Special Tax District No. 1 is a taxing entity that levies voted debt service taxes on limited areas within the City.

SCHEDULE 8  
CITY OF SUNRISE, FLORIDA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO

TAXPAYER	2011			2002		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE
Sunrise Mills LTD Partner	\$ 308,000,000	1	6.56%	\$ 207,751,000	1	5.85%
Sawgrass Mills Phase III LP	83,292,160	2	1.77%	64,138,410	2	1.81%
2641 N Flamingo LLC	60,281,380	3	1.28%	-	-	-
N/S Sawgrass Office Associates LLC	59,929,390	4	1.28%	-	-	-
Florida Power & Light Co.	51,451,058	5	1.10%	32,193,785	8	0.91%
MGI Flamingo Palms LTD Partner	39,112,803	6	0.83%	29,721,240	9	0.84%
Liberty Property LTD Partnership	36,543,240	7	0.78%	-	-	-
Research In Motion	33,407,665	8	0.71%	-	-	-
Sawgrass Lakes Center LLC	32,302,320	9	0.69%	-	-	-
IKEA Property Inc.	29,935,192	10	0.64%	-	-	-
Southern Bell Tel Co.	-	-	-	54,524,075	3	1.54%
Teachers Ins & Annuity Assn of America	-	-	-	49,039,250	4	1.38%
ACP Office I LLC	-	-	-	47,357,000	5	1.33%
AMB/NDP Local	-	-	-	36,465,040	6	1.03%
Wal-Mart Stores Inc.	-	-	-	32,308,910	7	0.91%
MNYX Sawgrass Corporation	-	-	-	29,154,545	10	0.82%
<b>Totals</b>	<b>\$ 734,255,208</b>		<b>15.64%</b>	<b>\$ 582,653,255</b>		<b>16.42%</b>

Source: Broward County Revenue Collection Division

SCHEDULE 9  
CITY OF SUNRISE, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

FISCAL YEAR	TAX ROLL YEAR	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
			AMOUNT*	PERCENTAGE OF LEVY		AMOUNT*	PERCENTAGE OF LEVY
2002	2001	\$ 21,851,913	\$ 21,650,071	99.1%	\$ 7,309	\$ 21,657,380	99.1%
2003	2002	23,683,909	23,509,371	99.3%	57,515	23,566,886	99.5%
2004	2003	26,226,056	26,063,547	99.4%	48,438	26,111,985	99.6%
2005	2004	28,601,183	28,398,767	99.3%	15,547	28,414,314	99.4%
2006	2005	32,173,202	31,962,583	99.3%	62,001	32,024,584	99.5%
2007	2006	36,867,170	36,667,960	99.5%	102,545	36,770,505	99.7%
2008	2007	34,357,047	34,021,196	99.0%	112,211	34,133,407	99.3%
2009	2008	34,980,436	34,507,051	98.6%	132,462	34,639,513	99.0%
2010	2009	35,498,126	34,468,708	97.1%	(145,069)	34,323,639	96.7%
2011	2010	30,712,669	29,996,725	97.7%	-	29,996,725	97.7%

\*Amounts are for general fund operations only and are exclusive of discounts, interest and penalties

Source: Broward County Property Appraiser

SCHEDULE 10  
CITY OF SUNRISE, FLORIDA  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

