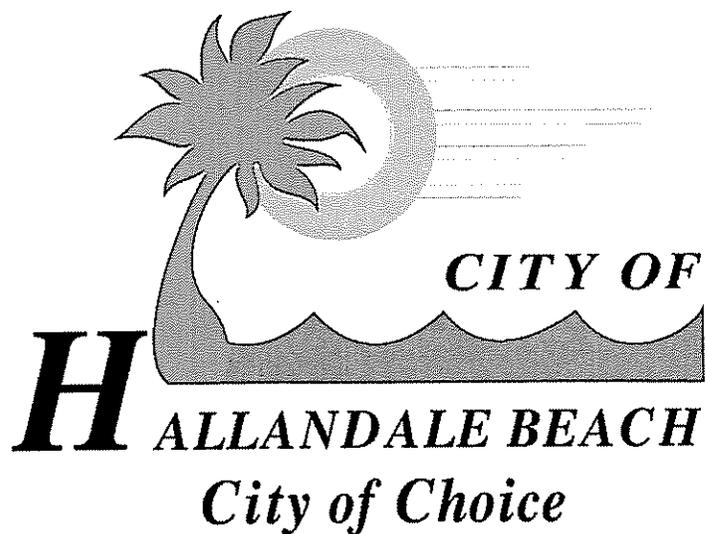


**COMPREHENSIVE
ANNUAL
FINANCIAL REPORT**

CITY OF HALLANDALE BEACH, FLORIDA



**FISCAL YEAR ENDED
SEPTEMBER 30, 2009**

CITY OF HALLANDALE BEACH, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009



**PREPARED BY
DEPARTMENT OF FINANCE**

City of Hallandale Beach, Florida
 Comprehensive Annual Financial Report
 September 30, 2009
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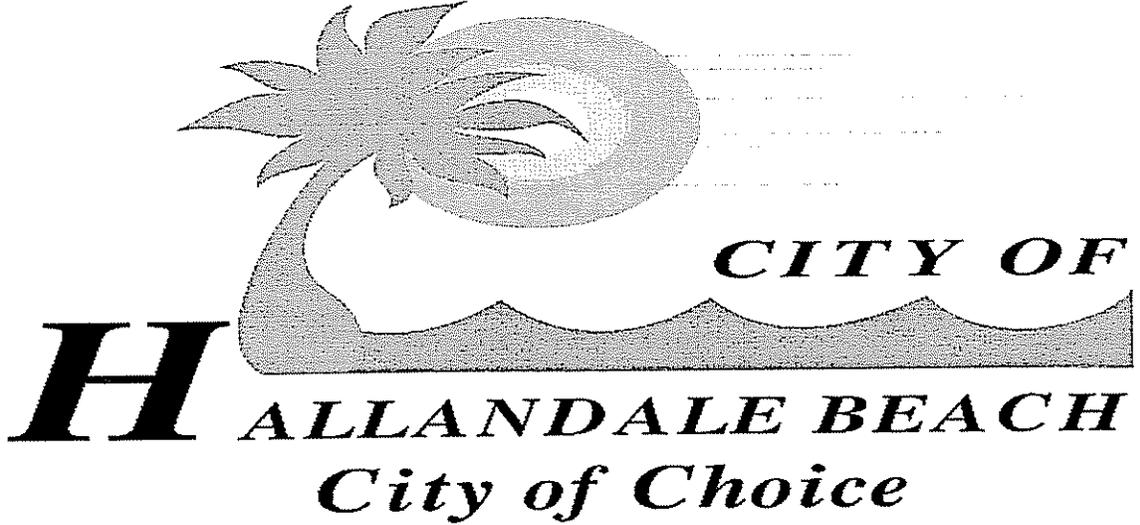
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H ***CITY OF***
ALLANDALE BEACH
City of Choice



City of Hallandale Beach

400 South Federal Highway
Hallandale Beach, FL 33009-6433
Phone: (954) 458-3251
Fax: (954) 457-1342

March 31, 2010

To the Honorable Mayor, City Commissioners and Citizens of the City of Hallandale Beach, Florida:

The Comprehensive Annual Financial Report (CAFR) of the City of Hallandale Beach, Florida (the "City") for the fiscal year ended September 30, 2009, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation (including all disclosures) rests with the City. To the best of our knowledge and belief, the information presented herein is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. McGladrey & Pullen, Certified Public Accountants, have issued an unqualified opinion on the City of Hallandale Beach's financial statements for the year ended September 30, 2009. The independent auditor's report is located at the front of the financial section of this report.

We recognize the users of the CAFR as being the residents and businesses of our community that pay for governmental services now and in the future. We also have found that creditors and investors are equally interested in the financial stability of the City. Recognizing these primary users, we have attempted to provide information to satisfy their need to evaluate the City.

This report includes all funds of the City and criteria for defining the financial reporting entity of the City as promulgated by the Governmental Accounting Standards Board (GASB). The GASB is the official standards setting body for accounting principles generally accepted in the United States of America (GAAP) as it applies to local governmental units. Pursuant to GASB guidelines, the financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion from the reporting entity's financial statements would be misleading or incomplete.

As a recipient of federal, state and local financial assistance, the City is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management and the external auditor of the City.

As part of the City's single audit, tests are made to determine the adequacy of the internal controls, including that portion related to federal awards programs, as well as to determine that the City has complied with applicable laws and regulations. A separate report is issued each year on the City's compliance with applicable laws and regulations. The following entities, for which the City is fiscally accountable, are required to be blended with the data of the primary government: Golden Isles Safe Neighborhood District, Three Islands Safe Neighborhood District and the Hallandale Beach Community Redevelopment Agency.

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

Profile of the City

The City of Hallandale Beach, incorporated in 1927, is located in the southeast corner of Broward County on the Atlantic Ocean. The City encompasses 4.4 square miles and has a population of 38,232 residents as of April 1, 2008, which is the last date officially published by the State of Florida.

The City operates under the Commission-Manager form of government and provides a full range of municipal services provided by State Statute and City Charter. Services include Public Safety (Police and Fire), Streets Maintenance, Water, Sewer, Stormwater Drainage, Municipal Cemetery, Sanitation, Human Services, Recreation, Planning and Zoning and General Administrative Services.

The City's demographics continue to change as younger families move to Hallandale Beach for its location and quality of life attributes. Tourism continues to play an important role in the City's economy, as the population can increase to 50,000 during the peak winter season.

Local economy

Property tax reform has been enacted by the Florida Legislature. This has mandated a decrease in property tax rates inversely proportional to the rates of assessed value increases in recent years.

After several years of double-digit increases in property values, the nation-wide economic crisis has impacted values in this region as well. After a 10.1% increase in values of existing properties and an additional 5.7% increase due to new construction in tax year 2007, the trend has reversed for tax years 2008 and 2009. In 2008, values of existing properties fell 9.4%, offset by a 9.1% increase due to new construction. In 2009, values of existing properties fell an additional 15.4%, with only 0.2% added for new construction. Preliminary estimates for tax year 2010 point to an additional 16.8% drop in real property assessed values, offset by an estimated 1.2% increase due to new commercial construction. Although several planned high-rise condo tower projects have been put on hold, pending the eventual revival of the real estate market, retail and restaurant space has been added at the Village at Gulfstream project. This project, adjacent to one of the City's two pari-mutuel racetracks, includes dozens of restaurants and upscale shops that are expected to boost the City's sales tax receipts and other revenues.

Nation-wide and regional unemployment is unacceptably high, and the City of Hallandale Beach is also experiencing the highest unemployment levels in almost two decades. With the recent opening of the aforementioned retail and dining establishments, it is hoped that unemployment will begin to trend toward more normal rates.

Economic Incentives

In 1996, the City Commission established the Hallandale Beach Community Redevelopment Agency (CRA) pursuant to State Statute. The CRA is a separate dependent district with the City Commission acting as the governing Board of Directors. The CRA's general redevelopment concept and strategy is to serve as a partner to the City, other governmental entities, and the private sector in addressing blight conditions. The CRA has been reversing these conditions by concentrating resources in a given area and by improving the general aesthetics of the area. The area qualified as a redevelopment district under applicable Florida Statutes based on conditions, including a shortage of affordable housing to residents of low or moderate income. The City and Broward County have approved a Redevelopment Plan for the area and improvement programs are being implemented in accordance with the Plan. Since FY 1999, the CRA provided for various park facility improvements, storm drainage, roadway, swale, and sidewalk improvements, and affordable housing opportunities, which otherwise would have been funded through the General or other funds. The CRA's funds are generated by Tax Increment Financing.

Initiatives and Highlights of the Current Fiscal Year 2009

Fiscal Year 2009 was a year of continued challenge for the City government, in which a number of initiatives and trends underway in the previous year continued or accelerated. Some of these prior agendas, and a number of new initiatives made in FY 2009 will continue to be addressed in FY 2010 and beyond.

The efforts and actions of the City bring forth the rewards of our economic development success. The Hallandale Community Redevelopment Agency (CRA) redevelopment efforts, in conjunction with new and planned construction projects, have had this positive impact.

The City Commission through establishing the CRA has also provided a method of funding substantial infrastructure improvements. Funds were specifically appropriated through the CRA and Community Development Block Grants (CDBG) to provide stormwater drainage, sidewalk, swale, street, and landscaping improvements, as well as public facility upgrades throughout various sections of the City. These improvements will not only continue to reduce the amount of flooding in the affected areas of the City, but will result in more aesthetically appealing residential areas. Funding in the amount of \$350,000 is included in the 2010 budget to continue this program. Operationally, the City maintains equipment reserves, and renewal and replacement reserves to ensure that our needs and the citizens' expectations are met for the current level of service.

In conjunction with the above noted improvements, the City of Hallandale Beach has been able to offer financial and technical assistance to both residential and commercial property owners. The Neighborhood Improvement Program, Business Incentive Program, Storm Shutter Assistance Program and Commercial Code Compliance Program are just some of the key programs offered through the CRA that have improved property values in relation to other unimproved units and made the neighborhoods more attractive.

As part of the City's commitment to improve and maintain the citizens' quality of life, while encouraging development, the City completed and adopted revisions to its Comprehensive Plan and the Citywide Master Plan. These instruments will help the City achieve its goals of planned development and improved quality of life.

Through its Affordable Housing Program, the City continues to work with residents to help them achieve the dream of owning a home. For the year ended September 30, 2009, four participants closed on their homes, and on that date seven others were awaiting their closings.

The Fire Department took delivery of a new heavy duty rescue pumper with a 1500 gallons per/minute capability. This new multi-purpose vehicle is also stocked with supplies necessary to treat medical patients.

Major Initiatives – Future Years

Due to the well-planned success of the above-mentioned programs, it is expected that the City continue with all of the above programs throughout FY 2010. Continued emphasis should be placed on Economic Development Incentive programs that are meant to stimulate the economy of the City and enable the City to expand its tax base.

Hallandale Beach management's objective is to be recognized for its organizational and performance excellence. To further that end, the City has hosted five City Commission/City Manager Forums throughout the City to solicit input from the citizenry and business community. This has facilitated the development of the following strategic goals and objectives:

1. To ensure the City's future financial sustainability;
2. To provide diverse programs that meet the quality of life standards of our valued community;
3. To provide superior services that meet the needs of our community;
4. To continue to improve operations to fulfill federal state and local requirements
5. To lead our City through one of the worst economic times our City has experienced.

The City Manager and staff have worked diligently to formulate necessary action plans to meet and exceed these goals.

Capital Outlay and Improvements

For FY 2010, there is \$3.6 million in funding provided for capital improvement and other major economic projects. The largest portion, over \$1.1 million, is for right-of-way projects, including intersection upgrades, street maintenance, and lighting improvements.

Other major capital improvement projects include green initiatives such as energy efficiency and water conservation components, wellfield relocation, distribution and storage upgrades, historic building renovations, and beach renourishment projects.

The City Commission continues the implementation of the long-range parks improvement program for citywide parks. These include major expansion of Bluesten Park and improvements to Foster Park, including construction of a building and two pavilions, a walking track and exercise stations, additional parking spaces, and improved street lighting. Furthermore, the City has purchased and developed two neighborhood parks.

The 2010 budget also includes \$450,000 for land acquisition for affordable housing programs, both in and outside of the CRA area.

Long-term financial planning

Each year, the City Commission adopts a financial plan which projects revenue, expenditures and fund balances for the next five years. The plan is utilized as a tool to illustrate the various ad valorem and other revenue rates required as well as anticipated expenditures levels.

The City of Hallandale Beach has faced a number of challenges in the past. Hallandale Beach City government, led by the City Commissioners, stands ready to meet the challenges ahead.

Financial Information

Management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accounting and Budgetary Systems

The City maintains accounting and budgetary systems necessary to report financial information and to control the expenditure of public funds. The accounting systems are required by law to follow the account structure established by the State of Florida Department of Financial Services in order to assure consistency in the statewide consolidation of local financial information. A reporting by the City is made to the State each year in the State's required format.

Budgetary control for the City is exercised at the Commission level. Florida law prohibits the expenditure of public funds in excess of budgetary amounts and requires that budgets be balanced.

The City adopts annual budgets for the General, Special Revenue, and Enterprise Funds. The City also maintains at least a five-year Capital Improvement Program that is updated annually. Proposed projects are prioritized and available funds are allocated accordingly. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is established at the category level within a fund. Encumbrance accounting (under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded as a reservation of budget) is used to further enhance budgetary control.

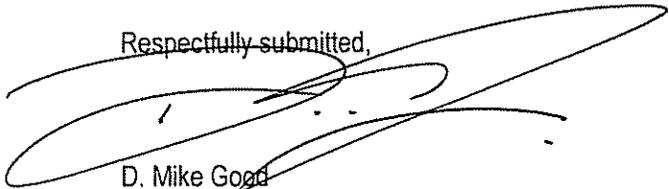
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Hallandale Beach for its comprehensive annual financial report for the FY ended September 30, 2008. This was the 24th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

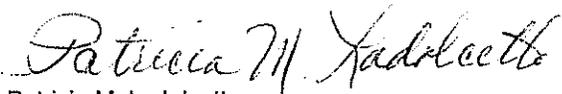
The City also received the GFOA's Award for Distinguished Budget Presentation for its annual budget for the last 23 consecutive years. In order to qualify for this award, the government's budget documents must be judged proficient in several categories, including policy documentation, financial planning and organization. The Distinguished Budget Award is valid for a period of one year only. We expect to receive confirmation that our budget continues to conform and that we will receive the certificate for the current budget year.

Your elected City officials and their staff are dedicated to providing responsive, efficient service to the citizens of the City of Hallandale Beach. The preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of the Finance Department, under the direction of Director of Finance Patricia M. Ladolcetta. Special recognition is given to Robert Fraidenburg, Gail Cabrera, David Friedman and Susie Balgobin. The financial results of one year of those efforts are shown in this report. We extend our appreciation to the City Commissioners, and their respective staffs for their assistance and cooperation throughout the year.

Respectfully submitted,



D. Mike Goggin
City Manager



Patricia M. Ladolcetta
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Hallandale Beach
Florida

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

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.



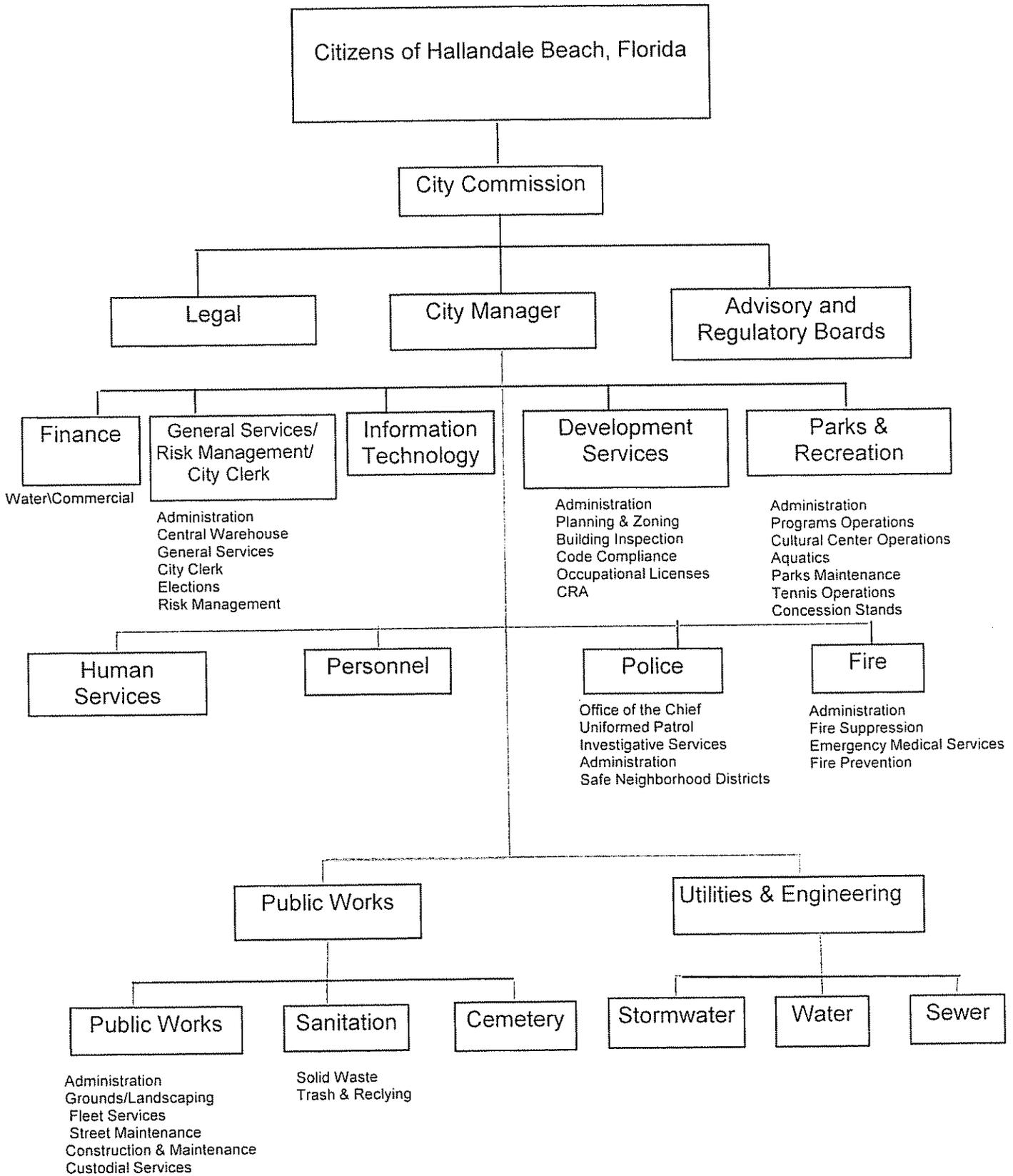
A stylized, handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

CITY OF HALLANDALE BEACH ORGANIZATIONAL CHART

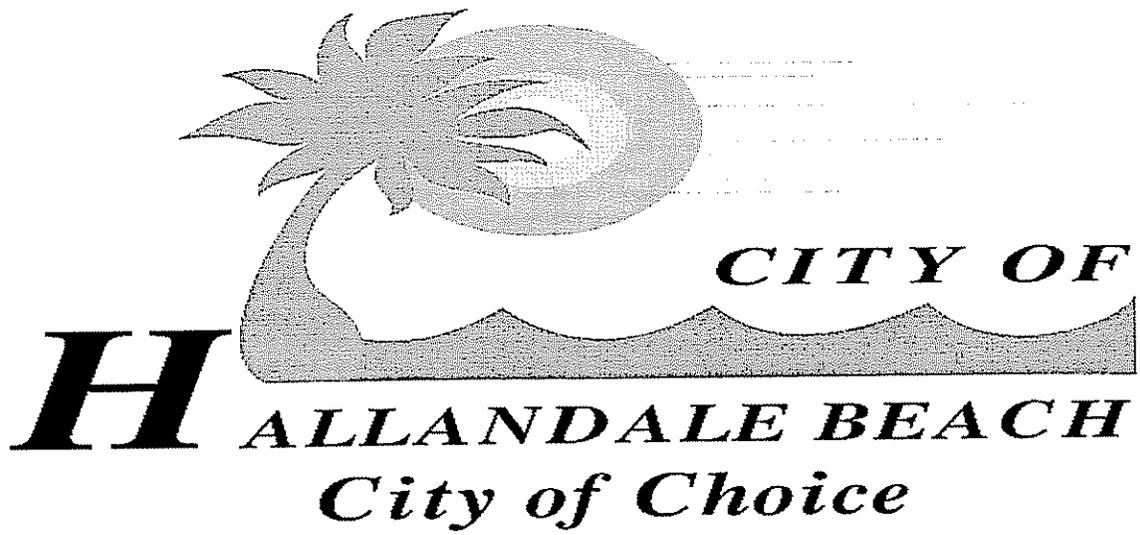


CITY OF HALLANDALE BEACH, FLORIDA

List of City Officials

September 30, 2009

<u>Title</u>	<u>Name</u>
<u>Elected Officials</u>	
Mayor	Joy Cooper
Vice-Mayor	William Julian
Commissioner	Keith London
Commissioner	Dorothy Ross
Commissioner	Anthony Sanders
<u>Appointed Officials</u>	
City Manager	D. Mike Good
Assistant City Manager	Mark Antonio
Deputy City Manager	Nydia Rafols-Sallaberry
City Attorney	David Jove
Fire Chief	Daniel Sullivan
Police Chief	Thomas Magill
Director of Finance	Patricia M. Ladolcetta
Director of Development Services	Richard Cannone
General Services Director/City Clerk/ Risk Manager	James Buschman
Human Services Director	Marian McCann-Colliee
Director of Information Technology	Theodore LaMott
Director of Parks and Recreation	Rebecca Munden-Correa
Director of Personnel/Labor Relations	George Amiraian
Director of Public Works	John Chidsey
Director of Utilities and Engineering	William Brant



CITY OF

HALLANDALE BEACH

City of Choice

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Honorable Mayor and Members of the
City Commission
City of Hallandale Beach, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hallandale Beach, Florida (the "City"), as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Officers and Firefighters' Retirement Plan, which represents 56% of the total assets and 49% of the total revenues of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Officers and Firefighters' Retirement Plan is based on the report of the other auditors.

