

2008 The City of Weston, Florida



Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2008

New Opportunities...

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF WESTON, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2008

(This page intentionally left blank)

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF WESTON, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2008

CITY OFFICIALS

CITY COMMISSION

Eric M. Hersh, Mayor
Daniel J. Stermer, Commissioner
Murray Chermak, Commissioner
Mercedes G. Henriksson, Commissioner
Angel Gomez, Commissioner

CITY MANAGER

John R. Flint

CITY ATTORNEY

Weiss Serota Helfman Pastoriza Cole & Boniske, P.L.

ASSISTANT CITY MANAGERS

David E. Keller, Chief Financial Officer
Jeffrey L. Skidmore, Chief Operating Officer

CITY CLERK

Patricia A. Bates, CMC

TREASURER

Darrel L. Thomas

(This page intentionally left blank)

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF WESTON, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2008

PREPARED BY

ASSISTANT CITY MANAGER/CHIEF FINANCIAL OFFICER
David E. Keller

TREASURER
Darrel L. Thomas

ACCOUNTING MANAGER
Cindy Tao

(This page intentionally left blank)

CITY OF WESTON, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2008

TABLE OF CONTENTS

	<u>PAGES</u>
INTRODUCTORY SECTION:	
Letter of Transmittal	i-vi
GFOA Certificate of Achievement	vii
Organizational Chart	viii-ix
 FINANCIAL SECTION:	
Independent Auditors' Report	1-2
Management's Discussion and Analysis (not covered by Independent Auditors' Report)	3-21
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	22
Statement of Activities	23
Fund Financial Statements:	
Balance Sheet - Governmental Funds	24-25
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	26
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	27-28
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
Statement of Net Assets - Proprietary Fund	30
Statement of Revenues, Expenses and Change in Net Assets - Proprietary Fund	31
Statement of Cash Flows - Proprietary Fund	32-33
Statement of Fiduciary Net Assets - Fiduciary Fund	34
Notes to the Financial Statements	35-53

CITY OF WESTON, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2008

TABLE OF CONTENTS
(continued)

	<u>PAGES</u>
REQUIRED SUPPLEMENTARY INFORMATION:	
Budgetary Comparisons Schedules:	
General Fund	54-56
Indian Trace Development District Special Revenue Fund	57
Bonaventure Development District Special Revenue Fund	58
Fire District Special Revenue Fund	59
Town Foundation Special Revenue Fund	60
Notes to Budgetary Comparisons Schedules	61-62
OTHER FINANCIAL INFORMATION:	
Combining and Individual Fund Financial Statements and Schedules:	
Combining Balance Sheet - Non-major Governmental Funds	63-64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-major Governmental Funds	65-66
Combining Statement of Changes in Assets and Liabilities - All Agency Funds	67-68
Budgetary Comparison Schedules - Non-major Special Revenue Funds	69-70
Budgetary Comparison Schedules - Capital Project Funds	71-72
STATISTICAL SECTION (NOT COVERED BY INDEPENDENT AUDITORS' REPORT):	
Financial Trends:	
Table 1 - Net Assets by Component	73
Table 2 - Changes in Net Assets	74-75
Table 3 - Fund Balances of Governmental Funds	76
Table 4 - Changes in Fund Balances of Governmental Funds	77-78
Revenue Capacity:	
Table 5 - Assessed Value and Estimated Actual Value of Taxable Property	79
Table 6 - Direct and Overlapping Property Tax Rates	80
Table 7 - Principal Property Taxpayers	81
Table 8 - Property Tax Levies and Collections	82

CITY OF WESTON, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2008

TABLE OF CONTENTS
(continued)

	<u>PAGES</u>
Debt Capacity:	
Table 9 - Rates of Outstanding Debt by Type	83
Table 10 - Ratios of General Bonded Debts Outstanding	84
Table 11 - Direct and Overlapping Governmental Activities Debt	85
Table 12 - Legal Debt Margin Information	86
Table 13 - Pledged-Revenue Coverage	87
Demographics and Economics:	
Table 14 - Demographic and Economic Statistics	88
Table 15 - Principal Employees	89
Operating:	
Table 16 - Full-Time Equivalent City Government Employees by Function/Program	90
Table 17 - Operating Indicators by Function/Program	91
Table 18 - Capital Asset Statistics by Function/Program	92

(This page intentionally left blank)



24 March 2009

To the Honorable Mayor and Commissioners, and the residents of the City of Weston, Florida:

Eric M. Hersh
Mayor

Daniel J. Stermer
Commissioner

Murray Chermak
Commissioner

Mercedes G. Henriksson
Commissioner

Angel Gomez
Commissioner

John R. Flint
City Manager

The Comprehensive Annual Financial Report (the "Report") of the City of Weston, Florida (the "City") for the fiscal year ended September 30, 2008, is hereby submitted as mandated by Florida Statutes. These statutes require that the City annually issue a report on its financial position and activity within one year of the close of each fiscal year, and that this report be audited by an independent firm of certified public accountants. Financial statements in this Report are presented in conformity with the generally accepted accounting principles ("GAAP") and Governmental Accounting Standards Board ("GASB") Statement Number 34 and audited in accordance with the generally accepted auditing standards.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government'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. Since the cost of internal controls should not outweigh its benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurances that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this Report is complete and reliable in all material respects and that it is reported in a manner that presents fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

The City's financial statements have been audited by Keefe, McCullough & Co., LLP, a licensed certified public accountant firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Weston for the fiscal year ended September 30, 2008, are free of material misstatements. 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, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended September 30, 2008, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component section of this report.

GAAP requires 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"). The 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 and Governmental Structure

The City of Weston is located in the southeastern part of the State of Florida and is considered to be one of the largest master planned communities in the country. The City has a land area of 25.8 square miles, a population estimated at 62,088 and is empowered to levy a property tax on real property located within its boundaries.

The City has operated under the Commission-Manager form of government since incorporation in 1996. Policymaking and legislative authority are vested in the City Commission, which consists of a Mayor and four Commissioners and is the legislative branch of the City's government. The City Commission is responsible for, among other things, enacting ordinances, adopting the budget, appointing boards, and hiring the City Manager and the City Attorney. The Commission is elected on a non-partisan basis. The four Commissioners are elected to four-year staggered terms and must reside within their respective residential seat area; they are, however, elected at large. The Mayor is elected to a four-year term, and is elected at large. The City Manager is the Chief Executive Officer of the City and leads the executive branch of the City's government. He is responsible for carrying out the policies and ordinances of the City Commission, preparing the City budget, overseeing the day-to-day operations of the City, and appointing the heads of the City's departments.

The City provides a full range of services to its residents and businesses through public and private sector contracts. Contracted services include police through the Broward Sheriff's Office Department of Law Enforcement; emergency medical, fire protection, and fire prevention services through the Broward Sheriff's Office Department of Fire Rescue and Emergency Services; building code services through C.A.P. Government, Inc.; solid waste and recycling collection through All Service Refuse; planning, zoning, engineering, parks and recreation, public works and utilities through Calvin, Giordano and Associates, Inc.; and IT services and finance and administration through Municipal Technologies, Inc.



The City is financially accountable for component units consisting of two legally separate development districts and also includes the financial statements for one legally separate cable television operation, all of which are reported separately within the City's financial statements. Additional information on all three of these legally separate entities can be found in Note 2 of the notes to the financial statements.

The annual budget serves as the foundation of the City's financial planning and control. All departments responsible for City and component unit operations are required to submit their requests for appropriations to the Assistant City Manager/CFO for inclusion in the draft budget by the end of April. The City Manager, assisted by the Assistant City Manager/CFO and the City Treasurer, uses these requests as the starting point for developing a proposed budget. The City Manager then presents the tentative or proposed budget to the City Commission and the public at two public hearings. Prior to October 1st of every year, the City's annual budget is adopted through the passage of an ordinance at the second public hearing. The level of budgetary control at which expenditures may not exceed the budget is the fund level. The General Fund is the lone exception because its budgetary controls are set at the department level. Any transfers within the funds of the City and the funds of its component units are permissible as long as the total level of expenditures does not exceed the total budgeted amount. Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on pages 54 through 56 as part of the required supplementary information.

Factors Affecting Financial Condition

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

Local economy. *Since its inception as a municipality in 1996, the City has experienced a rapid ascension into the ranks of premier communities in Southeast Florida. Fueled by the growth of its high-quality residential and commercial development, benefiting from its well thought-out, modern and efficient infrastructure, strategic location, easy access to major communication and transportation lines, excellent schools and recreational opportunities, effective crime fighting and prevention, and vibrant, creative and enterprising resident community, Weston has prospered and grown to reach maturity during one of the best economic expansions on record.*



The residents of Weston benefit from a variety of local businesses. Major national and international corporations with divisions within the City include Andrx Pharmaceuticals, Marriott International, Office Depot, Publix Supermarkets, Sun-Sentinel and Vacation Village. At the end of fiscal year 2008, the City's computerized business tax system listed 2,382 businesses.

The economic and financial condition of all cities in the State of Florida entered a period of transition, as the State legislature in the last two years passed legislation which significantly changed the tax structure of local government and reduced revenues to them. There are three ways in which ad valorem revenues diminished: state mandated caps and rollbacks on the millage rates; significantly increased exemptions on residential properties; and the establishment of a cap on the growth rate of taxable assessed value on non-residential properties. In Fiscal Year 2008, the State Legislature mandated that all Florida cities roll back their millage rates to a rate that would not generate any additional tax proceeds despite a 7.20% increase in existing taxable value (excluding new construction). For Weston, this resulted in reduction of the millage rate to 1.4210 and the loss of a potential 7.20% growth in ad valorem tax proceeds had the City Commission chosen not to change the prior year millage rate of 1.5235. In addition, the State Legislature mandated that cities experiencing rapid growth in taxable value between Fiscal Year 2001-2002 and Fiscal Year 2006-2007 must reduce their rolled back millage rate by an additional percentage. Based on the categories of taxable value growth and the rate reduction percentages associated, Weston had to reduce its rolled back millage rate by an additional 7.00% to a rate of 1.3215. The total impact to Weston's budget was a 13.26% downward swing in ad valorem tax proceeds.

In Fiscal Year 2009, the State Legislature instituted an additional Homestead exemption, caps on the taxable value growth of non-Homestead properties (Homestead properties already have a Save Our Homes taxable value growth cap), an additional taxable value exemption for low-income seniors, an increased exemption for personal property taxable value and a program for Homestead taxable value savings portability. The impact of these additional measures, along with the downturn in the Florida real estate market, resulted in a decrease in Weston's taxable value of 5.35%; with only 0.55% due to the real estate market. Weston's City Commission voted to raise the millage rate back to the 1.5235 from two years prior to avoid using reserve to balance the Fiscal Year 2009 Budget.



Long-term financial planning. In order to protect and enhance property values, the City will continue to invest in capital renovations, new capital projects and service enhancements. During fiscal year 2009, the City budgeted to spend approximately \$2.67 million on capital projects. These include such improvements as the second phase of the Traffic Signage Rehabilitation project; the athletics fields in Tequesta Trace Park; Internal Wi-Fi at Regional Park; Internal Wi-Fi at Library Park, and the Street Light Energy Conservation project. Additionally, funds will be expended on signing and safety, signalization, miscellaneous bridge and roadway repairs and water management improvements. Finally, the City continues to spend on landscape improvements and the third phase of its Master Re-Landscaping Plan project, as a result of the damage from Hurricane Wilma.

Cash management policies and practices. In accordance with the applicable State Statutes, the City's investment policy is designed to effectively and prudently manage the investment of all City funds while ensuring the preservation of capital, maintaining sufficient liquidity, and maximizing investment earnings on the portfolio.

Risk management. The City also maintains a comprehensive package of insurance coverage to limit exposure to various risks of loss related to general liability, property and casualty, Commission errors and omissions, workers' compensation, and unemployment compensation claims. All property is fully insured against fire, theft and natural disaster.

All coverages are underwritten by a nationally recognized commercial carrier. The City has in place formal programs for safety and a drug-free workplace which allows it to take advantage of preferred premium rates.

Pension and other post-employment benefits. The City provided its employees with pensions through the International City Management Association Retirement Corporation. The City has no obligation in connection with employee pension benefits offered through this plan beyond its contractual payment of contributions.

Awards and Acknowledgement

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 Weston, Florida for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2007. This was the tenth consecutive year that the City of Weston received this award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR, which satisfies both generally accepted accounting principles and applicable legal requirements.



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

In addition, the City of Weston has also received the GFOA's Distinguished Budget Presentation Award for the fiscal year 2008. This was the sixth consecutive year the City received this award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document is judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide and a communications device.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the many contract professionals of the City of Weston. We would like to express our appreciation to all those who assisted and contributed to the preparation of this report. Credit is also given to the Mayor and the Commissioners for their interest and support in planning and conducting the operations of the City in a responsible, progressive and business like manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'John R. Flint'.

*John R. Flint
City Manager*

A handwritten signature in black ink, appearing to read 'David E. Keller'.

*David E. Keller
Assistant City Manager
Chief Financial Officer*

(This page intentionally left blank)

(This page intentionally left blank)

Certificate of Achievement for Excellence in Financial Reporting

Presented to

The City of Weston
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2007

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

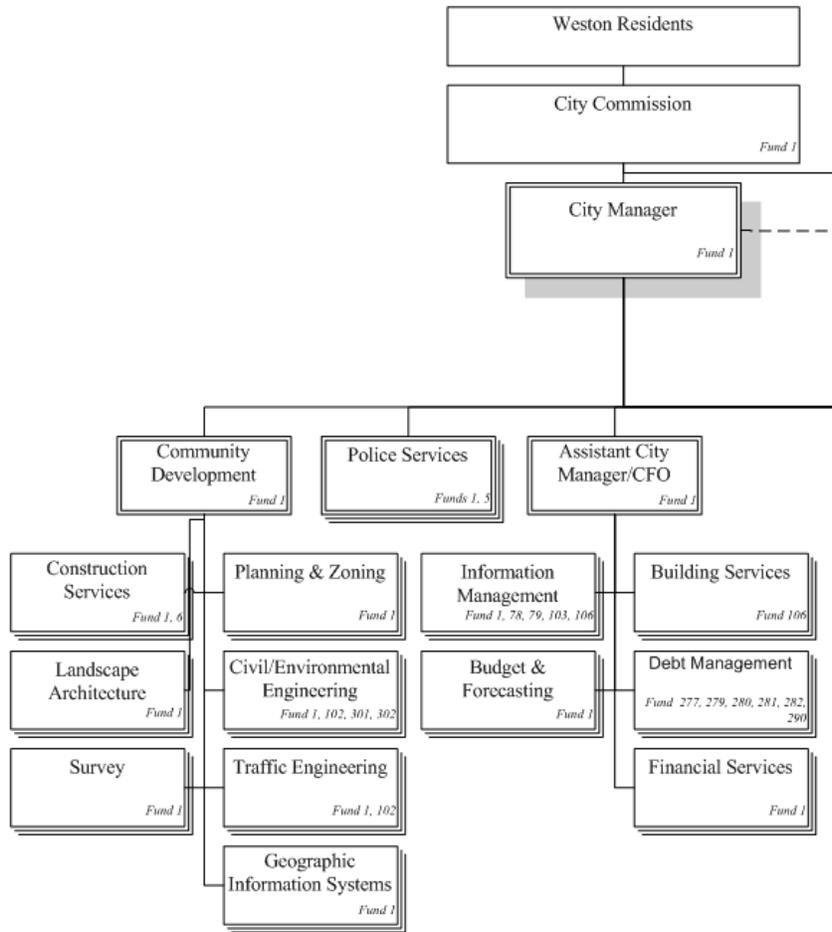


President

Executive Director

THE CITY OF WESTON

Organizational Structure of Departmental Functions and Funds

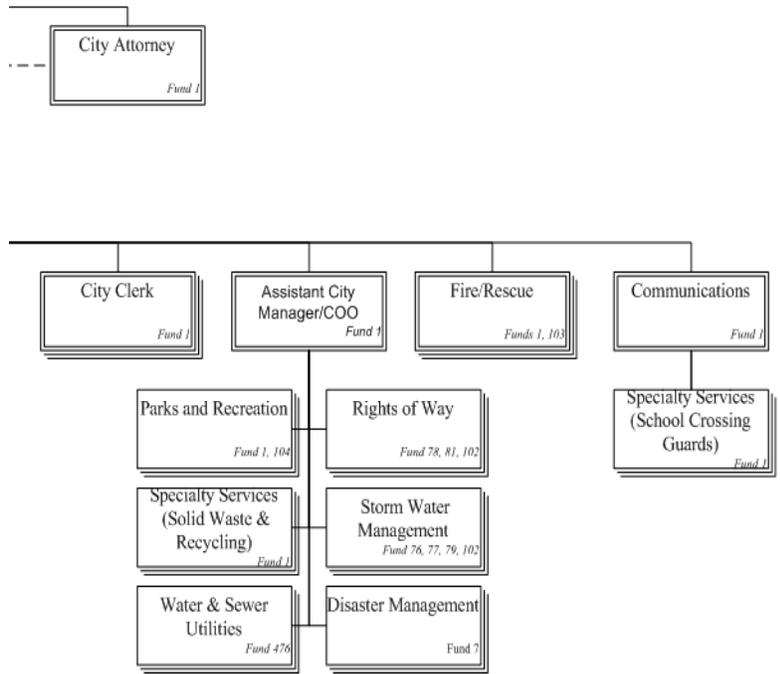


Fund Legend

- | | |
|--|-------------------------------------|
| 1 - General Fund | 78 - ITDD Basin I Right of Way Fund |
| 5 - Law Enforcement Trust Fund | 79 - BDD Water Management Fund |
| 6 - Engineering Fee Fund | 81 - BDD Right of Way Fund |
| 7 - Disaster Management Fund | 102 - Street Maintenance Fund |
| 76 - ITDD Basin I Water Management Fund | 103 - Fire Protection Services Fund |
| 77 - ITDD Basin II Water Management Fund | 104 - Transportation Fund |

THE CITY OF WESTON

Organizational Structure of Departmental Functions and Funds



- | | |
|---|---|
| 106 - Building Fee Fund | 290 - Benefit Tax Fund |
| 277 - ITDD Debt Service Fund 1995B | 301 - Capital Projects Fund - Infrastructure |
| 279 - BDD Debt Service Fund | 302 - BDD Capital Projects Fund |
| 280 - ITDD Debt Service Fund 1997 | 379 - ITDD Capital Projects Fund Basin I Series 1997 |
| 281 - ITDD Debt Service Fund Basin II Series 2003 | 381 - ITDD Capital Projects Fund Basin II Series 2003 |
| 282 - ITDD Debt Service Fund 2005 | 476 - ITDD Enterprise Fund - Water & Sewer Utility |

(This page intentionally left blank)



KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

JOHN R. KEEFE, C.P.A.
STEVEN H. WOODS, C.P.A.
DAVID T. WILLIAMS, C.P.A.
JOSEPH D. LEO, C.P.A.
WILLIAM G. BENSON, C.P.A.
KENNETH G. SMITH, C.P.A.
LOUIS R. PROIETTO, C.P.A.

CYNTHIA L. CALVERT, C.P.A.
ISRAEL J. GOMEZ, C.P.A.
JOHN E. McCULLOUGH, C.P.A. (RETIRED)
THOMAS T. CARPENTER, C.P.A. (RETIRED)
PAUL B. SNEIDER, C.P.A. (RETIRED)
BRIAN D. PINNELL, C.P.A. (RETIRED)

JAMES R. LARAWAY, C.P.A.
HILLARY B. DAIGLE, C.P.A.

ROSS S. GOTTHOFFER, C.P.A.
SAMUEL RAMIREZ, C.P.A.

6550 NORTH FEDERAL HIGHWAY
SUITE 410
FORT LAUDERDALE, FLORIDA 33308
(954) 771-0896
FAX: (954) 938-9353
E-MAIL: kmc@kmc CPA.com

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Commissioners and City Manager
City of Weston, Florida
Weston, Florida

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of City of Weston, Florida (the City), as of and for the year ended September 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of City of Weston, Florida as of September 30, 2008, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 24, 2009 on our consideration of City of Weston's internal control over financial reporting and on 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 important for assessing the results of our audit.

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

City of Weston, Florida

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Weston, Florida's basic financial statements. The combining and individual fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. All such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.


KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
March 24, 2009

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

As management of the City of Weston, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal Year ended September 30, 2008. We encourage the readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vi of this report.

This report consists of government-wide statements, fund financial statements, notes to the financial statements, combining schedules of nonmajor funds and supplementary information. The first several statements are highly condensed and present a government-wide view of the City's finances. Within this view, all City operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as management and administration, legal, police, fire and emergency medical services, community development, recreation and public works. Business-type activities for the City are comprised of the water and sewer operations. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the City.

Fiscal Year 2008 Financial Highlights

- The City of Weston's net assets at the close of the Fiscal Year are \$318.46 million. Of this amount, \$83.44 million are unrestricted net assets to be used to meet the government's ongoing obligations to citizens and creditors.
- During the Fiscal Year, revenues exceeded expenses by \$3.76 million which is the amount of increase in the City's net assets.
- As of the close of the Fiscal Year, the City of Weston's governmental funds reported a combined ending fund balance of \$82.70 million. Approximately 92.89% of that amount, or \$76.82 million, is unreserved and available for spending at the City's discretion.
- At the end of the Fiscal Year, the fund balance in the General Fund was \$50.23 million or 151.64% of total General Fund expenditures.
- The City of Weston's total outstanding debt increased by \$10.90 million, or 110.90% due to an increase in capital projects funded with low-cost debt financing.