FISCAL YEAR	GOVERNMENTAL ACTIVITIES						BUSINESS-TYPE ACTIVITIES		TOTAL	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF REAL PROPERTY <sup>a</sup>	PER CAPITA <sup>b</sup>
	PUBLIC IMPROVEMENT BONDS	PUBLIC FACILITIES REVENUE BONDS	PUBLIC IMPROVEMENT BONDS	AD VALOREM TAX BONDS	SPECIAL ASSESSMENT BONDS	CAPITAL LEASES	UTILITY SYSTEM REVENUE BONDS	CAPITAL LEASES			
2002	\$ 5,345,000	\$ 61,863,206	\$ 5,585,000	\$ 25,405,000	\$ -	\$ 1,853,318	\$ 227,311,765	\$ 1,656,766	\$ 329,020,055	7.66%	3,784
2003	4,150,000	60,108,540	5,275,000	31,250,000	-	937,360	222,452,843	1,218,397	325,392,140	6.71%	3,719
2004	2,850,000	58,078,284	4,940,000	30,005,000	-	377,360	217,363,501	803,651	314,417,796	5.76%	3,534
2005	1,470,000	55,791,727	4,595,000	28,725,000	-	111,169	212,021,998	410,000	303,124,894	4.81%	3,378
2006	-	53,473,717	4,230,000	27,410,000	-	28,084	206,416,408	-	291,558,209	3.98%	3,251
2007	-	51,139,803	3,850,000	26,050,000	-	-	200,515,523	-	281,555,326	3.12%	3,141
2008	-	48,791,269	3,460,000	24,645,000	-	-	194,302,948	-	271,199,217	2.68%	3,011
2009	-	46,304,366	3,050,000	23,190,000	-	-	187,750,768	-	260,295,134	2.72%	2,917
2010	-	43,671,974	2,630,000	21,680,000	-	-	233,506,041	-	301,488,015	3.71%	3,570
2011	-	32,706,196	2,195,000	20,110,000	-	-	227,015,393	-	282,026,589	4.10%	3,343

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

<sup>a</sup>See Schedule 6 for estimated actual taxable value of real property.

<sup>b</sup>See Schedule 13 for population data.

**SCHEDULE 11  
CITY OF SUNRISE, FLORIDA  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF SEPTEMBER 30, 2011**

<u>GOVERNMENTAL UNIT</u>	<u>DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE*</u>	<u>ESTIMATED SHARE OF OVERLAPPING DEBT</u>
<b>Debt repaid with property taxes</b>			
Broward County School Board	\$ 1,907,842,000	3.90%	\$ 74,405,838
Broward County	356,215,000	3.90%	<u>13,892,385</u>
<b>Subtotal, overlapping debt</b>			<b>88,298,223</b>
<b>City direct debt</b>			<u><b>55,011,196</b></u>
<b>Total direct and overlapping debt</b>			<u><u><b>\$ 143,309,419</b></u></u>

**Sources:** Assessed value data used to estimate applicable percentages provided by Broward County. Debt outstanding data provided by each governmental unit.

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

\*For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using gross taxable property values after Value Adjustment Board changes. Applicable percentages were estimated by dividing the City's gross taxable property values after Value Adjustment Board changes by the County's gross taxable property values after Value Adjustment Board changes.

**SCHEDULE 12  
CITY OF SUNRISE, FLORIDA  
PLEGGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

**UTILITY SYSTEM REVENUE BONDS**

FISCAL YEAR	OPERATING REVENUES	LESS: OPERATING EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE		COVERAGE	R & R TRANSFER	NET	COVERAGE
				PRINCIPAL	INTEREST			AFTER R & R TRANSFER	
2002	\$ 56,513,990	\$ 30,899,897	\$ 25,614,093	\$ 5,910,000	\$ 10,916,703	1.52	\$ 2,775,455	\$ 22,838,638	1.36
2003	58,393,801	33,355,809	25,037,992	6,125,000	10,703,908	1.49	2,843,436	22,194,556	1.32
2004	59,418,209	34,856,640	24,561,569	6,350,000	10,477,269	1.46	3,008,642	21,552,927	1.28
2005	61,512,753	37,224,030	24,288,723	6,595,000	10,235,038	1.44	3,019,429	21,269,294	1.26
2006	64,491,864	40,671,062	23,820,802	6,850,000	9,975,723	1.42	3,203,700	20,617,102	1.23
2007	63,629,661	38,947,095	24,682,566	7,050,000	9,777,567	1.47	3,219,289	21,463,277	1.28
2008	66,955,767	42,025,822	24,929,945	7,260,000	9,565,498	1.48	4,869,537	20,060,408	1.19
2009	73,825,926	40,932,145	32,893,781	7,490,000	9,338,173	1.95	3,573,243	29,320,538	1.74
2010	89,140,021	47,213,431	41,926,590	7,726,190	8,719,183	2.55	4,747,986	37,178,604	2.26
2011	89,855,154	48,252,823	41,602,331	7,185,000	11,747,889	2.20	4,808,758	36,793,573	1.94