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Hallandale Beach, Florida, as of September 30, 2009, 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.

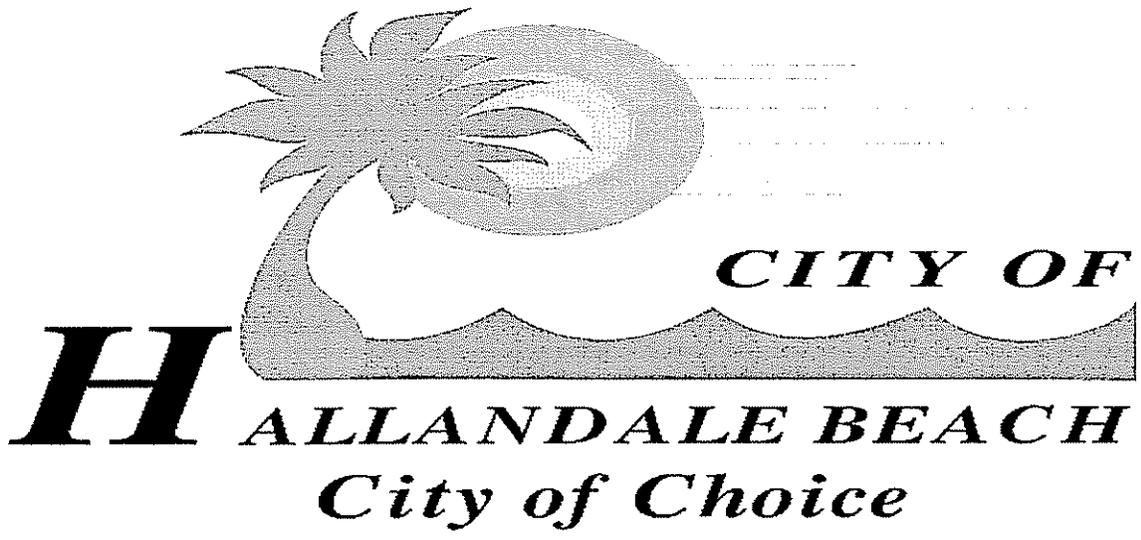
In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated March 31, 2010 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, the budgetary comparison information and the pension fund schedules of funding progress and employer contributions as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and other schedules, and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and other schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

McGladrey & Pullen, LLP

Fort Lauderdale
March 31, 2010



CITY OF

H ***ALLANDALE BEACH***

City of Choice

City of Hallandale Beach, Florida

For the Year Ended September 30, 2009
Management's Discussion and Analysis (unaudited)

This section of the report presents our discussion and analysis of the City's performance during the fiscal year that ended September 30, 2009. Please read it in conjunction with the City's financial statements, which follow this section.

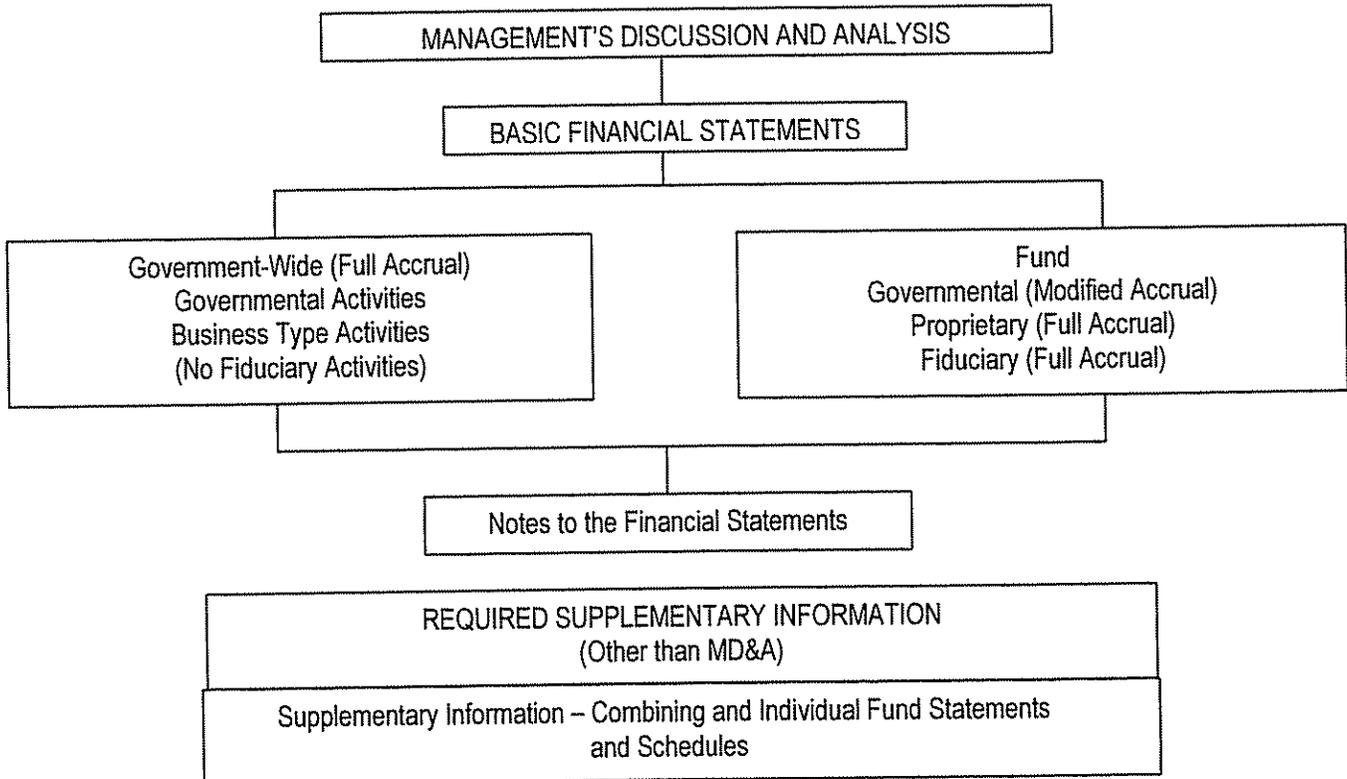
Financial Highlights

- The assets of the City of Hallandale Beach exceeded its liabilities at the close of the most recent fiscal year by \$149.2 million (net assets). Of this amount, \$60.3 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets increased \$11.8 million over the course of this year's operations. Net assets of our business type activities increased by \$6.4 million, and the net assets of our governmental activities increased by \$5.4 million.
- The City's governmental funds reported combined ending fund balances of \$56.2 million, an increase of \$5.1 million
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$19.9 million, or 45.4% of total general fund expenditures.

Overview of the Financial Statements

The financial section of this Annual report consists of four parts—management's discussion and analysis (this section), the basic financial statements, required supplementary information, and a supplementary information section that presents combining and individual fund statements and schedules.

Financial Section



City of Hallandale Beach, Florida

For the Year Ended September 30, 2009
 Management's Discussion and Analysis (unaudited)

Major Features of the Basic Financial Statements

	Government-wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary activities)	Activities of the City that are not proprietary or fiduciary	Activities of the City that are operated similar to private business	Instances in which the City is the trustee or agent for someone else's resources
Required financial Statements	* Statement of net assets * Statement of activities	* Balance sheet * Statement of revenue, expenditures, and changes in fund balances	* Statement of net assets * Statement of revenue expenses, and changes in net assets * Statement of cash flows	* Statement of fiduciary net assets * Statement of changes in fiduciary net assets
Accounting basis and measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/ liability information	All assets and liabilities, both financial and capital, and short-term and long-term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter no capital assets and long term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term.	All assets and liabilities, both short-term and long-term.
Type of inflow/ outflow information	All revenue and expenses during the year, regardless of when cash is received or paid.	* Revenue for which cash is received during or soon after the end of the year * Expenditures when goods or services have been received and payment is due during the year or soon after	All revenue and expenses during the year, regardless of when cash is received or paid	All revenue and expenses during the year, regardless of when cash is received or paid

Basic Financial Statements

Government-wide financial statements. The focus of the *government-wide financial statements* is on the overall financial position and activities of the City of Hallandale Beach. Reporting is similar to that of a private-sector business. The government-wide financial statements report information about the City as a whole and about its activities in a way that helps answer questions about the financial health of the City and whether the activities of the year contributed positively or negatively to that health.

City of Hallandale Beach, Florida

For the Year Ended September 30, 2009
Management's Discussion and Analysis (unaudited)

The City's government-wide financial statements include the statement of net assets and statement of activities. As described below, these statements do not include the City's fiduciary activities because resources of these funds cannot be used to finance the City's activities. However, the financial statements of fiduciary activities are included in the City's fund financial statements, because the City is financially accountable for those resources, even though they belong to other parties.

- The *Statement of Net Assets* presents information on the assets held and liabilities owed by the City, both long- and short-term. Assets are reported when acquired by the City and liabilities are reported when they are incurred, regardless of the timing of the related cash flows to acquire these assets or liquidate such liabilities. For example, the City reports buildings and infrastructure as assets, even though they are not available to pay the obligations incurred by the City. On the other hand, the City reports liabilities, such as litigation claims, even though these liabilities might not be paid until several years into the future.

The difference between the City's total assets and total liabilities is *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. Although the purpose of the City is not to accumulate net assets, in general, as this amount increases it indicates that the financial position of the City is improving over time.

- The *Statement of Activities* presents the revenues and expenses of the City. The items presented on the statement of activities are measured in a manner similar to the approach used in the private-sector in that revenues are recognized when earned and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety (law enforcement and fire-rescue), physical environment, transportation, culture and recreation, human services and economic environment. The business-type activities include cemetery, sanitation, sewer utility, stormwater drainage and water utility.

Fund financial statements. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. Except for the General Fund, separate funds are established to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Financial statements consist of a balance sheet and a statement of revenue, expenditures, and change in fund balances. These statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

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In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables but do not include capital assets such as land and buildings. The difference between a fund's total assets and total liabilities is the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. The operating statement for governmental funds reports only those revenue that were collected during the current period or very shortly after the end of the year. Expenditures are recorded when incurred.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, because different accounting bases are used to prepare governmental fund financial statements and government-wide financial statements, there are often significant differences between the totals presented. For this reason, there is an analysis after the governmental funds balance sheet that reconciles the total fund balances for all governmental funds to the amount of net assets presented in the governmental activities column on the statement of net assets. Also, there is an analysis after the statement of revenue, expenditures, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net assets as reported in the governmental activities column in the statement of activities.

Proprietary funds. Financial statements consist of a statement of net assets, statement of revenue, expenses, and changes in fund net assets and statement of cash flows. These statements are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds.

The City uses Enterprise Funds to account for business-type activities that charge fees to customers for the use of specific goods or services. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal Service funds are used to account for services provided and billed on an internal basis. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City presents a separate column for each of the major enterprise funds, Water, Sewer, Sanitation, Stormwater funds. Since the Cemetery fund is the only remaining enterprise fund it is presented in a single column labeled Nonmajor-Cemetery. Internal Service Funds are aggregated and presented in a single column. A statement of cash flows is presented at the fund financial statement level for proprietary funds, but no equivalent statement is presented in the government-wide financial statements for either governmental activities or business-type activities.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. Fiduciary financial statements consist of a statement of fiduciary net assets and a statement of changes in fiduciary net assets.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

City of Hallandale Beach, Florida

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Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning various issues such as a comparison between the city's adopted and final budget and actual financial results for its General Fund and major special revenue fund. The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget. Required supplementary information is also presented for the City's pension plans including a schedule of funding progress and schedule of employer contributions.

Combining and individual fund statements and schedules. Combining statements referred to earlier in connection with non-major governmental, internal service and fiduciary funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

The table below presents a summary of net assets as of September 30, 2009 and 2008, derived from the government-wide Statement of Net Assets:

	Net Assets (in thousands)					
	Governmental		Business - Type		Total	
	Activities		Activities			
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 68,079	\$ 64,650	\$ 28,332	\$ 22,795	\$ 96,411	\$ 87,445
Capital assets	62,628	61,212	38,327	39,548	100,955	100,760
Total assets	130,707	125,862	66,659	62,343	197,366	188,205
Long-term liabilities	29,872	30,037	12,011	12,538	41,883	42,575
Other liabilities	1,914	2,290	4,351	5,905	6,265	8,195
Total liabilities	31,786	32,327	16,362	18,443	48,148	50,770
Net assets:						
Invested in capital assets, net of related debt	39,425	37,148	26,859	27,519	66,284	64,667
Restricted	22,576	18,832	-	-	22,576	18,832
Unrestricted	36,920	37,555	23,438	16,381	60,358	53,936
Total net assets	\$ 98,921	\$ 93,535	\$ 50,297	\$ 43,900	\$ 149,218	\$ 137,435

As noted earlier, net assets may serve, over time, as a useful indication of a government's financial position. At the close of the most recent fiscal year, the City's assets exceeded its liabilities by \$149.2 million.

City of Hallandale Beach, Florida

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Net assets are divided among unrestricted, at 40.4%, representing resources that are available for spending, and investment in capital assets, net of debt, at 44.4%, with the remaining 15.2% restricted for specific purposes. Investment in capital assets net of debt reflects its investment in capital assets reduced by the amount of outstanding related debt used to acquire these assets. The City uses these capital assets to provide services to the citizens of the City; consequently these net assets are not available for future spending. Although the capital assets are shown net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources. At the end of the current fiscal year, the City of Hallandale Beach is able to report positive balances in all categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The government's net assets increased by \$11.8 million during the current fiscal year. Governmental activities provided \$5.4 million of the increase, with general and program revenues of \$61.4 million compared to program expenses and transfers of \$56.1 million. Restricted and unrestricted cash increased \$7.6 million. These increases were offset by a decrease in investments in the amount of \$3.6 million. Capital assets increased \$1.4 million due to equipment and infrastructure additions. Accounts payable and accrued liabilities decreased \$.6 million.

Business-type activities contributed \$6.4 million, mainly due to water fund operations and sewer fund operations, which generated 53.2% and 28.6%, respectively, of the increase in business-type net assets. Investments increased \$3.4 million and cash and cash equivalents, restricted and unrestricted, increased \$1.2 million causing current and other assets to increase resulting from the aforementioned operational income. Depreciable capital assets, net of accumulated depreciation decreased by \$1.6 million because depreciation expense exceeded amounts spent on new asset purchases. Accounts payable and accrued liabilities decreased by \$1.6 million due to a reduction in estimates for wastewater treatment costs payable.

City of Hallandale Beach, Florida

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The table below presents a summary of changes in net assets for the years ended September 30, 2009 and 2008, as derived from the government-wide Statement of Activities:

	Changes in Net Assets (in thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 9,826	\$ 12,067	\$ 29,093	\$ 24,292	\$ 38,919	\$ 36,359
Capital grants and contributions	1,615	839	644	28	2,259	867
Operating grants and contributions	1,267	1,893	-	-	1,267	1,893
General Revenues:						
Property taxes	23,369	24,287	-	-	23,369	24,287
Other taxes	11,153	10,924	237	214	11,390	11,138
Other revenues	14,204	14,660	555	1,072	14,759	15,732
Total revenues	61,434	64,670	30,529	25,606	91,963	90,276
Expenses:						
General government	11,990	11,986	-	-	11,990	11,986
Public safety	31,654	30,601	-	-	31,654	30,601
Physical environment	2,839	3,841	-	-	2,839	3,841
Transportation	1,571	1,574	-	-	1,571	1,574
Economic environment	3,227	4,946	-	-	3,227	4,946
Culture and recreation	2,445	2,467	-	-	2,445	2,467
Human services	1,139	1,141	-	-	1,139	1,141
Interest	1,220	1,272	-	-	1,220	1,272
Cemetery	-	-	134	104	134	104
Sanitation	-	-	5,213	5,274	5,213	5,274
Sewer	-	-	8,683	9,602	8,683	9,602
Stormwater	-	-	1,425	1,382	1,425	1,382
Water	-	-	8,640	7,896	8,640	7,896
Total expenses	56,085	57,828	24,095	24,258	80,180	82,086
Changes in net assets before transfers	5,349	6,842	6,434	1,348	11,783	8,190
Transfers	37	(99)	(37)	99	-	-
Change in net assets	5,386	6,743	6,397	1,447	11,783	8,190
Net assets, beginning	93,535	86,792	43,900	42,453	137,435	129,245
Net assets, ending	\$ 98,921	\$ 93,535	\$ 50,297	\$ 43,900	\$ 149,218	\$ 137,435

City of Hallandale Beach, Florida

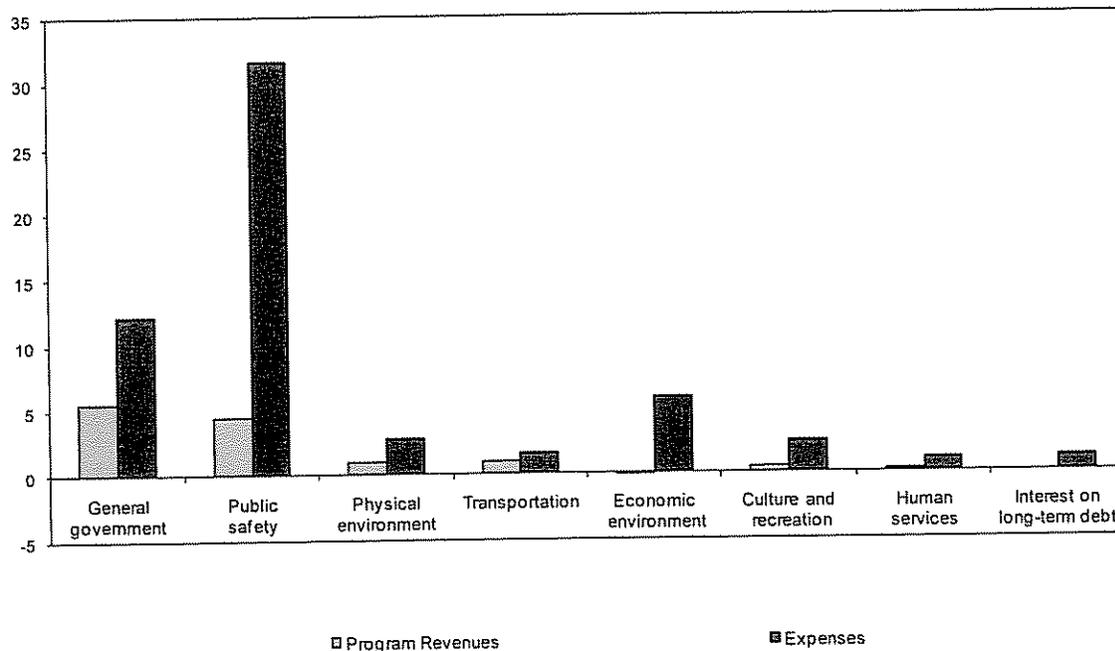
For the Year Ended September 30, 2009
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Governmental activities

Governmental activities increased the City of Hallandale Beach's net assets by \$5.4 million, thereby accounting for 45.7% of the total growth in net assets. This is a \$1.4 million decrease in the growth in net assets compared to the prior year. Key elements to this \$5.4 million increase in net assets are as follows:

- At 38.0% of governmental revenues, the largest component was property taxes in the amount of \$23.4 million, a decrease of \$.9 million or 3.8% from the prior fiscal year. This decrease was due to the fact that the City's millage rate was maintained at the prior year's rate, despite a decrease in assessed values;
- Charges for services decreased \$2.2 million or 18.6 % from the prior year, due mainly to a prior year one-time receipt of forfeiture funds in one of the non-major special revenue funds;
- General intergovernmental revenue decreased by approximately \$1.4 million, due to reductions in State revenue sharing, lower tax increment financing in the CRA and fluctuations in available revenues;
- Investment earnings decreased by \$0.4million or 18.3%, due to a decline in interest rates;
- Economic environment expenses were \$1.7 million or 34.8% lower, due to a \$2.3 million reduction in spending for community redevelopment programs, offset by higher personal services costs;
- Public safety program expenses were \$31.7 million, an increase of \$1.1 million or 3.4% over the prior year. The increase is almost entirely due to increased retirement contributions.
- Physical environment expenses were \$2.8 million, a decrease of \$1.0 million due to changes to functional designations.