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Weston's basic financial statements. The financial section is one component of the Comprehensive Annual Financial Report. This Report also includes the introductory section containing the table of contents, transmittal letter, City organizational chart, listing of City officials, and the statistical section which includes financial and non-financial information useful in assessing the City.

The financial section consists of: management's discussion and analysis, basic financial statements, required supplementary information and an additional section that presents combining statements for non-major governmental funds. The basic financial statements include components that present different views on the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government by reporting the City's operations in more detail.
 - The *governmental funds* statements illustrate how general governmental functions and services are financed in the short-term and what remains for future spending.
 - The *proprietary funds* statements offer short-term and long-term financial information about activities that the government operates like a business, such as the water and sewer system.
 - The *fiduciary funds* statements provide information on the financial relationships where the government acts solely as a trustee or agent for the benefit of non-stakeholders, such as bondholders.
- In addition to the government-wide and fund financial statements, basic financial statements also include notes to the financial statements that explain the numerical information in more detail.

The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Lastly, this report also provides a section of other financial information including combining statements that detail the City's non-major governmental funds.

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to that of a private business. The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of Weston that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that merely provide cost recovery through usage fees and charges (business-type activities). The governmental activities of the City of Weston include general government, public safety, recreation, planning and zoning, fire rescue/emergency medical services, sanitation and streets. The business-type activities of the City of Weston include the water and sewer operations.

The government-wide financial statements include not only the City of Weston itself, known as the primary government, but also the Town Foundation and two legally separate development districts for which the City of Weston is financially responsible. These units function as sub units of the City of Weston, and therefore have been included as an integral part of the primary government.

The government-wide financial statements are reported on pages 22 and 23 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The City of Weston, like other state and local governments, uses fund accounting to provide compliance with the laws of the State of Florida. All of the funds of the City of Weston can be divided into three categories: governmental funds, a proprietary fund and fiduciary funds.

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

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

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

The City of Weston maintains six major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the following major funds: General Fund, Indian Trace Development District Special Revenue Fund, Bonaventure Development District Special Revenue Fund, Fire District Special Revenue Fund, Town Foundation Special Revenue Fund, and Community Facilities Construction Capital Projects Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Weston adopts an annual appropriated budget for all governmental and proprietary funds except the 2003 and 2002 Bond Construction Funds. A budgetary comparison schedule has been provided for the General Fund, Indian Trace Development District Special Revenue Fund, Bonaventure Development District Special Revenue Fund, Fire District Special Revenue Fund, and Town Foundation Special Revenue Fund to demonstrate compliance with the budget in addition to the non-major special revenue and capital project funds presented in the combining section.

The basic governmental funds financial statements can be found on pages 24 through 29 of this report.

Proprietary fund. The City of Weston maintains one proprietary fund, the Water & Sewer Enterprise Fund. Enterprise funds are used to report business-type activities in the government-wide financial statements. The City uses its enterprise fund to account for water and sewer activities and services. The City has no internal service funds, which are funds used to accumulate and internally allocate costs between various government departments.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The City of Weston's Water and Sewer Enterprise Fund is considered a major fund and the basic financial statements for the fund are provided on pages 30 through 33 of this report.

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of non-stakeholders. Fiduciary funds are not reflected in the government-wide financial statements because the resources of this fund are not available to directly support the City's programs. The accounting used for the fiduciary funds is much like that used for proprietary funds.

The basic financial statements for the fiduciary funds of the City can be found on page 34 of this report.

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 through 53 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City of Weston's adopted, amended and actual budgetary data for the General Fund and major special revenue funds. Required supplementary information can be found starting on page 54 of this report.

The combining statements referred to earlier in connection with the non-major governmental funds are presented immediately following the required supplementary information on budgetary comparisons. Combining and individual fund statements and schedules can be found starting on page 63 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. There are six basic transactions that affect the comparability of the Statement of Net Assets summary presentation as reflected below:

1. **Net results of activities** will increase or decrease current assets and total net assets.
2. **Borrowing for capital** will increase current assets and long-term debt.
3. **Spending borrowed proceeds on new capital** will reduce current assets and increase capital assets. Concurrently, an increase in investment in capital assets and an increase in net related debt will not change the investment in capital assets, net of debt of the City.
4. **Spending of non-borrowed current assets on new capital** will reduce current assets and increase capital assets. This will also reduce unrestricted net assets and increase investment in capital assets.

CITY OF WESTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

5. **Principal payment on debt** will reduce current assets and reduce long-term debt and also reduce unrestricted net assets and increase investment in capital assets.
6. **Reduction of capital assets through depreciation** will reduce capital assets and investment in capital assets, net of debt.

TABLE 1
CITY OF WESTON NET ASSETS
(in thousands of dollars)

	Governmental Activities			Business-type Activities			Total		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
Assets:									
Current and other assets	\$ 76,023	\$ 82,162	\$ 89,188	\$ 23,461	\$ 24,753	\$ 24,910	\$ 99,484	\$106,915	\$114,098
Capital assets	189,689	155,500	162,248	27,971	74,435	72,197	217,660	229,935	234,445
Total assets	265,712	237,662	251,436	51,432	99,188	97,107	317,144	336,850	348,543
Liabilities:									
Other liabilities	16,370	12,965	10,300	1,851	2,085	2,103	18,221	15,050	12,403
Long-term liabilities outstanding	4,193	7,099	17,683	-	-	-	4,193	7,099	17,683
Total liabilities	20,563	20,064	27,983	1,851	2,085	2,103	22,414	22,149	30,086
Net assets:									
Invested in capital assets, net of related debt	183,105	145,676	142,567	27,971	74,435	72,197	211,076	220,111	214,764
Restricted	21,618	21,550	20,258	1,883	-	-	23,501	21,550	20,258
Unrestricted	40,426	50,372	60,628	19,727	22,668	22,807	60,153	73,040	83,435
Total net assets¹	\$245,149	\$217,598	\$223,453	\$ 49,581	\$ 97,103	\$ 95,004	\$294,730	\$314,701	\$318,457

As illustrated in Table 1, at the close of the Fiscal Year, assets of the City of Weston exceeded its liabilities by \$318.46 million. The largest portion of the City of Weston's net assets, \$214.76 million or 67.44%, are invested in capital assets (land, buildings, etc.); less any related debt used to acquire those assets that is still outstanding. Although the City of Weston'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 repay the liabilities.

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

The unrestricted net assets in an amount of \$83.44 million or 26.20% of total net assets represent the resources that are available to provide services and/or additional capital assets for the City and also to meet the City's obligations to its creditors. The City also has approximately \$20.26 million or 6.36% of total net assets in restricted net assets; resources that have a pre-committed future use.

At the end of the Fiscal Year, the City of Weston 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 activities. Business-type activities have positive balances in capital assets and unrestricted net assets, with zero balance in restricted net assets.

The government's net assets increased by \$3.76 million during the Fiscal Year, with most of the increase due to reducing expenditures to compensate for the decrease in revenues.

Generally, the following impacts can significantly affect annual revenues and by extension change net assets:

1. **Economic conditions** can reflect a growing, stable or declining overall economic environment and those conditions can have a significant impact on the underlying drivers of ad valorem taxes, non-ad valorem assessments, sales and use taxes, fees and other revenues derived from the community, as well as those received from other governments.
2. **Changes in tax, assessment and fee rates by the elected officials** directly affect the most fundamental revenue streams and have the most immediate impact of all changes.
3. **Changing patterns in grant and state revenue sharing calculations** may cause significant deviations to City intergovernmental revenues and put added pressure on City-generated revenues.
4. **Market impact on investment income** might cause investment revenues to fluctuate widely from year to year.

Some other basic impacts are responsible for potential changes in annual expenditures:

1. **Introduction of new programs** can have substantial impact on department/program expenses by requiring new personnel, capital and operating funds.
2. **Changes in service levels** impacts expenses by changing the levels of already appropriated expenses.

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

3. **Salary/contract pricing increases** can contribute to increased expenses. Most contracts entered into by the City of Weston have provisions for increases, either automatic or negotiated each year.
4. While **inflation** generally appears to be moderate, it still always impacts the prices the City pays for commodities, supplies, fuels, parts and miscellaneous services it requires through the year.

Governmental activities. As illustrated by Table 2, the City's governmental revenues during Fiscal Year 2008 were \$74.33 million and exceeded expenditures by \$5.85 million. Expenses from governmental activities represent approximately 30.64% of net assets from governmental activities and 92.12% of total revenues from governmental activities.

Governmental revenues were comprised primarily of charges for services at \$36.71 million or approximately 49.38%, taxes at \$24.38 million or 32.80% of total governmental revenues, state shared revenues of \$4.39 million or 5.91% of total, and several other sources.

Governmental expenses totaled \$68.47 million and were comprised of public safety at \$23.47 million or 34.28% of total expenses, public works at \$19.69 million or 28.76% of total expenses, general government at \$13.71 million or 20.02% of total expenses, and several other sources.

CITY OF WESTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

TABLE 2
CHANGES IN NET ASSETS
(in thousands of dollars)

	Governmental Activities			Business-type Activities			Total		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
Revenues:									
Program revenues:									
Charges for services	\$ 32,625	\$ 34,939	\$ 36,706	\$ 15,651	\$ 15,383	\$ 15,989	\$ 48,276	\$ 50,322	\$ 52,695
Operating grants and contributions	7,856	5,480	1,840	-	-	-	7,856	5,480	1,840
Capital grants and contributions	1,431	1,378	2,132	33	139	27	1,464	1,517	2,159
General revenues:									
Property taxes	9,688	11,498	10,740	-	-	-	9,688	11,498	10,740
Other taxes	13,197	13,368	13,638	-	-	-	13,197	13,368	13,638
State shared revenues	4,888	4,703	4,395	-	-	-	4,888	4,703	4,395
Investment income	3,264	4,611	3,888	890	1,323	1,052	4,154	5,934	4,940
Miscellaneous	361	457	621	827	-	202	1,188	457	823
Transfers In		1,900	367		-	(367)	-	1,900	-
Total revenues	73,310	78,334	74,327	17,401	16,845	16,903	90,711	95,179	91,230
Expenses:									
General government	12,876	13,895	13,706	-	-	-	12,876	13,895	13,706
Public safety	17,881	19,722	23,475	-	-	-	17,881	19,722	23,475
Community development	4,019	4,381	3,780	-	-	-	4,019	4,381	3,780
Public works	12,038	17,933	19,691	-	-	-	12,038	17,933	19,691
Parks and recreation	7,608	7,366	7,248	-	-	-	7,608	7,366	7,248
Interest on long-term debt	195	188	573	-	-	-	195	188	573
Water and sewer operations	-	-	-	17,072	18,026	19,002	17,072	18,026	19,002
Hurricane expenses	13,841	-	-	-	-	-	13,841	-	-
Total expenditures	68,458	63,485	68,473	17,072	18,026	19,002	85,530	81,511	87,475
Increase in net assets	4,852	14,849	5,854	329	(1,181)	(2,099)	5,181	13,668	3,755
Net assets at beginning of fiscal year (as restated) ²	240,297	202,749	217,599	49,252	98,284	97,103	289,549	301,033	314,702
Net assets at end of fiscal year	\$245,149	\$217,598	\$223,453	\$ 49,581	\$ 97,103	\$ 95,004	\$294,730	\$314,701	\$318,457

CITY OF WESTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

FIGURE A
REVENUES BY SOURCE – GOVERNMENTAL ACTIVITIES

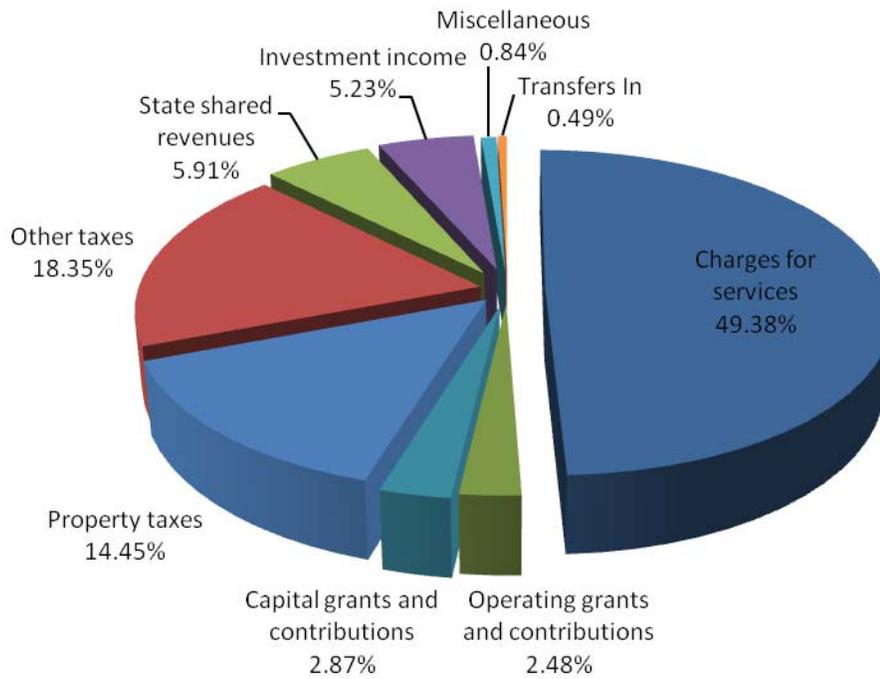
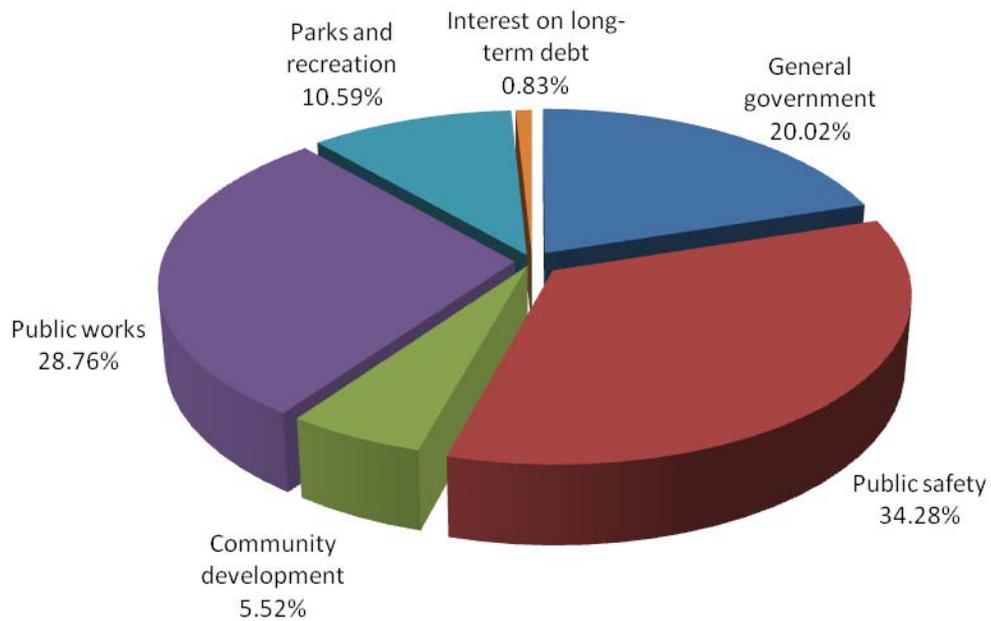


FIGURE B
EXPENSES BY FUNCTION – GOVERNMENTAL ACTIVITIES



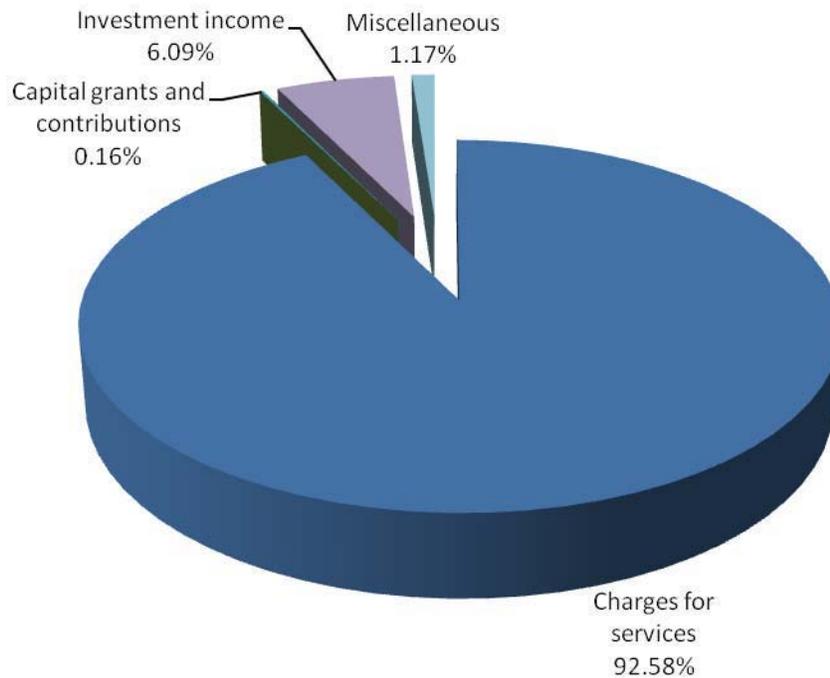
CITY OF WESTON, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

Business-type activities. Business-type activities decreased the City’s net assets by \$2.10 million over the prior period. At the end of Fiscal Year 2008, business-type activities composed 29.83% of total government-wide net assets. For the Fiscal Year, revenues totaled \$16.90 million and included operating revenues in the form of water and sewer fees, meter use fees, investment earnings, connection fees and miscellaneous revenue. The City operates the water and sewer utility system in a “charge-for-services” manner which should generate minimal annual surpluses or deficits; however, the Proprietary Fund had a slight operating loss of \$2.81 million. The Business-type capital assets created a depreciation expense of \$2.24 million in the current fiscal year, so the water and sewer utility system had a slight operating cash loss of approximately \$572,731, or 3.54% of revenues, after removing this non-cash expense.

FIGURE C
REVENUES BY SOURCE – BUSINESS-TYPE ACTIVITIES



Financial Analysis of the Government’s Funds

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

CITY OF WESTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

As of the end of the Fiscal Year, the City of Weston's governmental funds reported a combined ending fund balance of \$82.7 million, an increase of \$10.43 million over the prior fiscal year. Approximately \$76.82 million, or 92.89% of that amount, is unreserved fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to: 1) pay for encumbrances (\$5.43 million); and 2) pay for prepaid expenditures totaling \$449,888. It is important to note that \$49.38 million of the total unreserved fund balance is available in the General Fund of the City, with the balance of \$27.44 million spread among special revenue and capital projects funds that were set up to account for certain revenues that are legally restricted for specific purposes.

The General Fund is the chief operating fund of the City of Weston. At the end of Fiscal Year 2008, total fund balance reached \$50.23 million, with \$852,107 of that reserved. The remaining unreserved General Fund fund balance is available to be spent at the government's discretion. As a measure of the General Fund's solvency, it may be useful to compare the unreserved fund balance to total fund expenditures. At the end of the Fiscal Year, unreserved fund balance represented approximately 149.07% of expenditures.

The fund balance of the City of Weston's General Fund increased by \$2.35 million during the current year with total revenues decreasing by 16.16% to \$34.97 million, expenditures increasing by 18.31% to \$33.13 million and other financing sources increased by \$2.06 million to a net \$515,000. Table 3 shows the comparison of actual revenues, expenditures and other financing uses for the General Fund for Fiscal Years 2006 through 2008.

The major changes in the General Fund revenue and expenditure levels between Fiscal Years 2007 and 2008 were:

Revenues:

- Tax revenues rose by \$2.42 million or 10.95% to \$24.55 million as a result of the solid waste assessment being reflected in tax revenues section.
- Intergovernmental revenues decreased by 51.9% to \$4.8 million reflecting a decrease in revenues from FEMA reimbursements, half cent sales tax and state revenue sharing.
- Charges for services decreased by 71.63% to \$1.49 million as a result of the solid waste assessment being reflected in tax revenues section.
- Investment income decreased by 18.78% to \$2.35 million due to the rate environment.

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

Expenditures:

- Public safety expenditures rose 30.16% to \$14.54 million reflecting contractual increases associated with actual costs of services in renegotiated contracts.
- Capital outlay increased by 206.16% to \$2.24 million due mostly to the purchase of five emergency vehicles.

The Indian Trace Development District Special Revenue Fund decreased its fund balance by \$676,706, or approximately 5.43%, to a total of \$11.78 million with all but \$286,194 unreserved. The fund accounts for restricted resources used to provide water management and right-of-way services to the district and the decreased fund balance is the result of the costs of the district's post Hurricane Wilma landscape restoration project.

The Bonaventure Development District Special Revenue Fund increased its fund balance by \$1.30 million, or approximately 58.68%, to a total of \$3.52 million with all but \$1.73 million unreserved. The fund accounts for restricted resources used to provide water management and right-of-way services to the district and the increased fund balance is the result of note proceeds received in current year with expenses to be recognized in the following year.

The Fire District Special Revenue Fund increased its fund balance by \$1.48 million, or approximately 52.83%, to a total of \$4.28 million with all but \$1.04 million unreserved. The fund accounts for restricted resources used to provide fire services and the increased fund balance is the result of note proceeds for the purchase of fire trucks received in current year with expenses to be recognized in the following year.