**PUBLIC IMPROVEMENT REVENUE BONDS<sup>a</sup>**

	<u>FRANCHISE FEES</u>				
2002	\$ 4,104,164	\$1,095,000	\$ 322,935		2.89
2003	4,257,169	1,195,000	270,375		2.91
2004	4,639,444	1,300,000	211,820		3.07
2005	5,292,515	1,380,000	146,820		3.47
2006	5,928,168	1,470,000	76,440		3.83
2007	-	-	-		-
2008	-	-	-		-
2009	-	-	-		-
2010	-	-	-		-
2011	-	-	-		-

**PUBLIC FACILITIES REVENUE BONDS<sup>b</sup>**

	<u>UTILITY SERVICE TAXES</u>				
2002	\$10,104,066	\$3,330,000	\$ 1,677,420		2.02
2003	9,745,647	3,715,000	1,498,745		1.87
2004	9,685,829	4,125,000	1,294,005		1.79
2005	9,996,948	4,525,000	1,060,880		1.79
2006	10,368,556	4,710,000	884,635		1.85
2007	10,188,206	4,890,000	705,655		1.82
2008	10,636,509	5,080,000	510,055		1.90
2009	11,689,661	5,110,000	480,455		2.09
2010	11,960,608	5,140,000	448,885		2.14
2011	11,397,306	5,175,000	242,250		2.10

**PUBLIC IMPROVEMENT BONDS**

	<u>SPECIAL ASSESSMENT COLLECTIONS</u>				
2002	\$ 558,600	\$ 305,000	\$ 257,384		0.99
2003	550,440	310,000	244,094		0.99
2004	563,040	335,000	230,584		1.00
2005	559,680	345,000	215,985		1.00
2006	560,280	365,000	200,949		0.99
2007	555,300	380,000	185,045		0.98
2008	549,000	390,000	168,485		0.98
2009	551,905	410,000	151,487		0.98
2010	553,671	420,000	133,617		1.00
2011	551,869	435,000	115,313		1.00



SCHEDULE 12  
CITY OF SUNRISE, FLORIDA  
PLEGDED REVENUE COVERAGE, continued  
LAST TEN FISCAL YEARS

SPECIAL ASSESSMENT BONDS

FISCAL YEAR	SPECIAL ASSESSMENT COLLECTIONS	DEBT SERVICE		COVERAGE
		PRINCIPAL	INTEREST	
2002	\$ 207,963	\$ 300,000	\$ 24,750	0.64
2003	-	-	-	-
2004	-	-	-	-
2005	-	-	-	-
2006	-	-	-	-
2007	-	-	-	-
2008	-	-	-	-
2009	-	-	-	-
2010	-	-	-	-
2011	-	-	-	-

AD VALOREM TAX BONDS<sup>c</sup>

SPECIAL TAX DISTRICT NO. 1  
PROPERTY TAX  
COLLECTIONS

2002	\$ 2,864,139	\$1,255,000	\$ 1,245,551	1.15
2003	2,969,782	925,000	1,154,298	1.43
2004	2,727,033	1,245,000	1,329,398	1.06
2005	2,542,561	1,280,000	1,295,214	0.99
2006	2,493,444	1,315,000	1,257,840	0.97
2007	2,444,361	1,360,000	1,216,240	0.95
2008	2,397,365	1,405,000	1,170,038	0.93
2009	2,368,532	1,455,000	1,119,023	0.92
2010	2,433,946	1,510,000	1,064,023	0.95
2011	2,440,121	1,570,000	1,004,753	0.95

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements.  
Gross revenues of the Utility System exclude certain investment income that is not pledged. Operating expenses do not include depreciation or amortization.

<sup>a</sup>Public Improvement revenue bonds are collateralized by a lien on and pledge of electric franchise fees.

<sup>b</sup>Public Facilities revenue bonds are collateralized by a lien on and pledge of a tax upon purchases within the City of electricity, metered and bottled gas, water service and telegraph and telecommunications service.

<sup>c</sup>Ad valorem tax bonds are collateralized by voted debt service ad valorem taxes levied upon all taxable property within the Special Tax District No. 1.