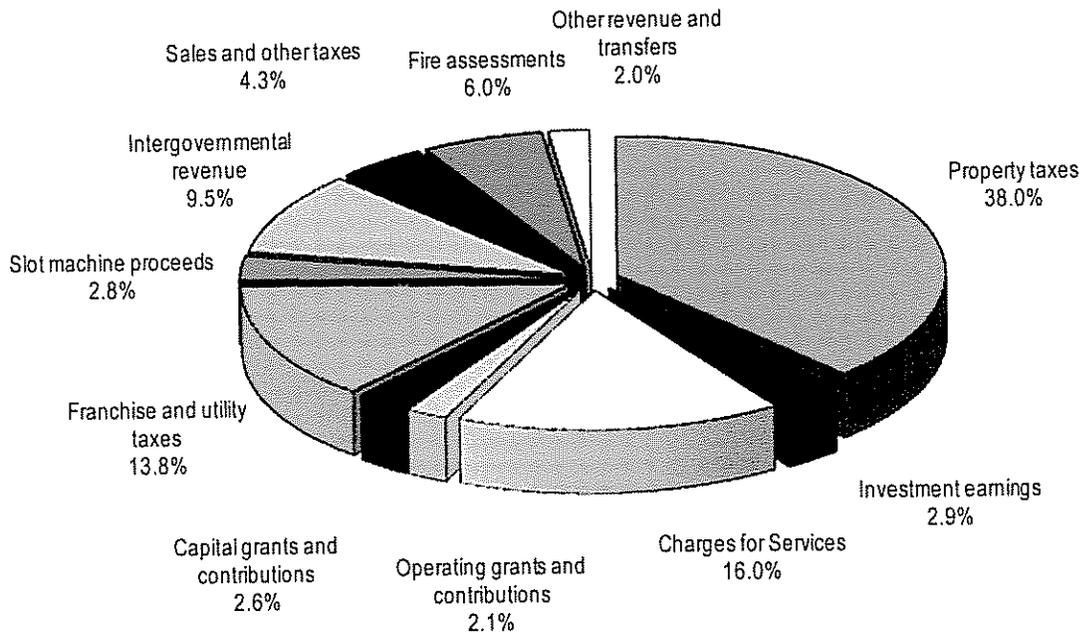
**Expenses and Program Revenues - Governmental Activities
 (Dollars in Millions)**



City of Hallandale Beach, Florida

For the Year Ended September 30, 2009
Management's Discussion and Analysis (unaudited)

Revenues by Source - Governmental Activities



Business-type activities

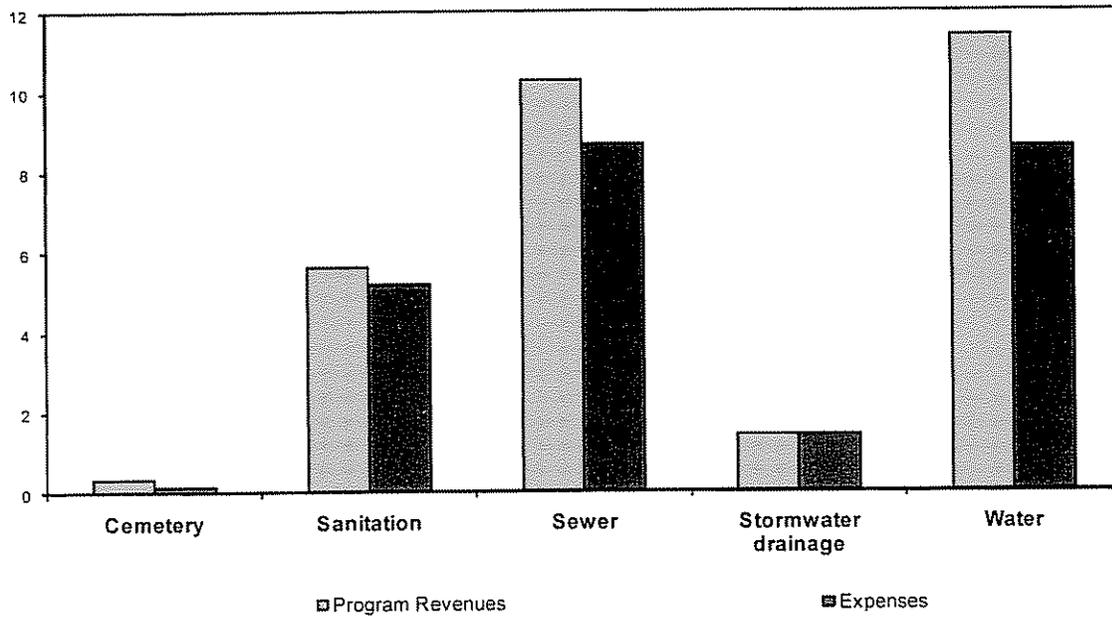
Business-type activities increased the City's net assets by \$6.4 million, accounting for 54.3% of the increase in net assets. Key elements of this increase are as follows:

- Water Fund program revenues, including capital contributions, exceeded expenses by \$3.4 million, a 185.4% increase over the prior year, mainly due to a 36.3% increase in base rate per unit, coupled with increases ranging from 10% to over 16% for varying levels of usage;
- Sewer Fund program revenues exceeded expenses by \$1.6 million mainly due to a 54.8% increase in base rate per unit, plus increases ranging from 3% to almost 7% for varying levels of usage. Wastewater treatment costs comprise over 56% of the operating expenses for the fund,
- Sanitation Fund revenues exceeded expenses by \$0.4 million, a 110.5% increase over the prior year, due to a 3.6% increase in charges for services, and a 9.7% reduction in the costs of labor and administrative charges from other funds;
- Cemetery Fund program revenues exceeded expenses by \$.2 million, resulting from a tripling in the number of burials, plus a higher proportion of non-resident fees, which are up to 75% higher than resident fees.

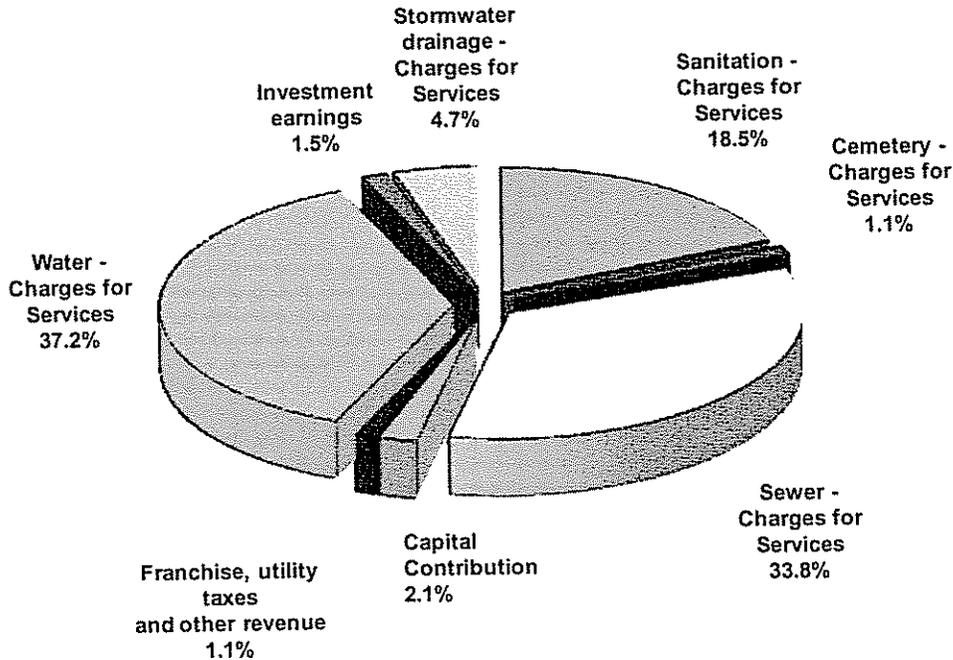
City of Hallandale Beach, Florida

For the Year Ended September 30, 2009
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Expenses and Program Revenues - Business Type Activities
(Dollars in Millions)



Revenues by Source - Business-Type Activities



Financial Analysis of the City of Hallandale Beach's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

The City's governmental funds reported combined ending fund balances of \$56.2 million, an increase of \$5.2 million over the prior year. A portion of the fund balance is reserved or designated to indicate that it is not available for new spending because it represents resources that are not available (\$1.9 million), have already been committed for the purchase of capital and equipment (\$2.3 million) and to pay debt service (\$.8million).

The general fund is the chief operating fund of the City. At end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$19.9 million while the total fund balance increased 8.6% to \$22.5 million. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total general fund expenditures. Unreserved, undesignated fund balance represents 41.1% of total general fund expenditures and transfers out, while total fund balance represents 46.4% of that same amount.

City of Hallandale Beach, Florida

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The fund balance of the City's general fund increased by approximately \$1.8 million during the current fiscal year. Key factors of this increase are as follows:

- A \$2.6 million transfer from the Worker's Compensation Fund as reimbursement for prior years' service charges, in order to reduce what was deemed to be excess net assets;
- An overall \$.6 million or 1.3% increase in total revenues;
- A \$.4 million or 12.8% increase in fire assessments, due to a 7.8% increase in per residential unit fee, as well as the completion of four new condominium towers that added over 1150 new residential units;
- A \$.3 million or 51.2% increase in investment earnings, due to realized and unrealized gains in investment balances;
- An 8.8% or \$.9 million decrease in general government expenditures, including a \$.2 million decline in personal services costs, \$.3 million reduction in street repair costs, \$.2 million in lower costs for outside planning services, \$.1 million in reduced legal consulting fees, and \$.1 million in lower property insurance premiums.

These decreased costs and higher revenues were offset by higher costs and lower revenues in the following categories:

- \$1.0 million, or 4.4%, decrease in property taxes resulting from lower assessed values on existing properties;
- A \$4.6 million Tax Increment Financing transfer to the CRA Fund (included in transfers out), which is a \$.2 million or 3.5% decrease from the previous year
- A \$.3 million or 43.3% increase in capital outlay expenditures resulting from the purchase of a fire pumper and five police cruisers
- A .8% or \$.2 million increase in public safety expenditures, due to higher retirement contributions
- A \$.2 million or 11.9% decrease in slot machine proceeds from the operations of two casinos within the City limits,
- Human services and culture and recreation expenditures remained about the same

The Community Redevelopment Agency ("CRA") fund, accounts for the activities of the CRA. The fund balance of the CRA fund increased by \$4.2 million during the fiscal year. The increase is attributed to a decrease in spending for economic environment which resulted in excess revenues over expenditures. Comparisons to prior year activity include:

- A 2.7% or \$.1 million decrease in Tax Increment Financing revenue from outside agencies;
- A 3.5% or \$.2 million decrease in Tax Increment Financing revenue from the General Fund (reported as transfer in);
- Despite higher invested balances, lower interest rates caused investment earnings to decline by \$.3 million or 37.7%;
- Economic environment spending decreased by \$2.2 million due to a \$2.3 million reduction in spending for community redevelopment programs,
- Capital outlay expenditures increased by \$1.3 million due to land acquisition and progress on a redevelopment project,
- Debt service principal and interest decreased by \$.4 million as the final payment was made on the Series 2002 revenue note;

City of Hallandale Beach, Florida

For the Year Ended September 30, 2009 Management's Discussion and Analysis (unaudited)

Both of these decreases in tax increment financing directly resulted from calendar year 2008 decreases in property values in the CRA.

The fund balance of the Grant Administration Fund decreased by \$.3 million. Major expenditures for this fund include:

- \$.5 million in operating and \$1.2 million in capital grant projects funded by federal grants and developer agreements,
- \$.5 million in projects funded by local grants,
- \$.3 million in projects, for park construction, human services and transportation funded by state grants,

The fund balance of the Capital Projects Fund increased by \$17,600. Major expenditures for this fund include \$2.0 million in principal and interest payments on the 2007A bonds.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail.

Enterprise fund unrestricted net assets were \$23.4 million, a \$7.0 million increase from the prior year. This is due mainly to favorable changes to the net assets of the water fund and the sewer fund resulting from utility rate increases.

The enterprise funds showed a \$6.4 million increase in total net assets from the prior year. This consisted of a \$5.6 million excess of operating revenues over operating expenses, a \$.2 million excess of non-operating revenues over non-operating expenses, and a \$.6 million excess of transfers in and capital contributions over transfers out.

In comparison to the prior year, operating income increased \$5.0 million, investment earnings decreased \$0.3 million due to lower interest rates and invested balances, and capital contributions increased \$0.6 million. Operating expenses decreased by \$.4 million, mainly due to a \$1.3 million reduction in wastewater treatment costs. Additionally, depreciation expense increased by \$.7 million as a result of reclassifying certain water fund capital assets to categories with shorter depreciable lives.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were small. Final appropriations were decreased by \$1.4 million due to the reappropriation of current year unspent expenditures into the following fiscal year budget.

The original and the final budget anticipated \$6.7 and \$5.3 million, respectively, to be expended from available fund balance. During the year, however, although revenue fell short of budgetary estimates by \$1.1 million, transfers in generated a positive variance of \$2.5 million, resulting from a transfer of approximately the same amount from the Workers' Compensation internal service fund. Expenditures and transfers out were \$5.7 million less than budgetary estimates, thus reducing the need to draw upon existing fund balance. Therefore, this year's actual operations resulted in a \$1.8 million increase in fund balance instead of the \$6.7 million decrease that was originally budgeted. Property taxes were \$.5 million less than budgeted due mainly to delinquent accounts, as well as a mid-year reduction in taxable values. License and permit revenue fell short of the budget by almost \$.5 million as developers postponed projects due to the real estate market in the region. Fines and forfeitures income was \$.3 million less than budgeted because of deferral of a new program implementation. Personal services expenditures reflected positive variances due to the directed postponement in filling vacant positions in order to offset expected revenue shortfalls.

City of Hallandale Beach, Florida

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Operating expenditures resulted in \$1.3 million in budget savings, mainly due to lower gasoline and diesel fuel prices, as well as lower than expected spending for property insurance and economic development incentives.

Capital Assets and Debt Administration

Capital assets. As of September 30, 2009 and 2008, the City had \$101.0 and \$100.8 million, respectively, invested in a variety of capital assets, as reflected in the following schedule:

	Capital Assets (in thousands, net of depreciation)					
	Governmental Activities		Business - Type Activities		Total	
	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$
Land	41,049	41,015	1,159	1,159	42,208	42,174
Construction in progress	180	147	647	219	827	366
Buildings	7,226	7,841	15,796	22,216	23,022	30,057
Improvements other than buildings	2,861	2,395	2,611	3	5,472	2,398
Autos & Equipment	2,869	2,143	3,539	786	6,408	2,929
Infrastructure	8,443	7,671	14,575	15,165	23,018	22,836
Total	\$ 62,628	\$ 61,212	\$ 38,327	\$ 39,548	\$ 100,955	\$ 100,760

Major capital asset events during the year included:

- \$.5 million was spent on land purchases,
- \$5.8 million that had previously been classified as components of the new membrane water treatment plant was reclassified to the equipment and improvements other than buildings categories
- \$1.4 million was spent on infrastructure additions,
- \$.5 million was spent on a new fire rescue pumper and an additional \$.1 million on five police cruisers
- \$.6 million was added to construction in progress for drainage improvements and structures related to the water treatment plant

Additional information can be found in Note 6 – Capital Assets.

Long-term debt. As of year-end, the City had \$34.7 million in bonded debt outstanding compared to the \$36.1 million last year. This decrease was the result of principal payments made during the year. Of this amount of debt outstanding as of the end of fiscal year 2009 approximately 66.9% was backed by the full faith and credit of the government and the balance was secured by various revenue sources. The debt position of the City is summarized below and is more fully explained in Note 9 Long-Term Debt:

	Bonded Debt and Notes Payable (in thousands)					
	Governmental Activities		Business - Type Activities		Total	
	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$
Revenue bonds	23,204	23,968	11,469	12,029	34,673	35,997
Revenue note	-	96	-	-	-	96
Total	\$ 23,204	\$ 24,064	\$ 11,469	\$ 12,029	\$ 34,673	\$ 36,093

City of Hallandale Beach, Florida

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Under Florida statutes, no debt limit margin is placed on local governments. The City maintains an "AA-" rating from Standard & Poor's on its revenue bonds.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City is 10.7%, which is 44.6% higher than the 7.4% of a year ago,
- After several years of surging real estate prices in south Florida, sales have greatly slowed and prices have fallen during the past three years. South Florida is experiencing one of the highest foreclosure rates in the nation, which is also contributing to the real estate price decline.

General economic conditions both globally and in our state have required the City to closely monitor revenue and expenditure trends during the current year. Despite these forecasts, and despite a 9.4% decline in assessed values of existing properties, the City was able to maintain the same millage rate for fiscal year 2009 as for the prior year. For 2010, however, the millage rate was raised from \$4.9818 to \$5.9000 to offset an additional 15.4% decline in taxable value.

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

With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property. Amendment 1 became effective on October 1, 2008, with the exception of the ten percent (10%) assessment cap on non-homestead property which became effective on January 1, 2009.

Each fiscal year, the City Commission approves designating funds for future expenditures for Renewal and Replacement. At the end of fiscal year 2009, the designated balances were as follows:

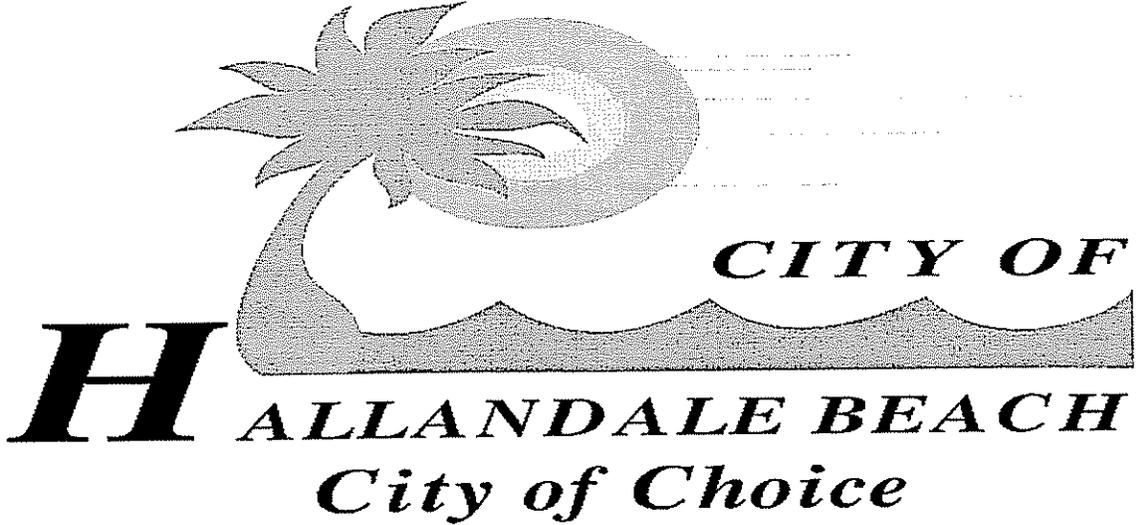
	Capital Improvements	Plant Expansion	Computer Equipment	Equipment	Police Vehicles and Radios	Enterprise Systems	Total
General	\$ -	\$ -	\$ 95,800	\$ 1,000,000	\$ 1,100,000	\$ 125,000	\$ 2,320,800
CRA	-	-	-	-	-	21,800	21,800
Sanitation	217,472	-	27,800	-	-	-	245,272
Water	474,647	725,179	62,099	528,039	-	-	1,789,964
Stormwater	-	-	-	365,602	-	-	365,602
Sewer	2,040,323	-	62,099	484,946	-	-	2,587,368
Total	\$ 2,732,442	\$ 725,179	\$ 247,798	\$ 2,378,587	\$ 1,100,000	\$ 146,800	\$ 7,330,806

City of Hallandale Beach, Florida

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Management's Discussion and Analysis (unaudited)**

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about this report or need additional information, contact the Finance Director, 400 South Federal Highway, Hallandale Beach, Florida 33009.



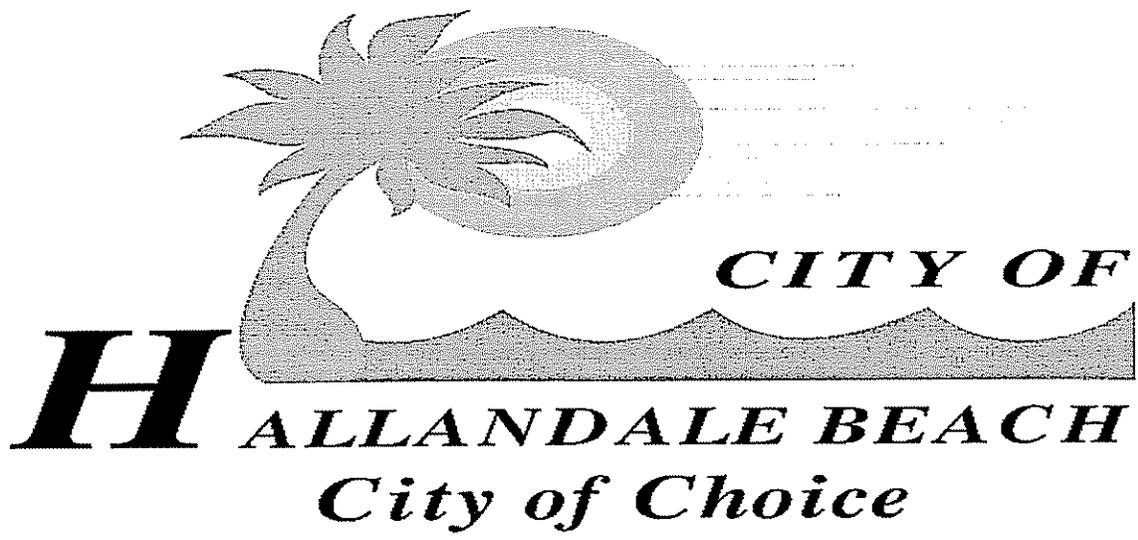
H ***CITY OF***
ALLANDALE BEACH
City of Choice

City of Hallandale Beach, Florida

Statement of Net Assets
September 30, 2009

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 34,334,874	\$ 12,370,151	\$ 46,705,025
Accounts receivable, net of allowances	4,415,623	4,415,951	8,831,574
Due from other governments	1,653,615	2,000	1,655,615
Inventory	121,737	556,164	677,901
Other assets	114,155	10,620	124,775
Investments	20,549,876	9,206,756	29,756,632
Restricted assets:			
Cash and cash equivalents	6,171,295	1,623,096	7,794,391
Deferred Charges	30,681	146,888	177,569
Net pension asset	686,832	-	686,832
Capital assets, nondepreciable	41,228,684	1,806,488	43,035,172
Capital assets, net of accumulated depreciation	21,399,645	36,520,796	57,920,441
Total assets	130,707,017	66,658,910	197,365,927
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued liabilities	1,107,275	2,638,800	3,746,075
Deposits	217,180	1,580,706	1,797,886
Unearned revenue	590,029	-	590,029
Accrued interest	-	130,711	130,711
Noncurrent liabilities:			
Due within one year	2,103,177	681,623	2,784,800
Due in more than one year	27,768,715	11,329,854	39,098,569
Total liabilities	31,786,376	16,361,694	48,148,070
Net assets:			
Invested in capital assets, net of related debt	39,425,171	26,858,531	66,283,702
Restricted for community improvements	16,403,506	-	16,403,506
Restricted for debt service	830,000	-	830,000
Restricted for law enforcement	3,949,604	-	3,949,604
Restricted for perpetual care	230,713	-	230,713
Restricted for transportation	1,161,346	-	1,161,346
Unrestricted	36,920,301	23,438,685	60,358,986
Total net assets	\$ 98,920,641	\$ 50,297,216	\$ 149,217,857

See Notes to Financial Statements.