The Town Foundation Special Revenue Fund increased its fund balance by \$83,255, or approximately 17.08%, to a total of \$570,746, all of it unreserved. The fund accounts for restricted resources used to provide cable television services to the City. Please note that the Town Foundation has a December 31 year end and therefore the information included in the financial statements is for the year ending December 31, 2007.

CITY OF WESTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

TABLE 3
 COMPARISON OF GENERAL FUND REVENUES & EXPENSES
 (in thousands of dollars)

	2006	2007	2008	Average Annual Change	
				Dollars	Percentage
Revenues:					
Taxes	\$ 19,851	\$ 22,125	\$ 24,548	\$ 2,349	11.20%
Licenses and permits	673	767	987	157	21.33%
Intergovernmental	12,639	9,981	4,801	(3,919)	-36.46%
Charges for services	4,689	5,241	1,487	(1,601)	-29.93%
Fines and forfeitures	320	285	336	8	3.48%
Investment income	1,763	2,896	2,352	295	22.74%
Miscellaneous	523	410	455	(34)	-5.32%
Total revenues	40,458	41,705	34,966	(2,746)	-7.03%
Expenditures:					
General government	4,721	5,175	5,141	210	4.48%
Public safety	10,587	11,172	14,541	1,977	17.84%
Community development	1,632	1,614	1,369	(132)	-8.14%
Public works	3,054	3,383	3,686	316	9.86%
Parks and recreation	6,128	5,926	6,152	12	0.26%
Hurricane expenses	16,421	-	-	-	-
Capital outlay	654	731	2,238	792	108.96%
Total expenditures	43,197	28,001	33,127	3,176	-12.43%
Excess (deficit) of revenues over (under) expenditures	(2,739)	13,704	1,839		
Other financing sources (uses):					
Transfers in	-	-	-		
Transfers out	(2,716)	(1,549)	(500)		
Note proceeds	2,457	-	1,000		
Proceeds from sales of capital assets	-	-	15		
Total other financing sources	(259)	(1,549)	515		
Net change in fund balance	\$ (2,998)	\$ 12,155	\$ 2,354		

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

The Community Facilities Construction Capital Projects Fund accounts for City-wide capital needs such as public safety and recreation. The fund experienced an increase in fund balance of \$5.23 million, or 118.74%, to a total of \$9.63 million. This increase in fund balance is a result of note proceeds from the Northern Trust 2007 and 2008 Capital Project Notes. These funds were used to pay for projects such as Three Village & Country Isles Road Improvements and Library Park which were expensed in the following fiscal year.

The City also maintains several non-major funds, including special revenue and capital projects funds that are used to account for street and right-of-way maintenance, water management and capital improvements. The non-major funds of the City increased their total fund balances during Fiscal Year 2008 by \$655,223 or approximately 32.48%, as a result of funds transferred in from other funds.

Proprietary funds. The City of Weston maintains only a single proprietary fund that is used to account for the operations of the water and sewer system. The statements of proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of the Water and Sewer Enterprise Fund decreased by \$2.10 million, or 2.16%, to a total of \$95 million. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

During the Fiscal Year 2008, the City of Weston amended its City budget as a final budget. As required by City Charter, all contracts and major expenditures were approved by City Commission.

The General Fund original budget anticipated a current resources deficit of \$405,000. The actual operating results of the City's General Fund resulted in a current resources surplus of \$2.44 million.

Actual revenues exceeded original budgeted revenues by \$703,023 and the main differences can be summarized as follows:

- Investment income exceeded the original budget by \$527,536 due to a lower projection based on the forecasted rate environment.
- Recycling fees exceeded the original budget by \$422,890 as a result of the distribution of excess solid waste revenue from Broward County.

CITY OF WESTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

Actual expenditures were lower than the budget projections by \$1.1 million. The largest budget-to-actual variations included:

- The costs for administrative services operating expenditures were lower than the original budget by \$600,891 due to restructuring of service contracts and senior staffing, and the elimination of what has been identified as nonessential services.

Capital Asset and Debt Administration

Capital assets. The City of Weston's investment in capital assets, net of related debt and accumulated depreciation for its governmental and business-type activities and with the addition of \$1.04 million in unspent note proceeds as of September 30, 2008, totals \$214.76 million or 67.44% of total net assets. This investment in capital assets includes land, buildings, land improvements, machinery and equipment, infrastructure and construction in progress. Table 4 presents the governmental and business-type capital assets, net of accumulated depreciation, by category for Fiscal Years 2006 through 2008.

During Fiscal Year 2008, the City constructed or acquired significant capital assets. Major capital asset events during the Fiscal Year 2008 included the following:

- Acquisition of brand new, city-owned fire rescue trucks and fire emergency vehicles.
- Purchase of new financial accounting software.
- Weston police station roof replacement.

CITY OF WESTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

TABLE 4
CAPITAL ASSETS³
(in thousands of dollars)

	Governmental Activities			Business-type Activities			Total		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
Land	\$ 73,145	\$ 73,145	\$ 73,145	\$ -	\$ -	\$ -	\$ 73,145	\$ 73,145	\$ 73,145
Buildings	10,663	10,978	22,214	-	-	-	10,663	10,978	22,214
Machinery and Equipment	1,112	1,501	3,164	184	141	100	1,296	1,642	3,264
Infrastructure	53,688	53,413	53,627	76,490	74,294	72,097	130,178	127,707	125,724
Land improvements	2,928	2,681	2,434	-	-	-	2,928	2,681	2,434
Construction in progress	5,753	13,782	7,664	-	-	-	5,753	13,782	7,664
Total capital assets	\$147,289	\$155,500	\$162,248	\$ 76,674	\$ 74,435	\$ 72,197	\$223,963	\$229,935	\$234,445

Additional information on the City's capital assets can be found in Note 6 on pages 45 and 46 of this report.

Long-term debt. At the end of the current fiscal year, the City of Weston's total outstanding debt was \$20.72 million in notes payable secured by franchise electric fees and simplified communications taxes. The City acts as an agent in the collection of assessments and remittance of debt service payments for no-obligation special assessment bonds held by the Indian Trace and Bonaventure Districts. As of the fiscal year end, the two districts held a total of \$79.91 million in special assessment debt for which the City is not liable and as such, no liability has been recorded in its basic financial statements. The City has no general obligation debt or debt that is backed by the full faith and credit of the City of Weston.

TABLE 5
NOTES PAYABLE & REVENUE BONDS

	Governmental Activities			Business-type Activities			Total		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
Notes payable	\$ 6,584	\$ 9,824	\$20,719	\$ -	\$ -	\$ -	\$ 6,584	\$ 9,824	\$ 20,719
Total debt	\$ 6,584	\$ 9,824	\$20,719	\$ -	\$ -	\$ -	\$ 6,584	\$ 9,824	\$ 20,719

CITY OF WESTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2008

The City of Weston's total long-term debt increased by \$10.90 million, or 110.90%, during the Fiscal Year. The City debt financed capital projects in the amount of \$14.18 million during fiscal year 2008 and paid down principal in the amount of \$3.28 million on debt from previous years.

More detailed information about the City's long-term liabilities is presented in Note 8 on pages 47 and 48 of this report.

Economic Factors and Next Year's Budget and Ratios

The downturn in the local housing market, and the economy as a whole, has impacted the revenues used to support the General Fund. Franchise fees and utility tax receipts decreased due to the implementation of energy and telecommunications conservation measures by residents and businesses, the vacancies of both residential and non-residential properties, and the closure of businesses. Intergovernmental revenues decreased due to a decrease in retail sales, among others, that collectively have resulted in decreased revenues to the General Fund.

Revenues for the Fiscal Year 2009 adopted General Fund budget total approximately \$34.23 million, a decrease of approximately 0.06% over the original budget for Fiscal Year 2008. An increase of 9.35% in the ad valorem property taxes is primarily due to the adoption of the millage rate of 1.5235 compared to last year adopted millage rate of 1.3215. Another increase is in the area of electric franchise fees. This increase is due to a more accurate reflecting of a percentage of estimated revenues over and above the amount dedicated to providing resources for debt service payment in the Capital Projects Fund – Infrastructure being shown in the General Fund during budget preparation as opposed to budgeting the entire amount in the Capital Projects Fund – Infrastructure and then doing interfund transfers later in the year to move the surplus revenue to the General Fund. A projected decrease in state tax receipts and sales tax receipts reflect the downturn of the economy during this fiscal year.

Fiscal Year 2009 budgeted General Fund expenditures are set at a total of approximately \$34.21 million, a decrease over the prior year's allocations by approximately 1.3%. The two largest increases occur in public safety which increased by approximately 8.44% due to contractual cost increases, and parks and recreation, which includes an appropriation of \$650,000 to be used for Tequesta Trace Park athletic fields, Weston Regional and Library Park Wi-Fi networks, and Recreational Software.

If these budgetary projections are realized, the City's General Fund balance will increase by approximately \$26,100.

CITY OF WESTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

Requests for Information

This financial report is designed to provide a general overview of the City of Weston's finances for all those with an interest in this government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Weston, 17200 Royal Palm Boulevard, Weston, Florida 33326.

Footnotes

- 1) Net assets for governmental activities have been restated to include infrastructure assets acquired or constructed between the year of incorporation and September 30, 2002. In addition, governmental and business-type net assets have been restated to reclassify capital assets to the activity (governmental and/or business-type) being benefited by its use. **These changes are reflected in the 2007 numbers only.**
- 2) Net assets for governmental activities have been restated to include infrastructure assets acquired or constructed between the year of incorporation and September 30, 2002. In addition, governmental and business-type net assets have been restated to reclassify capital assets to the activity (governmental and/or business-type) being benefited by its use. These changes are reflected in the 2007 beginning net asset numbers. **The 2006 net assets have not been restated to reflect these changes.**
- 3) Net assets for governmental activities have been restated to include infrastructure assets acquired or constructed between the year of incorporation and September 30, 2002. In addition, governmental and business-type net assets have been restated to reclassify capital assets to the activity (governmental and/or business-type) being benefited by its use. **These changes have been reflected in the 2006 and 2007 numbers only.**

(This page intentionally left blank)

CITY OF WESTON, FLORIDA

STATEMENT OF NET ASSETS

September 30, 2008

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash, cash equivalents and investments	\$ 84,329,159	\$ 22,311,553	\$ 106,640,712
Accounts receivable, net	1,721,819	376,306	2,098,125
Accrued interest receivable	757,073	122,524	879,597
Prepays	449,888	116,929	566,817
Due from other governments	1,922,153	101,198	2,023,351
Due from fiduciary fund	7,220	-	7,220
Restricted assets	-	1,881,708	1,881,708
Capital assets (net of accumulated depreciation):			
Land	73,145,260	-	73,145,260
Construction in progress	7,663,575	-	7,663,575
Infrastructure	53,627,416	72,097,231	125,724,647
Buildings	22,213,808	-	22,213,808
Land improvements	2,434,148	-	2,434,148
Machinery and equipment	3,163,807	99,919	3,263,726
	<u>251,435,326</u>	<u>97,107,368</u>	<u>348,542,694</u>
Total assets			
LIABILITIES:			
Accounts payable	2,912,227	215,777	3,128,004
Payroll liabilities	49,884	5,554	55,438
Due to Advanced Cable Communications	1,226,195	-	1,226,195
Contracts payable	451,361	-	451,361
Retainage payable	594,245	-	594,245
Unearned revenue	432,648	-	432,648
Due to fiduciary fund	27,818	-	27,818
Accrued interest payable	345,513	-	345,513
Customer deposits	793,389	1,881,708	2,675,097
Noncurrent liabilities:			
Due within one year	3,466,716	-	3,466,716
Due in more than one year	17,682,822	-	17,682,822
	<u>27,982,818</u>	<u>2,103,039</u>	<u>30,085,857</u>
Total liabilities			
NET ASSETS:			
Invested in capital assets, net of related debt	142,566,294	72,197,150	214,763,444
Restricted for:			
Operations and maintenance	15,309,032	-	15,309,032
Fire protection services	3,245,676	-	3,245,676
Public transportation and road improvements	1,703,237	-	1,703,237
Unrestricted	60,628,269	22,807,179	83,435,448
	<u>223,452,508</u>	<u>95,004,329</u>	<u>318,456,837</u>
Total net assets			

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

(This page intentionally left blank)

CITY OF WESTON

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2008

FUNCTIONS/PROGRAMS:	Program Revenues			Net Revenue (Expense) and Change in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
Public safety	\$ 23,474,747	\$ 8,661,385	\$ -	\$ -	\$ (14,813,362)	\$ -	\$ (14,813,362)
General government	13,706,456	9,379,703	-	-	(4,326,753)	-	(4,326,753)
Public works	19,690,553	15,239,085	1,840,091	1,931,680	(679,697)	-	(679,697)
Parks and recreation	7,248,171	491,562	-	200,000	(6,556,609)	-	(6,556,609)
Community development	3,780,251	2,934,422	-	-	(845,829)	-	(845,829)
Interest on long term debt	572,983	-	-	-	(572,983)	-	(572,983)
Total governmental activities	<u>68,473,161</u>	<u>36,706,157</u>	<u>1,840,091</u>	<u>2,131,680</u>	<u>(27,795,233)</u>	<u>-</u>	<u>(27,795,233)</u>
Business-type:							
Water and sewer	19,001,545	15,989,521	-	27,296	-	(2,984,728)	(2,984,728)
Total business-type activities	<u>19,001,545</u>	<u>15,989,521</u>	<u>-</u>	<u>27,296</u>	<u>-</u>	<u>(2,984,728)</u>	<u>(2,984,728)</u>
Total primary government	<u>\$ 87,474,706</u>	<u>\$ 52,695,678</u>	<u>\$ 1,840,091</u>	<u>\$ 2,158,976</u>	<u>(27,795,233)</u>	<u>(2,984,728)</u>	<u>(30,779,961)</u>
General revenues:							
Property taxes					10,740,243	-	10,740,243
Franchise taxes					9,339,310	-	9,339,310
State shared revenues - unrestricted					4,394,585	-	4,394,585
Utilities taxes					4,298,249	-	4,298,249
Investment income					3,888,121	1,051,502	4,939,623
Miscellaneous					615,232	201,720	816,952
Gain on disposal of fixed asset					6,552	-	6,552
Interfund transfers					366,940	(366,940)	-
Total general revenues					<u>33,649,232</u>	<u>886,282</u>	<u>34,535,514</u>
Change in net assets					5,853,999	(2,098,446)	3,755,553
Net assets at beginning of year					217,598,509	97,102,775	314,701,284
Net assets at end of year					<u>\$ 223,452,508</u>	<u>\$ 95,004,329</u>	<u>\$ 318,456,837</u>

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

CITY OF WESTON, FLORIDA

BALANCE SHEET - GOVERNMENTAL FUNDS

September 30, 2008

	Special Revenue Funds				
General Fund	Indian Trace Development District	Bonaventure Development District	Fire District	Town Foundation (As of December 31, 2007)	
ASSETS:					
Cash, cash equivalents and investments	\$ 50,287,952	\$ 12,424,904	\$ 3,825,782	\$ 4,155,427	\$ 383,184
Receivables					
Accounts	951,587	-	-		770,232
Interest	554,663	74,841	47,510	63,667	-
Prepays	253,507	75,825	39,636	59,116	-
Due from other governments	855,263	79,631	4,930	20,906	654,392
Due from fiduciary funds	-	7,220	-	-	-
Total assets	\$ 52,902,972	\$ 12,662,421	\$ 3,917,858	\$ 4,299,116	\$ 1,807,808
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	\$ 1,415,286	\$ 843,585	\$ 153,075	\$ 16,406	\$ 10,867
Accrued payroll	40,880	7,318	1,686	-	-
Contracts payable	58,947	1,355	26,770	-	-
Due to Advanced Cable Communications	-	-	-	-	1,226,195
Unearned revenue	359,573	-	-	-	-
Retainage payable	-	-	209,640	-	-
Due to fiduciary funds	-	26,032	1,786	-	-
Customer deposits	793,389	-	-	-	-
Total liabilities	2,668,075	878,290	392,957	16,406	1,237,062
COMMITMENTS AND CONTINGENCIES (NOTE 11)					
Fund balances:					
Reserved for:					
Encumbrances	598,600	210,369	1,695,414	981,534	-
Prepaid expenditures	253,507	75,825	39,636	59,116	-
Unreserved / reported in:					
General fund:					
Designated for disaster assistance	4,500,000	-	-	-	-
Designated for compensated absences	430,784	-	-	-	-
Designated for police building	94,635	-	-	-	-
Designated for emergency medical services building	115,330	-	-	-	-
Designated for park building	263,827	-	-	-	-
Undesignated	43,978,214	-	-	-	-
Special Revenue Funds:					
Designated for debt reduction	-	-	385,300	-	-
Designated for roadway projects	-	-	-	-	-
Designated for fire building	-	-	-	144,952	-
Undesignated	-	11,497,937	1,404,551	3,097,108	570,746
Capital Projects Funds:					
Undesignated	-	-	-	-	-
Total fund balances	50,234,897	11,784,131	3,524,901	4,282,710	570,746
Total liabilities and fund balances	\$ 52,902,972	\$ 12,662,421	\$ 3,917,858	\$ 4,299,116	\$ 1,807,808

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

<u>Capital Project Fund</u>		
<u>Community Facilities Construction</u>	<u>Other Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 9,878,985	\$ 3,372,925	\$ 84,329,159
-	-	1,721,819
14,031	2,361	757,073
-	21,804	449,888
200,000	107,031	1,922,153
-	-	7,220
<u>\$ 10,093,016</u>	<u>\$ 3,504,121</u>	<u>\$ 89,187,312</u>
\$ 23,725	\$ 449,283	\$ 2,912,227
-	-	49,884
343,070	21,219	451,361
-	-	1,226,195
-	73,075	432,648
96,732	287,873	594,245
-	-	27,818
-	-	793,389
<u>463,527</u>	<u>831,450</u>	<u>6,487,767</u>
1,868,786	79,122	5,433,825
-	21,804	449,888
-	-	4,500,000
-	-	430,784
-	-	94,635
-	-	115,330
-	-	263,827
-	-	43,978,214
-	-	385,300
-	1,185,658	1,185,658
-	-	144,952
-	1,164,543	17,734,885
<u>7,760,703</u>	<u>221,544</u>	<u>7,982,247</u>
<u>9,629,489</u>	<u>2,672,671</u>	<u>82,699,545</u>
<u>\$ 10,093,016</u>	<u>\$ 3,504,121</u>	<u>\$ 89,187,312</u>

(This page intentionally left blank)

CITY OF WESTON, FLORIDA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS

September 30, 2008

TOTAL FUND BALANCES OF GOVERNMENTAL FUNDS IN THE BALANCE SHEET, PAGE 25	\$ 82,699,545
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Governmental capital assets	205,841,342
Less accumulated depreciation	(43,593,328)
Accrued interest payable not reported in the governmental funds	(345,513)
Compensated absences not reported in the governmental funds	(430,784)
Notes payable, are not due and payable in the current period and therefore are not reported in the governmental fund.	<u>(20,718,754)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES, PAGE 22	<u>\$ 223,452,508</u>

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

CITY OF WESTON, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended September 30, 2008

	Special Revenue Funds				
	General Fund	Indian Trace Development District	Bonaventure Development District	Fire District	Town Foundation (As of December 31, 2007)
REVENUES:					
Taxes	\$ 24,548,033	\$ 10,163,322	\$ 1,931,666	\$ 7,090,361	\$ -
Charges for services	1,487,387	-	-	-	8,106,538
Intergovernmental	4,800,458	-	1,000,000	-	-
Investment income	2,351,736	650,960	184,411	242,539	28,356
Licenses and permits	986,975	-	-	-	-
Developer contributions	-	-	-	-	-
Miscellaneous	455,141	23,062	1,140	-	30,176
Fines and forfeitures	335,993	-	-	-	-
Total revenues	34,965,723	10,837,344	3,117,217	7,332,900	8,165,070
EXPENDITURES					
Current:					
Public safety	14,541,278	1,522,800	447,900	6,839,529	-
General government	5,140,672	-	-	-	8,081,815
Public works	3,685,782	7,796,104	970,891	-	-
Parks and recreation	6,152,104	-	-	-	-
Community development	1,369,360	-	-	-	-
Capital outlay	2,237,714	2,195,146	2,394,886	2,012,966	-
Debt service					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	33,126,910	11,514,050	3,813,677	8,852,495	8,081,815
Excess (deficiency) of revenues over (under) expenditures	1,838,813	(676,706)	(696,460)	(1,519,595)	83,255
OTHER FINANCING SOURCES (USES):					
Note proceeds	1,000,000	-	2,000,000	3,000,000	-
Proceeds from sale of capital assets	15,000	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(500,000)	-	-	-	-
Total other financing sources	515,000	-	2,000,000	3,000,000	-
Net change in fund balances	2,353,813	(676,706)	1,303,540	1,480,405	83,255
FUND BALANCES AT BEGINNING OF YEAR	47,881,084	12,460,837	2,221,361	2,802,305	487,491
FUND BALANCES AT END OF YEAR	\$ 50,234,897	\$ 11,784,131	\$ 3,524,901	\$ 4,282,710	\$ 570,746