**SCHEDULE 13  
CITY OF SUNRISE, FLORIDA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>YEAR</b>	<b>POPULATION</b>	<b>TOTAL POPULATION INCOME (AMOUNTS IN THOUSANDS)</b>	<b>PER CAPITA INCOME</b>	<b>UNEMPLOYMENT RATE</b>
2002	86,941	\$ 1,771,249	\$ 20,373	5.9%
2003	87,489	1,699,299	19,423	5.6%
2004	88,976	1,772,580	19,922	4.6%
2005	89,736	1,922,055	21,419	3.4%
2006	89,669	2,094,040	23,353	3.1%
2007	89,633	2,094,096	23,363	3.6%
2008	90,081	2,223,469	24,683	5.9%
2009	89,242	2,202,760	24,683	9.3%
2010	84,439	2,006,946	23,768	10.4%
2011	84,375	Not available	Not available	9.4%

**Sources:** Population information provided by the University of Florida, Bureau of Economic & Business Research. Per capita income provided by U.S. Census Bureau. Unemployment rate information provided by U.S. Department of Labor, Bureau of Labor Statistics

**SCHEDULE 14  
CITY OF SUNRISE, FLORIDA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND SIX YEARS AGO**

<b>EMPLOYER</b>	<b>2011</b>			<b>2005</b>		
	<b>EMPLOYEES</b>	<b>RANK</b>	<b>PERCENTAGE OF TOTAL CITY EMPLOYMENT</b>	<b>EMPLOYEES</b>	<b>RANK</b>	<b>PERCENTAGE OF TOTAL CITY EMPLOYMENT</b>
Broward County School Board	1,652	1	3.66%	-	-	-
City of Sunrise	995	2	2.20%	-	-	-
Coventry Healthcare of Florida	900	3	1.99%	-	-	-
United Healthcare	750	4	1.66%	750	2	1.57%
AT & T	700	5	1.55%	500	3	1.05%
Mednax	500	6	1.11%	325	7	0.68%
Research in Motion	500	7	1.11%	-	-	-
General Dynamics	460	8	1.02%	-	-	-
Comcast	350	9	0.78%	-	-	-
Publix	300	10	0.66%	-	-	-
ABN Amro Financial	-	-	-	824	1	1.73%
Nortel	-	-	-	400	4	0.84%
Foundation Healthcare	-	-	-	400	5	0.84%
BHA Engineering	-	-	-	325	6	0.68%
Precision Response	-	-	-	300	8	0.63%
Metro One Communications	-	-	-	300	9	0.63%
Sunrise Auto Mall	-	-	-	250	10	0.52%
<b>Total</b>	<b>7,107</b>		<b>15.74%</b>	<b>4,374</b>		<b>9.17%</b>

Source: City Economic Development Office and Broward County Schools.

Note: Information prior to 2005 is not available.

SCHEDULE 15  
CITY OF SUNRISE, FLORIDA  
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS

FUNCTION	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>General government</b>										
Management Information Services	*	14	14	15	14	12	16	16	15	14
Finance	*	26	28	27	26	27	25	22	20	20
Central Services	*	18	16	18	18	17	17	19	22	22
Planning	*	29	28	30	29	31	31	31	29	27
Other <sup>a</sup>	*	29	30	29	30	29	28	28	26	27
<b>Public safety</b>										
Police										
Officers	163	167	174	171	170	167	175	175	171	176
Civilians	118	81	75	72	78	79	83	89	86	86
Fire										
Firefighters and officers	135	134	130	137	139	139	146	146	139	145
Civilians	12	12	13	12	14	15	15	6	6	8
Building	*	24	24	26	26	27	31	29	28	26
Code Enforcement	*	11	11	13	16	15	15	15	15	15
<b>Physical environment</b>										
Public Works	*	29	31	33	29	32	34	33	34	34
Other	*	7	9	10	8	10	10	10	13	13
<b>Culture and recreation</b>										
Water	*	96	91	104	99	111	112	100	94	94
Wastewater	*	96	97	94	99	99	101	100	102	100
Wastewater	*	88	90	87	91	92	94	93	94	105
Gas	*	25	24	25	23	24	25	22	21	20
Golf Course	*	10	16	17	16	16	15	11	-	-
Recycling	*	1	1	1	1	1	1	-	-	-
Stormwater	*	9	8	7	6	6	7	7	7	6