CITY OF

HALLANDALE BEACH

City of Choice

City of Hallandale Beach, Florida

Statement of Activities

Fiscal Year Ended September 30, 2009

Functions/Programs	Program Revenue			Net (Expense) Revenue and Charges in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 11,989,752	\$ 5,564,038	\$ -	\$ -	\$ (6,425,714)	\$ -	\$ (6,425,714)
Public safety	31,653,765	3,966,423	427,517	93,530	(27,166,295)	-	(27,166,295)
Physical environment	2,838,713	38,929	339,109	567,556	(1,893,119)	-	(1,893,119)
Transportation	1,571,297	155,544	196,400	645,776	(573,577)	-	(573,577)
Economic environment	3,226,877	-	-	-	(3,226,877)	-	(3,226,877)
Culture and recreation	2,444,886	101,123	8,000	308,184	(2,027,579)	-	(2,027,579)
Human services	1,139,537	-	296,106	-	(843,431)	-	(843,431)
Interest on long-term debt	1,220,110	-	-	-	(1,220,110)	-	(1,220,110)
Total governmental activities	56,084,937	9,826,057	1,267,132	1,615,046	(43,376,702)	-	(43,376,702)
Business-type activities:							
Cemetery	133,856	342,154	-	-	-	208,298	208,298
Sanitation	5,213,472	5,635,737	-	-	-	422,265	422,265
Sewer	8,682,625	10,303,620	-	9,124	-	1,630,119	1,630,119
Stormwater drainage	1,424,412	1,419,866	-	-	-	(4,546)	(4,546)
Water	8,640,324	11,391,677	-	635,298	-	3,386,651	3,386,651
Total business-type activities	24,094,689	29,093,054	-	644,422	-	5,642,787	5,642,787
Total	\$ 80,179,626	\$ 38,919,111	\$ 1,267,132	\$ 2,259,468	(43,376,702)	5,642,787	(37,733,915)
		General revenue:					
		Property taxes			23,368,601	-	23,368,601
		Franchise and utility taxes			8,486,100	237,199	8,723,299
		Sales taxes			1,976,311	-	1,976,311
		Motor fuel taxes			673,262	-	673,262
		Alcoholic beverages taxes			17,666	-	17,666
		Fire assessments			3,686,009	-	3,686,009
		Intergovernmental revenue(not restricted to specific programs)			5,841,844	-	5,841,844
		Investment earnings			1,788,176	444,634	2,232,810
		Slot machine proceeds			1,749,010	-	1,749,010
		Gain on sale of capital assets			7,914	57,056	64,970
		Other revenue			1,130,738	52,687	1,183,425
		Transfers			36,621	(36,621)	-
		Total general revenue and transfers			48,762,252	754,955	49,517,207
		Change in net assets			5,385,550	6,397,742	11,783,292
		Net assets - beginning			93,535,091	43,899,474	137,434,565
		Net assets - ending			\$ 98,920,641	\$ 50,297,216	\$ 149,217,857

See Notes to Financial Statements

City of Hallandale Beach, Florida

Balance Sheet
Governmental Funds
September 30, 2009

	General Fund	Community Redevelopment Agency Fund	Grant Administration Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 11,866,669	\$ 5,919,692	\$ 3,023,228	\$ 427,514	\$ 6,797,597	\$ 28,034,700
Accounts receivable, net of allowances	2,778,874	1,466,555	1,659	-	109,944	4,357,032
Due from other governments	564,599	-	1,033,716	-	55,300	1,653,615
Restricted cash and cash equivalents	217,753	10,392	-	5,943,150	-	6,171,295
Investments	9,922,646	10,627,230	-	-	-	20,549,876
Inventory	121,737	-	-	-	-	121,737
Other assets	114,155	-	-	-	-	114,155
Advances to other funds	120,000	-	-	-	-	120,000
Total assets	\$ 25,706,433	\$ 18,023,869	\$ 4,058,603	\$ 6,370,664	\$ 6,962,841	\$ 61,122,410
Liabilities and Fund Balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ 505,202	\$ 240,289	\$ 218,679	\$ 1,214	\$ 138,268	\$ 1,103,652
Deposits	217,180	-	-	-	-	217,180
Advances from other funds	-	-	-	-	120,000	120,000
Unearned/Deferred revenue	2,261,009	-	930,976	-	67,216	3,259,201
Compensated absences	180,142	-	-	-	-	180,142
Total liabilities	3,163,533	240,289	1,149,655	1,214	325,484	4,880,175
Fund Balances:						
Reserved for:						
Prepaid items	114,155	-	-	-	-	114,155
Inventory	121,737	-	-	-	-	121,737
Advances to other funds	120,000	-	-	-	-	120,000
Long-term receivable	-	1,358,274	-	-	-	1,358,274
Debt Service	-	-	-	830,000	-	830,000
Perpetual care	-	-	-	-	230,713	230,713
Unreserved, designated for:						
Fire equipment	1,000,000	-	-	-	-	1,000,000
Computer equipment	95,800	-	-	-	-	95,800
Police radios	350,000	-	-	-	-	350,000
Police vehicles	750,000	-	-	-	-	750,000
Enterprise system	125,000	21,800	-	-	-	146,800
Unreserved, undesignated reported in:						
General fund	19,866,208	-	-	-	-	19,866,208
Special revenue funds	-	16,403,506	-	-	6,406,644	22,810,150
Capital projects fund	-	-	2,908,948	5,539,450	-	8,448,398
Total fund balances	22,542,900	17,783,580	2,908,948	6,369,450	6,637,357	56,242,235
Total liabilities and fund balances	\$ 25,706,433	\$ 18,023,869	\$ 4,058,603	\$ 6,370,664	\$ 6,962,841	\$ 61,122,410

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Assets
September 30, 2009

Total fund balance - governmental funds		\$ 56,242,235
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 funds.		
Governmental capital assets	105,604,735	
Less accumulated depreciation	<u>(42,976,406)</u>	62,628,329
Net pension asset resulting from excess contributions to pension plans is not reported in the fund financial statements as it is not a financial resource.		
		686,832
Revenues that do not meet the availability criteria are reported as deferred revenue in the fund financial statements; these amounts are reported as revenue in the government-wide statements.		
		2,669,172
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Bond discount	318,495	
Notes payable	(23,521,654)	
Compensated absences	<u>(3,629,814)</u>	(26,832,973)
Bond issuance costs are treated as expenditures in the governmental funds, but are deferred to future periods in the Statement of net assets and amortized over the life of the bonds.		
		30,681
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net assets of internal service funds are reported with governmental activities.		
		<u>3,496,365</u>
Net assets of governmental activities		<u><u>\$ 98,920,641</u></u>

City of Hallandale Beach, Florida

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Governmental Funds
 Year Ended September 30, 2009

	General Fund	Community Redevelopment Agency Fund	Grant Administration Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 22,765,331	\$ -	\$ -	\$ -	\$ 629,770	\$ 23,395,101
Charges for services	4,971,712	13,793	-	-	773,938	5,759,443
Utility taxes	3,560,004	-	-	-	-	3,560,004
Intergovernmental	2,947,791	5,040,013	2,140,927	-	949,929	11,078,660
Franchise taxes	4,897,825	-	-	-	-	4,897,825
Licenses and permits	1,543,163	-	-	-	-	1,543,163
Fines and forfeitures	322,148	-	-	-	500,649	822,797
Fire assessments	3,686,009	-	-	-	-	3,686,009
Investment earnings	893,333	557,466	-	46,092	31,537	1,528,428
Slot machine proceeds	1,749,010	-	-	-	-	1,749,010
Other revenues	420,797	507,577	149,467	-	87,382	1,165,223
Total revenues	47,757,123	6,118,849	2,290,394	46,092	2,973,205	59,185,663
Expenditures:						
Current:						
General government	9,477,078	-	-	23,718	-	9,500,796
Public safety	28,019,970	105,224	516,441	-	2,107,027	30,748,662
Physical environment	2,326,089	-	29,386	-	-	2,355,475
Transportation	-	-	117,900	-	1,298,091	1,415,991
Economic environment	-	2,727,688	-	-	-	2,727,688
Human services	805,078	-	292,536	-	-	1,097,614
Culture and recreation	2,111,654	-	8,759	-	-	2,120,413
Debt service:						
Principal	-	96,385	-	795,000	-	891,385
Interest	-	1,035	-	1,187,552	-	1,188,587
Capital outlay	975,278	1,580,667	1,349,979	29,774	479,199	4,414,897
Total expenditures	43,715,147	4,510,999	2,315,001	2,036,044	3,884,317	56,461,508
Excess (deficiency) of revenues over expenditures	4,041,976	1,607,850	(24,607)	(1,989,952)	(911,112)	2,724,155
Other financing sources (uses):						
Transfers in	2,598,654	4,619,067	-	2,007,552	410,745	9,636,018
Transfers out	(4,861,167)	(2,005,427)	(321,349)	-	(37,654)	(7,225,597)
Proceeds from sale of capital assets	6,931	-	7,441	-	-	14,372
Total other financing sources (uses)	(2,255,582)	2,613,640	(313,908)	2,007,552	373,091	2,424,793
Net change in fund balances	1,786,394	4,221,490	(338,515)	17,600	(538,021)	5,148,948
Fund balances, beginning	20,756,506	13,562,090	3,247,463	6,351,850	7,175,378	51,093,287
Fund balances, ending	\$ 22,542,900	\$ 17,783,580	\$ 2,908,948	\$ 6,369,450	\$ 6,637,357	\$ 56,242,235

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Reconciliation of the Statement of Revenue, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2009

Net change in fund balances - total governmental funds	\$ 5,148,948
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their useful lives as depreciation expense. In the current period, these amounts are:	
Capital outlay	4,414,897
Depreciation expense	<u>(2,502,211)</u>
	1,912,686
The net effect of various miscellaneous transactions involving disposal of capital assets	
Land donated for first-time homebuyers program	(490,119)
Net book value of retired assets sold at auction	<u>(6,458)</u>
	(496,577)
Revenues that do not meet the availability criteria are reported as deferred revenue in the fund financial statements; these amounts are reported as revenues in the government-wide statements.	
	326,071
Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year these amounts consist of:	
Principal payments on notes	891,385
Change in accrued interest	315
Governmental funds report debt proceeds as current financial resources. In contrast, the statement of activities records such issuance of debt as a liability. Also, governmental funds report the effect of issuance costs, premiums discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the current year these amounts consist of:	
Bond discount	(30,134)
Bond issuance costs	<u>(1,704)</u>
	(31,838)
The change in net pension asset is not reported in the fund financial statements, but is reported in the government-wide financial statements.	
	(452,818)
The change in compensated absence balances during the year has no effect on the expenditures in the governmental funds. The change is reported in the statement of activities.	
	215,329
Internal service funds are used by management to charge the costs of certain activities such as insurance, to individual funds. The net revenue (expense) of the internal services funds is reported with governmental activities	
	<u>(2,127,951)</u>
Change in net assets of governmental activities	<u>\$ 5,385,550</u>

See Notes to Financial Statements.

City of Hallandale Beach, Florida

Statement of Net Assets

Proprietary Funds

September 30, 2009

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Cemetery Fund (Nonmajor)	Total	
Assets							
Current Assets:							
Cash and cash equivalents	\$ 2,882,678	\$ 5,694,889	\$ 1,074,507	\$ 2,618,068	\$ 100,009	\$ 12,370,151	\$ 6,300,174
Investments	2,598,161	-	2,226,992	-	-	4,825,153	-
Restricted assets:							
Cash and cash equivalents	1,619,267	-	-	-	-	1,619,267	-
Accounts receivable, net of allowance	1,845,076	1,719,098	604,908	231,755	15,114	4,415,951	58,591
Due from other governments	-	-	-	2,000	-	2,000	-
Inventory	47,048	-	-	-	509,116	556,164	-
Other assets	10,620	-	-	-	-	10,620	-
Total current assets	9,002,850	7,413,987	3,906,407	2,851,823	624,239	23,799,306	6,358,765
Noncurrent Assets:							
Investments	-	4,381,603	-	-	-	4,381,603	-
Restricted assets:							
Cash and cash equivalents	2,088	435	-	1,306	-	3,829	-
Deferred charges	81,593	20,670	-	44,625	-	146,888	-
Capital assets:							
Land	743,777	40,047	-	-	375,478	1,159,302	-
Construction in progress	299,187	-	45,434	299,919	2,646	647,186	-
Buildings and improvements	20,359,741	694,999	151,276	24,203	-	21,230,219	-
Improvements other than buildings	3,012,843	6,426	-	8,425	134,540	3,162,234	-
Vehicles and equipment	4,409,950	1,514,432	2,498,151	251,079	27,471	8,701,083	-
Infrastructure	9,311,957	21,795,167	-	10,806,771	-	41,913,895	-
Total capital assets	38,137,455	24,051,071	2,694,861	11,390,397	540,135	76,813,919	-
Less accumulated depreciation	(14,152,156)	(18,983,213)	(1,847,181)	(3,348,134)	(155,951)	(38,486,635)	-
Net capital assets	23,985,299	5,067,858	847,680	8,042,263	384,184	38,327,284	-
Total noncurrent assets	24,068,980	9,470,566	847,680	8,088,194	384,184	42,859,604	-
Total assets	33,071,830	16,894,553	4,754,087	10,940,017	1,008,423	66,658,910	6,358,765

(Continued)

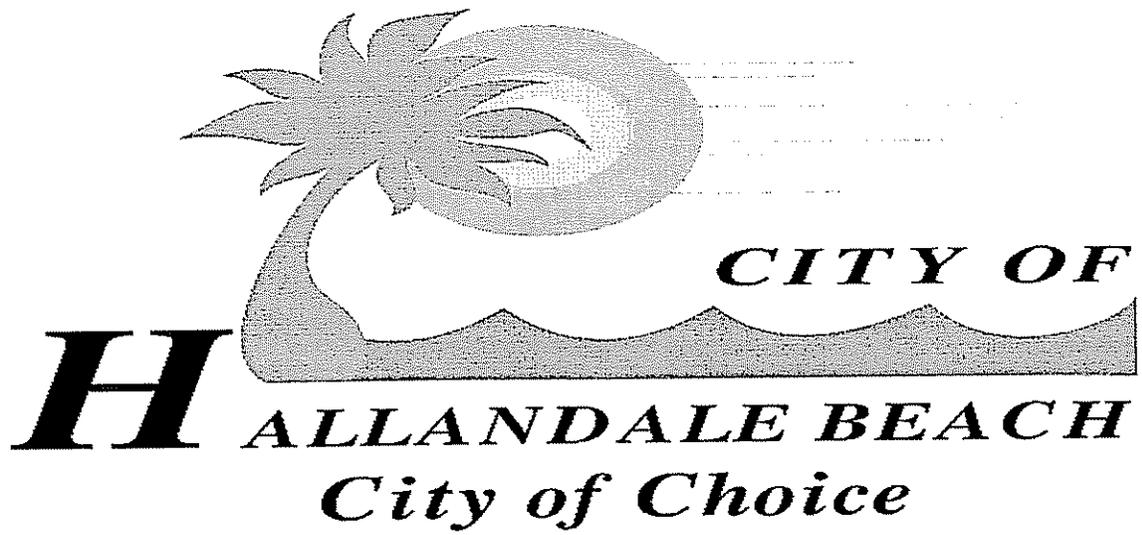
See Notes to Financial Statements.

City of Hallandale Beach, Florida

Statement of Net Assets
 Proprietary Funds (Continued)
 September 30, 2009

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Cemetery Fund (Nonmajor)	Total	
Liabilities and Net Assets							
Current liabilities:							
Accounts payable and accrued liabilities	\$ 228,731	\$ 1,826,804	\$ 500,375	\$ 80,895	\$ 2,195	\$ 2,638,800	\$ 3,623
Accrued interest	73,983	22,168	-	34,560	-	130,711	-
Payable from restricted assets:							
Deposits	1,580,706	-	-	-	-	1,580,706	-
Compensated absences	54,521	21,518	18,352	3,300	-	97,691	4,094
Accrued claims for self-insured risks	-	-	-	-	-	-	683,438
Current portion of bonds and notes payable	326,063	92,553	-	165,316	-	583,932	-
Total current liabilities	2,264,004	1,963,043	518,727	283,871	2,195	5,031,840	691,155
Noncurrent liabilities:							
Compensated absences	248,373	98,030	83,599	15,031	-	445,033	18,652
Accrued claims for self-insured risks	-	-	-	-	-	-	1,245,593
Accrued other post-employment benefits	-	-	-	-	-	-	907,000
Bonds and notes payable	6,059,320	1,563,857	-	3,261,644	-	10,884,821	-
Total noncurrent liabilities	6,307,693	1,661,887	83,599	3,276,675	-	11,329,854	2,171,245
Total liabilities	8,571,697	3,624,930	602,326	3,560,546	2,195	16,361,694	2,862,400
Net Assets							
Invested in capital assets, net of related debt	17,599,916	3,411,448	847,680	4,615,303	384,184	26,858,531	-
Unrestricted	6,900,217	9,848,175	3,304,081	2,764,168	622,044	23,438,685	3,496,365
Total net assets	\$ 24,500,133	\$ 13,259,623	\$ 4,151,761	\$ 7,379,471	\$ 1,006,228	\$ 50,297,216	\$ 3,496,365

See Notes to Financial Statements.



CITY OF

HALLANDALE BEACH

City of Choice

City of Hallandale Beach, Florida

Statement of Revenues, Expenses and Changes in Fund Net Assets
 Proprietary Funds
 Year Ended September 30, 2009

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Cemetery Fund (Nonmajor)	Total	
Operating revenues:							
Charges for services	\$ 11,391,677	\$ 10,303,620	\$ 5,635,737	\$ 1,419,866	\$ 342,154	\$ 29,093,054	\$ 1,597,590
Other revenues	8,466	8,008	33,875	2,008	330	52,687	56,879
Total operating revenues	11,400,143	10,311,628	5,669,612	1,421,874	342,484	29,145,741	1,654,469
Operating expenses:							
Cost of sales and services	2,343,405	5,580,083	3,702,848	151,064	114,423	11,891,823	-
Personal services	3,764,943	2,618,775	1,362,742	576,182	16,023	8,338,665	1,377,928
Claims expense	-	-	-	-	-	-	290,440
Depreciation	2,213,269	402,803	147,882	534,297	3,410	3,301,661	-
Total operating expenses	8,321,617	8,601,661	5,213,472	1,261,543	133,856	23,532,149	1,668,368
Operating income (loss)	3,078,526	1,709,967	456,140	160,331	208,628	5,613,592	(13,899)
Nonoperating revenues (expenses):							
Investment earnings	46,155	324,202	49,578	24,459	240	444,634	259,748
Franchise taxes	-	-	237,199	-	-	237,199	-
Gain on sale of capital assets	2,152	1,361	47,288	6,255	-	57,056	-
Amortization expense	(9,598)	(2,529)	-	(5,082)	-	(17,209)	-
Interest expense	(309,109)	(78,435)	-	(157,787)	-	(545,331)	-
Total nonoperating revenues (expenses)	(270,400)	244,599	334,065	(132,155)	240	176,349	259,748
Income (loss) before contributions and transfers	2,808,126	1,954,566	790,205	28,176	208,868	5,789,941	245,849
Capital contributions	635,298	9,124	-	-	-	644,422	-
Transfers in	116,300	60,200	246,675	310,919	-	734,094	626,200
Transfers out	(156,273)	(193,235)	(150,000)	(271,207)	-	(770,715)	(3,000,000)
Change in net assets	3,403,451	1,830,655	886,880	67,888	208,868	6,397,742	(2,127,951)
Total net assets, beginning	21,096,682	11,428,968	3,264,881	7,311,583	797,360	43,899,474	5,624,316
Total net assets, ending	\$ 24,500,133	\$ 13,259,623	\$ 4,151,761	\$ 7,379,471	\$ 1,006,228	\$ 50,297,216	\$ 3,496,365

See Notes to Financial statements

City of Hallandale Beach, Florida

Statement of Cash Flows
 Proprietary Funds
 Year Ended September 30, 2009

	Business-Type Activities - Enterprise Funds					Total	Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Cemetery Fund (Nonmajor)		
Cash Flows From Operating Activities:							
Cash received from fees and charges	\$ 10,872,637	\$ 9,984,858	\$ 5,664,263	\$ 1,378,564	\$ 329,004	\$ 28,229,326	\$ 1,613,742
Cash paid to suppliers for goods, services, claims and administrative charges	(2,531,489)	(7,237,795)	(3,512,294)	(92,520)	(59,701)	(13,433,799)	(626,522)
Cash paid to employees for services	(3,774,784)	(2,583,191)	(1,359,710)	(570,512)	(16,023)	(8,304,220)	(313,878)
Net cash provided by operating activities	4,566,364	163,872	792,259	715,532	253,280	6,491,307	673,342
Cash Flows From Noncapital Financing Activities							
Interfund loans	-	148,000	-	-	(148,000)	-	-
Franchise taxes	-	-	237,199	-	-	237,199	-
Transfers in	116,300	60,200	246,675	310,919	-	734,094	626,200
Transfers out	(156,273)	(193,235)	(150,000)	(271,207)	-	(770,715)	(3,000,000)
Net cash provided by (used in) noncapital financing activities	(39,973)	14,965	333,874	39,712	(148,000)	200,578	(2,373,800)
Cash Flows From Capital and Related Financing Activities:							
Purchase of capital assets	(549,426)	(433,161)	(732,192)	(302,779)	(6,202)	(2,023,760)	-
Proceeds from capital grants	635,298	9,124	-	-	-	644,422	-
Principal paid on long-term debt	(312,968)	(83,352)	-	(164,187)	-	(560,507)	-
Interest paid on long-term debt	(312,404)	(79,499)	-	(157,787)	-	(549,690)	-
Net cash (used in) noncapital financing activities	(539,500)	(586,888)	(732,192)	(624,753)	(6,202)	(2,489,535)	-
Cash Flows Provided By Investing Activities							
(Purchase of) reduction in investments	(2,598,161)	719,591	(1,558,651)	-	-	(3,437,221)	5,623,023
Interest received	46,155	324,202	49,578	24,459	240	444,634	259,748
Net cash provided by (used in) investing activities	(2,552,006)	1,043,793	(1,509,073)	24,459	240	(2,992,587)	5,882,771
Net increase (decrease) in cash and cash equivalents	1,434,885	635,742	(1,115,132)	154,950	99,318	1,209,763	4,182,313
Cash and cash equivalents, beginning	3,069,148	5,059,582	2,189,639	2,464,424	691	12,783,484	2,117,861
Cash and cash equivalents, ending	\$ 4,504,033	\$ 5,695,324	\$ 1,074,507	\$ 2,619,374	\$ 100,009	\$ 13,993,247	\$ 6,300,174
Reconciliation to the statement of net assets:							
Cash and cash equivalents	2,882,678	5,694,889	1,074,507	2,618,068	100,009	12,370,151	6,300,174
Restricted assets, cash and cash equivalents	1,621,355	435	-	1,306	-	1,623,096	-
	\$ 4,504,033	\$ 5,695,324	\$ 1,074,507	\$ 2,619,374	\$ 100,009	\$ 13,993,247	\$ 6,300,174