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

<u>Capital Project Fund</u>	<u>Other Non-major Governmental Funds</u>	<u>Total</u>
<u>Community Facilities Construction</u>		
\$ 3,628,200	\$ -	\$ 47,361,582
-	-	9,593,925
200,000	1,452,695	7,453,153
324,584	105,535	3,888,121
-	2,787,010	3,773,985
-	931,680	931,680
-	100,000	609,519
-	-	335,993
<u>4,152,784</u>	<u>5,376,920</u>	<u>73,947,958</u>
-	-	23,351,507
-	-	13,222,487
-	714,143	13,166,920
-	-	6,152,104
3,476,565	2,381,218	3,750,578
	2,493,276	14,810,553
3,284,509	-	3,284,509
344,060	-	344,060
<u>7,105,134</u>	<u>5,588,637</u>	<u>78,082,718</u>
<u>(2,952,350)</u>	<u>(211,717)</u>	<u>(4,134,760)</u>
8,179,647	-	14,179,647
-	-	15,000
-	866,940	866,940
-	-	(500,000)
<u>8,179,647</u>	<u>866,940</u>	<u>14,561,587</u>
5,227,297	655,223	10,426,827
<u>4,402,192</u>	<u>2,017,448</u>	<u>72,272,718</u>
<u>\$ 9,629,489</u>	<u>\$ 2,672,671</u>	<u>\$ 82,699,545</u>

CITY OF WESTON, 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, 2008

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

Net change in fund balances - total governmental funds, page 28	\$ 10,426,827
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as provision for depreciation. This is the amount by which capital outlays exceeded depreciation in the current period.</p>	
Capital outlay	11,572,609
Provision for depreciation	(4,821,850)
<p>In the statement of activities only the gain on disposal of capital assets is reported, whereas in the governmental funds, all proceeds received from the disposal of capital assets are reported as revenues. As a result, the change in net assets differs from the change in fund balance by the net book value of the disposed capital assets</p>	
	(2,735)
<p>The issuance of long-term debt provides current financial resources to governmental funds; however has no effect on net assets.</p>	
Note proceeds	(14,179,647)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the statement of net assets</p>	
Principal payments	3,284,509
<p>Certain items 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:</p>	
Change in accrued interest payable	(228,923)
Change in compensated absences payable	(196,791)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES, PAGE 23	\$ <u>5,853,999</u>

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

CITY OF WESTON, FLORIDA

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS

September 30, 2008

	Business-Type Activities Enterprise Fund Water and Sewer
ASSETS:	
Current assets:	
Cash and investments	\$ 22,311,553
Receivables:	
Accounts	376,306
Interest	122,524
Prepays	116,929
Due from other governments	101,198
Restricted assets:	
Cash and investments	<u>1,881,708</u>
Total current assets	<u>24,910,218</u>
Non current assets:	
Capital assets:	
Infrastructure	109,057,005
Machinery and equipment	<u>214,252</u>
Total capital assets	109,271,257
Less: accumulated depreciation	<u>37,074,107</u>
Total capital assets - net	<u>72,197,150</u>
Total assets	<u>97,107,368</u>
LIABILITIES:	
Current liabilities:	
Accounts payable	215,777
Payroll liabilities	5,554
Current liabilities payable from restricted assets:	
Customer deposits	<u>1,881,708</u>
Total current liabilities	<u>2,103,039</u>
Total liabilities	<u>2,103,039</u>
NET ASSETS:	
Invested in capital assets, net of related debt	72,197,150
Unrestricted	<u>22,807,179</u>
Total net assets	<u>\$ 95,004,329</u>

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

CITY OF WESTON, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - PROPRIETARY FUND

For the Year Ended September 30, 2008

	Business-Type Activities Enterprise Fund Water and Sewer
OPERATING REVENUES:	
Water and sewer fees	\$ 15,979,071
Miscellaneous	201,720
Meter use fees	10,450
Total operating revenues	16,191,241
OPERATING EXPENSES:	
Water and sewer charges	15,358,486
Provision for depreciation	2,237,573
Personal services	154,792
Other operating expense	1,218,740
Meter expense	31,954
Total operating expenses	19,001,545
Operating loss	(2,810,304)
NONOPERATING REVENUES:	
Investment income	1,051,502
Income before capital contributions	(1,758,802)
Contributions - tap fees	27,296
Income before transfers	(1,731,506)
TRANSFERS:	
Transfer out	(366,940)
Changes in net assets	(2,098,446)
NET ASSETS AT BEGINNING OF YEAR	97,102,775
NET ASSETS AT END OF YEAR	\$ 95,004,329

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

CITY OF WESTON, FLORIDA

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

For the Year Ended September 30, 2008

	<u>Business-Type Activities</u> <u>Enterprise Fund</u> <u>Waste and Sewer</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 16,117,777
Payments to employees for services	(149,238)
Payments to suppliers	(16,773,600)
Net cash used in operating activities	<u>(805,061)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Developer contributions received	27,296
Cash paid to other funds	(366,940)
Net cash used in capital and related financing activities	<u>(339,644)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Sale of investments	35,470,475
Investment income received	1,221,873
Purchase of investments	(34,710,718)
Net cash provided by investing activities	<u>1,981,630</u>
Net increase in cash and cash equivalents	836,925
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>753,246</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 1,590,171</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:	
Operating loss	\$ (2,810,304)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Provision for depreciation	2,237,573
(Increase) decrease in operating assets:	
Accounts receivable	(31,868)
Prepaid expense	(116,929)
Due from other governments	(101,198)
Increase (decrease) in operating liabilities:	
Accounts payable	(9,993)
Payroll liabilities	5,554
Customer deposits	59,602
Due to other governments	(37,498)
Total adjustments	<u>2,005,243</u>
Net cash used in operating activities	<u><u>\$ (805,061)</u></u>
NONCASH INVESTING ACTIVITIES:	
Change in fair value of investments	<u><u>\$ (187,507)</u></u>

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

CITY OF WESTON, FLORIDA

STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
(continued)

For the Year Ended September 30, 2008

THE FOLLOWING IS A RECONCILIATION
OF CASH AND CASH EQUIVALENTS FOR
THE ENTERPRISE FUND:

	Cash and Cash Equivalents on Statement of Cash Flows	Other Investments	Statement of Net Assets Total
Cash and investments	\$ <u> -</u>	\$ <u>22,311,553</u>	\$ <u>22,311,553</u>
Restricted assets	\$ <u>1,590,171</u>	\$ <u>291,537</u>	\$ <u>1,881,708</u>

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

CITY OF WESTON, FLORIDA

STATEMENT OF FIDUCIARY NET ASSETS -
FIDUCIARY FUND

September 30, 2008

ASSETS

	<u>Agency Fund</u>
RESTRICTED ASSETS*:	
Investments	\$ 2,817,893
Due from governmental funds	<u>27,818</u>
	<u>\$ 2,845,711</u>

LIABILITIES

PAYABLE FROM RESTRICTED ASSETS*:	
Payable to bond holders	\$ 2,838,491
Due to governmental funds	<u>7,220</u>
	<u>\$ 2,845,711</u>

* Includes the following agency funds: 2005 ITDD, 1995B ITDD, 1997 ITDD, 2002 BDD and 2003 Isles of Weston (Note 7)

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

(This page intentionally left blank)

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 1 - ORGANIZATION AND OPERATIONS

City of Weston, Florida (the "City") is a municipal corporation governed by an elected Mayor and a four-member commission providing the following services: general government; public safety; community development; public works and parks and recreation. Additional services provided by the City are subcontracted (Note 11) such as : water and sewer services; emergency medical and fire protection and prevention services; police services; engineering services; and plan review and inspection services. The City was incorporated pursuant to the constitution and laws of the State of Florida in September 1996 when the qualified electors voted in favor of incorporation of the City and approved the Charter.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements of the City and its blended component units, entities for which the City is considered to be financially accountable, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The City is financially accountable if the City Commission appoints a voting majority of an organization's governing body and it is able to impose its will on that organization, or there is a potential for the organization to provide specific financial burdens on the City. Blended component units, although legally separate entities, are in substance part of the City's operations and so data from these units is combined with data of the primary government.

Blended Component Units

Indian Trace Development District (the "ITDD") is a blended component unit. The ITDD was formed in 1975 by a Broward County Ordinance and in 1981 was reestablished pursuant to Chapter 190 of the Florida Statutes as an independent, special taxing district in Broward County, Florida, to provide facilities for water and sewer, water management and control, roads and other public improvements. The ITDD's boundaries exclude the community of Bonaventure. The ITDD is governed by a board comprised of the City Commission and therefore the City has the ability to impose its will on the ITDD. The ITDD has its own budget and taxing power. The operations and assets of the ITDD are reflected in the Indian Trace Development District Special Revenue Fund, the 1997 and 2003 Bond Construction Capital Project Funds, the Water and Sewer Enterprise Fund, and the Agency Fund. The component unit has a September 30 year end. There were no separately issued financial statements for this component unit.

Bonaventure Development District ("BDD") is a blended component unit. BDD was created on December 21, 1998, however, was inactive until June 30, 2001 when the Florida Legislature dissolved West Lauderdale Water Control District and transferred all of the assets of the former to BDD. Bonaventure Development District provides water management and control, roads and other public improvements. BDD is governed by a board comprised of the City Commission and therefore the City has the ability to impose its will on BDD. BDD has its own budget and taxing power. The operations and assets of BDD are reflected in Bonaventure Development District Special Revenue Fund, 2002 Bond Construction Capital Project Fund and the Agency Fund. The component unit has a September 30 year end. There were no separately issued financial statements for this component unit.

Town Foundation became a component unit of City of Weston on April 30, 2003, when the members of the City Commission became the Board of Directors of the Foundation. Town Foundation provides cable services to certain residents of the City. The component unit has a December 31 year end and therefore the information presented is for the year ending December 31, 2007. A copy of the separately issued financial statements for the component unit can be obtained at the Weston City Hall located at 17200 Royal Palm Boulevard, Weston, Florida 33326.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements with the exception of a net amount of \$ 20,598 which is due to fiduciary funds (Note 5). 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 services for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program 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 program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. 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 fund are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Agency funds are unlike all other types of funds, reporting only assets and liabilities. Therefore, the agency funds have no measurement focus. Since agency funds report no equity, an operating statement reporting changes in equity is not presented.

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

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City reports the following major governmental funds:

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

The Special Revenue Funds (Indian Trace Development District, Bonaventure Development District, Fire District and Town Foundation) account for revenue sources that are legally restricted to expenditure for specific purposes. Indian Trace Development District and Bonaventure Development District account for the maintenance of the stormwater management infrastructure and the non-roadway portions of the public right-of-way within the boundaries of the Districts. The Fire District accounts for revenues generated by non-ad valorem assessments to fund fire protection services in the City. Town Foundation provides cable services to certain residents of the City.

The Capital Project Fund (Community Facilities Construction) accounts for the acquisition of equipment and construction/rehabilitation of major capital projects not being financed by proprietary funds. The Community Facilities Construction Fund accounts for infrastructure projects from note proceeds.

The City reports the following major proprietary fund:

Enterprise Fund - used to account for the water and sewer operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing services are generally recovered through user charges.

Additionally, the government reports the following fund type:

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent on behalf of others. The Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. The City utilizes these funds to account for revenues collected from special assessments levied upon the properties within the ITDD and BDD; forwarding the collections to bondholders as bond principal and interest payments become due. The City nor ITDD nor BDD are obligated in any matter for the repayment of these bonds; accordingly, no liability for these bonds has been recorded in the City's basic financial statements.

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

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

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

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary fund are charges to customers for sales and services. Operating expenses for proprietary funds include the costs of sales and services, administrative expenses, and provision for depreciation on capital assets. All revenues and expenses that do not meet this definition are reported as nonoperating revenues or 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.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are carried at fair value, which is based on quoted market prices. Unrealized gains and losses in fair value are recognized.

2. 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/due from other funds."

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

Property taxes are levied and are recognized as receivables on October 1 of each year. Ad-valorem property taxes are based on property value. Non ad-valorem property taxes are based on per unit. The tax bill may be paid at declining discounts from November through February. All unpaid taxes become delinquent on April 1 of the year following the year in which taxes were levied and are subject to the issuance of tax sale certificates as of June 1. Broward County bills and collects all property taxes for the City.

There was no allowance for uncollectibles necessary for receivables as of September 30, 2008.

3. Prepays

Prepays are recorded as assets when the initial payment is made. Each asset is then charged off against operations in the period benefited. These amounts are reserved in the governmental fund financial statements.

Customer deposits represent deposits and bonds held for customers and developers.

4. Restricted Assets (Note 4)

Certain proceeds of the City's bond resolutions, as well as certain resources set aside for their repayment, are classified as restricted assets because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. Amounts held from property owners are held for future payment of special benefit assessment bond principal and interest payments. Customer deposits are classified as restricted assets because they are held on behalf of the customer.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Capital Assets

Capital assets, which include land, construction-in-progress, infrastructure, buildings, land improvements and machinery and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$ 10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Interest costs incurred in connection with capital assets net of interest earned on the invested proceeds over the same period were immaterial.

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

Infrastructure	10-50 years
Buildings	10-50 years
Land improvements	15-30 years
Machinery and equipment	5-15 years

6. Compensated Absences

It is the City's policy to permit its employees to accumulate amounts of earned but unused vacation and sick pay benefits. Accumulated compensated absences are recorded as an expense in the government-wide financial statements when earned. Expenditures for compensated absences are recorded in the governmental funds only for employees who had terminated their employment as of the end of the fiscal year. As of September 30, 2008, the City reports accrued compensated absences amounting to \$ 430,784 in the statement of net assets, which is expected to be paid from future resources. Additionally, the City has not recorded compensated absences in the governmental funds because amounts outstanding have not matured as of the year end.

7. Long-Term Obligations

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

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

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

8. Fund Balance and Net Assets

In the governmental funds, reservations of fund balances are reported to indicate that portion of fund balance that is legally segregated for specific purposes. Designations indicate tentative managerial plans or intent to use financial resources in a future period. Undesignated fund balance indicates the portion of fund balance that is available for future use.

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Prepaid expenditures are reported as reservations under the consumption method. Such assets technically are available to liquidate the related expenditures that will be recognized when those assets are eventually consumed.

Net assets of the government-wide and proprietary funds are categorized as invested in capital assets net of related debt, restricted or unrestricted. Invested in capital assets, net of related debt consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets. Net assets restricted for operations and maintenance and fire protection services represent limitations placed on net asset use by enabling legislation representing an implicit contract with taxpayers for non-ad valorem taxes and cable fees collected for specified purposes. Net assets restricted for public transportation and road improvements represent limitations placed on net asset use by state enabling legislation from proceeds distributed to the City from state revenue sharing and local option gas tax collections.

9. Estimates

The presentation of financial statements in conformity with generally accepted accounting principles 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 expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 - DEPOSITS AND INVESTMENTS

A. Deposits

GASB Statement No. 40, Deposit and Investment Risk Disclosures requires governments to disclose deposits and investments exposed to custodial credit risk. For deposits, this is the risk that, in the event of the failure of a depository financial institution, a government may not be able to recover deposits nor be able to recover collateral securities that are in the possession of an outside party.

The City's deposits must be placed with banks and savings and loans which are qualified as public depositories prior to receipt of public monies under Chapter 280, Florida Statutes. These deposits are insured by the FDIC up to \$ 200,000, \$ 100,000 for demand deposits and \$ 100,000 for savings deposits. Monies deposited in amounts greater than the insurance coverage are covered by the participation of the bank in the Florida Security for Public Deposits Act. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized with securities held by the entity or its agent in the entity's name.

At September 30, 2008, the carrying amount of the City's deposits was \$ 5,571,215, with a bank balance of \$ 6,077,445. Included in the carrying amount of deposits was \$ 10,950 cash on hand.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

B. Investments

The City's investments policy permits investment or reinvestment of the City's funds primarily in 1) United States Treasury and government agency/instrumentality obligations, 2) obligations of state and local governments, 3) certain highly rated foreign government obligations, 4) the Local Government Surplus Funds Trust Fund or any intergovernmental investment pool pursuant to Florida Statute 163.01, 5) obligations of any corporate financial instrument (excluding life and casualty companies), 6) certain highly rated mortgage-backed securities or collateralized mortgage obligations, 7) repurchase agreements collateralized by United States Treasury or government agency and instrumentality securities, 8) money market mutual funds, and 9) commercial paper.

Investments as of September 30, 2008, excluding the Town Foundation were as follows:

	<u>Reported Amount Fair Value</u>
Government and government sponsored entity bonds	\$ 68,831,357
Mortgage and asset backed securities - fixed rate	18,680,511
Money market mutual funds and other cash equivalents	16,423,741
Corporate bonds	<u>1,450,305</u>
	<u>\$ 105,385,914</u>

A reconciliation of cash and investments excluding the Town Foundation as shown on the statement of net assets and on the statement of fiduciary net assets, and the investment table above is as follows:

	<u>Cash</u>	<u>Cash Equivalents</u>	<u>Investments</u>	<u>Total</u>
Cash, cash equivalents and investments	\$ 5,571,215	\$ 12,015,677	\$ 88,670,636	\$ 106,257,528
Restricted assets	<u>-</u>	<u>4,408,064</u>	<u>291,537</u>	<u>4,699,601</u>
Total	<u>\$ 5,571,215</u>	<u>\$ 16,423,741</u>	<u>\$ 88,962,173</u>	<u>\$ 110,957,129</u>

1. Credit Risk

The City's investment policy was established to limit credit risk, the risk of loss due to default by the issuer, securities broker/dealer or financial institution, by:

- Limiting investments to investment-grade securities as rated by any nationally recognized agency in the United States,
- pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the City will do business, and
- diversifying the investment portfolio to reduce the impact of potential losses from any one type of security, or any individual issuer or backer.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

The City's investments have been rated by Standard and Poor's as follows:

	<u>Rated AAA</u>	<u>Not Rated</u>
Government and government sponsored entity bonds	\$ 68,831,357	\$ -
Mortgage and asset backed securities	7,389,950	11,290,561
Money market funds	16,423,741	-
Corporate bonds	1,450,305	-

2. Interest Rate Risk

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

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities to the open market prior to maturity,
- investing operating funds primarily in short-term securities, money market mutual funds, or similar investment pools and limiting the weighted average maturity of the portfolio, and
- limiting the price sensitivity (modified or effective duration) of the investments in the portfolio.

The City has an investment policy that, unless matched to a specific cash flow, limits the maturities in securities to no more than ten years from the date of purchase and additionally limits any securities not rated in the highest tier to maturities of less than five years from the date of purchase. At year end, the weighted average life of the maturities is as follows:

	<u>Maturity Value</u>	<u>Weighted Average Maturity (Years)</u>
Corporate bonds	\$ 1,500,000	2.08
Government and government sponsored entity bonds	\$ 71,990,000	5.08

The investments at September 30, 2008 meet the City's investment policy restrictions.

Additionally, the City invests in mortgage and asset backed securities issued by government sponsored entities and corporations. These securities are based on cash flows from interest and principal payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. At September 30, 2008, the City held at fair value \$ 18,680,511 of mortgage-backed securities, with estimated weighted average lives ranging from 2.82 years to 5.21 years.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 3 - DEPOSITS AND INVESTMENTS (continued)

3. Concentration Credit Risk

The City's investment policy limits its investments to no more than 5.00% of total assets valued at cost in any one security issue and no more than 50.00% of its total assets valued at cost in any one security type, with certain exceptions. Federal government and agency debt obligations are exempt from both restrictions and cash equivalent investments are exempt from the issuer restriction. GASB Statement 40 requires disclosure when the percentage is 5.00% or more in any one issuer. The investment in the Federal Home Loan Bank is 46.40% (\$ 46,331,950). Given the restriction to the highest rating, the additional concentration is not viewed to be an additional risk by the City.

NOTE 4 - RESTRICTED ASSETS

Restricted assets at September 30, 2008, consist of the following:

	<u>Agency Fund</u>	<u>Enterprise Fund</u>	<u>Total</u>
Amounts held from property owners	\$ 2,845,711	\$ -	\$ 2,845,711
Customer deposits	-	1,844,210	1,844,210
Due to other governments (deposit)	-	37,498	37,498
Total	<u>\$ 2,845,711</u>	<u>\$ 1,881,708</u>	<u>\$ 4,727,419</u>
Cash and investments	\$ 2,817,893	\$ 1,881,708	\$ 4,699,601
Due from governmental funds	<u>27,818</u>	<u>-</u>	<u>27,818</u>
Total	<u>\$ 2,845,711</u>	<u>\$ 1,881,708</u>	<u>\$ 4,727,419</u>

Amounts payable from restricted assets at September 30, 2008 consist of the following:

	<u>Agency Fund</u>	<u>Enterprise Fund</u>	<u>Total</u>
Payable to bondholders	\$ 2,838,491	\$ -	\$ 2,838,491
Customer deposits	-	1,844,210	1,844,210
Due to other governmental funds	7,220	-	7,220
Due to other governments	<u>-</u>	<u>37,498</u>	<u>37,498</u>
Total	<u>\$ 2,845,711</u>	<u>\$ 1,881,708</u>	<u>\$ 4,727,419</u>

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A summary of due to/from other funds for the year ended September 30, 2008 is as follows:

	Receivables	Payables
Indian Trace Development District	\$ 7,220	\$ 26,032
Bonaventure Development District	-	1,786
	\$ 7,220	\$ 27,818
Less Note 2B: Agency Funds	7,220	27,818
	\$ -	\$ -

Due to/from other funds is primarily due to temporary borrowings resulting from the time lag between payment of expenditures and when revenues or reimbursements are received.