<sup>a</sup>Other includes City Commission, City Manager, City Clerk, City Attorney, Personnel

\*Not available

Source: City Finance Department

**SCHEDULE 16  
CITY OF SUNRISE, FLORIDA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

149

FUNCTION	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Public safety</b>										
<b>Police</b>										
Physical arrests	2,483	3,974	2,460	2,305	2,269	3,196	3,044	3,066	2,661	2,855
Parking violations	2,153	1,852	1,841	1,039	1,299	1,084	742	558	532	466
Traffic violations	23,043	24,241	21,459	16,636	15,867	11,293	13,490	11,843	10,845	12,874
<b>Fire</b>										
Number of calls answered	12,000	11,501	11,649	12,013	12,274	11,766	11,807	11,776	11,970	11,647
Inspections	7,899	7,964	7,774	7,654	5,916	8,297	9,057	9,613	9,662	10,101
<b>Transportation</b>										
Street resurfacing (miles)	14	12	30	15	13	18	15	6	15	10
Potholes repaired	260	156	104	26	20	51	61	351	398	186
<b>Culture and recreation</b>										
Athletic field permits issued	1,900	1,750	1,600	2,931	2,540	2,490	2,490	2,500	2,000	2,928
Athletic club memberships	302	271	300	328	321	261	290	220	193	291
<b>Water</b>										
New connections	1,029	634	908	620	222	189	143	35	142	157
Water main breaks	23	42	19	59	52	66	34	38	56	46
Average daily consumption (thousands of gallons)	22,895	23,810	21,593	24,121	24,527	22,775	21,546	21,469	20,400	20,672
<b>Wastewater</b>										
Average daily sewage treatment (thousands of gallons)	21,400	21,573	21,302	22,420	22,011	22,489	24,265	26,062	25,851	21,664
<b>Gas</b>										
Average daily usage (CCF's)	12,705	12,481	12,758	12,456	12,313	12,459	12,499	11,843	12,544	12,180
<b>Golf course</b>										
Memberships	136	91	114	80	154	101	95	55	321	217
<b>Stormwater</b>										
Commercial equivalent residential units (ERU's)	30,476	31,328	32,147	34,683	34,830	35,206	34,994	37,070	37,070	37,327
Residential equivalent residential units (ERU's)	36,100	36,191	36,385	36,626	36,686	37,113	37,619	37,787	37,900	38,158

\*Not available

**SCHEDULE 17  
CITY OF SUNRISE, FLORIDA  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

FUNCTION	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Public safety</b>										
<b>Police:</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Sub-stations	3	3	3	3	3	3	3	3	3	1
Patrol units	211	211	211	215	215	215	216	226	249	258
Fire stations	5	5	5	5	5	5	5	5	5	5
<b>Transportation</b>										
Streets (miles)	186	186	186	186	186	186	186	186	186	186
Street lights (FPL and City owned)	3,790	3,790	3,790	3,790	3,790	3,792	3,792	3,797	3,797	3,863
<b>Culture and recreation</b>										
Parks	10	10	12	12	13	13	13	13	13	13
Park acreage	145	145	145	169	177	177	177	177	177	177
Swimming pools	4	4	4	5	5	5	5	5	5	5
Tennis courts	21	21	21	21	21	21	21	21	21	21
Community centers	7	7	7	7	7	7	8	8	8	8
<b>Water</b>										
Water mains (miles)	547	592	624	631	636	700	706	710	711	712
Maximum daily capacity (thousands of gallons)	41,500	41,500	47,500	47,500	44,000	44,000	44,000	44,000	44,000	44,000
<b>Wastewater</b>										
Sanitary sewers (miles)	629	629	677	692	695	723	725	727	727	727
Maximum daily treatment capacity (thousands of gallons)	30,990	30,990	30,990	30,990	30,450	30,450	30,450	30,450	30,450	30,450
Gas mains (miles)	172	174	175	175	176	177	178	180	181	181
Golf Course	1	1	1	1	1	1	1	1	1	1
<b>Stormwater</b>										
Pump stations	7	7	7	7	7	7	7	7	7	8
Storm sewers (miles)	390	390	390	390	390	390	390	392	392	392

Sources: Various city departments.

Note: No capital asset indicators are available for the general government function.