(Continued)

City of Hallandale Beach, Florida

Statement of Cash Flows
 Proprietary Funds (Continued)
 Year Ended September 30, 2009

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Cemetery Fund (Nonmajor)	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:							
Operating income (loss)	\$ 3,078,526	\$ 1,709,967	\$ 456,140	\$ 160,331	\$ 208,628	\$ 5,613,592	\$ (13,899)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation expense	2,213,269	402,803	147,882	534,297	3,410	3,301,661	-
(Increase) in accounts receivable	(567,954)	(326,770)	(5,349)	(41,310)	(13,480)	(954,863)	(40,727)
(Increase) in due from other governments	-	-	-	(2,000)	-	(2,000)	-
(Increase) decrease in inventory and other assets	(3,422)	-	-	-	52,820	49,398	-
Increase (decrease) in accounts payable	(184,662)	(1,657,712)	190,564	59,950	1,902	(1,589,968)	(3,785)
Increase in customer deposits	40,448	-	-	-	-	40,448	-
(Decrease) in accrued liabilities	-	-	-	(1,406)	-	(1,406)	(140)
Increase (decrease) in liability for compensated absences	(9,841)	35,584	3,032	5,670	-	34,445	(235,795)
(Decrease) in accrued claims for self-insured risks	-	-	-	-	-	-	60,688
Increase in accrued claims for management health	-	-	-	-	-	-	907,000
Increase in estimated liability for other post-employment benefits	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	\$ 4,566,364	\$ 163,872	\$ 792,259	\$ 715,532	\$ 253,280	\$ 6,491,307	\$ 673,342

Noncash Capital and Related Financing Activities
 Amortization of deferred costs

\$ 9,598	\$ 2,529	\$ -	\$ 5,082	\$ -	\$ 17,209	\$ -
\$ 9,598	\$ 2,529	\$ -	\$ 5,082	\$ -	\$ 17,209	\$ -

See Notes to Financial statements

City of Hallandale Beach, Florida

Statement of Fiduciary Net Assets
 Fiduciary Funds
 September 30, 2009

	Pension Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ -	\$ 1,844,275
Due from State of Florida	511,274	-
Interest receivable	177,280	-
Accounts receivable	-	16,193
Due from broker	273,472	-
Prepaid expenses	8,006	-
Investments:		
Money market funds	6,242,293	-
U.S. government agencies	6,899,715	-
Mutual funds	1,500,000	-
Corporate bonds	23,759,290	-
Equity securities	74,553,095	-
Real estate investment trust	3,494,496	-
Total assets	<u>117,418,921</u>	<u>1,860,468</u>
Liabilities		
Accounts payable	211,619	-
Due to others	-	1,860,468
Due for securities purchased	251,684	-
	<u>463,303</u>	<u>1,860,468</u>
Net Assets		
Held in trust for pension benefits	<u>\$ 116,955,618</u>	<u>\$ -</u>

See Notes to Financial Statements

City of Hallandale Beach, Florida

Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended September 30, 2009

Additions	
Contributions:	
Employer	\$ 11,214,711
Plan members	1,780,403
State of Florida	511,274
Other income	48,329
Total contributions	<u>13,554,717</u>
Investment earnings:	
Interest	1,641,844
Net decrease in fair value of investments	<u>(1,617,445)</u>
Total investment earnings	24,399
Less investment expense	<u>(514,303)</u>
Net investment loss	<u>(489,904)</u>
Total additions	<u>13,064,813</u>
Deductions	
Benefits	9,396,457
Professional services	<u>129,166</u>
Total deductions	<u>9,525,623</u>
Change in net assets	3,539,190
Net assets, beginning	<u>113,416,428</u>
Net assets, ending	<u>\$ 116,955,618</u>

See Notes to Financial Statements.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The City of Hallandale, Florida was incorporated in 1927 by Laws of Florida 12791 Acts of 1927. On August 17, 1999, the City Commission approved an ordinance amending the City Charter to change the name to the City to Hallandale Beach, Florida (the "City"). The City operates under the Commission-Manager form of government and provides the following services as authorized by its charter and state statute: general government, public safety (police and fire), public works, physical environment, water, sewer, stormwater drainage, municipal cemetery, sanitation, human services, culture and recreation, planning and zoning and general administrative.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") applicable to state and local governmental units, which are promulgated by the Governmental Accounting Standards Board ("GASB"). Significant accounting and reporting policies and practices used by the City are described below:

A. Reporting Entity

In accordance with GAAP, these basic financial statements present the City (the primary government) and its component units. A component unit is a legally separate organization for which the City is financially accountable.

The City is financially accountable if it appoints a voting majority of the organization's governing Board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. The City is also financially accountable if the entity is fiscally dependent on the City. Additionally, the City is required to consider other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading or incomplete. Accordingly, the following component units, because of the closeness of their relationship with the City, are blended as special revenue funds in the City's financial statements.

Blended Component Units:

Golden Isles Safe Neighborhood District

The Golden Isles Safe Neighborhood District is governed by a board comprised of the City's elected commissioners. The commissioners approve the District's budgets, levy taxes, and must approve any debt issuances.

Three Islands Safe Neighborhood District

The Three Islands Safe Neighborhood District is governed by a board comprised of the City's elected commissioners. The commissioners approve the District's budgets, levy taxes and must approve any debt issuances.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Hallandale Community Redevelopment Agency

Pursuant to Section 163.387, Florida Statutes, the City of Hallandale Beach established a Redevelopment Trust Fund for the Community Redevelopment Agency ("CRA" or "Agency"), effective December 1996. The City Commission, acting as the agency board of directors, approved a Community Redevelopment Plan, which will primarily utilize Tax Increment Financing to fund community redevelopment within the designated area. The specific area incorporates approximately two thirds of the city with the exception of the most easterly portion of the City. The base year established of January 1, 1996, will be utilized in determining the base amount of property valuation. Each year the City, County and Children's Services Council must contribute 95% of the incremental increase, if any, in ad valorem taxes levied over and above the base year. The Hospital District has made a separate agreement for a flat amount. The CRA is governed by a board comprised of the City's elected officials. Although the Agency is legally separated from the City, the CRA is reported as part of the primary government because its sole purpose is to finance and redevelop the City's designated redevelopment areas.

B. Government-Wide and Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements.

The government-wide financial statements include a statement of net assets and a statement of activities. These statements report on the government as a whole and provide a complete financial picture of the government. For the most part, interfund activities have been removed from these statements. The amounts reported as internal balances represent the residual amounts due between governmental and business-type activities. The City's fiduciary funds are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

The government-wide statement of net assets reports all financial and capital resources of the City's governmental and business-type activities. Governmental activities are those supported by taxes and intergovernmental revenue. Business-type activities rely to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue include: 1) charges for goods or services that are recovered directly from customers for services rendered, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment, and 3) grants and contributions that are restricted to meeting capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as general revenues.

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

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, a reconciliation is provided that briefly explains the adjustments necessary to reconcile the governmental fund financial statements to the government-wide governmental activities financial statements.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Internal service funds of a government are presented in summary form as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. To the extent possible, the costs of these services are reflected in the appropriate governmental activities.

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

The government-wide, the proprietary fund and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses reported when a liability is incurred, regardless of the timing of related cash flows. The Agency funds report only assets and liabilities using the accrual basis of accounting but have no measurement focus.

Pronouncements of the Financial Accounting Standards Board ("FASB") issued prior to December 1, 1989 are followed in the governmental and business-type activities and enterprise funds to the extent that these standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent FASB pronouncements for their business-type activities and enterprise funds subject to the same limitation. The City has elected not to follow subsequent FASB guidance.

All governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are generally recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. 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. Expenditures related to pension and other post employment benefits are recognized when the City has made a decision to fund those obligations with current available resources.

In governmental funds property taxes when levied for, public services taxes, franchise taxes, intergovernmental grants when eligibility requirements are met, charges for services and interest income associated with the current fiscal period are all considered to be measurable and have been recognized, if available. Licenses and permits and miscellaneous revenue are recorded as revenue when received in cash, because they are generally not measurable until actually received.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for using a separate set of self-balancing accounts, which comprise its assets, liabilities, reserve, fund equities, revenue and expenditures or expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

GAAP set forth minimum criteria (percentage of the assets, liabilities, revenue or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor, internal service, and fiduciary funds are each presented in the aggregate in the applicable fund financial statements.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

The City reports the following major governmental funds:

The **General Fund** is the primary operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenue is derived primarily from property taxes, utility taxes, state and Federal distributions and other intergovernmental revenue. The general operating expenditures, fixed charges and capital outlay costs that are not paid through other funds are paid from the General Fund. For governmental activities, compensated absences are liquidated by the General Fund.

The **Community Redevelopment Agency Fund** accounts for the tax increment revenue assessed on properties in the specified CRA area and capital improvements, neighborhood improvement loans, and other economic incentives that help improve the appearance of property and equality of life for area residents and businesses.

The **Grant Administration Fund** accounts for City projects financed by federal, state and local grants.

The **Capital Projects Fund** accounts for major capital projects funded by City appropriations and debt issuance.

The City reports the following major proprietary funds:

The **Water Fund** accounts for the provision of water services to residents and businesses of the City.

The **Sewer Fund** accounts for the provision of sanitary sewer services to residents and businesses of the City.

The **Sanitation Fund** accounts for the provision of waste and trash collection and disposal services to residents and businesses of the City.

The **Stormwater Drainage Fund** accounts for the provision of stormwater maintenance and capital improvements to residents and businesses of the City.

Additionally, the City reports the following fund types:

Internal Service Funds are used to account for the financing of post-retirement insurance, workers' compensation, and general liability insurance provided to the various funds of the City.

Fiduciary Funds include pension trust funds and agency funds. Pension trust funds account for certain of the City's retirement plans. Agency funds are used for assets held by the City for payroll related costs and other miscellaneous assets.

Permanent Fund is used to account for assets accumulating for the sole purpose of providing for the perpetual care of the City Cemetery.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenue for the various functions concerned.

Amounts reported as program revenue include: 1) charges to customers for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. All revenue that are not program revenue are general revenue, and include all taxes, as well as grants, contributions and investment earnings that are not restricted to a particular program.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenue consist primarily of charges for services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All items not meeting this definition are reported as non-operating revenue and expenses.

D. Cash and Cash Equivalents

The City considers cash on hand, cash with fiscal agents, bank repurchase agreements, and overnight investments with original maturities of less than three months to be cash and cash equivalents. In addition, each fund's equity in the City's investment pool has been treated as a cash equivalent since cash may be deposited or withdrawn from the pool at any time without prior notice or penalty. Interest earned on pooled cash and investments is allocated to funds based on average monthly balances.

E. Investments

Investments, including investments in the pension trust fund, are reported at fair value, with the exception of the investments held by the State Board of Administration. The investments held by the SBA are in Fund A (LGIP-A) and are recorded at amortized cost, which is consistent with the treatment of "2a-7 like" pool securities. The difference between cost and fair market value of investments held is recorded as net unrealized gains or losses and is included in net investment earnings. At September 30, 2009, the City's investments in the LGIP-A amounted to \$952,689.

F. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds".

Accounts receivable are recorded and where appropriate, an associated allowance for doubtful accounts has been established in the related fund. All receivables are shown net of an allowance for uncollectibles. Based on past experience, the City deems all balances greater than 90 days to be uncollectible unless a lien can be placed against the property of the customer. As of September 30, 2009, the allowance for doubtful accounts in the Governmental and Business-type funds was \$4,046,213 and \$870,832, respectively.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

G. Inventory and Prepaid Items

Inventory, which generally consists of expendable supplies held for consumption, is valued at lower of cost (first-in, first-out) or market. The cost is recorded as expenditure at the time individual inventory items are consumed. The reserve of fund balance for inventory is equal to the amount of inventory and is reserved to indicate a portion of fund balance is not available for future expenditures.

Inventory in the Cemetery fund consists of crypts. Inventory is valued at its cost and is reduced by crypts sold during the year, calculated based on a weighted-average basis.

Certain payments to vendors for services that will benefit periods beyond September 30, 2009 are recorded as prepaid items in both the government-wide and fund financial statements.

H. Capital Assets

Capital assets, assets that have a useful life of greater than one year and a value of greater than \$1,000, are stated at cost in the government-wide and proprietary fund financial statements. Donated capital assets are stated at their fair value on the date contributed. Depreciation is recorded as an operating expense for all assets meeting the City's capitalization threshold. In governmental fund financial statements, capital assets are recorded as expenditures and no depreciation expense is recorded. Interest is capitalized on projects of the business-type activities and proprietary funds during construction based upon the cost of borrowings less interest earned on related investments acquired with the proceeds of borrowings. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized, but are expensed as incurred.

Depreciation is provided over estimated useful lives using the straight-line method. Estimated useful lives are as follows:

Vehicles and equipment	5 years
Water plant components	10 years
Buildings and improvements	20 years
Enterprise infrastructure	20 years
Government infrastructure	42 years

I. Employee Vacations and Sick Leave

City employees are granted vacation pay and sick leave in varying amounts based on employee classification and length of service. Employees may elect to use sick leave as earned or receive cash payments in lieu of time off at reduced amounts. A portion of unused vacation pay and sick-leave pay are paid upon an employee's termination. The City accrues for vacations and sick leave based on anticipated use or payout (i.e., amounts that are due and payable).

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Accumulated and unpaid vacation pay and sick leave are recorded as expenses in the government wide and proprietary funds when earned. Expenditures for accumulated compensated absences have been recorded in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. Unearned/Deferred Revenue

Unearned revenue arises when resources are received by the City before it has a legal claim to them. In addition, inflows that do not yet meet the criteria for revenue recognition, such as occupational licenses collected in advance, are recorded as unearned revenue in the government-wide and the fund statements. In subsequent periods, when the City has a legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized. In the governmental funds, deferred revenue may also arise if the funds are not received in the availability period; the funds are then not considered a current available resource.

K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond 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. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, and debt principal payments are reported as debt service expenditures.

L. Fund Equity/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net assets of the government-wide financial statements and proprietary fund financial statements are categorized as invested in capital assets net of related debt, restricted or unrestricted. The first category represents capital assets net of accumulated depreciation, less outstanding debt related to the acquisition or construction of the capital assets. The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the related liabilities payable from restricted assets. As of September 30, 2009, the government-wide statement of net assets reports \$230,713 in restricted net assets as a result of enabling legislation. Unrestricted net assets represent resources that are available for spending.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

M. Pension Plans

The City provides separate defined benefit pension plans for general employees, professional/management, and uniformed police and fire department personnel. The City provides a defined-contribution plan for those management employees who did not elect to transfer to the Professional/Management Plan. Additionally, all new professional and management employees are required to enter the defined contribution pension plan, as the defined benefit plan will be phased out as employees retire or resign. It is the City's policy to fund the normal cost and the amortization of the unfunded prior service cost. Any excess or deficiencies in contributions compared to the annual required contributions are shown as net pension assets or obligations in the governmental activities in the government-wide statement of net assets.

N. Other Post-Employment Benefits

The City is self funded for other post-employment benefits as in accordance with Florida Statute the City permits eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. As a result the City incurs an implicit subsidy for these retirees. Operating funds are charged premiums by the OPEB internal service fund. The accrued liability for other post employment benefits represents the excess of the annual required contribution for other post employment benefits over the actuarially determined implicit subsidy for the current year. The expense for the implicit subsidy portion is recorded within the operating funds as part of the health care costs incurred.

O. Self-Insurance

The City is currently self-insured for all workers' compensation and general liability claims. Operating funds are charged premiums by the internal service funds. The accrued liability for estimated insurance claims represents an estimate of the eventual loss on claims arising prior to year-end, including those incurred but not yet reported.

P. Use of Estimates

The preparation of financial statements in conformity with GAAP 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 revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Note 2 Property Tax

The City's property tax is levied and becomes a lien on real and personal property located in the City, including the Golden Isles Safe Neighborhood District and the Three Islands Safe Neighborhood District, on October 1 of each year based upon the assessed value listed as of the prior January 1. Assessed values are established by the Broward County Property Appraiser. The assessed values at January 1, 2008, upon which the 2008-09 levy was based, were approximately \$4.9 billion, \$223.7 million and \$612.8 million for the City, the Golden Isles Safe Neighborhood District, and the Three Islands Safe Neighborhood District, respectively.

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 2 Property Tax (Continued)

The City is permitted by state law to levy taxes up to 10 mills of assessed valuation for the General Fund. Taxes were levied at 4.9818 mills, 1.0934 mills, and .6600 mills for the General Fund, the Golden Isles Safe Neighborhood District and the Three Islands Safe Neighborhood District, respectively, for the 2008-09 fiscal year.

All taxes are due from property holders on March 31, become delinquent on April 1 and become subject to the issuance of tax sale certificates on June 1. Current tax collections for the year ended September 30, 2009, were approximately 95.8% of the total tax levy.

Note 3 Deposits and Investments

Cash and investments of the City consist of the following at September 30, 2009:

Cash and Cash Equivalents:

Deposits with Financial Institutions	\$ 55,391,001
Money Market Funds	6,242,293
State of Florida Board of Administration Surplus Trust Fund	952,690
	<u>62,585,984</u>

Investments:

Corporate Notes	4,295,244
U.S. Govt. Agencies	17,708,395
U.S. Govt. Securities	7,752,993
	<u>29,756,632</u>

Pension Trust Funds:

U.S. Govt. Agencies	6,899,715 *
Corporate Bonds	23,759,290 *
Equities	74,553,095 *
Mutual Funds	1,500,000
Real Estate Investment Trust	3,494,496
	<u>110,206,596</u>

Total Investments	139,963,228
Total cash, cash equivalents and investments	<u>\$ 202,549,212</u>

* These investments are uninsured and unregistered with securities held by the counterparty, but not in the City's name.

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Assets	
Cash and cash equivalents	\$ 46,705,025
Restricted cash and cash equivalents	7,794,391
Investments	29,756,632
Fiduciary Funds	
Cash and cash equivalents	1,844,275
Money market funds	6,242,293
Investments	110,206,596
Total cash and investments	<u>\$ 202,549,212</u>

Each fund's equity in the City's investment pool has been treated as a cash equivalent since cash may be deposited or withdrawn from the pool at any time without prior notice or penalty. Interest earned on pooled cash and investments is allocated to funds based on average monthly balances.

Deposits: The City's policy is to follow Florida Statutes which authorize the deposit of City funds in demand deposits or time deposits of financial institutions approved by the State Treasurer. These are defined as public deposits. All City public deposits are held in qualified public depositories pursuant to Chapter 280, Florida Statutes, "Florida Security for Public Deposits Act." Under the act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The collateral pledging level may range from 50% to 125% depending upon the depository's financial condition and the length of time that the depository has been established. All collateral must be deposited with the State Treasurer. Any losses to public depositors resulting from insolvency are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessment against other qualified public depositories of the same type as the depository in default. The City's bank balances were insured either by the federal depository insurance or collateralized in the bank's participation in the Florida Security for Public Deposits Act.

The Florida State Board of Administration Local Government Surplus Funds Trust Fund ("SBA") is not a registrant with the Securities and Exchange Commission ("SEC"); however, its board has adopted operating procedures consistent with the requirements for a 2a-7 fund. In accordance with these requirements, the method used to determine the participants' shares sold and redeemed is the amortized cost method. The amortized cost method is the same method used to report investments. Amortized cost includes accrued income and is a method of calculating an investment's value by adjusting its acquisition cost for the amortization of discount or premium over the period from purchase to maturity. The Local Government Surplus Funds Trust Fund is governed by Chapter 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of the Local Government Surplus Funds Trust Fund. Additionally, the Office of the Auditor General of the State of Florida performs the operational audit of the activities and investment of the SBA.

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

Concentration of credit risk: Under the City's investment policy, authorized investments excluding pension plan assets may consist of investments in the following:

- Florida Local Government Surplus Funds Trust Fund ("SBA")—up to 100% of available funds
- United States Government Securities—up to 100% of available funds
- United States Government Agencies—up to 100% of available funds
- Federal Instrumentalities—up to 100% of available funds
- Interest Bearing Time Deposits or Savings Accounts—up to 10% of available funds
- Repurchase Agreements—up to 20% of available funds (excluding one-business day agreements and overnight sweep agreements)
- Commercial Paper—up to 25% of available funds
- Corporate Notes—up to 15% of available funds
- Bankers Acceptances—up to 25% of available funds
- State and/or Local Government Debt—up to 25% of available funds, a maximum of 10% of the various municipalities of the State of Florida
- Money Market Mutual Funds—up to 20% of available funds
- Intergovernmental Investment Pool—up to 25% of available funds
- Foreign Government Debt Issues—up to 5% of available funds

The City of Hallandale Beach Pension Plans authorized investments may consist of the following:

- Stable value (portfolios of short-term, high quality debt securities including money market funds, stable value funds and guaranteed interest arrangements)
- Domestic fixed income (portfolios composed of debt securities issued by the U.S. government, U.S. government sponsored/related agencies, U.S. domiciled corporations)
- International or foreign fixed income (portfolios composed of debt securities issued by foreign governments, foreign government sponsored/related agencies and foreign corporations)
- Real Estate (portfolios composed of Real Estate Investment Trusts of all types and other commingled real estate equity investment options)
- Domestic Stock (portfolios composed of common stocks of U.S. domiciled corporations)
- International or Foreign Stock (common stock of corporations domiciled outside the U.S.)
- Balanced/Asset Allocation (portfolios composed of significant proportions of both equity and fixed income investments)

In addition, the City's policy limits overall investment in any one issuer to 5% or less, except for United States Government Agencies, Federal Instrumentalities and Interest Bearing Time Deposits or Savings Accounts

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the City's and pension plans' investment policies, they minimize the market value risk of investments in the portfolios by structuring them so that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner.