The amounts reported in agency funds are excluded from the City's basic financial statements. Therefore, these internal balances have not been eliminated at the government-wide financial statement level.

A summary of interfund transfers for the year ended September 30, 2008 is as follows:

Transfers Out	Transfer In		
	1997 Bond Construction	Disaster Management	Total
General Fund	\$ -	\$ 500,000	\$ 500,000
Water and Sewer	366,940	-	366,940
	\$ 366,940	\$ 500,000	\$ 866,940

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

During the year, \$ 500,000 was transferred from the General Fund to the Disaster Management Fund to provide that fund with sufficient resources in order to respond appropriately to any disaster-type situation, should it occur. Additionally, the 1997 Bond Construction Fund received \$ 366,940 from the Water and Sewer Fund in order to have sufficient resources available to complete the public works facility.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 6 - CAPITAL ASSETS, NET

Capital asset activity for the year ended September 30, 2008 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 73,145,260	\$ -	\$ -	\$ 73,145,260
Construction-in-progress	<u>13,782,332</u>	<u>11,349,562</u>	<u>17,468,319</u>	<u>7,663,575</u>
Total capital assets not being depreciated	<u>86,927,592</u>	<u>11,349,562</u>	<u>17,468,319</u>	<u>80,808,835</u>
Capital assets being depreciated:				
Infrastructure	87,523,848	3,800,995	-	91,324,843
Buildings	13,265,691	11,778,885	-	25,044,576
Land improvements	4,293,480	-	-	4,293,480
Machinery and equipment	<u>2,270,744</u>	<u>2,111,486</u>	<u>12,622</u>	<u>4,369,608</u>
Total capital assets being depreciated	<u>107,353,763</u>	<u>17,691,366</u>	<u>12,622</u>	<u>125,032,507</u>
Less accumulated depreciation:				
Infrastructure	34,111,073	3,586,354	-	37,697,427
Buildings	2,287,594	543,174	-	2,830,768
Land improvements	1,612,543	246,789	-	1,859,332
Machinery and equipment	<u>770,155</u>	<u>445,533</u>	<u>9,887</u>	<u>1,205,801</u>
Total accumulated depreciation	<u>38,781,365</u>	<u>4,821,850</u>	<u>9,887</u>	<u>43,593,328</u>
Total capital assets, being depreciated, net	<u>68,572,398</u>	<u>12,869,516</u>	<u>2,735</u>	<u>81,439,179</u>
Governmental activities capital assets, net	<u>\$ 155,499,990</u>	<u>\$ 24,219,078</u>	<u>\$ 17,471,054</u>	<u>\$ 162,248,014</u>
Business-type activities:				
Capital assets being depreciated:				
Infrastructure	\$ 109,057,005	\$ -	\$ -	\$ 109,057,005
Machinery and equipment	<u>214,252</u>	<u>-</u>	<u>-</u>	<u>214,252</u>
Total capital assets being depreciated	<u>109,271,257</u>	<u>-</u>	<u>-</u>	<u>109,271,257</u>
Less accumulated depreciation:				
Infrastructure	34,763,683	2,196,091	-	36,959,774
Machinery and equipment	<u>72,851</u>	<u>41,482</u>	<u>-</u>	<u>114,333</u>
Total accumulated depreciation	<u>34,836,534</u>	<u>2,237,573</u>	<u>-</u>	<u>37,074,107</u>
Total capital assets, being depreciated, net	<u>74,434,723</u>	<u>(2,237,573)</u>	<u>-</u>	<u>72,197,150</u>
Business type-activities capital assets, net	<u>\$ 74,434,723</u>	<u>\$ (2,237,573)</u>	<u>\$ -</u>	<u>\$ 72,197,150</u>

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 6 - CAPITAL ASSETS, NET (continued)

Provision for depreciation was charged to functions/programs of the primary government as follows:

Governmental activities:	
Public works	\$ 3,172,786
Parks and recreation	1,075,842
General government	420,309
Public safety	123,240
Community development	<u>29,673</u>
 Total provision for depreciation - governmental activities	 \$ <u><u>4,821,850</u></u>
 Business-type activities:	
Enterprise - water and sewer	\$ <u>2,237,573</u>
 Total provision for depreciation - business-type activities	 \$ <u><u>2,237,573</u></u>

Construction Commitments

The City has numerous active construction projects as of September 30, 2008. The projects include the construction of a new public works facility and fueling station, signing/safety improvements, and improvements at Library and Tequesta Trace Parks. At year end the City's commitments with contractors are as follows:

<u>Project</u>	<u>Spent- To-Date</u>	<u>Remaining Commitment</u>
Recreational facility	\$ 1,934,647	\$ 968,377
Public Works facility	2,096,403	1,797,414
Signalization improvements	313,671	299,569
Public works - fueling station	<u>555,337</u>	<u>6,024</u>
 Total	 \$ <u><u>4,900,058</u></u>	 \$ <u><u>3,071,384</u></u>

NOTE 7 - NO OBLIGATION SPECIAL ASSESSMENT BONDS

The City, through ITDD and BDD, acts as an agent for the payment of special assessment bonds. All special assessment bonds are secured by a pledge of the proceeds of the bonds, non-ad valorem benefit assessments and certain monies and investments on deposit. Neither the City nor ITDD nor BDD are obligated in any manner for the repayment of these bonds. The City's responsibility through ITDD and BDD is limited to acting as an agent in collecting the assessments and forwarding the collections to bondholders as bond principal and interest payments become due. These amounts are reflected in the Agency Fund. Accordingly, no liability for these bonds have been recorded in the City's basic financial statements. The principal amount of outstanding debt under these special assessment bonds was \$ 79,910,000 at September 30, 2008.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE 7 - NO OBLIGATION SPECIAL ASSESSMENT BONDS (continued)

At September 30, 2008, no obligation special assessment bonds are summarized as follows:

<u>Bond Issue</u>	<u>Issue/ Reissue Date</u>	<u>Original Principal Amount</u>	<u>Interest Rate</u>	<u>Outstanding Balance</u>
2005 ITDD	February 2005	\$ 46,380,000	2.50%-5.00%	\$ 39,555,000
1995B ITDD	February 1995	33,010,000	8.25%	8,725,000
1997 ITDD	July 1997	41,635,000	4.00%-5.00%	12,885,000
2002 BDD	January 2002	12,790,000	1.75%-5.125%	10,160,000
2003 Isles at Weston	June 2003	9,330,000	5.50%	8,585,000
		<u>\$ 143,145,000</u>		<u>\$ 79,910,000</u>

NOTE 8 - LONG-TERM DEBT

The City has issued notes for governmental activities at September 30, 2008 as follows:

<u>Notes Payable</u>	<u>Balance</u>
Community Facilities Notes:	
\$ 3,044,582 Series 2002A-2 promissory note with principal and interest due semi-annually with a 2.59% fixed interest rate maturing on April 1, 2009. Monies were used for capital improvements. The note is collateralized by franchise fees.	\$ 501,479
\$ 5,137,410 Series 2002B promissory note with principal and interest due semi-annually with a 2.91% fixed interest rate maturing on April 1, 2009. Monies were used for capital improvements. The note is collateralized by franchise fees.	852,347
\$ 10,000,000 Series 2007 promissory note with principal and interest due semi-annually with a 3.84% fixed interest rate maturing on May 1, 2022. Monies have been primarily used for the construction of the new City Hall facility. The note is collateralized by communications services taxes.	9,364,928
\$ 10,000,000 Series 2008 promissory notes with principal and interest due semi-annually with fixed interest rates ranging from 2.40% to 3.36% and maturity dates ranging from March 2011 to March 2018. Monies have been primarily used for the purchase of fire and rescue vehicles and other capital improvements. The notes are collateralized by certain revenues of the City, including, ad-valorem taxes, communication services taxes, and non-ad valorem assessments.	<u>10,000,000</u>
Total	\$ <u>20,718,754</u>

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE 8 - LONG-TERM DEBT (continued)

Annual debt service requirements to maturity for notes payable are as follows:

September 30, Year Ending	Governmental Activities	
	Principal	Interest
2009	\$ 3,403,313	\$ 728,593
2010	2,163,792	585,855
2011	2,231,407	517,947
2012	1,598,722	452,187
2013	1,652,775	397,365
2014-2018	6,483,085	1,225,235
2019-2022	3,185,660	283,448
Total	\$ <u>20,718,754</u>	\$ <u>4,190,630</u>

Changes in Long-Term Debt

Long-term debt activity for the year ended September 30, 2008 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable:					
2002A-1	\$ 1,331,668	\$ -	\$ 1,331,668	\$ -	\$ -
2002A-2	990,542	-	489,063	501,479	501,479
2002B	1,681,052	-	828,705	852,347	852,347
2007	5,820,354	4,179,647	635,073	9,364,928	517,623
2008	-	10,000,000	-	10,000,000	1,531,864
Compensated absences	233,993	260,194	63,403	430,784	63,403
	\$ <u>10,057,609</u>	\$ <u>14,439,841</u>	\$ <u>3,347,912</u>	\$ <u>21,149,538</u>	\$ <u>3,466,716</u>

NOTE 9 - LEASES

Operating leases

The City has entered into several operating agreements to lease office equipment. These lease agreements are payable in monthly installments aggregating approximately \$ 15,900 expiring at various times through July 2011. In the event that sufficient funds are not appropriated and budgeted by the City Commission, the City may terminate these operating agreements by providing a sixty-day written notice prior to the end of its current fiscal period. Total equipment rental expense in connection with these agreements amounted to approximately \$ 172,000 for the year ending September 30, 2008.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 9 - LEASES (continued)

The future minimum lease payments relative to these operating leases at September 30, 2008 are approximately as follows:

Fiscal Year	Amount
2009	\$ 154,700
2010	104,200
2011	37,300
Thereafter	NONE
Total	\$ 296,200

NOTE 10 - RISK MANAGEMENT/INSURANCE

The City is exposed to risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; illness of and injuries to employees; and natural disasters.

The City purchased an insurance policy that provided coverage of up to a \$ 1,000,000 maximum for each general liability occurrence in combination with a maximum annual aggregate coverage of approximately \$ 3,000,000 for the policy year ending September 30, 2008. Other insurance policies carried by City of Weston during the year included: automobile, crime, environmental liability, inland marine, property (building and contents), public officials liability/employment practices liability, crime coverage and workers' compensation. Deductible amounts ranged from \$ 1,000 to \$ 25,000. Settlement amounts have not exceeded insurance coverage during the last three fiscal years.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

City of Sunrise Water and Sewer Agreement

An agreement between the City of Sunrise and ITDD was executed on June 30, 1993, for a term of 30 years with an option to renew for an additional 30 years. The City of Sunrise agrees to supply water and sewer service to ITDD and provide the related billing and collection services to ITDD's customers based on the City of Sunrise's rate structure. The customers remain with ITDD, but ITDD is performing only certain services under the agreement.

Litigation

Various suits and claims arising in the ordinary course of operations are pending against the City. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of legal counsel, the City is protected by sovereign immunity and has sufficient insurance coverage to cover any claims and/or liabilities which may arise from such action.

At the present time, the ultimate outcome of some outstanding matters is not determinable. Accordingly, no amounts have been accrued in the City's financial statements. The City intends to vigorously defend these matters and does not expect them to have a material impact on the basic financial statements.

Grants

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

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 11 - COMMITMENTS AND CONTINGENCIES (continued)

Emergency Medical, Fire Protection and Prevention Services Agreement

During the year, the City entered into an agreement with the Broward Sheriff's Office (BSO) to provide emergency medical, fire protection and fire prevention services through September 30, 2013. After its initial term, the agreement may be renewed for an additional five-year period. The agreement may be terminated by either party by giving no fewer than 270 days written notice to the other party in accordance with certain provisions contained within the contract. Under the agreement, the City provides certain facilities and vehicles for use by BSO. The City is responsible for the repairs and maintenance to the facilities while BSO is responsible for repairs and maintenance to the vehicles. For the fiscal year ending September 30, 2009, the amount to be paid to BSO under the agreement consists of the following: \$ 6,765,984 for emergency medical services; \$ 9,118,812 for fire protection; and \$ 684,768 for fire prevention. For subsequent fiscal years, amounts owed under the agreement will be based on BSO's budgeted costs as detailed in the agreement. BSO will provide the City with its budgeted costs for subsequent fiscal years on or before June 1 of the preceding fiscal year and will provide written documentation to support any increases in the costs to the City. For the year ended September 30, 2008, the City had the following costs: \$ 5,741,926 for emergency medical services; \$ 6,130,877 for fire protection; and \$ 789,653 for fire prevention services.

Police Services Agreement

The City of Weston has entered into an agreement with the Broward Sheriff's Office (BSO) to provide for professional police services through September 2013 with an optional five year renewal period. Under this agreement, BSO provides all necessary labor, supervision, equipment, vehicles, communication facilities and supplies necessary for the purpose of performing the services. Per the agreement, the City provides a police district's office, for which the City is responsible for major improvements and repairs. BSO pays for all utility costs including, but not limited to, telephone, electric, and water services. Either party may terminate this agreement effective on September 30 of any year by giving no fewer than 270 days written notice to the other party.

The consideration for all services shall be subject to an annual increase based on BSO's budgeted costs for the following year. For costs other than health insurance premiums, workers' compensation premiums and pension contributions, the maximum increase calculated based on the consideration paid in the previous year, shall be 5.00%. BSO's budgeted costs for health insurance premiums will be based on projected costs. The maximum increase for these costs shall be 9.00% of the budgeted costs in the preceding year. There is no limitation for the increase in the amount attributable to workers' compensation premiums and pension contributions. BSO's budgeted costs for these costs will be based on projected costs supported with third party documentation. The City is entitled to a credit if the annual vacancy rate (calculated in dollars, not number of personnel) exceeds 3.50%.

For the year ended September 30, 2008, costs related to this agreement amounted to approximately \$ 10,456,650, including a vacancy rate credit of approximately \$ 126,100. Based on BSO's notice of consideration payable, the approximate payment will be \$ 11,007,312 for fiscal year 2008/2009.

Engineering Services Agreement

The City previously entered into an agreement with a consulting firm to provide for planning, zoning and engineering services. This agreement has no expiration date; however, it may be terminated without cause by the City within 120 days upon written notice prior to termination; and with cause by either party within five days upon written notice prior to termination. The contractor is compensated under this contract based on a monthly standard fee and an hourly fee schedule structure, based on several service categories, for which both are subject to a maximum 5.00% annual increase. For the year ended September 30, 2008, the monthly standard fees ranged from approximately \$ 7,000 to approximately \$ 24,800 while the hourly fee ranged from approximately \$ 75 per hour to approximately \$ 220 per hour.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 11 - COMMITMENTS AND CONTINGENCIES (continued)

The City and the consulting firm previously amended the agreement in order for the consulting firm to provide designated employees for certain supplemental services, such as: parks and recreation, rights-of-way and public works. The fee to be paid by the City for the supplemental services is 145.00% (120.00% for overtime compensation) of the actual salary paid to the employees of the consultant performing the services.

In addition, and as required by the City Manager, the consultant provides the necessary personnel and equipment for special project design, permitting, inspections, special reports, studies and related services. These additional services are quoted/priced and authorized under separate contracts.

For the year ended September 30, 2008, costs related to the services provided by the consultant amounted to approximately \$ 4,658,000.

Plan review and inspection services

The City previously entered into an agreement with a consulting firm to provide for plan review and inspection services. The agreement, effective through September 2011, includes two additional five-year period renewal options and may be terminated by either party within sixty (60) days after written notice. The consideration for all services is based on a standard schedule of fees and is subject to an annual increase by an amount equal to the Consumer Price Index increase, with a maximum annual increase not to exceed 5.00% unless both parties mutually agree in writing to an alternative arrangement. Payments to the contract are made for projects with estimated permit fees of less than \$ 100,000 as follows: 60.00% of the fee is payable upon submission of the application and 40.00% is payable at the time of the issuance of the certificate of occupancy or a certificate of completion or final inspection or abandonment, whichever is latest and applicable. Payments to the contractor are made for projects with estimated permit fees of \$ 100,000 or greater as follows: 60.00% of the fee is payable in equal monthly installments commencing with submission of the application through completion of plan review, pursuant to an approved time schedule, and 40.00% is payable in equal monthly installments commencing with the first inspection through the estimated time of completion, pursuant to an approved time schedule. The City processes payments to the contractor on a monthly basis, paying all amounts that become due for the prior month in arrears.

For the year ended September 30, 2008, costs related to the services provided by the consultant amounted to approximately \$ 1,420,000.

Administrative and technology services

The City previously entered into an agreement with a consulting firm to provide for technology services as follows: desktop, server, application, telecom, infrastructure document and records management, business process, procurement and additional City projects. This agreement has no expiration date; however, the City may terminate this contract with or without cause immediately upon written notice while the contractor may terminate this contract within 180 days upon written notice prior to termination.

The agreement was previously amended to primarily provide for administrative and financial services. The monthly proposed base compensation to be paid by the City is approximately \$ 53,000 and \$ 75,500 for technology and administrative/financial services, respectively, for which both are subject to a maximum 5.00% annual increase. The fee for services is established at 145.00% (120.00% for overtime compensation) of the actual salaries paid to certain designated employees of the consultant performing the services.

For the year ended September 30, 2008, costs related to the services provided by the consultant amounted to approximately \$ 1,543,000.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2008

NOTE 12 - RETIREMENT PLANS

Defined Benefit Plan

The City participates in the Florida Retirement System (FRS), a state-wide cost-sharing multiple-employer public employee retirement system (PERS), available to governmental units within the state and administered by the State of Florida Division of Retirement, Department of Administration. The elected officials of the City are eligible to participate in the FRS. All rates, benefits, and amendments are established by the State of Florida through its legislative body.

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

Elected Officers' Class:

Retirement up to age 62 or 30 years of service 3.00%

Normal retirement age for the Elected Officers' Class is 62. If a member is vested but has not reached normal retirement age, early retirement can be taken. The amount of the benefit will be reduced by 5.00% for each year the retirement date precedes normal retirement age.

In addition, eligible FRS members can elect to participate in the deferred retirement option program (DROP). The DROP allows an employee to retire and defer their monthly retirement benefit to an interest-bearing account, for up to a maximum of sixty months, and to continue employment with the City. When the DROP period ends, the employee must terminate employment. At that time, the employee will receive payment of the accumulated DROP benefits, and direct receipt, thereafter, of the FRS monthly retirement benefit.

Contributions to the FRS are made by the City as a percentage of covered payroll. The required contribution rate in effect at year-end was 15.37% for the Elected Officers' Class. No employee contributions are required. Additionally, the City is required to contribute 9.80% for all DROP participants. At September 30, 2008, the City had four elected officials participating in the FRS, and no participants in the DROP.

The contribution requirements of covered payroll and actual contributions made for fiscal year 2008 and the three preceding years were as follows:

	<u>FY 2008</u>	<u>FY 2007</u>	<u>FY 2006</u>
Contributions requirements	\$ 6,557	\$ 6,832	\$ 6,689
Contributions made (100%)	\$ 6,557	\$ 6,832	\$ 6,689
Total covered payroll	\$ 39,667	\$ 41,333	\$ 43,000
Percent of contributions to total covered payroll	16.53%	16.53%	15.56%

The FRS issues an annual report including the disclosures above, a statement of financial condition, historical and statistical information and an actuarial report. A copy can be obtained from the State of Florida, Department of Management Services, Division of Retirement, 2639 North Monroe Street, Building C, Tallahassee, Florida 32399 or online at www.myfrs.com.

CITY OF WESTON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2008

NOTE 12 - RETIREMENT PLANS (continued)

Deferred Compensation Plans

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participants' benefits that may be reallocated to such participant's account.

Pursuant to resolution number 97-20, the City has adopted a pension plan and trust for the sole benefit of the employees of the City. The City contributes to a Money Purchase Plan (Plan), which is a defined contribution pension plan. City contributions and related earnings are 100.00% vested immediately after acceptance of employment. Plan participants are not required to contribute as a condition of participation in the Plan.

During the year, the City was required to contribute 15.00% of each eligible employee's gross earnings, excluding bonuses and overtime. Under an existing employment contract agreement, the City is also required to contribute the maximum allowed by pension regulations to the City Manager's account under this Plan.

The contribution requirement and actual contributions made for the year ended September 30, 2008, was \$ 169,085. Under this Plan, all assets and income of the Plan are held in trust for the exclusive benefit of participants. Accordingly, the assets and liabilities of the Plan are not included in the City's financial statements.

In addition, and pursuant to resolution 97-21, the City offers its employees an optional deferred compensation plan. The City has adopted the provisions of IRS Code Section 457(g) and GASB Statement No. 32, "Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans." Under these provisions, all assets and income of the Plan are held in trust for the exclusive benefit of participants. Accordingly, the assets and liabilities of the Plan are not included in the City's financial statements.

Both deferred compensation plans are administered by the ICMA Retirement Corporation.

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

NOTE 13 - DEFICIT FUND BALANCE

At September 30, 2008, the City reported a fund balance deficit of \$ 219,143 in its 1997 Bond Construction Fund. The deficit is the result of outstanding liabilities related to the completion of the construction project. The City plans to budget and record an interfund transfer in the subsequent fiscal year in order to complete the project. The deficit is not a result of deteriorating financial conditions.