*Section IV*

*City of Sunrise, Florida*

*Compliance Audit Section*

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

Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

We have audited the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the City of Sunrise, Florida (the City), as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 12, 2012. Our report includes a reference to 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 of America. Other auditors audited the financial statements of Pension Trust Funds, as described in our report on the City's financial statements. The financial statements of the Firefighter's Retirement Plan and the financial statements of the Police Officers' Retirement Plan were not audited in accordance with *Government Auditing Standards*.

**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 basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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

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



## **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, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Marcum LLP*

Fort Lauderdale, FL  
March 12, 2012

**Independent Auditors' Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133**

Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

**Compliance**

We have audited the City of Sunrise, Florida (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2011. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material aspects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended September 30, 2011.

## **Internal Control over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with 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 to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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

*Marcum LLP*

Fort Lauderdale, FL  
March 12, 2012

**CITY OF SUNRISE, FLORIDA**  
Schedule of Expenditures of Federal Awards  
Year Ended September 30, 2011

Federal Agency, Pass-through Entity Federal Program Project	ARRA	CFDA No.	Contract/ Grant No.	Expenditures	Transfers to Subrecipients
<b>United States Department of Homeland Security</b>					
Indirect Programs:					
Passed through City of Miramar - Homeland Security Grant Program	No	97.067	07DS-5S-11-16-02-259	\$ 4,669	\$ -
Passed through City of Miramar - Homeland Security Grant Program	No	97.067	08DS-62-11-16-02-296	5,281	-
Passed through City of Miramar - Homeland Security Grant Program	No	97.067	09DS-48-11-16-02-448	279,108	-
Passed through City of Miramar - Homeland Security Grant Program	No	97.067	11DS-32-11-16-02-017	426,016	-
<b>Total United States Department of Homeland Security</b>				<u>715,074</u>	<u>-</u>
<b>United States Department of Housing and Urban Development</b>					
Direct Programs:					
Community Development Block Grants/Entitlement Grants	No	14.218	B-09-MC-120035	681,047	-
Community Development Block Grants ARRA Entitlement Grants (CDBG-R)	Yes	14.253	B-09-MY-120035	177,765	-
Community Development Block Grants/Entitlement Grants	No	14.218	B-10-MC-120035	88,888	-
Neighborhood Stabilization Program	No	14.218	B-08-MN-12-0027	890,700	692,488
				<u>1,838,400</u>	<u>692,488</u>
Indirect Programs:					
Passed through State of Florida Department of Community Affairs and Broward County - Community Development Block Grants State's Program and Non-Entitlement Grants in Hawaii	No	14.228	07DB-3V-11-16-01-Z08	103,830	-
Community Development Block Grants State's Program and Non-Entitlement Grants in Hawaii	No	14.228	08DB-D3-11-16-01-A06	789,317	-
Passed through Broward County - Home Investment Partnerships Program	No	14.239	10-HFCDD-00 (2009-2010)	5,546	5,546
Passed through Broward County - Home Investment Partnerships Program	No	14.239	11-HFCDD-002-HOME (2010-2011)	268,542	268,542
Passed through Broward County - Home Investment Partnerships Program	No	14.239	2008 - 2009 Minor Home Repair	49,145	-
Passed through Broward County - Home Investment Partnerships Program	No	14.239	2009 - 2010 Minor Home Repair	166,081	-
				<u>1,382,461</u>	<u>274,088</u>
<b>Total United States Department of Housing and Urban Development</b>				<u>3,220,861</u>	<u>966,576</u>
<b>United States Department of Justice</b>					
Direct Programs:					
Federal Equitable Sharing	No	16.000		1,272,636	-
Bulletproof Vest Partnership Program	No	16.607		29,230	-
Community Oriented Policing Services (COPS) Technology Grant	No	16.710	2009CKWX0207	223,720	-
				<u>1,525,586</u>	<u>-</u>
Indirect Programs:					
Passed through Broward Sheriff's Office - Edward Byrne Memorial Justice Assistance Grant	Yes	16.804	2009-SB-B9-3324	86,419	-
Passed through Broward Sheriff's Office - Edward Byrne Memorial Justice Assistance Grant	No	16.738	2010-DJ-BX-0414	30,032	-
				<u>116,451</u>	<u>-</u>
<b>Total United States Department of Justice</b>				<u>1,642,037</u>	<u>-</u>

(Continued)

See notes to schedule.