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

Valuation of Real Estate Investment Trusts: Real estate investments are stated at fair value as determined by the Plans' independent valuation consultants. Appraisals are performed for each investment annually by independent third party MAI certified appraisers, with all appraisals being performed in accordance with the Uniform Standard of Professional Appraisal Practice. Thereafter, values are updated daily by the valuation consultant based on changes in factors such as occupancy levels, lease rates, overall market conditions and capital improvements. Determination of estimated fair value involves subjective judgment because the actual fair value of real estate can be determined only by negotiation between the parties in a sales transaction.

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations of its debt type investments using the segmented time distribution model is as follows:

Summary of Investments and Interest Rate Risk	Investment Maturities (in Years)				
	Fair Value	Less than 1 Year	1 - 5 Years	5 - 10 Years	Greater than 10 Years
U.S. Government Securities	\$ 7,752,993	\$ 1,425,952	\$ 6,327,041	\$ -	\$ -
U.S. Government Agencies	24,608,110	4,231,000	14,929,540	1,091,242	4,356,328
SBA	952,690	952,690	-	-	-
Corporate Bonds and Notes	28,054,534	764,352	6,526,295	18,595,738	2,168,149
Total	\$ 61,368,327	\$ 7,373,994	\$ 27,782,876	\$ 19,686,980	\$ 6,524,477

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's and the Police Officers and Firefighters Retirement Plan's policies limit investments to those instruments rated at or better than A-1. The General Employees and Professional/Management Pension Plans' investment policies do not specify any limits. Presented below is the minimum rating as required for each debt type instrument.

Average Rating	Corporate Bonds and Notes	U.S. Govt. Obligations	SBA
AAA	\$ 6,048,543	\$20,111,057	\$ -
AA+	1,068,891	-	-
AA	11,932,855	-	-
AA-	500,305	-	-
A+	401,089	-	-
A	2,111,563	-	-
A-	934,402	-	-
BBB+	1,374,428	-	-
BBB	1,292,433	-	-
BBB-	281,739	-	-
B	1,763,619	-	-
Unrated	344,667	12,250,046	952,690
TOTAL	\$ 28,054,534	\$32,361,103	\$ 952,690

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

maintained through pooled separate accounts. They are uninsured and unregistered and held by the counterparty in the name of the counterparty.

Note 4 Accounts Receivable

Accounts receivable for the City's governmental activities and each major governmental fund and nonmajor governmental and internal service funds in the aggregate, with related allowance for doubtful accounts, as of September 30, 2009 were as follows:

Governmental Activities	General	CRA	Grant Administration	Nonmajor Funds	Internal Service Funds	Total Governmental Activities
EMS transport	\$ 5,061,263	\$ -	\$ -	\$ -	\$ -	\$ 5,061,263
Property tax	399,800	-	-	-	-	399,800
Utility and sales tax	430,032	-	-	-	-	430,032
Franchise fees	527,000	-	-	-	-	527,000
Sales and user fees	153,506	-	-	220,675	-	374,181
Miscellaneous	42,406	6,510	-	13,269	36,601	98,786
Interest	76,064	40,389	-	-	21,990	138,443
Assessments	4,016	-	-	-	-	4,016
CRA Loans	-	1,426,656	1,659	-	-	1,428,315
Gross receivables	6,694,087	1,473,555	1,659	233,944	58,591	8,461,836
Less: allowance for uncollectibles	(3,915,213)	(7,000)	-	(124,000)	-	(4,046,213)
Net total receivables	\$ 2,778,874	\$ 1,466,555	\$ 1,659	\$ 109,944	\$ 58,591	\$ 4,415,623

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 4. Accounts Receivable (Continued)

Affordable Housing Loan Program

The City issues single and multi-family housing loans to assist with the cost of a new construction home, townhouse or condo, or the purchase of an existing home, townhouse or condo to qualified residents. If the property is sold after the ten years, the participant reimburses the City 40% of the profit from the sale. Affordable Housing loans outstanding totaled \$2,119,989 at September 30, 2009. The City does not report these amounts in their financial statements due to the uncertainty as to the date or amount of future collections.

Accounts receivable for the City's business-type activities and each proprietary fund, with related allowance for doubtful accounts, as of September 30, 2009 were as follows:

Business-Type Activities	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Nonmajor Cemetery Fund	Total Business-Type Activities
Water sales	\$ 2,028,387	\$ -	\$ -	\$ -	\$ -	\$ 2,028,387
Impact fees	285,200	-	-	-	-	285,200
Sewer service charges	-	1,810,034	-	-	-	1,810,034
Garbage and trash	-	-	677,360	-	-	677,360
Special trash	-	-	167,856	-	-	167,856
Recycling	-	-	9,157	-	-	9,157
Stormwater drainage services	-	-	-	231,755	-	231,755
Interest receivable	-	26,776	3,407	-	-	30,183
Burial rights contract	-	-	-	-	15,114	15,114
Other	1,966	29,771	-	-	-	31,737
Gross receivables	2,315,553	1,866,581	857,780	231,755	15,114	5,286,783
Less: allowance for uncollectibles	(470,477)	(147,483)	(252,872)	-	-	(870,832)
Net total receivables	\$ 1,845,076	\$ 1,719,098	\$ 604,908	\$ 231,755	\$ 15,114	\$ 4,415,951

Note 5. Due from Other Governments

Due from other governments for the City's governmental activities and each major governmental fund and nonmajor governmental funds in the aggregate as of September 30, 2009 include the following:

Governmental Activities	General	Grant Administration	Other Nonmajor Funds	Total Governmental Activities
Federal Government	\$ -	\$ 780,958	\$ -	\$ 780,958
Florida Department of Revenue	312,630	78,692	55,300	446,622
Local Governments	251,969	174,066	-	426,035
	\$ 564,599	\$ 1,033,716	\$ 55,300	\$ 1,653,615

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 6 Capital Assets

The following is a summary of capital asset activity for the year ended September 30, 2009:

Governmental activities:

	Beginning Balance	Additions and Transfers	Retirements and Transfers	Ending Balance
Capital assets not being depreciated:				
Land	\$ 41,014,993	\$ 523,649	\$ 490,119	\$ 41,048,523
Construction in progress	147,491	82,836	50,166	180,161
Total capital assets not being depreciated	41,162,484	606,485	540,285	41,228,684
Capital assets being depreciated:				
Buildings	18,648,779	174,671	-	18,823,450
Improvements other than buildings	7,394,622	706,342	-	8,100,964
Vehicles & equipment	12,445,031	1,678,503	281,908	13,841,626
Infrastructure	22,310,949	1,299,062	-	23,610,011
Total capital assets being depreciated	60,799,381	3,858,578	281,908	64,376,051
Less accumulated depreciation for:				
Building	10,808,140	789,312	-	11,597,452
Improvements other than buildings	4,999,322	240,183	-	5,239,505
Vehicles & equipment	10,301,988	945,992	275,450	10,972,530
Infrastructure	14,640,195	526,724	-	15,166,919
Total accumulated depreciation	40,749,645	2,502,211	275,450	42,976,406
Total capital assets being depreciated, net	20,049,736	1,356,367	6,458	21,399,645
Governmental activities capital assets, net	\$ 61,212,220	\$ 1,962,852	\$ 546,743	\$ 62,628,329

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 6. Capital Assets (Continued)

Business type activities:

	Beginning Balance	Additions and Transfers	Retirements and Transfers	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,159,302	\$ -	\$ -	\$ 1,159,302
Construction in progress	218,831	647,186	218,831	647,186
Total capital assets not being depreciated	1,378,133	647,186	218,831	1,806,488
Capital assets being depreciated:				
Buildings	27,007,415	-	5,777,196	21,230,219
Improvements other than buildings	404,333	2,757,901	-	3,162,234
Vehicles & equipment	5,178,355	4,132,105	609,377	8,701,083
Infrastructure	41,374,240	539,655	-	41,913,895
Total capital assets being depreciated	73,964,343	7,429,661	6,386,573	75,007,431
Less accumulated depreciation for:				
Buildings	4,790,830	932,066	288,860	5,434,036
Improvements other than buildings	401,724	149,829	-	551,553
Vehicles & equipment	4,392,053	1,090,872	320,514	5,162,411
Infrastructure	26,209,741	1,128,894	-	27,338,635
Total accumulated depreciation	35,794,348	3,301,661	609,374	38,486,635
Total capital assets being depreciated, net	38,169,995	4,128,000	5,777,199	36,520,796
Business-type activities capital assets, net	\$ 39,548,128	\$ 4,775,186	\$ 5,996,030	\$ 38,327,284

The transfer from the buildings category represents heavy machinery components of the new water treatment plant that were included in the total cost of the building during construction. It was deemed appropriate to reclassify these components to improvements other than buildings and to the equipment category in order to more closely match the lifespan of the equipment and to record depreciation accordingly.

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 6. Capital Assets (Continued)

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

Governmental Activities:

General government	\$ 850,064
Public safety	
Law enforcement	354,674
Fire protection	259,067
Physical environment	493,506
Economic environment	11,822
Culture and recreation	328,917
Transportation	156,203
Human services	47,958
Total depreciation expense, governmental activities	<u>\$ 2,502,211</u>

Business Type Activities:

Water utility	\$ 2,213,269
Sewer utility	402,803
Sanitation	147,882
Stormwater drainage	534,297
Cemetery	3,410
Total depreciation expense, business type activities	<u>\$ 3,301,661</u>

Note 7 Interfund Activities

The composition of interfund balances as of September 30, 2009 is as follows:

Advances from/to other funds:

Receivable Fund	Payable Fund	Purpose for Balance	Amount
General Fund	Police Outside Services Fund	Long-term loan to fund deficit fund balance	\$ 120,000

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 7. Interfund Activities (Continued)

Transfers: The composition of interfund transactions for the year ended September 30, 2009 is as follows:

Transfers Out	Transfers In									Total Transfers Out
	General Fund	Community Redevelopment Agency Fund	Capital Projects Fund	Non-Major Governmental Funds	Sanitation Fund	Water Fund	Stormwater Fund	Sewer Fund	Internal Service Funds	
General Fund	\$ -	\$ 4,611,167	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 225,000	\$ 4,861,167
Community Redevelopment Agency Fund	-	-	1,982,552	-	22,875	-	-	-	-	2,005,427
Grant Administration Fund	-	-	-	21,430	-	-	299,919	-	-	321,349
Nonmajor Governmental Funds (POS)	37,654	-	-	-	-	-	-	-	-	37,654
Water Fund	-	-	-	56,273	-	-	-	-	100,000	156,273
Sewer Fund	-	-	-	68,235	-	-	-	-	125,000	193,235
Sanitation Fund	-	-	-	-	-	-	-	-	150,000	150,000
Stormwater Drainage Fund	-	-	-	246,207	-	-	-	-	25,000	271,207
Internal Service Funds	2,561,000	7,900	-	18,600	223,800	116,300	11,000	60,200	1,200	3,000,000
	<u>\$ 2,598,654</u>	<u>\$ 4,619,067</u>	<u>\$ 2,007,552</u>	<u>\$ 410,745</u>	<u>\$ 246,675</u>	<u>\$ 116,300</u>	<u>\$ 310,919</u>	<u>\$ 60,200</u>	<u>\$ 626,200</u>	<u>\$ 10,996,312</u>

The transfer from the general fund to the community redevelopment agency fund was for the City's portion of tax increment financing. The transfer from the general fund to the capital projects fund is for a municipal complex project. The transfer from the CRA fund to the capital projects fund is to provide funds to pay the debt service on the 2007A bonds. The \$3,000,000 in transfers from the internal service funds is to refund excess net assets, in amounts proportional to the original charges for service, provided to the workers' compensation fund in previous years due to recent favorable experience. The transfers into the internal service fund are to provide funding for these activities. The transfers from the grant fund and the CRA fund into the sanitation fund and the stormwater drainage fund represent enterprise assets paid with governmental funds. The transfers from the water fund, the sewer fund and the stormwater drainage fund to the non-major governmental fund represent governmental assets purchased with enterprise funds. The transfer from the non-major governmental funds to the general fund represents administrative fees collected from users of police outside services and remitted to the general fund.

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 8 Accounts Payable

Accounts payable for the City's governmental activities and each major governmental fund and nonmajor governmental and internal service funds in the aggregate as of September 30, 2009 were as follows:

Governmental Activities	General Fund	CRA Fund	Grant Administration Fund	Capital Projects Fund	Non-Major Funds	Internal Service Funds	Total Governmental Activities
Vendor payables	\$ 487,446	\$ 215,144	\$ 175,370	\$ 423	\$ 100,527	\$ 3,623	\$ 982,533
Retainage payable	-	14,753	43,309	791	8,237	-	67,090
A/R overpayments	573	10,392	-	-	-	-	10,965
Other liabilities	17,183	-	-	-	29,504	-	46,687
Total payables	\$ 505,202	\$ 240,289	\$ 218,679	\$ 1,214	\$ 138,268	\$ 3,623	\$ 1,107,275

Accounts payable for the City's business-type activities and each major and nonmajor proprietary fund as of September 30, 2009 were as follows:

Business-Type Activities	Water Fund	Sewer Fund	Sanitation Fund	Stormwater Drainage Fund	Cemetery Fund (Nonmajor)	Total Business-Type Activities
Vendor payables	\$ 165,825	\$ 84,633	\$ 498,946	\$ 52,242	\$ 1,430	\$ 803,076
Retainage payable	24,220	8,171	1,429	28,453	-	62,273
Accrued expenses	-	1,734,000	-	-	-	1,734,000
A/R overpayments	38,561	-	-	-	-	38,561
Other liabilities	125	-	-	-	765	890
Total payables	\$ 228,731	\$ 1,826,804	\$ 500,375	\$ 80,695	\$ 2,195	\$ 2,638,800

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 9 Long-Term Debt and Other Obligations

The following is a summary of long-term debt and other obligation transactions for the year ended September 30, 2009:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Bonds and notes payable:					
Revenue note - Series 2002	\$ 96,385	\$ -	\$ (96,385)	\$ -	\$ -
Revenue bonds - Series 2007A	24,316,654	-	(795,000)	23,521,654	830,000
Unamortized bond discount	(348,629)	-	30,134	(318,495)	(29,261)
	<u>24,064,410</u>	<u>-</u>	<u>(861,251)</u>	<u>23,203,159</u>	<u>800,739</u>
Other long-term liabilities:					
Accrued claims for self-insured risks	2,104,138	378,617	(553,724)	1,929,031	683,438
Accrued other post-employment benefits	-	907,000	-	907,000	-
Compensated absences	3,868,029	3,051,375	(3,086,702)	3,832,702	619,000
	<u>5,972,167</u>	<u>4,336,992</u>	<u>(3,640,426)</u>	<u>6,668,733</u>	<u>1,302,438</u>
Total governmental activities, long term liabilities	\$ 30,036,577	\$ 4,336,992	\$ (4,501,678)	\$ 29,871,892	\$ 2,103,177
Business Type activities:					
Revenue Bonds - Series 2001A	\$ 3,765,000	\$ -	\$ (190,000)	\$ 3,575,000	\$ 200,000
Revenue Bonds - Series 2005A	7,880,000	-	(330,000)	7,550,000	345,000
Unamortized bond premium	384,260	-	(40,507)	343,753	38,932
	<u>12,029,260</u>	<u>-</u>	<u>(560,507)</u>	<u>11,468,753</u>	<u>583,932</u>
Compensated absences	508,279	391,872	(357,427)	542,724	97,691
Total business type activities, long term liabilities	\$ 12,537,539	\$ 391,872	\$ (917,934)	\$ 12,011,477	\$ 681,623

The Revenue Bonds, Series 2001A were issued for the purpose of financing the acquisition and construction of a new membrane water treatment plant, construction and improvements to the stormwater drainage system and the sewer system. The bonds are not general obligation bonds of the City, bear interest of 4.49% as of September 30, 2009 and are to be repaid solely from non-ad valorem revenue. Principal is payable annually and the bonds mature on November 1, 2021.

The Revenue Bonds, Series 2005A were issued for the purpose of financing the acquisition and construction of a new membrane water treatment plant, construction and improvements to the stormwater drainage system, and construction and improvements to the sewer system. The bonds are not general obligation bonds of the City, bear interest of 4.18% as of September 30, 2009 and are to be repaid solely from non-ad valorem revenue. Principal is payable annually and the bonds mature on February 1, 2025.

The Revenue Bonds, Series 2007A were issued for the purpose of financing the acquisition of park land. The bonds are not general obligation bonds of the City, bear interest of 4.81% as of September 30, 2009 and are to be repaid solely from non-ad valorem revenue. Principal is payable annually and the bonds mature on October 1, 2027.

Notes to Financial Statements

Note 9. Long-Term Debt and Other Obligations (Continued)

A summary of annual debt service requirements as of September 30, 2009 is as follows:

Year Ending September 30,	Governmental Activities		Business Type Activities			
	Revenue Bonds Series 2007A		Revenue Bonds Series 2001A		Revenue Bonds Series 2005A	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 830,000	\$ 1,133,063	\$ 200,000	\$ 175,325	\$ 345,000	\$ 331,853
2011	865,000	1,097,787	210,000	165,075	355,000	319,578
2012	910,000	1,055,925	220,000	154,325	370,000	306,465
2013	955,000	1,012,750	235,000	142,950	380,000	292,378
2014	1,000,000	965,000	245,000	130,644	395,000	277,390
2015-2019	5,810,000	4,029,875	1,425,000	441,906	2,225,000	1,136,181
2020-2024	7,380,000	2,490,750	1,040,000	75,763	2,825,000	531,125
2025-2027	5,390,000	547,750	-	-	655,000	16,375
	<u>\$ 23,140,000</u>	<u>\$12,332,900</u>	<u>\$ 3,575,000</u>	<u>\$1,285,988</u>	<u>\$7,550,000</u>	<u>\$3,211,345</u>

Pledged Revenue: General long-term debt bonds are collateralized by multiple sources. The City has pledged certain revenue to repay revenue bonds outstanding as of September 30, 2009. The following table reports the revenue, sometimes net of related operating expenses, pledged for each debt issue, the amounts of such revenue received in the current year, the current year principal and interest paid on the debt, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenue for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2009:

Description of Bonds	Pledged Revenue	Revenue Received	Principal and Interest Paid	Outstanding	
				Principal and Interest	Pledged Through
Governmental Activities:					
Revenue Bonds, Series 2007A	Non Ad Valorem	\$ 37,137,163	\$ 1,982,552	\$ 35,472,900	2027
Business-type Activities:					
Revenue Bonds, Series 2001A and 2005A	Water, Sewer and Stormwater net revenue	\$ 4,930,342	\$ 1,082,540	\$ 15,622,333	2025

Notes to Financial Statements

Note 10 . Pension Plans

General Employees Retirement Plan

Plan description: The General Employees Retirement Plan is a single-employer defined-benefit plan, which covers all City employees except police officers, firefighters and Management/Professional employees. The City's payroll for employees covered by this plan applicable to the October 1, 2008 actuarial valuation was \$7.0 million. The City's total payroll for covered employees for the year ended September 30, 2009, was approximately \$7.4 million. As of October 1, 2009, employee membership data related to the plan was as follows:

Retirees and beneficiaries currently receiving benefits	121
Terminated employees entitled to benefits but not yet receiving them	72
Current active employees	170
Total	363

The plan provides enhanced retirement as well as death benefits. Benefits vest 20% after three years of active participation, plus 20% for each additional year to 100% after seven years. Employees who retire at or after age 60 with 15 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 73-75% of average compensation times the accrued benefit adjustment. Average compensation is equal to the monthly average of total pay within the three-year period ending on the day prior to the normal retirement date. Employees with 20 years of credited service may retire at or after age 55 and receive reduced retirement benefits. The City Commission has the authority to create or amend benefit and contribution provisions. Covered employees are required by City ordinance to contribute 3% of monthly earnings. The City is required to contribute the remaining amounts necessary to fund the plan, based on an actuarially determined amount each year.

If an employee leaves covered employment or dies before five years of credited service, accumulated employee contributions plus related investment earnings are refunded to the employee or designated beneficiary.

The City does not issue a stand-alone financial report for the plan.

Actuarially determined contribution requirements and contributions made: The plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentages of payroll contribution rates are determined using the entry age normal-aggregate actuarial cost method. Unfunded actuarial accrued liability is amortized over 5 to 30 years.

Significant actuarial assumptions used to compute contribution requirements are a 7.5% investment return and annual salary increase ranging from 5.18 to 8.4%. The aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities.

The employees, in accordance with City ordinance, made contributions for the year ending September 30, 2009 totaling \$247,788. Employer contributions for same period totaled \$2,008,862 or 100% of the actual amount required. Payments of contributions, benefits and refunds are recognized in the financial statements when paid. Administrative costs are paid out of the assets of the plan, provided that such payment is consistent with any law to which the plan is subject.

Notes to Financial Statements

Note 10. Pension Plans (Continued)

Police Officers and Firefighters Retirement Plan

Plan description: The Police Officers and Firefighters Retirement Plan is a single-employer defined benefit plan, which covers all police officers and firefighters. The City's payroll for employees covered by this plan applicable to the October 1, 2008 actuarial valuation was approximately \$10.5 million. The City's total payroll for covered employees for the fiscal year ended September 30, 2009 was approximately \$11.1 million. As of October 1, 2008, employee membership data related to the plan was as follows:

Retirees and beneficiaries currently receiving benefits	160
Terminated employees entitled to benefits but not yet receiving them	4
Current active employees	137
Total	<u><u>301</u></u>

The plan provides retirement benefits as well as death and disability benefits. Employees vest after 10 years of service. Employees who retire at or after age 52 with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 3.2% of average rate of pensionable earnings (salary) for the two most recent completed calendar years prior to retirement or termination with the City, times years and completed months of service, not to exceed 80% of final salary. Employees with 10 years of credited service may retire at or after age 45 and receive reduced retirement benefits. Employees who attain the 80% maximum multiplier may retire at any age and receive normal retirement pension accrued. The Plan includes a Deferred Retirement Option, Medical Stipend, Cost of Living Adjustment and Additional Accrual Service purchase benefits.