(This page intentionally left blank)

CITY OF WESTON

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
REVENUES:				
Taxes:				
Ad valorem - current	\$ 10,553,000	\$ 10,553,000	\$ 10,740,243	\$ 187,243
Non ad-valorem assessments	3,437,600	3,437,600	3,798,431	360,831
Franchise fees:				
Simplified communications tax	2,749,000	2,749,000	2,701,868	(47,132)
Electric	1,659,100	1,659,100	1,585,574	(73,526)
Solid waste	1,240,000	1,240,000	1,423,668	183,668
Utility taxes:				
Electric	4,425,100	4,425,100	4,198,618	(226,482)
Gas	91,600	91,600	99,631	8,031
Total tax revenues	24,155,400	24,155,400	24,548,033	392,633
Licenses and permits:				
Business tax receipts	821,900	821,900	918,698	96,798
Engineering permits	100,000	100,000	68,277	(31,723)
Total licenses and permit revenues	921,900	921,900	986,975	65,075
Intergovernmental:				
Grant revenues	100,000	100,000	387,396	287,396
Half cent sales tax	4,373,000	3,817,000	3,492,456	(324,544)
State revenue sharing	1,154,600	1,154,600	902,132	(252,468)
Alcoholic beverage licenses	18,300	18,300	18,474	174
Total intergovernmental revenues	5,645,900	5,089,900	4,800,458	(289,442)
Charges for services:				
Recycle fees	493,800	493,800	916,690	422,890
Recreation fees	635,400	635,400	445,743	(189,657)
Development review fees	202,200	202,200	79,135	(123,065)
Tennis center fees	21,900	21,900	45,819	23,919
Total charges for services	1,353,300	1,353,300	1,487,387	134,087
Investment income	1,824,200	1,824,200	2,351,736	527,536
Miscellaneous	100,000	100,000	455,141	355,141
Fines and forfeitures:				
Court fines, forfeitures, and code violations	262,000	262,000	335,993	73,993
Total revenue	34,262,700	33,706,700	34,965,723	1,259,023

CITY OF WESTON

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
(continued)

For the Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
EXPENDITURES:				
Current:				
General government:				
City Commission:				
Personal services	61,400	61,400	64,778	(3,378)
Operating expenditures	41,400	51,400	43,271	8,129
Total City Commission	102,800	112,800	108,049	4,751
City Manager:				
Personal services	614,700	614,700	672,426	(57,726)
Operating expenditures	668,400	793,400	743,598	49,802
Capital outlay	5,000	5,000	-	5,000
Total City Manager	1,288,100	1,413,100	1,416,024	(2,924)
Administrative services:				
Personal services	243,900	243,900	258,616	(14,716)
Operating expenditures	2,653,500	2,921,600	2,320,739	600,861
Total administrative services	2,897,400	3,165,500	2,579,355	586,145
City Attorney:				
Operating expenditures	645,700	992,700	1,037,244	(44,544)
Total general government	4,934,000	5,684,100	5,140,672	543,428
Public safety:				
Police services:				
Operating expenditures	8,783,000	8,783,000	8,681,978	101,022
Capital outlay	35,000	35,000	36,455	(1,455)
Total police services	8,818,000	8,818,000	8,718,433	99,567
Emergency medical services:				
Operating expenditures	5,950,000	5,955,500	5,859,300	96,200
Capital outlay	161,200	1,014,500	939,986	74,514
Total emergency medical services	6,111,200	6,970,000	6,799,286	170,714
Total public safety	14,929,200	15,788,000	15,517,719	270,281

CITY OF WESTON

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
(continued)

For the Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Community development:				
Operating expenditures	1,403,600	1,520,200	1,369,360	150,840
Capital outlay	3,000,000	595,500	602,700	(7,200)
Total community development	4,403,600	2,115,700	1,972,060	143,640
Public works:				
Operating expenditures	3,437,600	3,437,600	3,685,782	(248,182)
Total public works	3,437,600	3,437,600	3,685,782	(248,182)
Parks and recreation:				
Personal services	218,400	218,400	241,685	(23,285)
Operating expenditures	5,674,900	6,089,900	5,910,419	179,481
Capital outlay	550,000	710,000	574,759	135,241
Total parks and recreation	6,443,300	7,018,300	6,726,863	291,437
Total expenditures	34,147,700	34,043,700	33,043,096	1,000,604
Excess (deficiency) of revenues over (under) expenditures	115,000	(337,000)	1,922,627	2,259,627
OTHER FINANCING SOURCES (USES):				
Note proceeds	-	1,000,000	1,000,000	-
Proceeds from sale of capital assets	-	-	15,000	15,000
Transfer out	(520,000)	(520,000)	(500,000)	20,000
Total other financing sources (uses)	(520,000)	480,000	515,000	35,000
Net change in fund balance	\$ (405,000)	\$ 143,000	\$ 2,437,627	\$ 2,294,627

CITY OF WESTON

**BUDGETARY COMPARISON SCHEDULE
INDIAN TRACE DEVELOPMENT DISTRICT
Special Revenue Fund**

For the Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
REVENUES:				
Taxes:				
Non ad-valorem assessments	\$ 10,407,900	\$ 10,407,900	\$ 10,163,322	\$ (244,578)
Investment income	432,400	432,400	650,960	218,560
Miscellaneous	-	-	23,062	23,062
	10,840,300	10,840,300	10,837,344	(2,956)
EXPENDITURES:				
Current:				
Public works:				
Personal	193,500	193,500	205,520	(12,020)
Operating	7,343,900	7,630,200	7,590,584	39,616
Public safety:				
Operating	1,522,800	1,522,800	1,522,800	-
Capital outlay	2,595,400	2,545,300	2,345,688	199,612
	11,655,600	11,891,800	11,664,592	227,208
Excess (deficiency) of revenues over (under) expenditures	\$ (815,300)	\$ (1,051,500)	\$ (827,248)	\$ 224,252

CITY OF WESTON

BUDGETARY COMPARISON SCHEDULE BONAVENTURE DEVELOPMENT DISTRICT Special Revenue Fund

For the Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
REVENUES:				
Taxes:				
Non ad-valorem assessments	\$ 1,952,400	\$ 1,952,400	\$ 1,931,666	\$ (20,734)
Intergovernmental:				
Grant revenue	1,000,000	2,500,000	1,000,000	(1,500,000)
Investment income	71,500	71,500	184,411	112,911
Miscellaneous	-	-	1,140	1,140
	3,023,900	4,523,900	3,117,217	(1,406,683)
Total revenues				
 EXPENDITURES:				
Current:				
Public works:				
Personal	45,200	45,200	47,762	(2,562)
Operating	1,154,800	1,175,300	923,129	252,171
Public safety:				
Operating	447,900	447,900	447,900	-
Capital outlay	4,603,000	4,697,200	4,088,044	609,156
Debt service:				
Principal	124,500	124,500	-	124,500
Interest	101,000	101,000	-	101,000
	6,476,400	6,591,100	5,506,835	1,084,265
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	(3,452,500)	(2,067,200)	(2,389,618)	(322,418)
 OTHER FINANCING SOURCES:				
Transfer in	493,713	493,713	-	(493,713)
Note proceeds	3,000,000	2,000,000	2,000,000	-
	3,493,713	2,493,713	2,000,000	(493,713)
Total other financing sources				
Net change in fund balance	\$ 41,213	\$ 426,513	\$ (389,618)	\$ (816,131)

CITY OF WESTON

**BUDGETARY COMPARISON SCHEDULE -
FIRE DISTRICT FUND
Special Revenue Fund**

For the Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
REVENUES:				
Taxes:				
Non ad-valorem assessments	\$ 7,097,700	\$ 7,097,700	\$ 7,090,361	\$ (7,339)
Investment income	107,700	107,700	242,539	134,839
Total revenues	<u>7,205,400</u>	<u>7,205,400</u>	<u>7,332,900</u>	<u>127,500</u>
EXPENDITURES:				
Current:				
Public safety	6,976,600	6,982,100	6,839,529	142,571
Capital outlay	121,100	2,994,500	2,994,500	-
Total expenditures	<u>7,097,700</u>	<u>9,976,600</u>	<u>9,834,029</u>	<u>142,571</u>
Excess (deficiency) of revenues over (under) expenditures	<u>107,700</u>	<u>(2,771,200)</u>	<u>(2,501,129)</u>	<u>270,071</u>
OTHER FINANCING SOURCE:				
Note proceeds	<u>-</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>-</u>
Total other financing source	<u>-</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>-</u>
Net change in fund balance	<u>\$ 107,700</u>	<u>\$ 228,800</u>	<u>\$ 498,871</u>	<u>\$ 270,071</u>

CITY OF WESTON

BUDGETARY COMPARISON SCHEDULE
TOWN FOUNDATION
Special Revenue Fund

For the Year Ended December 31, 2007

	Budgeted Amounts Original and Final	Actual Amounts	Variance
REVENUES:			
Cable revenue	\$ 8,122,015	\$ 8,106,538	\$ (15,477)
Other revenues	-	30,176	30,176
Investment income	8,437	28,356	19,919
Total revenues	<u>8,130,452</u>	<u>8,165,070</u>	<u>34,618</u>
EXPENDITURES:			
Cable services	6,917,113	6,800,784	116,329
Taxes and licenses	1,006,110	989,371	16,739
Administrative expenses	194,652	189,411	5,241
Interest on note repayment	-	42,533	(42,533)
Legal fees	50,000	40,110	9,890
Other charges	-	15,106	(15,106)
Audit fees	10,000	4,500	5,500
Total expenditures	<u>8,177,875</u>	<u>8,081,815</u>	<u>96,060</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>(47,423)</u>	\$ <u>83,255</u>	\$ <u>130,678</u>

CITY OF WESTON, FLORIDA

NOTES TO BUDGETARY COMPARISONS SCHEDULES

For the Year Ended September 30, 2008

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

Florida Statutes require that all City governments prepare, approve, adopt and execute an annual budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles. Accordingly, the City has established budgeting procedures.

Prior to August 15, management submits to the City Commission, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. During September, public hearings are conducted to obtain citizen comments on the tentative budget and proposed millage. The final budget is prepared and legally adopted through passage of an ordinance prior to September 30.

The City adopts an operating budget on a generally accepted accounting principles basis for all governmental and proprietary funds. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Encumbrances outstanding at year end are reported as reservations of fund balance since they do not constitute expenditures or liabilities. At September 30, 2008, encumbrances outstanding are as follows:

General Fund	\$	598,600
Special Revenue Funds:		
Indian Trace Development District Fund		210,369
Bonaventure Development District Fund		1,695,414
Street Maintenance Fund		73,098
Fire District Fund		981,534
Capital Project Funds:		
Community Facilities Construction Fund		1,868,786
1997 Bond Construction Fund		6,024
		<u>6,024</u>
	\$	<u>5,433,825</u>

Transfers of appropriations within a fund and between funds can be performed by management. Only supplemental appropriations require the approval of the City Commission. The legal level of control is the fund level, except for the General Fund whose legal level of control is the department level.

The following is a reconciliation of budgetary basis to GAAP basis for the results of operations of various funds for the year ended September 30, 2008:

	Excess (Deficiency) of Revenues over (under) Expenditures						
	Special Revenue Funds					Capital Projects Funds	
	General Fund	Indian Trace Development District	Bonaventure Development District	Fire District	Street Maintenance	Community Facilities Construction	1997 Bond Construction
Statement of revenues expenditures and changes in fund balances	(1)	(1)	(1)	(1)	(2)	(3)	(4)
	\$ 2,353,813	\$ (676,706)	\$ 1,303,540	\$ 1,480,405	\$ 782,894	\$ 5,227,297	\$ (537,702)
Net changes in encumbrances	83,814	(133,551)	(1,693,158)	(981,533)	279,229	737,929	483,490
Other budgetary adjustments	-	(16,991)	-	-	(152,631)	(52,212)	(150,000)
Budgetary comparison schedule	(5)	(6)	(7)	(11)	(8)	(9)	(10)
	<u>\$ 2,437,627</u>	<u>\$ (827,248)</u>	<u>\$ (389,618)</u>	<u>\$ 498,871</u>	<u>\$ 909,492</u>	<u>\$ 5,913,013</u>	<u>\$ (204,212)</u>

(1) see page 27	(4) see page 66	(8) see page 69
(2) see page 65	(5) see page 56	(9) see page 71
(3) see page 28	(6) see page 57	(10) see page 72
	(7) see page 58	(11) see page 59

CITY OF WESTON, FLORIDA
NOTES TO BUDGETARY COMPARISONS SCHEDULES
For the Year Ended September 30, 2008

Excess of Expenditures Over Appropriation

During the year, the City incurred expenditures that were in excess of the amounts budgeted as follows:

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance</u>
Major fund:			
General Fund:			
City Manager	\$ 1,413,100	\$ 1,416,024	\$ (2,924)
City Attorney	992,700	1,037,244	(44,544)
Public Works	3,437,600	3,685,782	(248,182)
Non-major fund:			
Capital Project Fund			
1997 Bond Construction	\$ -	\$ 675,156	\$ (675,156)
2003 Bond Construction	-	568,335	(568,335)

As previously discussed, the City's budgetary legal level of control is at the department level for the General Fund and at the fund level for all other governmental funds.

(This page intentionally left blank)

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Street Maintenance Fund - This fund accounts for resources (state revenue sharing and certain local option gas taxes) whose expenditures are limited by law to transportation-related operating, maintenance or capital costs.

Transportation Fund - This fund is used to account for resources (fuel taxes) and expenditures activities for public transportation for the City's residents.

Building Fee Fund - The fund accounts for revenues generated from fees charged for the review of building plans, issuance of permits and inspections, and expenditures associated with those services to administer the City's zoning code and the Florida Building Code.

Disaster Management Fund - This fund accounts for revenues appropriated for the initial response to and recovery from declared States of Emergency. Additionally, the fund accounts for revenues from reimbursements from other governmental entities, insurance proceeds and additional revenues as may be required and appropriated by the City Commission necessary to respond, prepare or recover from declared States of Emergency.

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.

1997 Bond Construction - This fund was used to account for various improvements to the water management system funded with special assessments to the surrounding property owners. This fund is now being used to account for the construction of the new public works building and fueling station.

2002 Bond Construction - This fund was used to account for financing the capital improvements within the Bonaventure Master Plan and the acquisition of Keep Bonaventure Beautiful Corporation. The remaining funds are being used for the engineering and design of two pump facilities to replace the District's aged facilities.

2003 Bond Construction - This fund was used to account for the construction/improvements of the stormwater management infrastructure in the Isles of Weston community funded with special assessments to the surrounding property owners. This fund will remain inactive with the exception of the remaining fund balance.

CITY OF WESTON, FLORIDA

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS

September 30, 2008

	Special Revenue Funds				
	Street Maintenance	Transportation	Building Fee	Disaster Management	Total
ASSETS:					
Cash, cash equivalents and investments	\$ 1,367,558	\$ 438,960	\$ 620,115	\$ 500,000	\$ 2,926,633
Receivables					
Interest	1,096	354	396	-	1,846
Prepays	5,120	371	16,313	-	21,804
Due from other governments	99,705	7,326	-	-	107,031
	<u>\$ 1,473,479</u>	<u>\$ 447,011</u>	<u>\$ 636,824</u>	<u>\$ 500,000</u>	<u>\$ 3,057,314</u>
Total assets					
LIABILITIES AND FUND BALANCES (DEFICIT):					
Liabilities:					
Accounts payable	\$ 119,750	\$ 7,650	\$ 292,473	\$ 29,410	\$ 449,283
Contracts payable	21,219	-	-	-	21,219
Unearned revenue	-	-	73,075	-	73,075
Retainage payable	68,634	-	-	-	68,634
	<u>209,603</u>	<u>7,650</u>	<u>365,548</u>	<u>29,410</u>	<u>612,211</u>
Total liabilities					
Fund balances (deficit):					
Reserved for:					
Encumbrances	73,098	-	-	-	73,098
Prepays	5,120	371	16,313	-	21,804
Unreserved / reported in:					
Special Revenue Funds:					
Designated for roadway projects	1,185,658	-	-	-	1,185,658
Undesignated	-	438,990	254,963	470,590	1,164,543
Capital Projects Funds:					
Undesignated	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)					
	<u>1,263,876</u>	<u>439,361</u>	<u>271,276</u>	<u>470,590</u>	<u>2,445,103</u>
Total liabilities and fund balances					
	<u>\$ 1,473,479</u>	<u>\$ 447,011</u>	<u>\$ 636,824</u>	<u>\$ 500,000</u>	<u>\$ 3,057,314</u>

Capital Projects				Total	Total
1997 Bond Construction	2002 Bond Construction	2003 Bond Construction	Total		Non-major Governmental Funds
\$ 96	\$ 339,328	\$ 106,868	\$ 446,292	\$	3,372,925
-	515	-	515		2,361
-	-	-	-		21,804
-	-	-	-		107,031
<u>\$ 96</u>	<u>\$ 339,843</u>	<u>\$ 106,868</u>	<u>\$ 446,807</u>	<u>\$</u>	<u>3,504,121</u>
\$ -	\$ -	\$ -	\$ -	\$	449,283
-	-	-	-		21,219
-	-	-	-		73,075
<u>219,239</u>	<u>-</u>	<u>-</u>	<u>219,239</u>		<u>287,873</u>
<u>219,239</u>	<u>-</u>	<u>-</u>	<u>219,239</u>		<u>831,450</u>
6,024	-	-	6,024		79,122
-	-	-	-		21,804
-	-	-	-		1,185,658
-	-	-	-		1,164,543
<u>(225,167)</u>	<u>339,843</u>	<u>106,868</u>	<u>221,544</u>		<u>221,544</u>
<u>(219,143)</u>	<u>339,843</u>	<u>106,868</u>	<u>227,568</u>		<u>2,672,671</u>
<u>\$ 96</u>	<u>\$ 339,843</u>	<u>\$ 106,868</u>	<u>\$ 446,807</u>	<u>\$</u>	<u>3,504,121</u>

CITY OF WESTON, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2008

	Special Revenue Funds				
	Street Maintenance	Transportation	Building Fee	Disaster Management	Total
REVENUES:					
Intergovernmental	\$ 1,377,342	\$ 75,353	\$ -	\$ -	\$ 1,452,695
Investment income	44,534	18,618	21,809	-	84,961
Licenses and permits	-	-	2,787,010	-	2,787,010
Developer contributions	931,680	-	-	-	931,680
Miscellaneous	-	-	-	-	-
	<u>2,353,556</u>	<u>93,971</u>	<u>2,808,819</u>	<u>-</u>	<u>5,256,346</u>
EXPENDITURES:					
Current:					
Public works	654,367	59,776	-	-	714,143
Community development	-	-	2,351,808	29,410	2,381,218
Capital outlay	916,295	-	-	-	916,295
	<u>1,570,662</u>	<u>59,776</u>	<u>2,351,808</u>	<u>29,410</u>	<u>4,011,656</u>
Excess (deficiency) of revenues over (under) expenditures	<u>782,894</u>	<u>34,195</u>	<u>457,011</u>	<u>(29,410)</u>	<u>1,244,690</u>
OTHER FINANCING SOURCES:					
Transfers in	-	-	-	500,000	500,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>
Net change in fund balances	<u>782,894</u>	<u>34,195</u>	<u>457,011</u>	<u>470,590</u>	<u>1,744,690</u>
FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR					
	<u>480,982</u>	<u>405,166</u>	<u>(185,735)</u>	<u>-</u>	<u>700,413</u>
FUND BALANCES (DEFICIT) AT END OF YEAR					
	<u>\$ 1,263,876</u>	<u>\$ 439,361</u>	<u>\$ 271,276</u>	<u>\$ 470,590</u>	<u>\$ 2,445,103</u>

Capital Projects Funds				Total
1997	2002	2003		Non-major
Bond	Bond	Bond		Governmental
Construction	Construction	Construction	Total	Funds
\$ -	\$ -	\$ -	\$ -	\$ 1,452,695
4,004	8,976	7,594	20,574	105,535
-	-	-	-	2,787,010
-	-	-	-	931,680
100,000	-	-	100,000	100,000
<u>104,004</u>	<u>8,976</u>	<u>7,594</u>	<u>120,574</u>	<u>5,376,920</u>
-	-	-	-	714,143
-	-	-	-	2,381,218
1,008,646	-	568,335	1,576,981	2,493,276
<u>1,008,646</u>	<u>-</u>	<u>568,335</u>	<u>1,576,981</u>	<u>5,588,637</u>
(904,642)	8,976	(560,741)	(1,456,407)	(211,717)
<u>366,940</u>	<u>-</u>	<u>-</u>	<u>366,940</u>	<u>866,940</u>
366,940	-	-	366,940	866,940
(537,702)	8,976	(560,741)	(1,089,467)	655,223
<u>318,559</u>	<u>330,867</u>	<u>667,609</u>	<u>1,317,035</u>	<u>2,017,448</u>
\$ <u><u>(219,143)</u></u>	\$ <u><u>339,843</u></u>	\$ <u><u>106,868</u></u>	\$ <u><u>227,568</u></u>	\$ <u><u>2,672,671</u></u>