**CITY OF SUNRISE, FLORIDA**  
Schedule of Expenditures of Federal Awards  
Year Ended September 30, 2011

Federal Agency, Pass-through Entity Federal Program Project	ARRA	CFDA No.	Contract/ Grant No.	Expenditures	Transfers to Subrecipients
United States Department of Transportation					
Indirect Programs:					
Passed through Florida Department of Transportation - Florida Child Safety Seat Distribution Program	No	20.000		2,870	-
Total United States Department of Transportation				<u>2,870</u>	<u>-</u>
United States Department of Treasury					
Direct Program:					
Federal Equitable Sharing	No	16.000		125,475	-
Total United States Department of Treasury				<u>125,475</u>	<u>-</u>
United States Department of Energy					
Direct Program:					
Energy Efficiency and Conservation Block Grant	Yes	81.128	DE-SC0003133	64,082	-
Total United States Department of Energy				<u>64,082</u>	<u>-</u>
Total Expenditures of Federal Awards				<u>\$ 5,770,399</u>	<u>\$ 966,576</u>

See notes to schedule.

# CITY OF SUNRISE, FLORIDA

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED SEPTEMBER 30, 2011

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### NOTE 1 – GENERAL

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activities of all federal programs of the City of Sunrise, Florida (the City) for the year ended September 30, 2011. The City's reporting entity is described in Note 1 of the financial statements.

### NOTE 2 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards of the City of Sunrise is prepared on the 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 Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CITY OF SUNRISE, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FISCAL YEAR ENDED SEPTEMBER 30, 2011

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

*Unqualified Opinion*

Type of auditor’s report issued:

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_ Yes X No

Significant deficiency(ies) identified not considered to be material weakness?

\_\_\_ Yes X None reported

Non-compliance material to financial statements noted?

\_\_\_ Yes X No

Federal Awards Programs

Internal control over major programs:

Material weakness(es) identified?

\_\_\_ Yes X No

Significant deficiency(ies) identified not considered to be material weakness?

\_\_\_ Yes X None reported

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

*Unqualified Opinion*

Any audit findings disclosed that are required to be reported in accordance with Circular A-133 and Section .510(a)

\_\_\_ Yes X No

Identification of major programs:

<u>Federal Awards Programs</u>	<u>CFDA No.</u>
CDBG – Entitlement Grants Cluster	
CDBG	14.218
CDBG - R	14.253
NSP	14.218
JAG Program Cluster	
Edward Byrne Memorial Justice Assistance Grant Program	16.738
Edward Byrne Memorial Justice Assistance Grant Program/Grants to Units of Local Government	16.804

Dollar threshold used to distinguish between Type A and Type B programs:

Federal \$300,000

Auditee qualified as low-risk auditee?

X Yes \_\_\_ No

**CITY OF SUNRISE, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2011**

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

None.

**SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None.



**CITY OF SUNRISE, FLORIDA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**FISCAL YEAR ENDED SEPTEMBER 30, 2011**

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**I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

None.

**II. PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None.

*Section V*  
*City of Sunrise, Florida*  
*Management Letter*

**Management Letter in Accordance with the Rules of the  
Auditor General of the State of Florida**

Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

We have audited the financial statements of the City of Sunrise, Florida, as of and for the fiscal year ended September 30, 2011, and have issued our report thereon dated March 12, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Independent 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 a Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 12, 2012, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule:

- 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 findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual 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 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 did not have any such recommendations.

- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuses 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.
- 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. As disclosed in the Note 1, the City was established under Chapter 61-2902 in 1961. The City included the following blended component units: (Special Recreation District Phase I, Special Recreation District Phase II, and Special Tax District No. 1).
- Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement to be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City 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 for the fiscal year ended September 30, 2011, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial report for the fiscal year ended September 30, 2011. In connection with our audit, we determined that these two reports were in agreement.
- Pursuant to Sections 10.554(1)(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 same. This assessment was done as of the fiscal year end.

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, management, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

*Marcum LLP*

Fort Lauderdale, FL  
March 12, 2012