Covered employees are required by ordinance to contribute 10% of their salary to the plan. If an employee leaves covered employment or dies before 10 years of credited service, accumulated employee contributions plus related investment earnings are refunded to the employee or designated beneficiary. The service-incurred benefit is 30% of monthly compensation at time of death or the accrued monthly retirement benefit, whichever is greater. The non-service-incurred benefit requires 10 years of service and is the accrued monthly retirement benefit. The City is required by State of Florida statute to contribute the remaining amounts necessary to finance the coverage of its employees.

The Police Officers and Firefighters Pension plan issues a stand-alone financial report. Copies of this report are available in the Finance Department in the Municipal Complex.

Actuarially determined contribution requirements and contributions made: The plan's funding policy provides for periodic employer contributions at actuarially determined rates which, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentages of payroll contribution rates are determined using the frozen initial liability actuarial cost method. The retirement plan for police officers and firefighters of the City also amortizes the unfunded liability over a period of 30 years. Payments of contributions, benefits and refunds are recognized in the financial statements as they are paid. Administrative costs are paid out of the assets of the plan, provided that such payment is consistent with any law to which the plan is subject.

Notes to Financial Statements

Note 10 Pension Plans (Continued)

Significant actuarial assumptions used to compute contribution requirements are an 8.0% investment return and annual salary increases of 4.5% to 10.0%, based on years of service.

Contributions for year ended September 30, 2009 consisting of \$6,591,042 for the employer, or 100% of the required employer contribution, \$1,243,612 for the employees and \$511,274 for the State of Florida, were made in accordance with the state statute and in accordance with actuarially determined contribution requirements determined through an actuarial valuation performed at October 1, 2008.

There were no investments that individually represented 5% or more of the assets of the plan.

Professional/Management Employees Retirement Plan

Plan description: The Professional/Management Employees Retirement Plan is a single-employer defined-benefit plan, which covers most professional/management employees hired before January 1, 2007 as indicated in the Personnel Resource System. Such employees hired after that date are covered by the ICMA defined contribution plan, a description of which follows. The City's payroll for employees covered by the plan applicable to the October 1, 2008 actuarial valuation was \$1.8 million. The City's total payroll for the covered employees for the fiscal year ended September 30, 2009, was approximately \$1.6 million. As of October 1, 2009, employee membership data related to the plan was as follows:

Retirees and beneficiaries currently receiving benefits	9
Terminated employees entitled to benefits but not yet receiving them	12
Current active employees	25
Total	<u><u>46</u></u>

The plan provides enhanced retirement benefits as well as death benefits. Benefits vest 100% after 4 years. Employees can retire at or after age 60 with 4 years of credited service or age 52 with 10 years of credited service or upon attaining the maximum benefit regardless of age. The benefit amount is calculated as 3.2% for each year of eligible service multiplied by a three-year average compensation. Employees who retire early with 10 years of service and age 45 incur a reduction of 6% for each year the early retirement date precedes the normal retirement date. The plan includes a Deferred Retirement Option Plan, Medical Stipend, Excess Benefit Plan, Cost of Living Adjustment and Additional Accrual Service purchase benefits.

Covered employees are required by plan documents to contribute 7% of monthly compensation. The City is required to contribute the remaining amounts necessary to fund the plan, based on an actuarially determined amount each year.

If an employee leaves covered employment or dies before four years of credited service, accumulated employee contributions plus related investment earnings are refunded to the employee or designated beneficiary.

The City does not issue a stand-alone financial report for the plan.

Notes to Financial Statements

Note 10. Pension Plans (Continued)

The Excess Benefit Plan is utilized when a retiree's calculated benefit under the plan is limited by Internal Revenue Service Section 415 calculations. In this instance, the portion of the limited benefit is paid to the retiree from the Excess Benefit Plan. This unfunded plan is administered by Principal Financial Group and annual benefits payment contribution requirements are paid directly from the City's treasury. For the year ended September 30, 2009 the City contributed \$1,500,000 directly to the Excess Benefit Plan.

Actuarially determined contribution requirements and contributions made: The plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentages of payroll contribution rates are determined using the entry age normal-frozen initial liability actuarial cost method. Unfunded actuarial accrued liability is amortized over 10 to 30 years.

Significant actuarial assumptions used to compute contribution requirements are a 7.75% investment return and annual salary increase ranging from 5.18% to 10.4%.

The employees, in accordance with plan documents, made contributions for the year ended September 30, 2009 totaling \$160,004. Employer contributions for the same period totaled \$719,418 or 100% of the actual amount required. Payments of contributions, benefits and refunds are recognized in the financial statements as they are paid. The City also made an additional one-time contribution of \$1.5 million into the plan. Administrative costs are paid out of the assets of the plan, provided that such payment is consistent with any law to which the plan is subject.

Administrative Expenses-All Pension Plans

Administrative costs paid by the General Employees Retirement Plan, Police Officers and Firefighters Retirement Plan and the Professional/Management Employees Retirement Plan include services of administrative personnel, bank charges, investment counsel charges, actuarial costs, insurance expense and miscellaneous office expenses.

Annual Pension Cost and Net Pension Obligation (Asset) – All Defined Benefit Pension Plans

The annual pension cost and net pension assets for the General Employees and Professional/Management pension plans for year ended September 30, 2009 and for the Police Officers and Firefighters Plan for the year ended September 30, 2008 are as follows:

	Police Officers		
	General Employees	and Firefighters	Professional/ Management
Annual required contribution (ARC)	\$ 2,008,862	\$ 7,527,340	\$ 719,418
Interest on net pension obligation (asset)	(7,478)	(42,974)	(6,025)
Adjustment to annual required contribution	11,296	61,660	12,315
Annual pension cost	2,012,680	7,546,026	725,708
Contributions made	2,008,862	7,103,316	719,418
Decrease in net pension asset	3,818	442,710	6,290
Net pension obligation (asset), beginning	(99,709)	(962,203)	(77,738)
Net pension obligation (asset), ending	\$ (95,891)	\$ (519,493)	\$ (71,448)

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 10. Pension Plans (Continued)

Trend information: Trend information indicates the progress made in accumulating sufficient assets to pay benefits when due. An analysis of funding progress for the year ended September 30, 2009 is as follows:

Year Ended September 30,	Three Year Trend Information		
	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension (Obligation) Asset

General Employees Retirement Plan:

2009	\$	2,012,680	99.8%	\$	95,891
2008		2,058,381	99.8%		99,709
2007		2,036,798	100.0%		104,084

Police Officers and Firefighters Retirement Plan:

2009	\$	7,546,026	94.1%		519,493
2008		5,854,973	103.0%		962,203
2007		5,465,684	101.0%		342,775

Professional/Management Employees Retirement Plan:

2009	\$	725,708	99.1%	\$	71,448
2008		722,825	99.0%		77,738
2007		861,642	99.0%		85,886

Funded Status:

The following is the funded status information for each plan as of the most recent actuarial valuation dates:

Retirement Plan	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as Percentage of Covered Payroll	Actuarial Valuation Date
General Employees	\$30,645,061	\$ 44,950,637	\$ 14,305,576	68%	\$7,431,000	193%	10/1/2009
Police Officers and Firefighters	81,971,000	119,650,000	37,679,000	69%	10,952,000	344%	10/1/2008
Professional/Management Employee:	9,505,895	12,573,932	3,068,037	76%	1,633,000	188%	10/1/2009

The schedule of funding progress, presented as RSI following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time, relative to the AAL for benefits. The projection of benefits for financial reporting purposes *does not* explicitly incorporate the potential effects of legal or contractual funding limitations.

Notes to Financial Statements

Note 10. Pension Plans (Continued)

Because the aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose and that the information presented is intended to serve as a surrogate for the funded status and funding progress of the plan.

The information presented in the required supplementary schedules was determined as part of the actuarial valuations. Information as of the latest actuarial valuation is as follows:

	General Employees Pension Plan	Police & Firefighters Pension Plan	Professional Management Pension Plan
Actuarial valuation	October 1, 2008	October 1, 2008	October 1, 2008
Cost method	Aggregate	Frozen entry age normal	Entry age normal- frozen initial liability
Asset valuation method	Market value, adjusted by spreading expected value less actual value over four years	5-year smoothed market	Market value, adjusted by spreading expected value less actual value over four years
Amortization method	Level payment	Level percent closed	Level payment
Actuarial assumptions:	Yes	Yes	Yes
Assumed rate of return on investments	7.50%	8.00%	7.75%
Salary increases	5.18-8.4% per year	4.5-10.5%, based on service	5.18-8.4% per year
Cost of living adjustments	None	1%	Up to 2% if CPI is .05% or greater the preceding year

Notes to Financial Statements

Note 10. Pension Plans (Continued)

Money-Purchase Plan and Trust

The City maintains a single-employer money-purchase plan created in accordance with Internal Revenue Code Section 401(a). This defined contribution plan is comprised of five plans with varying levels of employer and employee contributions. Professional/Management employees hired after January 1, 2007 are required to enter this plan instead of the defined benefit plan. At September 30, 2009, there were 22 members participating in the plan, including two members who have been participating since a previously open membership period. The plan requires the City to contribute 9.5% to 17% of the members' base pay depending on plan membership. Employee required contributions are 3% to 5.5%.

The City's contributions were calculated using the covered payroll amount of approximately \$1,540,000. The City's contribution amounted to \$207,000, or 13.4% of current covered payroll.

The projection of benefits for financial reporting purposes *does not* explicitly incorporate the potential effects of legal or contractual funding limitations.

The following is condensed financial information for the pension plans that do not issue a stand alone report:

Combining Statement of Fiduciary Net Assets

Pension Trust Funds

September 30, 2009

	General Employees Pension	ICMA 401(a) Pension	Professional/ Management Mgmt
Assets			
Investments:			
Mutual funds	\$ -	\$ -	\$ 1,500,000
Corporate bonds	11,640,060	-	4,310,487
Equity securities	12,902,930	4,393,794	7,544,727
Real estate investment trust	994,561	-	483,972
Total assets	25,537,551	4,393,794	13,839,186
Net assets			
Held in trust for pension benefits	\$ 25,537,551	\$ 4,393,794	\$ 13,839,186

City of Hallandale Beach, Florida

Notes to Financial Statements

Note 10. Pension Plans (Continued)

Combining Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended September 30, 2009

	General Employees Pension	ICMA 401(A) Pension	Professional/ Management Pension
Additions			
Contributions:			
Employer	\$ 2,008,862	\$ 395,389	\$ 2,219,418
Plan members	247,788	128,999	160,004
Total contributions	2,256,650	524,388	2,379,422
Investment earnings:			
Net increase (decrease) in fair value of investments	(698,470)	75,077	(363,348)
Total investment earnings	(698,470)	75,077	(363,348)
Less investment expense	(25,533)	(8,518)	(14,266)
Net investment income (loss)	(724,003)	66,559	(377,614)
Total additions	1,532,647	590,947	2,001,808
Deductions			
Benefits	1,819,897	200,777	747,244
Change in net assets	(287,250)	390,170	1,254,564
Net assets, beginning	25,824,801	4,003,624	12,584,622
Net assets, ending	\$ 25,537,551	\$ 4,393,794	\$ 13,839,186

Note 11. Other Post Employment Benefits

For the fiscal year ended September 30, 2009, the City implemented Governmental Accounting Standards Board Statement No. 45, *Accounting and Reporting by Employers for Postemployment Benefits other than Pensions* ("OPEB") for certain postemployment health care benefits. The requirements of the statement were implemented prospectively.

Pursuant to Section 112.081, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees.

Notes to Financial Statements

Note 11. Other Post Employment Benefits (Continued)

Plan Description: The City of Hallandale Beach administers a single-employer defined benefit healthcare plan (the "Plan") that provides medical insurance benefits to its employees and retirees, and their eligible dependents. These retirees pay 100% of the blended rate for active and retired employees with no explicit subsidy from the City. Because the blended rate is greater than that of a plan including active employees only and less than that of a plan including retirees only, the amount the City expends for active employees includes an implicit subsidy for participating retirees and dependents.

Actives (fully eligible)	26
Actives (not fully eligible)	369
Retirees	141
	536

Actuarial methods: Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each evaluation and on the pattern of sharing costs between the employer and plan members to that point. Actuarial calculations reflect a long-term perspective.

Actuarial methods and significant actuarial assumptions used to determine the annual required contribution for the current year were as follows:

Actuarial valuation date	October 1, 2008
Actuarial cost method	Projected Unit Credit
Amortization method for unfunded actuarial liability	Level Percent of Payroll
Amortization period – closed	30 Years
Asset valuation method – not applicable for first valuation date	N/A
Actuarial assumptions:	
Investment discount rate (long term expectation of investment return on assets)	4.5%
Projected salary increases including inflation and other across the board increases. Includes no increase in number of active employees covered by the plan.	4.0%
Health Care Inflation:	11% (grading down to 5% in 2021)
Participation Assumption	Pre-Medicare retirees – 75% Medicare retirees – 50%

Funding Policy: An actuarial valuation was performed as of October 1, 2008, for the purpose of enhancing the City's understanding of the OPEB obligation and to establish policy implications regarding the funding of this obligation. While the City does not directly contribute toward the costs of retiree premiums via an explicit subsidy, the

Notes to Financial Statements

Note 11. Other Post Employment Benefits (Continued)

implicit subsidy is considered to be an Other Post Employment Benefit (OPEB) obligation of the City. For budgeting of fiscal year 2009 expense, the October 1, 2006 estimate was employed, as the October 1, 2008 valuation had not yet been received. The actuary's estimate, using the Unit Credit Method as of October 1, 2008, included other actuarial assumptions as classified below. The calculation produced an unfunded actuarially accrued liability (UAAL) of \$8,530,000, and an estimated net OPEB obligation of \$907,000. At this time, the City has opted to pay as you go rather than fund a portion or the entire net OPEB obligation.

Annual OPEB Cost and Net OPEB Obligation: The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's OPEB obligation to the City's Plan:

	Per 2008 Valuation
Annual required contribution (ARC)	\$ 1,058,000
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	<u>1,058,000</u>
Contributions made (Pay as you Go)	<u>151,000</u>
Increase in net OPEB obligation	<u>907,000</u>
Net OPEB obligation – beginning of year	-
Net OPEB obligation – end of year	<u><u>\$ 907,000</u></u>

Schedule of Funding Progress: Funding progress of the OPEB Liability as of the October 1, 2008 valuation date is presented below:

Actuarial Valuation Date	Actuarial Value of Asset (a)	Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a% of Covered Payroll ((b-a)/c)
10/1/2008	-	8,530,000	8,530,000	-	26,238,473	32.5% *

* The City implemented GASB Statement 45 in the current year.

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information (for one year only) about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Notes to Financial Statements

Note 12 Risk Management

The City is exposed to various risk of loss related to torts: theft of, damage to and destruction of assets; error and omissions; injuries to employees and natural disasters. The City's self-insurance internal service funds are used to account for and finance both uninsured and insured risks of loss. Coverage is provided for workers' compensation and general liability, as specified by applicable federal and state statutes. The City purchases commercial excess insurance for workers' compensation claims in excess of \$350,000. Also included in this excess policy is coverage for General Liability with a self-insured retention limit of \$100,000. The City relies on the liability limits of \$100,000 imposed by Florida statute and therefore does not carry any other coverage. Other insured risks for loss are budgeted in various operating funds. The City purchases all risk property insurance for City structures (estimated \$64,000,000 replacement value) with a \$25,000 deductible. Other minor liabilities for small City programs or operations are budgeted in the operating funds. The settlements in the past three fiscal years were less than insurance coverage.

All operating funds of the City participate in the program and make payments to the fund based on estimates of the amounts needed to pay prior and current claims and to provide fund equity for catastrophic losses. The estimated liability for self-insured risks at September 30, 2009 of \$1,929,031 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicated that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

As of September 30, 2009 and 2008, the total estimated liabilities on pending claims were as follows:

	2009	2008
Claims payable - beginning	\$ 2,104,138	\$ 2,826,626
Incurred claims	378,617	590,403
Payments on claims	(553,724)	(1,312,891)
Claims payable - ending	<u>\$ 1,929,031</u>	<u>\$ 2,104,138</u>

Notes to Financial Statements

Note 13 Commitments and Contingent Liabilities

Construction and purchase commitments: The City has active construction and economic development projects as of September 30, 2009. The projects include a membrane water plant, street and beautification projects, historical preservation projects and sanitary sewer and capacity improvements. As of September 30, 2009, the City's significant commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Affordable housing project	\$ -	\$ 2,650,000
Sanitary sewer improvements	5,207,855	468,079
Bridge rehabilitation	345,772	318,084
Street and beautification projects	5,355,004	227,796
Historical preservation projects	707,775	133,155
Water plant and distribution	24,021,210	92,706
Sewer capacity improvements	826,448	32,892
Other projects	152,657	26,296
Total	\$ 36,616,720	\$ 3,949,008

The water membrane plant is partially financed by revenue bonds secured by water revenue. The historical preservation projects are partially financed with State and County grants, as well as City funding. All other commitments are financed from existing City resources.

Claims and lawsuits: There are several pending claims and lawsuits in which the City is involved. The estimated liability related to these claims has been accrued in the City's general liability self-insurance fund. In the opinion of City management, the ultimate resolution of these claims will not materially exceed the amounts recorded in the financial statements.

Grantor Agencies: Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including the amounts already collected, may constitute a liability of the applicable funds. 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.

Note 14 Deficit Fund Balances of Individual Funds

The fund deficit in the Police Outside Services Fund, a nonmajor governmental fund, totaling \$83,366 is a result of the recording of an allowance for uncollectible accounts following bankruptcy proceedings of the primary customer of this fund. It is not clear at this time whether the bankruptcy court will permit payment of outstanding invoices, although there is some degree of expectation that most if not all will indeed be paid. If these invoices are not permitted to be paid, the fund equity deficit will be funded by increased revenue in future years resulting from expansion of the customer base at new retail and restaurant outlets in the City, and/or a transfer from the General Fund.

Notes to Financial Statements

Note 15 Budgetary GAAP

For the year ended September 30, 2009 expenditures exceeded appropriations in the personal services category of the Law Enforcement Trust Fund by \$13,445. These over expenditures were funded by greater than anticipated revenues and a positive variance in operating expenditures.

Note 16 Pronouncements Issued, But Not Yet Adopted

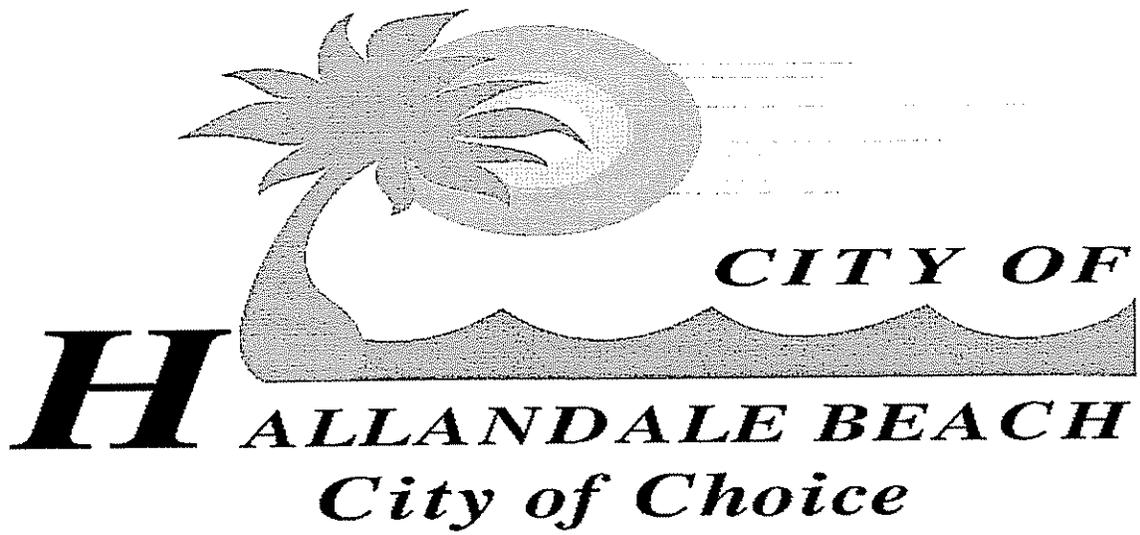
GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, was issued June 2007. The requirements of this Statement are effective for the City beginning with its fiscal year ending September 30, 2010. The standard generally requires intangible assets to be treated as capital assets, following existing authoritative guidance for capital assets and provides guidance for issues specific to intangible assets.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, was issued June 2008. The requirements of this Statement are effective for the City beginning with its fiscal year ending September 30, 2010. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments.

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was issued March 2009. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2011.

GASB Statement No. 58 *Accounting and Financial Reporting for Chapter 9 Bankruptcies* was issued December 2009. The objective of this Statement is to provide accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. It requires governments to remeasure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms (that is, approves) a new payment plan. This Statement is effective for the City beginning with its year ending September 30, 2010.

The City's management has not yet determined the effect these Statements will have on the City's financial statements.