CITY OF WESTON, FLORIDA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS**

For the Year Ended September 30, 2008

	<u>Balance October 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2008</u>
INDIAN TRACE DEVELOPMENT DISTRICT, SERIES 1995 B				
ASSETS:				
Investments	\$ 712,218	\$ 3,128,985	\$ 3,463,950	\$ 377,253
LIABILITIES:				
Payable to bond holders	\$ 712,218	\$ 3,128,985	\$ 3,463,950	\$ 377,253
INDIAN TRACE DEVELOPMENT DISTRICT, SERIES 1997				
ASSETS:				
Investments	\$ 364,265	\$ 621,074	\$ 644,250	\$ 341,089
LIABILITIES:				
Payable to bond holders	\$ 364,265	\$ 621,074	\$ 644,250	\$ 341,089
INDIAN TRACE DEVELOPMENT DISTRICT, TAX BENEFIT FUND				
ASSETS:				
Investments	\$ 583,317	\$ 4,913,765	\$ 5,423,460	\$ 73,622
Due from governmental funds	9,304	23,435	9,304	23,435
	<u>\$ 592,621</u>	<u>\$ 4,937,200</u>	<u>\$ 5,432,764</u>	<u>\$ 97,057</u>
LIABILITIES:				
Payable to bond holders	\$ 192,621	\$ 4,933,213	\$ 5,032,764	\$ 93,070
Due to governmental funds	400,000	3,987	400,000	3,987
	<u>\$ 592,621</u>	<u>\$ 4,937,200</u>	<u>\$ 5,432,764</u>	<u>\$ 97,057</u>
INDIAN TRACE DEVELOPMENT DISTRICT, SERIES 2003				
ASSETS:				
Investments	\$ 339,034	\$ 623,802	\$ 640,520	\$ 322,316
Due from governmental funds	1,013	2,597	1,013	2,597
	<u>\$ 340,047</u>	<u>\$ 626,399</u>	<u>\$ 641,533</u>	<u>\$ 324,913</u>
LIABILITIES:				
Payable to bond holders	\$ 340,047	\$ 623,166	\$ 641,533	\$ 321,680
Due to governmental funds	-	3,233	-	3,233
	<u>\$ 340,047</u>	<u>\$ 626,399</u>	<u>\$ 641,533</u>	<u>\$ 324,913</u>

CITY OF WESTON, FLORIDA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS**

(continued)

For the Year Ended September 30, 2008

	<u>Balance October 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2008</u>
INDIAN TRACE DEVELOPMENT DISTRICT, SERIES 2005				
ASSETS:				
Investments	\$ 943,032	\$ 1,699,770	\$ 1,762,568	\$ 880,234
LIABILITIES:				
Payable to bond holders	\$ 943,032	\$ 1,699,770	\$ 1,762,568	\$ 880,234
BONAVENTURE DEVELOPMENT DISTRICT, SERIES 2002				
ASSETS:				
Investments	\$ 857,277	\$ 1,007,305	\$ 1,041,203	\$ 823,379
Due from governmental funds	3,384	1,786	3,384	1,786
	<u>\$ 860,661</u>	<u>\$ 1,009,091</u>	<u>\$ 1,044,587</u>	<u>\$ 825,165</u>
LIABILITIES:				
Payable to bond holders	\$ 857,635	\$ 1,009,091	\$ 1,041,561	\$ 825,165
Due to governmental funds	3,026		3,026	-
	<u>\$ 860,661</u>	<u>\$ 1,009,091</u>	<u>\$ 1,044,587</u>	<u>\$ 825,165</u>
TOTALS - ALL AGENCY FUNDS				
ASSETS:				
Investments	\$ 3,799,143	\$ 11,994,701	\$ 12,975,951	\$ 2,817,893
Due from governmental funds	13,701	27,818	13,701	27,818
Total assets	<u>\$ 3,812,844</u>	<u>\$ 12,022,519</u>	<u>\$ 12,989,652</u>	<u>\$ 2,845,711</u>
LIABILITIES:				
Payable to bond holders	\$ 3,409,818	\$ 12,015,299	\$ 12,586,626	\$ 2,838,491
Due to governmental funds	403,026	7,220	403,026	7,220
Total liabilities	<u>\$ 3,812,844</u>	<u>\$ 12,022,519</u>	<u>\$ 12,989,652</u>	<u>\$ 2,845,711</u>

CITY OF WESTON

BUDGETARY COMPARISON SCHEDULES - NON-MAJOR SPECIAL REVENUE FUNDS

For the Year Ended September 30, 2008

	Street Maintenance			Transportation	
	Original and Final Budget	Actual Amounts	Variance	Original Budget	Final Budget
REVENUES:					
Intergovernmental:					
Local option gas tax	\$ 1,067,000	\$ 1,041,124	\$ (25,876)	\$ 74,100	\$ 74,100
State revenue sharing	<u>356,100</u>	<u>336,218</u>	<u>(19,882)</u>	<u>-</u>	<u>-</u>
Total intergovernmental revenues	1,423,100	1,377,342	(45,758)	74,100	74,100
Developer contributions	-	931,680	931,680	-	-
Investment income	58,700	44,534	(14,166)	17,400	17,400
Licenses and permits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>1,481,800</u>	<u>2,353,556</u>	<u>871,756</u>	<u>91,500</u>	<u>91,500</u>
EXPENDITURES:					
Current:					
Physical environment	864,000	654,367	209,633	48,800	62,500
Community development	-	-	-	-	-
Capital outlay	<u>1,000,000</u>	<u>789,697</u>	<u>210,303</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,864,000</u>	<u>1,444,064</u>	<u>419,936</u>	<u>48,800</u>	<u>62,500</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(382,200)</u>	<u>909,492</u>	<u>1,291,692</u>	<u>42,700</u>	<u>29,000</u>
OTHER FINANCING SOURCES:					
Note proceeds	-	-	-	-	-
Transfer in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (382,200)</u>	<u>\$ 909,492</u>	<u>\$ 1,291,692</u>	<u>\$ 42,700</u>	<u>\$ 29,000</u>

		Building Fee			Disaster Management		
Actual Amounts	Variance	Original and Final Budget	Actual Amounts	Variance	Original and Final Budget	Actual Amounts	Variance
\$ 75,353	\$ 1,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
75,353	1,253	-	-	-	-	-	-
-	-	-	-	-	-	-	-
18,618	1,218	58,900	21,809	(37,091)	-	-	-
-	-	2,013,100	2,787,010	773,910	-	-	-
93,971	2,471	2,072,000	2,808,819	736,819	-	-	-
59,776	2,724	-	-	-	-	-	-
-	-	2,753,000	2,351,808	401,192	500,000	29,410	470,590
-	-	-	-	-	-	-	-
59,776	2,724	2,753,000	2,351,808	401,192	500,000	29,410	470,590
34,195	5,195	(681,000)	457,011	1,138,011	(500,000)	(29,410)	470,590
-	-	-	457,011	1,138,011	-	-	-
-	-	-	-	-	500,000	500,000	-
-	-	-	457,011	1,138,011	500,000	500,000	-
<u>\$ 34,195</u>	<u>\$ 5,195</u>	<u>\$ (681,000)</u>	<u>\$ 457,011</u>	<u>\$ 1,138,011</u>	<u>\$ -</u>	<u>\$ 470,590</u>	<u>\$ 470,590</u>

CITY OF WESTON, FLORIDA

BUDGETARY COMPARISON SCHEDULES - CAPITAL PROJECTS FUNDS

For the Year Ended September 30, 2008

	Community Facilities Construction			
	Original Budget	Final Budget	Actual Amounts	Variance
REVENUES:				
Taxes:				
Simplified communications tax	\$ 680,200	\$ 680,200	\$ 887,300	\$ 207,100
Franchise fees - electric	<u>2,740,900</u>	<u>2,740,900</u>	<u>2,740,900</u>	<u>-</u>
Total tax revenues	3,421,100	3,421,100	3,628,200	207,100
Intergovernmental:				
Grants	-	-	200,000	200,000
Investment income	269,400	269,400	324,584	55,184
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>3,690,500</u>	<u>3,690,500</u>	<u>4,152,784</u>	<u>462,284</u>
EXPENDITURES:				
Current:				
Capital outlay	3,300,000	6,188,700	2,790,849	3,397,851
Debt service:				
Principal	3,044,000	3,044,000	3,284,509	(240,509)
Interest and fiscal charges	<u>377,100</u>	<u>377,100</u>	<u>344,060</u>	<u>33,040</u>
Total expenditures	<u>6,721,100</u>	<u>9,609,800</u>	<u>6,419,418</u>	<u>3,190,382</u>
Excess (deficiency) of revenues over (under) expenditures	(3,030,600)	(5,919,300)	(2,266,634)	3,652,666
OTHER FINANCING SOURCES (USES):				
Note proceeds	3,300,000	4,000,000	8,179,647	4,179,647
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>3,300,000</u>	<u>4,000,000</u>	<u>8,179,647</u>	<u>4,179,647</u>
Net change in fund balances	<u>\$ 269,400</u>	<u>\$ (1,919,300)</u>	<u>\$ 5,913,013</u>	<u>\$ 7,832,313</u>

1997 Bond Construction			2002 Bond Construction			2003 Bond Construction		
Original and Final Budget	Actual Amounts	Variance	Original and Final Budget	Actual Amounts	Variance	Original and Final Budget	Actual Amounts	Variance
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
90,126	4,004	(86,122)	9,600	8,976	(624)	25,900	7,594	(18,306)
-	100,000	100,000	-	-	-	-	-	-
<u>90,126</u>	<u>104,004</u>	<u>13,878</u>	<u>9,600</u>	<u>8,976</u>	<u>(624)</u>	<u>25,900</u>	<u>7,594</u>	<u>(18,306)</u>
-	675,156	(675,156)	-	-	-	-	568,335	(568,335)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	<u>675,156</u>	<u>(675,156)</u>	-	-	-	-	<u>568,335</u>	<u>(568,335)</u>
90,126	(571,152)	(661,278)	9,600	8,976	(624)	25,900	(560,741)	(586,641)
-	-	-	-	-	-	-	-	-
-	366,940	366,940	-	-	-	-	-	-
-	-	-	(493,713)	-	493,713	-	-	-
-	<u>366,940</u>	<u>366,940</u>	<u>(493,713)</u>	-	<u>493,713</u>	-	-	-
<u>\$ 90,126</u>	<u>\$ (204,212)</u>	<u>\$ (294,338)</u>	<u>\$ (484,113)</u>	<u>\$ 8,976</u>	<u>\$ 493,089</u>	<u>\$ 25,900</u>	<u>\$ (560,741)</u>	<u>\$ (586,641)</u>

(This page intentionally left blank)

CITY OF WESTON, FLORIDA

STATISTICAL SECTION

For the Year Ended September 30, 2008

	CONTENTS	<u>PAGES</u>
FINANCIAL TRENDS		
	These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	73-78
REVENUE CAPACITY		
	These schedules contain information to help the reader assess the City's most significant local revenue source - the property tax.	79-82
DEBT CAPACITY		
	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.	83-87
DEMOGRAPHIC AND ECONOMIC INFORMATION		
	These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	88-89
OPERATING INFORMATION		
	These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	90-92

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 2003. Schedules presenting government-wide information include information beginning in that year.*

(This page intentionally left blank)

CITY OF WESTON, FLORIDA

Table 1

NET ASSETS BY COMPONENT

LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
GOVERNMENTAL ACTIVITIES:						
Invested in capital assets, net of related debt	\$ 147,624,298	\$ 166,307,694	\$ 176,641,330	\$ 183,105,340	\$ 145,676,374	\$ 142,566,294
Restricted	11,852,025	7,002,328	20,170,231	21,617,160	21,550,053	20,257,945
Unrestricted	65,998,667	57,546,962	43,485,381	40,426,341	50,372,082	60,628,269
Total governmental activities net assets	\$ 225,474,990	\$ 230,856,984	\$ 240,296,942	\$ 245,148,841	\$ 217,598,509	\$ 223,452,508
BUSINESS-TYPE ACTIVITIES:						
Invested in capital assets, net of related debt	\$ 24,630,772	\$ 24,393,476	\$ 28,440,906	\$ 27,970,953	\$ 74,434,723	\$ 72,197,150
Restricted	-	-	-	1,882,627	-	-
Unrestricted	20,002,513	21,405,104	20,811,091	19,727,526	22,668,052	22,807,179
Total business-type activities net assets	\$ 44,633,285	\$ 45,798,580	\$ 49,251,997	\$ 49,581,106	\$ 97,102,775	\$ 95,004,329
PRIMARY GOVERNMENT:						
Invested in capital assets, net of related debt	\$ 172,255,070	\$ 190,701,170	\$ 205,082,236	\$ 211,076,293	\$ 220,111,097	\$ 214,763,444
Restricted	11,852,025	7,002,328	20,170,231	23,499,787	21,550,053	20,257,945
Unrestricted	86,001,180	78,952,066	64,296,472	60,153,867	73,040,134	83,435,448
Total primary government net assets	\$ 270,108,275	\$ 276,655,564	\$ 289,548,939	\$ 294,729,947	\$ 314,701,284	\$ 318,456,837

Note 1: The City began to report net assets when it implemented GASB 34 in fiscal year 2003.

Note 2: Net assets have been restated to include all infrastructure assets and have been reclassified to the activity (governmental and/or business-type) benefitted by its use. These changes are reflected only in the 2007 numbers.

CITY OF WESTON, FLORIDA

Table 2

CHANGES IN NET ASSETS

LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
EXPENSES:						
Governmental activities:						
General government	\$ 8,821,581	\$ 8,839,265	\$ 12,172,276	\$ 12,876,372	\$ 13,894,479	\$ 13,706,456
Public safety	16,300,578	14,356,677	15,670,056	17,881,279	19,722,412	23,474,747
Community development	3,616,475	2,264,049	1,913,021	4,018,553	4,381,202	3,780,251
Public works	6,006,271	11,025,247	11,081,826	12,037,924	17,932,943	19,690,553
Parks and recreation	3,840,327	4,941,431	5,745,633	7,608,388	7,365,532	7,248,171
Interest on long-term debt	403,891	361,879	262,269	194,548	188,113	572,983
Hurricane expenses	-	-	-	13,840,456	-	-
Total governmental activities expenses	38,989,123	41,788,548	46,845,081	68,457,520	63,484,681	68,473,161
Business-type activities:						
Water and sewer	16,016,476	16,438,571	16,892,919	17,072,029	18,026,354	19,001,545
Total business-type activities expenses	16,016,476	16,438,571	16,892,919	17,072,029	18,026,354	19,001,545
Total primary government expenses	\$ 55,005,599	\$ 58,227,119	\$ 63,738,000	\$ 85,529,549	\$ 81,511,035	\$ 87,474,706
PROGRAM REVENUES:						
Governmental activities:						
Charges for services:						
Public safety	\$ 10,594,892	\$ 11,790,210	\$ 12,883,317	\$ 8,015,129	\$ 8,238,614	\$ 8,661,385
General government	5,159,755	5,624,594	8,410,385	8,947,381	9,338,434	9,379,703
Public works	7,969,794	5,091,290	5,017,305	12,137,125	13,838,607	15,239,085
Parks and recreation	396,994	481,772	751,943	434,573	533,025	491,562
Community development	1,196,239	1,349,831	308,584	3,091,095	2,990,298	2,934,422
Operating grants and contributions:						
General government	-	593,652	-	-	-	-
Public safety	-	-	10,520	-	-	-
Public works	-	350,018	386,153	1,535,424	5,480,477	1,840,091
Community development	20,000	-	-	-	-	-
Hurricane expenses	-	-	-	6,320,071	-	-
Capital grants and contributions:						
Public safety	11,167	11,364	-	-	-	-
Public works	311,804	514,737	-	330,953	55,279	1,931,680
Parks and recreation	293,791	75,379	59,280	1,100,000	1,322,839	200,000
Community development	7,702,339	1,284,850	-	-	-	-
Total governmental activities program revenues	33,656,775	27,167,697	27,827,487	41,911,751	41,797,573	40,677,928

CITY OF WESTON, FLORIDA

Table 2

CHANGES IN NET ASSETS
(continued)
LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Business-type activities:						
Charges for services	15,060,786	15,550,904	15,513,580	15,651,294	15,383,570	15,989,521
Capital grants and contributions	402,332	1,164,163	4,238,113	33,048	139,205	27,296
Total business-type activities program revenues	15,463,118	16,715,067	19,751,693	15,684,342	15,522,775	16,016,817
Total primary government program revenues	\$ 49,119,893	\$ 43,882,764	\$ 47,579,180	\$ 57,596,093	\$ 57,320,348	\$ 56,694,745
NET (EXPENSE)/REVENUE:						
Governmental activities:	\$ (5,332,348)	\$ (14,620,851)	\$ (19,017,594)	\$ (26,545,769)	\$ (21,687,108)	\$ (27,795,233)
Business-type activities	(553,358)	276,496	2,858,774	(1,387,687)	(2,503,579)	(2,984,728)
Total primary government net expense	\$ (5,885,706)	\$ (14,344,355)	\$ (16,158,820)	\$ (27,933,456)	\$ (24,190,687)	\$ (30,779,961)
GENERAL REVENUE AND OTHER						
CHANGES IN NET ASSETS:						
Governmental activities:						
Property taxes	\$ 10,342,675	\$ 7,814,286	\$ 8,692,416	\$ 9,687,605	\$ 11,498,012	\$ 10,740,243
Utilities taxes	6,977,459	3,824,977	4,078,750	4,200,623	4,201,399	4,298,249
Franchise taxes	401,753	7,592,385	8,201,060	8,997,082	9,166,395	9,339,310
Intergovernmental	5,316,029	4,879,282	5,903,766	4,887,711	4,703,474	4,394,585
Investment income	2,007,798	1,047,103	1,275,412	3,263,740	4,610,583	3,888,121
Miscellaneous	346,610	131,419	306,148	360,907	456,851	615,232
Gain on disposal of fixed assets	-	-	-	-	-	6,552
Transfers in	-	-	-	-	1,900,000	366,940
Special item	-	(5,156,372)	-	-	-	-
Total governmental activities	25,392,324	20,133,080	28,457,552	31,397,668	36,536,714	33,649,232
Business-type activities:						
Investment Income	789,439	416,429	380,199	889,661	1,322,537	1,051,502
Miscellaneous	180,785	269,290	214,444	827,135	-	201,720
Transfers out	-	-	-	-	-	(366,940)
Total business-type activities	970,224	685,719	594,643	1,716,796	1,322,537	886,282
Total primary government	26,362,548	20,818,799	29,052,195	33,114,464	37,859,251	34,535,514
CHANGES IN NET ASSETS:						
Governmental activities	20,059,976	5,512,229	9,439,958	4,851,899	14,849,606	5,853,999
Business-type activities	416,866	962,215	3,453,417	329,109	(1,181,042)	(2,098,446)
Total primary government	\$ 20,476,842	\$ 6,474,444	\$ 12,893,375	\$ 5,181,008	\$ 13,668,564	\$ 3,755,553

Note: The City began to report net asset information when it implemented GASB 34 in fiscal year 2003.

(This page intentionally left blank)

CITY OF WESTON, FLORIDA

FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 709,522	\$ 991,453	\$ 910,641	\$ 748,436	\$ 852,107
Unreserved	14,548,586	20,103,088	22,162,198	25,304,742	29,858,075	33,653,887	37,732,682	34,815,681	47,132,648	49,382,790
Total General Fund	\$ 14,548,586	\$ 20,103,088	\$ 22,162,198	\$ 25,304,742	\$ 29,858,075	\$ 34,363,409	\$ 38,724,135	\$ 35,726,322	\$ 47,881,084	\$ 50,234,897
All other governmental funds:										
Reserved	\$ 25,373,129	\$ 22,746,444	\$ 12,468,730	\$ 13,308,916	\$ 11,852,026	\$ 9,541,504	\$ 4,478,724	\$ 10,631,319	\$ 5,049,194	\$ 5,031,606
Unreserved, reported in:										
Special Revenue Funds	5,087,076	8,183,669	12,028,446	13,335,529	16,122,942	14,745,067	15,847,694	17,757,033	18,241,029	19,450,795
Capital Projects Funds	-	-	3,595,492	5,605,297	14,648,800	5,822,857	4,880,038	(1,781,446)	1,101,411	7,982,247
Debt Service Funds	-	-	-	-	350,708	367,668	-	-	-	-
Total all other governmental funds	\$ 30,460,205	\$ 30,930,113	\$ 28,092,668	\$ 32,249,742	\$ 42,974,476	\$ 30,477,096	\$ 25,206,456	\$ 26,606,906	\$ 24,391,634	\$ 32,464,648

Note: The City did not begin to report government-wide information before it implemented GASB 34 in fiscal year 2003.

CITY OF WESTON, FLORIDA

Table 4

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	1999	2000	2001	2002
REVENUES:				
Taxes	\$ 12,362,730	\$ 17,968,080	\$ 24,882,822	\$ 27,614,662
Licenses and permits	2,484,535	1,664,487	1,240,656	1,115,369
Intergovernmental	3,263,657	4,481,279	4,432,602	4,773,029
Charges for services	3,234,461	5,076,150	6,487,806	6,878,414
Fines and forfeitures	142,006	179,700	288,428	407,788
Infrastructure fees	3,244,706	405,283	64,974	-
Community fees	-	-	-	1,068,452
Investment Income	2,202,881	2,598,117	2,647,016	1,840,065
Contributions from property owners	-	-	676,623	11,320,984
Developer contributions	-	-	-	-
Miscellaneous	212,633	5,817,033	300,011	1,657,633
Total revenues	27,147,609	38,190,129	41,020,938	56,676,396
EXPENDITURES:				
Current:				
General government	2,380,791	3,104,326	3,159,029	3,801,418
Public safety	2,818,246	3,707,050	8,922,430	10,574,449
Community development	2,578,571	3,357,182	3,436,104	6,255,075
Public works	3,805,705	8,115,619	8,510,064	7,553,745
Parks and recreation	1,072,662	1,456,609	2,534,181	2,968,139
Hurricane expenses	-	-	-	-
Non-departmental	36,650	2,841,008	312,673	329,476
Capital outlay	9,464,074	17,940,391	14,706,436	14,527,143
Debt service:	343,766	1,825,403	-	-
Principal	-	-	1,052,536	1,966,803
Interest	-	-	518,490	1,148,384
Total expenditures	22,500,465	42,347,588	43,151,943	49,124,632
Excess of revenues over (under) expenditures	4,647,144	(4,157,459)	(2,131,005)	7,551,764
OTHER FINANCING SOURCES (USES):				
Bonds/notes issued	-	-	-	-
Transfers in	651,539	774,383	1,027,286	1,063,357
Transfers out	(651,539)	(774,383)	(1,027,286)	(1,063,357)
Special item	-	-	-	-
Proceeds from issuance of notes	546,736	9,451,869	1,352,671	200,000
Proceeds from issuance of notes - special assessment	-	730,000	-	-
Proceed from sales of capital assets	-	-	-	-
Insurance proceeds	-	-	-	-
Total other financing sources	546,736	10,181,869	1,352,671	200,000
Net change in fund balances	\$ 5,193,880	\$ 6,024,410	\$ (778,334)	\$ 7,751,764
Debt service as a percentage of noncapital expenditures	2.64%	7.48%	5.52%	9.00%

Note: The City did not have the proper information to break out principal and interest for debt service from 1999 through 2000.

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$	31,461,672	\$ 32,220,554	\$ 35,237,559	\$ 39,765,959	\$ 43,163,166	\$ 47,361,582
	732,037	840,778	787,695	2,946,683	3,218,086	3,773,985
	5,316,029	5,909,695	6,359,719	14,174,159	11,562,069	7,453,153
	10,035,663	9,757,728	11,686,201	12,184,966	13,138,272	9,593,925
	404,579	410,047	354,799	320,073	285,259	335,993
	-	-	-	-	-	-
	334,510	-	-	-	-	-
	2,007,797	1,047,103	1,275,412	3,263,740	4,610,583	3,888,121
	8,339,101	1,799,587	-	-	-	-
	-	-	-	-	-	931,680
	<u>346,609</u>	<u>528,766</u>	<u>583,654</u>	<u>653,839</u>	<u>456,851</u>	<u>609,519</u>
	<u>58,977,997</u>	<u>52,514,258</u>	<u>56,285,039</u>	<u>73,309,419</u>	<u>76,434,286</u>	<u>73,947,958</u>
	8,738,757	8,785,406	12,142,158	12,780,145	13,711,841	13,222,487
	16,192,125	14,213,721	15,543,537	17,702,588	19,574,663	23,351,507
	3,592,089	2,251,951	1,896,721	3,974,971	4,344,411	3,750,578
	5,055,961	10,173,657	10,163,422	10,940,335	11,365,215	13,166,920
	3,503,973	4,399,639	5,290,405	6,669,242	5,925,916	6,152,104
	-	-	-	16,420,915	-	-
	12,783,855	12,342,760	8,944,319	6,258,158	16,552,216	14,810,553
	8,758,202	2,656,849	2,908,225	2,515,796	2,580,784	3,284,509
	<u>414,007</u>	<u>395,714</u>	<u>306,166</u>	<u>225,091</u>	<u>160,104</u>	<u>344,060</u>
	<u>59,038,969</u>	<u>55,219,697</u>	<u>57,194,953</u>	<u>77,487,241</u>	<u>74,215,150</u>	<u>78,082,718</u>
	<u>(60,972)</u>	<u>(2,705,439)</u>	<u>(909,914)</u>	<u>(4,177,822)</u>	<u>2,219,136</u>	<u>(4,134,760)</u>
	15,102,807	-	-	-	5,820,354	14,179,647
	2,142,914	688,826	313,658	2,716,360	3,449,113	866,940
	<u>(2,142,914)</u>	<u>(688,826)</u>	<u>(313,658)</u>	<u>(2,716,360)</u>	<u>(1,549,113)</u>	<u>(500,000)</u>
	-	(5,156,372)	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	15,000
	-	-	-	<u>2,580,459</u>	-	-
	<u>15,102,807</u>	<u>(5,156,372)</u>	<u>-</u>	<u>2,580,459</u>	<u>7,720,354</u>	<u>14,561,587</u>
\$	<u>15,041,835</u>	\$ <u>(7,861,811)</u>	\$ <u>(909,914)</u>	\$ <u>(1,597,363)</u>	\$ <u>9,939,490</u>	\$ <u>10,426,827</u>
	19.83%	7.12%	6.66%	3.85%	4.75%	5.73%

CITY OF WESTON, FLORIDA

Table 5

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year	Residential			Commercial		Industrial		Other*		Exemptions		Total Taxable Assessed Value		City Direct Tax Rate		Estimated Actual Taxable Value		Total Assessed Value as a % of Actual Taxable Value
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%		
1999	\$ 2,461,178,520	\$ 174,571,050	\$ 101,933,520	\$ 13,947,050	\$ -	\$ 2,751,630,140	1.5235	\$ 3,124,035,570	88.08%									
2000	3,109,993,500	243,935,950	138,811,990	98,574,250	382,388,250	3,208,927,440	1.5235	3,646,225,510	88.01%									
2001	3,608,044,050	278,546,540	170,524,650	110,174,340	425,112,420	3,742,177,160	1.5235	4,366,752,490	85.70%									
2002	4,289,453,070	271,458,850	185,078,770	204,812,230	408,144,660	4,542,658,260	1.5235	5,439,822,220	83.51%									
2003	4,881,991,290	392,811,230	185,989,730	232,266,810	513,024,110	5,180,034,950	1.5235	6,422,859,800	80.65%									
2004	5,391,327,010	482,181,330	199,809,270	225,923,120	554,158,020	5,745,082,710	1.5235	7,281,530,860	78.90%									
2005	6,044,216,480	497,258,120	220,516,620	259,935,000	604,627,480	6,417,298,740	1.5235	8,389,658,410	76.49%									
2006	7,106,462,440	612,896,850	268,209,720	358,087,050	712,343,790	7,633,312,270	1.5235	10,757,629,530	70.96%									
2007	7,636,649,860	731,394,770	266,068,170	488,028,810	911,020,360	8,211,121,250	1.5235	11,835,368,160	69.38%									
2008	7,614,491,080	739,195,620	284,938,620	508,674,880	1,307,878,750	7,839,421,450	1.3215	10,943,959,890	71.63%									

Source: Broward County Property Appraiser.

Note 1: Other includes agricultural, institutional, government, miscellaneous and non-agricultural acreage

Note 2: Restated data for 1999 through 2002 and 2007 through 2008.

CITY OF WESTON, FLORIDA
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS

Fiscal Year	City Direct Rate	Overlapping County District Rates									
		Broward County	Broward School District	South Florida			Child Services	Hospital District (either or)			
				Florida Water Management District	Florida inland Navigation District	North Broward Hospital District		South Broward Hospital District			
1998	\$ 1.5235	\$ 7.8380	\$ 9.4460	\$ 0.6970	\$ 0.0500	\$ 0.5285	\$ 2.4087	\$ 2.1132			
1999	1.5235	7.5710	9.2390	0.6970	0.0470	0.4866	2.5000	2.1132			
2000	1.5235	7.5710	8.6740	0.6970	0.0440	0.4543	2.4895	2.0831			
2001	1.5235	7.5250	8.5410	0.6970	0.0410	0.4143	2.4803	1.9939			
2002	1.5235	7.4005	8.7541	0.6970	0.0385	0.3055	2.4803	1.8694			
2003	1.5235	7.3650	8.8825	0.6970	0.0385	0.3316	2.4803	1.7336			
2004	1.5235	7.1880	8.4176	0.6970	0.0385	0.3920	2.5000	1.7336			
2005	1.5235	7.0230	8.2695	0.6970	0.0385	0.4231	2.4803	1.5761			
2006	1.5235	6.7830	8.0623	0.6970	0.0385	0.4231	2.1746	1.4500			
2007	1.5235	6.0661	7.8687	0.6970	0.0385	0.4073	1.8317	1.3300			
2008	1.3215	5.2868	7.6484	0.6240	0.0345	0.3572	1.6255	1.1643			

Source: Broward County Property Appraiser

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

Note 2: Restated data for 2006 through 2008.

CITY OF WESTON, FLORIDA
 PRINCIPAL PROPERTY TAXPAYERS

Table 7

CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
San Michelle, LLC	\$ 103,491,080	1	1.30%	-	-	-
Cocowalk Dev Inc.	100,687,150	2	1.26%	-	-	-
Industrial Property Fund IV LLC	74,802,120	3	0.94%	-	-	-
Bonaventure Hotel Association, Ltd	56,713,350	4	0.71%	11,171,970	10	0.43%
Westview Resorts Corp.	54,898,640	5	0.69%	65,753,170	1	2.52%
Meridian Business Campus	54,653,660	6	0.69%	27,144,470	4	1.04%
Estates of Swan Lake Corp.	46,690,940	7	0.59%	-	-	-
TREA Weston, LLC	46,167,550	8	0.58%	-	-	-
Weston Apartments Corp.	44,137,660	9	0.55%	21,275,880	6	0.82%
Weston Town Center, LLC	38,168,280	10	0.48%	-	-	-
St. Andrews at Weston LTD	-	-	-	12,454,820	9	0.48%
Berkley Vacation Resorts, Inc.	-	-	-	36,330,000	3	1.39%
Patriot American Hospitality	-	-	-	19,576,547	8	0.75%
Principal Mutual Life Insurance Co.	-	-	-	24,396,130	5	0.93%
Arvida/JMB Partners	-	-	-	57,319,700	2	2.20%
JMB/Pennsylvania Associates, LLP	-	-	-	20,847,050	7	0.80%
Total	\$ 620,410,430		7.79%	\$ 296,269,737		11.36%

Source: Broward County Property Appraiser

CITY OF WESTON, FLORIDA

Table 8

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1999	\$ 6,136,219	\$ 6,032,630	98.31%	-	\$ 6,032,630	98.31%
2000	11,617,637	11,295,110	97.22%	-	11,295,110	97.22%
2001	16,943,926	15,456,129	91.22%	-	15,456,129	91.22%
2002	17,559,645	16,602,120	94.55%	-	16,602,120	94.55%
2003	19,653,894	20,610,630	104.87%	-	20,610,630	104.87%
2004	20,674,960	21,037,156	101.75%	-	21,037,156	101.75%
2005	22,283,030	23,215,008	104.18%	-	23,215,008	104.18%
2006	26,807,052	26,861,186	100.20%	-	26,861,186	100.20%
2007	30,322,819	29,795,372	98.26%	-	29,795,372	98.26%
2008	33,448,600	33,724,023	100.82%	-	33,724,023	100.82%

Source: City of Weston budgets and CAFR's

* Not available

(This page intentionally left blank)

CITY OF WESTON, FLORIDA

Table 9

RATIO OF OUTSTANDING DEBT BY TYPE
LAST SIX FISCAL YEARS

Fiscal Year	Governmental Activities			Business-type Activities			Estimated Population	Per Capita
	General Obligation Bonds	Community Facilities Construction Notes	Capital Projects Special Assessment Notes	Water and Sewer Revenue Bonds	Capital Leases	Total Primary Government		
2003	\$ -	\$ 13,920,853	\$ 744,063	\$ 1,120,000	\$ -	\$ 15,784,916	59,314	\$ 266
2004	-	11,543,464	464,603	780,000	-	12,788,067	60,636	211
2005	-	9,099,842	-	410,000	-	9,509,842	61,042	156
2006	-	6,584,046	-	-	-	6,584,046	61,629	107
2007	-	9,823,616	-	-	-	9,823,616	62,233	158
2008	-	20,718,754	-	-	-	20,718,754	62,088	334

Source: City of Weston prior years' CAFRs and Office of Economic and Demographic Research.

Note 1: The City did not begin to report government-wide information before it implemented GASB 34 in fiscal year 2003.

Note 2: Personal income data from the U.S. Department of Commerce, Bureau of Economic Analysis beyond 2004 is currently unavailable.

CITY OF WESTON, FLORIDA

Table 10

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

September 30, 2008

The City currently has no general obligation debt.

CITY OF WESTON, FLORIDA

Table 11

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2008

<u>Government Unit</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to Weston</u>	<u>Amount Applicable to Weston</u>
Broward County	532,536,000	\$ 3.53%	\$ 18,823,723
Broward School District	27,949,000	3.53%	987,922
City of Weston	-	-	-
Total direct and overlapping debt			\$ <u>19,811,645</u>

Source: Broward County 2008 CAFR

(This page intentionally left blank)

CITY OF WESTON, FLORIDA
LEGAL DEBT MARGIN INFORMATION
September 30, 2008

Table 12

The City Charter does not set a debt margin.

CITY OF WESTON, FLORIDA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Table 13

Fiscal Year	Water and Sewer Revenue Bonds				Debt Service			Coverage
	Utility Service Charges	Less: Operating Expenditures	Net Available Revenue	Principal	Interest	Principal	Interest	
1999	\$ 11,821,015	\$ 10,052,723	\$ 1,768,292	\$ 215,000	\$ 218,171	\$ -	\$ -	4.08
2000	13,640,176	11,689,959	1,950,217	235,000	196,608	-	-	4.52
2001	14,579,768	13,052,413	1,527,355	260,000	172,820	-	-	3.53
2002	15,406,969	14,167,767	1,239,202	280,000	146,251	-	-	2.91
2003	15,060,786	14,985,280	75,506	310,000	124,316	-	-	0.17
2004	15,550,904	15,443,578	107,326	340,000	74,425	-	-	0.26
2005	15,513,580	15,870,499	(356,919)	370,000	58,012	-	-	-
2006	15,651,294	17,072,029	(1,420,735)	410,000	19,898	-	-	-
2007	15,383,570	18,026,354	(2,642,784)	-	-	-	-	-
2008	16,191,241	19,001,545	(2,810,304)	-	-	-	-	-

Fiscal Year	Community Facilities Construction Notes				Capital Projects Special Assessments Notes			
	Franchise Fees	Principal	Interest	Coverage	Special Assessment Collections	Principal	Interest	Coverage
1999	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	-
2000	-	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-	-
2003	-	-	-	-	461,087	288,572	31,868	1.44
2004	3,416,243	2,377,388	363,500	1.25	256,175	279,461	32,214	0.82
2005	3,519,731	2,443,623	297,265	1.28	27,663	464,602	8,901	0.06
2006	2,740,888	2,511,620	229,267	1.00	-	-	-	-
2007	2,740,888	2,580,784	160,104	1.00	-	-	-	-
2008	3,628,200	3,284,509	344,060	1.00	-	-	-	-

Note 1: The water and sewer revenue bonds were retired in fiscal year 2006. The capital projects special assessment notes were retired in fiscal year 2005.

Note 2: Information prior to 2003 is not available for Community Facilities Construction Notes and Capital Projects Special Assessments Notes.

CITY OF WESTON, FLORIDA

Table 14

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST SIX YEARS

Calendar Year	Estimated Population	Estimated Personal Income (Thousands of Dollars)	Per Capita Personal Income	Median Household Income	Median Age	High School or Higher	Bachelor's Degree or Higher	Median Home Value	Unemployment Rate
2003	59,314	\$ 1,956,354	\$ 32,983	-	-	-	-	-	3.9%
2004	60,636	2,157,975	35,589	-	-	-	-	-	3.3%
2005	61,042	2,289,502	37,507	83,313	34.2	96.7	58.9	431,200	2.7%
2006	61,629	2,442,234	39,628	-	-	-	-	-	2.1%
2007	62,233	2,386,884	38,354	91,668	34.8	95.9	59.5	492,000	2.8%
2008	62,088	-	-	93,313	34.0	95.5	50.9	410,000	3.6%

Source: City Population data from University of Florida Bureau of Economic and Business Research Per Capita Income data from the U.S. Department of Commerce, Bureau of Economic Analysis for Broward County Unemployment data from U.S. Department of Labor, Bureau of Labor Statistics for the City of Weston. All other data from U.S. census American Community Survey which did not start reporting Weston until 2005.

(This page intentionally left blank)

CITY OF WESTON, FLORIDA

Table 15

PRINCIPAL EMPLOYERS

September 30, 2008

The information was not available from the City's Chamber of Commerce and the City does not have a Department of Economic Development.

(This page intentionally left blank)

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

LAST SIX FISCAL YEARS

	Full-time Equivalent Employees as of September 30th					
	2003	2004	2005	2006	2007	2008
City Commission	5	5	5	5	5	5
City Management	3	3	3	3	3	9
Contracted employees:						
General government:						
Management services	7	7	7	7	8	6
Finance	3	3	3	3	3	3
Community services*	23	23	23	23	25	24
Fire rescue	59	59	65	65	65	65
Emergency medical services	41	41	41	41	54	54
Police protection	85	91	93	98	103	103
Total	226	232	240	245	266	269

Source: City of Weston Finance Department and Communications Department.

Note: Information prior to 2003 is not available.

*Community services includes public works and parks and recreation.

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST SIX FISCAL YEARS

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General government:						
Building permits issued	*	*	*	6,431	5,740	2,589
Building inspections conducted	34,707	28,096	*	11,809	16,748	3,054
Occupational Licenses	1,455	2,785	2,557	2,156	3,075	2,382
Fire:						
Emergency responses	4,452	4,912	5,126	5,510	4,310	4,126
Inspections	1,364	1,959	1,815	2,391	2,593	2,968
Police:						
Physical arrests	2,158	1,520	1,109	2,368	1,191	1,081
Parking violations	966	458	300	248	252	227
Traffic violations	14,429	7,353	4,977	7,795	5,682	4,913
Refuse collection:						
Refuse collected (tons per year)	**	**	**	**	**	37,904
Recyclables collected (tons per year)	**	**	**	**	**	37,655
Other public works:						
Street resurfacing (in miles)	***	***	***	2.7	0.8	2.0
Potholes repaired	250	250	250	250	250	185
Parks and recreation:						
Athletic programs	10	10	10	10	15	12
Sports alliance registrants	8,995	9,120	10,034	10,400	8,075	8,404
Community center admissions (program participants)	2,400	3,400	4,800	4,500	4,350	1,086
Library:						
Volumes in collection	14,413	17,766	56,766	81,394	89,076	N/A
Total volumes borrowed	88,007	99,306	113,983	333,131	488,787	N/A
Water:						
New connections	1,664	557	109	22	46	5
Water main breaks	2	-	1	3	-	1
Average daily consumption (thousands of gallons)	8,778	9,290	10,326	9,875	9,396	9,494
Peak monthly consumption (thousands of gallons)	306,747	332,453	329,118	348,589	314,339	301,520
Wastewater:						
Average daily sewage treatment (thousands of gallons)	6,885	8,463	8,542	8,378	8,207	9,163

Source: City of Weston Building Department, Public Works, Recreational Department, Communications Department and the City of Sunrise

* Data not available from Broward County.

** Data not available from All Service Refuse, Inc.

*** Data not available from Calvin, Giordano & Associates.

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST SIX FISCAL YEARS

Function/Program	2003	2004	2005	2006	2007	2008
Fire stations	3	3	3	3	3	3
Police:						
Stations	1	1	1	1	1	1
Patrol units	75	81	83	82	104	70
Refuse collection:						
Collection trucks	*	*	*	*	*	*
Other public works:						
Streets (miles)	41	41	41	41	41	41
Bike lanes (miles)	46	46	46	46	46	46
Highways (miles)	42	42	42	42	42	42
Streetlights	1,323	1,323	1,323	1,323	1,323	1,323
Traffic signals	**	**	**	**	**	**
Parks and recreation:						
Acreage	202	202	232	232	232	232
Playgrounds	9	9	10	11	11	11
Baseball/softball diamonds	17	21	21	21	21	21
Soccer/football fields	14	18	18	18	18	18
Basketball courts	9	9	9	9	9	9
Roller Hockey rinks	11	9	9	9	9	9
Tennis courts***	18	18	18	18	18	18
Skateparks	-	1	1	1	1	1
Amphitheater	1	1	1	1	1	1
Outdoor concert stage	-	1	1	1	1	1
Pools	-	-	-	-	1	1
Community centers	1	1	1	1	1	1
Water:						
Water mains (miles)	205	205	205	205	205	205
Fire hydrants	1,518	1,518	1,518	1,518	1,518	1,518
Storage capacity	19.6	19.6	19.6	18.8	18.8	23.8
Lakes and canals (acres)	1,877	1,877	1,877	1,877	1,877	1,877
Wastewater:						
Sanitary sewers (miles)	127	127	127	127	127	127
Storm sewers (miles)	95	95	95	95	95	95
Treatment capacity (thousands of gallons)	30.99	30.99	30.99	30.99	30.45	30.45

Source: City of Weston Building Department, Public Works, Recreational Department, Communications Department and the City of Sunrise

* Data not available from All Service Refuse, Inc.

** Data not available from Calvin, Giordano & Associates.

*** 16 Court Cliff Drysdale Tennis Center available.

(This page intentionally left blank)



17200 Royal Palm Boulevard | Weston, FL 33326 | www.westonfl.org

The Nation's Premier Municipal CorporationSM