CITY OF

***H* ALLANDALE BEACH**

City of Choice

**REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MD&A)**

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (unaudited)

General Fund

Year Ended September 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 23,305,123	\$ 23,305,123	\$ 22,765,331	\$ (539,792)
Charges for services	4,638,733	4,638,733	4,971,712	332,979
Utility taxes	3,590,000	3,590,000	3,560,004	(29,996)
Intergovernmental	3,270,000	3,270,000	2,947,791	(322,209)
Franchise taxes	4,739,700	4,739,700	4,897,825	158,125
Licenses and permits	1,997,995	1,997,995	1,543,163	(454,832)
Fines and forfeitures	645,000	645,000	322,148	(322,852)
Fire assessments	3,645,625	3,645,625	3,686,009	40,384
Investment earnings	563,000	563,000	893,333	330,333
Slot machine proceeds	2,000,000	2,000,000	1,749,010	(250,990)
Other revenues	467,355	467,355	420,797	(46,558)
Total revenues	48,862,531	48,862,531	47,757,123	(1,105,408)
Expenditures:				
Personal services	43,251,677	39,924,651	37,880,510	2,044,141
Operating expenditures	5,611,792	6,204,486	4,854,859	1,349,627
Contingency	100,000	100,000	-	100,000
Grants and aids	2,000	211,454	4,500	206,954
Capital outlay	1,241,500	2,365,062	975,278	1,389,784
Total expenditures	50,206,969	48,805,653	43,715,147	5,090,506
Excess (deficiency) of revenues over expenditures	(1,344,438)	56,878	4,041,976	3,985,098
Other financing sources (uses)				
Transfers in	136,000	136,000	2,598,654	2,462,654
Transfers out	(5,503,729)	(5,503,729)	(4,861,167)	642,562
Sale of capital assets	-	-	6,931	6,931
Total other financing sources (uses)	(5,367,729)	(5,367,729)	(2,255,582)	3,112,147
Net change in fund balance	\$ (6,712,167)	\$ (5,310,851)	\$ 1,786,394	\$ 7,097,245

See Notes to Required Supplementary Information.

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (unaudited)
 Special Revenue Funds - Community Redevelopment Agency Fund
 Year Ended September 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Intergovernmental	\$ 5,033,392	\$ 5,033,392	\$ 5,040,013	\$ 6,621
Charges for services	10,000	10,000	13,793	3,793
Investment earnings	301,809	301,809	557,466	255,657
Other revenues	100,000	100,000	507,577	407,577
Total revenues	5,445,201	5,445,201	6,118,849	673,648
Expenditures:				
Personal services	468,038	468,038	443,255	24,783
Operating expenditures	2,959,152	5,174,147	1,682,234	3,491,913
Contingency	100,000	100,000	-	100,000
Debt service:				
Principal	96,385	96,385	96,385	-
Interest	2,036	2,036	1,035	1,001
Grants and aids	1,247,379	707,424	707,423	1
Capital outlay	3,193,000	1,744,564	1,580,667	163,897
Total expenditures	8,065,990	8,292,594	4,510,999	3,781,595
Excess (deficiency) of revenues over expenditures	(2,620,789)	(2,847,393)	1,607,850	4,455,243
Other financing sources (uses):				
Transfers in	4,620,789	4,620,789	4,619,067	(1,722)
Transfers out	(2,000,000)	(2,005,427)	(2,005,427)	-
Total other financing sources (uses)	2,620,789	2,615,362	2,613,640	(1,722)
Net change in fund balance	\$ -	\$ (232,031)	\$ 4,221,490	\$ 4,453,521

See Notes to Required Supplementary Information.

City of Hallandale Beach, Florida

Schedule of Funding Progress (unaudited)
September 30, 2009

Actuarial Valuation Date	Actuarial Valuation of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percentage of Covered Payroll [(b-a)/c]
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General Employees Retirement Plan:

October 1, 2009	\$ 30,645,061	\$ 44,950,637	\$ 14,305,576	68%	\$ 7,431,000	193%
October 1, 2008	30,818,192	42,953,783	12,135,591	72%	6,983,000	174%
October 1, 2007	29,573,983	37,840,772	8,266,789	78%	5,457,000	151%
October 1, 2006	26,662,750	26,662,750	-	100%	5,482,000	n/a
October 1, 2005	24,204,459	24,204,459	-	100%	5,032,000	n/a
October 1, 2004	22,190,248	22,190,248	-	100%	5,067,000	n/a

Police Officers and Firefighters Retirement Plan:

October 1, 2008	\$ 81,971,000	\$ 119,650,000	\$ 37,679,000	69%	\$ 10,952,000	344%
October 1, 2007	76,343,000	113,211,000	36,868,000	67%	10,925,000	337%
October 1, 2006	66,841,000	91,787,000	24,946,000	73%	8,926,000	280%
October 1, 2005	61,905,000	86,751,000	24,846,000	71%	8,236,000	302%
October 1, 2004	62,061,000	85,890,000	23,829,000	72%	7,615,000	313%
October 1, 2003	61,523,000	85,720,000	24,197,000	72%	7,255,000	334%

Professional/Management Employees Retirement Plan:

October 1, 2009	\$ 9,505,895	\$ 12,573,932	\$ 3,068,037	76%	\$ 1,633,000	188%
October 1, 2008	9,127,536	11,166,975	2,039,439	82%	1,824,000	112%
October 1, 2007	8,086,229	9,764,969	1,678,740	83%	1,844,000	91%
October 1, 2006	6,365,736	9,963,276	3,597,540	64%	1,816,000	198%
October 1, 2005	4,902,938	7,976,106	3,073,168	61%	2,001,000	154%
October 1, 2004	3,706,818	6,144,497	2,437,679	60%	1,791,000	136%

Other Post-Employment Benefits:

October 1, 2008	\$ -	\$ 8,530,000	\$ 8,530,000	0%	\$ 26,238,473	33%
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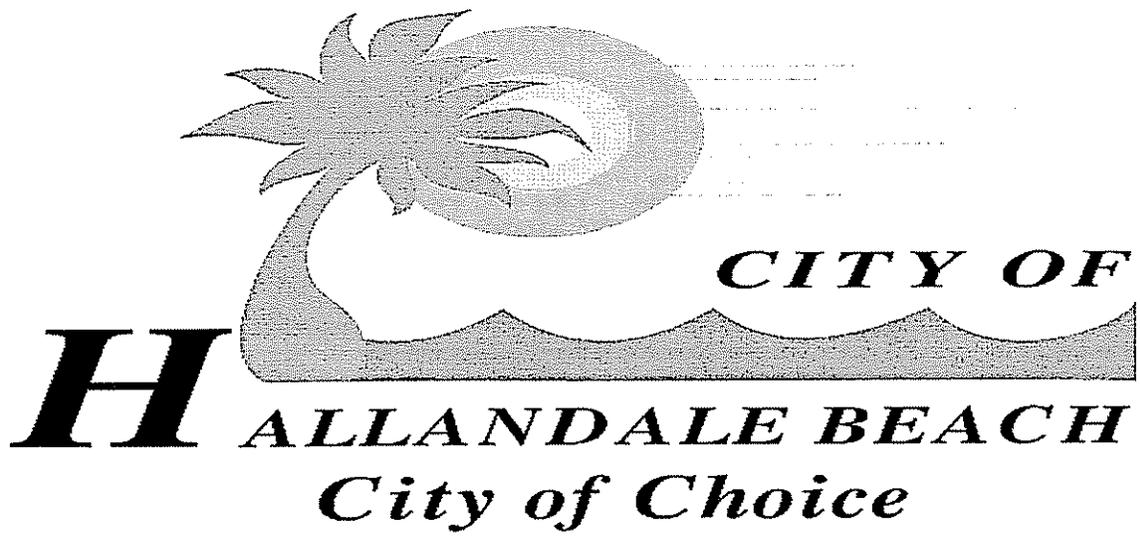
See Notes to Required Supplementary Information.

City of Hallandale Beach, Florida

Schedule of Employer Contributions (unaudited)
September 30, 2009

Plan Year Ended	Employer Contributions				Percentage Contributed
	Annual Required Contribution	City Contribution	State Contribution		
General Employees Retirement Plan:					
September 30, 2009	\$ 2,008,862	\$ 2,008,862	n/a		100%
September 30, 2008	2,054,006	2,054,006	n/a		100%
September 30, 2007	2,031,632	2,031,632	n/a		100%
September 30, 2006	1,959,212	1,959,212	n/a		100%
September 30, 2005	1,706,418	1,706,418	n/a		100%
September 30, 2004	584,492	584,492	n/a		100%
Police Officers and Firefighters Retirement Plan:					
September 30, 2009	\$ 7,527,340	\$ 6,591,042	\$ 511,274		94%
September 30, 2008	5,842,140	5,417,116	632,261		104%
September 30, 2007	5,451,304	4,999,857	519,201		101%
September 30, 2006	3,871,871	3,523,896	425,024		102%
September 30, 2005	2,952,390	2,500,942	451,448		100%
September 30, 2004	3,382,078	3,034,103	347,975		100%
Professional/Management Employees Retirement Plan:					
September 30, 2009	\$ 719,418	\$ 719,418	n/a		100%
September 30, 2008	714,677	714,677	n/a		100%
September 30, 2007	854,080	854,080	n/a		100%
September 30, 2006	816,391	816,391	n/a		100%
September 30, 2005	760,163	760,163	n/a		100%
September 30, 2004	369,537	369,537	n/a		100%

See Notes to Required Supplementary Information.



CITY OF

H ***ALLANDALE BEACH***

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Notes to Required Supplementary Information (unaudited)

Note 1. Budgetary Data

The City Commission follows these procedures in establishing the budgetary data reflected in the financial Statements:

1. Prior to August 1, the City Manager submits to the City Commission a proposed operating and capital budget for the fiscal year commencing October 1. The operating and capital budget includes proposed expenditures and means of financing them.
2. The City Commission holds public workshops on the prepared budget.
3. In September, formal public hearings are conducted to obtain taxpayers' comments.
4. Prior to October 1, the budget is legally enacted.

The legal level of control, the level at which expenditures may not exceed the budget, is at the category level within a fund. Categories, as used here, include personal services, operating expenditures and capital outlay. The City Manager is authorized to make transfers of budgeted funds within categories except contingencies and debt service. City Commission authorization is required for all transfers between categories in excess of \$10,000. Unencumbered balances of appropriation lapse at year-end.

Budgets have been adopted for the General Fund and special revenue funds. The budget for the General Fund has been adopted on a basis consistent with GAAP.

The reported budgetary data represents the final approved budget after amendments approved by the City Commission.

Note 2. Encumbrances

Encumbrance accounting, under which purchase orders, contracts 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.

Note 3. General Employees – Schedule of Funding Progress

Prior to the adoption of GASB 50, GASB 25 and 27 defined the Actuarial Accrued Liability under the Aggregate Method to be equal to the Actuarial Value of Assets. Subsequent to the adoption of GASB 50 for periods beginning after June 15, 2007, funded status information is prepared using the entry age actuarial cost method. The information is intended to serve as a surrogate for the funded status of the plan.

City of Hallandale Beach, Florida

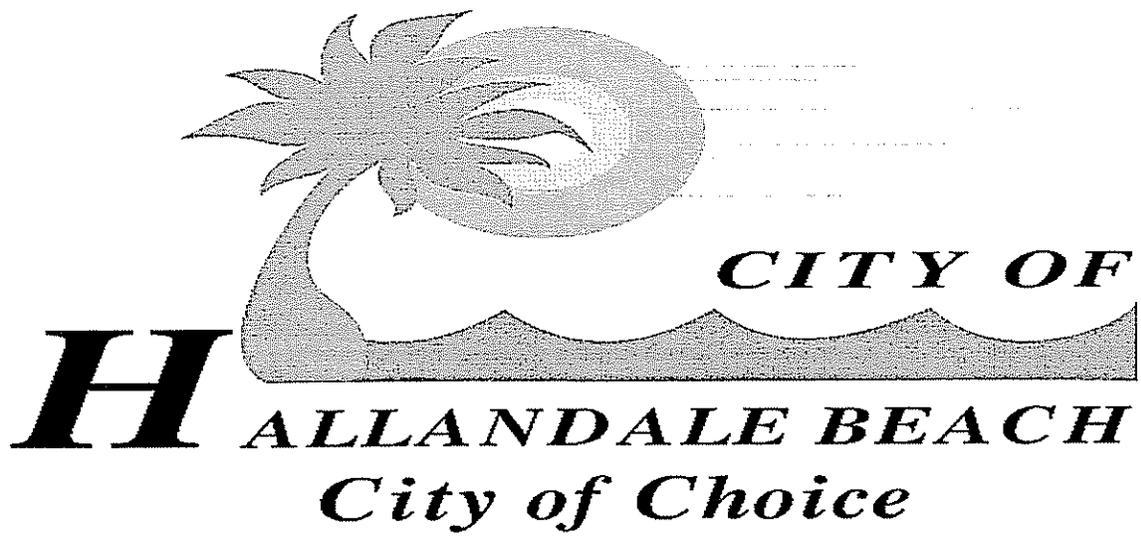
Combining Balance Sheet
 Nonmajor Governmental Funds
 September 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	\$ 6,569,856	\$ 227,741	\$ 6,797,597
Accounts receivable, net of allowances	106,972	2,972	109,944
Due from other governments	55,300	-	55,300
Total assets	\$ 6,732,128	\$ 230,713	\$ 6,962,841
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 138,268	\$ -	\$ 138,268
Advances from other funds	120,000	-	120,000
Deferred revenue	67,216	-	67,216
Total liabilities	325,484	-	325,484
Fund Balances:			
Reserved for:			
Perpetual care	-	230,713	230,713
Unreserved	6,406,644	-	6,406,644
Total fund balances	6,406,644	230,713	6,637,357
Total liabilities and fund balances	\$ 6,732,128	\$ 230,713	\$ 6,962,841

City of Hallandale Beach, Florida

Combining Statement of Revenue, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year Ended September 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:			
Property taxes	\$ 629,770	\$ -	\$ 629,770
Charges for services	735,009	38,929	773,938
Intergovernmental	949,929	-	949,929
Fines and forfeitures	500,649	-	500,649
Investment earnings	30,714	823	31,537
Other revenues	87,382	-	87,382
Total revenues	<u>2,933,453</u>	<u>39,752</u>	<u>2,973,205</u>
Expenditures:			
Public safety	2,107,027	-	2,107,027
Transportation	1,298,091	-	1,298,091
Capital outlay	479,199	-	479,199
Total expenditures	<u>3,884,317</u>	<u>-</u>	<u>3,884,317</u>
Excess (deficiency) of revenues over expenditures	<u>(950,864)</u>	<u>39,752</u>	<u>(911,112)</u>
Other financing sources (uses):			
Transfers in	410,745	-	410,745
Transfers out	(37,654)	-	(37,654)
Total other financing sources (uses)	<u>373,091</u>	<u>-</u>	<u>373,091</u>
Net change in fund balances	(577,773)	39,752	(538,021)
Fund balances, beginning	6,984,417	190,961	7,175,378
Fund balances, ending	<u>\$ 6,406,644</u>	<u>\$ 230,713</u>	<u>\$ 6,637,357</u>



CITY OF

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City of Choice

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Police Training Fund - to account for additional assessment in criminal matters for the purpose of criminal justice education and training for police officers.

Police Outside Services Fund – to account for revenue received as a result of police officers performing duties for entities other than the City.

Police Equitable Sharing Fund – to account for funds received for assisting various federal law enforcement agencies.

Transportation Fund – to account for the City's share of road and bridge and local option gas taxes. Funds are restricted to transportation equipment and maintenance and improvement of roads and streets within the City.

Golden Isles Safe Neighborhood Fund – to account for proceeds from property taxes restricted to use for the Golden Isles Safe Neighborhood District.

Three Islands District Fund – to account for proceeds from property taxes restricted to use for the Three Islands Safe Neighborhood District.

Law Enforcement Trust Fund – to account for confiscated property. Proceeds may be used only for law enforcement purposes.

City of Hallandale Beach, Florida

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 September 30, 2009

	Police Training Fund	Police Outside Services Fund	Police Equitable Sharing Fund	Transportation Fund
Assets				
Cash and cash equivalents	\$ 9,958	\$ 7,175	\$ 3,031,399	\$ 1,214,340
Accounts receivable, net of allowances	-	96,675	-	10,297
Due from other governments	-	-	-	55,300
Total assets	\$ 9,958	\$ 103,850	\$ 3,031,399	\$ 1,279,937
Liabilities and Fund Balances				
Liabilities:				
Accounts and contracts payable	\$ -	\$ -	\$ 5,412	\$ 118,591
Advances from other funds	-	120,000	-	-
Deferred revenue	-	67,216	-	-
Total liabilities	-	187,216	5,412	118,591
Fund Balances:				
Unreserved (deficit)	9,958	(83,366)	3,025,987	1,161,346
Total fund balances	9,958	(83,366)	3,025,987	1,161,346
Total liabilities and fund balances	\$ 9,958	\$ 103,850	\$ 3,031,399	\$ 1,279,937

Golden Isles Safe Neighborhood Fund	Three Islands District Fund	Law Enforcement Trust Fund	Total Nonmajor Special Revenue Funds
\$ 395,811	\$ 975,492	\$ 935,681	\$ 6,569,856
-	-	-	106,972
-	-	-	55,300
<u>\$ 395,811</u>	<u>\$ 975,492</u>	<u>\$ 935,681</u>	<u>\$ 6,732,128</u>

\$ 660	\$ 1,541	\$ 12,064	\$ 138,268
-	-	-	120,000
-	-	-	67,216
<u>660</u>	<u>1,541</u>	<u>12,064</u>	<u>325,484</u>

395,151	973,951	923,617	6,406,644
<u>395,151</u>	<u>973,951</u>	<u>923,617</u>	<u>6,406,644</u>
<u>\$ 395,811</u>	<u>\$ 975,492</u>	<u>\$ 935,681</u>	<u>\$ 6,732,128</u>

City of Hallandale Beach, Florida

Combining Statement of Revenue, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 Year Ended September 30, 2009

	Police Training Fund	Police Outside Services Fund	Police Equitable Sharing Fund	Transportation Fund
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	530,636	-	204,373
Intergovernmental	-	-	-	949,929
Fines and forfeitures	9,932	-	93,509	-
Investment earnings	10	-	14,516	5,354
Other revenues	-	37,583	-	49,799
Total revenues	9,942	568,219	108,025	1,209,455
Expenditures:				
Public safety	-	637,127	688,085	-
Transportation	-	-	-	1,298,091
Capital outlay	-	-	-	475,825
Total expenditures	-	637,127	688,085	1,773,916
Excess (deficiency) of revenues over expenditures	9,942	(68,908)	(580,060)	(564,461)
Other financing sources (uses):				
Transfers in	-	-	-	389,315
Transfers out	-	(37,654)	-	-
Total other financing sources (uses)	-	(37,654)	-	389,315
Net changes in fund balances	9,942	(106,562)	(580,060)	(175,146)
Fund balances, beginning	16	23,196	3,606,047	1,336,492
Fund balances (deficit), ending	\$ 9,958	\$ (83,366)	\$ 3,025,987	\$ 1,161,346

Golden Isles Safe Neighborhood Fund	Three Islands District Fund	Law Enforcement Trust Fund	Total Nonmajor Special Revenue Funds
\$ 236,542	\$ 393,228	\$ -	\$ 629,770
-	-	-	735,009
-	-	-	949,929
-	-	397,208	500,649
1,960	4,369	4,505	30,714
-	-	-	87,382
<u>238,502</u>	<u>397,597</u>	<u>401,713</u>	<u>2,933,453</u>
157,309	354,958	269,548	2,107,027
-	-	-	1,298,091
-	3,374	-	479,199
<u>157,309</u>	<u>358,332</u>	<u>269,548</u>	<u>3,884,317</u>
81,193	39,265	132,165	(950,864)
-	21,430	-	410,745
-	-	-	(37,654)
-	21,430	-	373,091
81,193	60,695	132,165	(577,773)
<u>313,958</u>	<u>913,256</u>	<u>791,452</u>	<u>6,984,417</u>
<u>\$ 395,151</u>	<u>\$ 973,951</u>	<u>\$ 923,617</u>	<u>\$ 6,406,644</u>

City of Hallandale Beach, Florida

Schedule of Revenue, Expenditures and Changes in Fund Balance -
 Budget and Actual (unaudited)
 Special Revenue Funds - Police Training Services Fund
 Year Ended September 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 7,000	\$ 7,000	\$ 9,932	\$ 2,932
Investment earnings	400	400	10	(390)
Total revenues	7,400	7,400	9,942	2,542
Expenditures:				
Operating expenditures	-	-	-	-
Net change in fund balances	\$ 7,400	\$ 7,400	\$ 9,942	\$ 2,542

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (unaudited)
 Special Revenue Funds - Police Outside Services Fund
 Year Ended September 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 800,000	\$ 800,000	\$ 530,636	\$ (269,364)
Investment earnings	-	-	-	-
Other revenues	136,000	136,000	37,583	(98,417)
Total revenues	936,000	936,000	568,219	(367,781)
Expenditures:				
Personal services	800,000	800,000	637,127	162,873
Excess of revenues over expenditures	136,000	136,000	(68,908)	(204,908)
Other financing uses:				
Transfers out	(136,000)	(136,000)	(37,654)	98,346
Net change in fund balance	\$ -	\$ -	\$ (106,562)	\$ (106,562)

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (unaudited)
 Special Revenue Funds - Police Equitable Sharing Fund
 Year Ended September 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 93,509	\$ 93,509
Investment earnings	20,000	20,000	14,516	(5,484)
Total revenues	20,000	20,000	108,025	88,025
Expenditures:				
Personal services	551,346	551,346	502,202	49,144
Operating expenditures	222,475	222,700	185,883	36,817
Total expenditures	773,821	774,046	688,085	85,961
Net change in fund balance	\$ (753,821)	\$ (754,046)	\$ (580,060)	\$ 173,986

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (unaudited)
 Special Revenue Funds - Transportation Fund
 Year Ended September 30, 2009

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Charges for services	\$ 365,885	\$ 367,730	\$ 204,373
Intergovernmental	945,000	945,000	949,929
Investment earnings	36,000	36,000	5,354
Other revenues	1,845	-	49,799
Total revenues	1,348,730	1,348,730	1,209,455
Expenditures:			
Personal services	261,665	239,165	218,640
Operating expenditures	1,216,370	1,178,248	1,079,451
Capital outlay	553,000	759,108	475,825
Total expenditures	2,031,035	2,176,521	1,773,916
Excess of revenues over expenditures	(682,305)	(827,791)	(564,461)
Other financing sources:			
Transfers in	-	-	389,315
Net change in fund balance	\$ (682,305)	\$ (827,791)	\$ (175,146)

City of Hallandale Beach, Florida

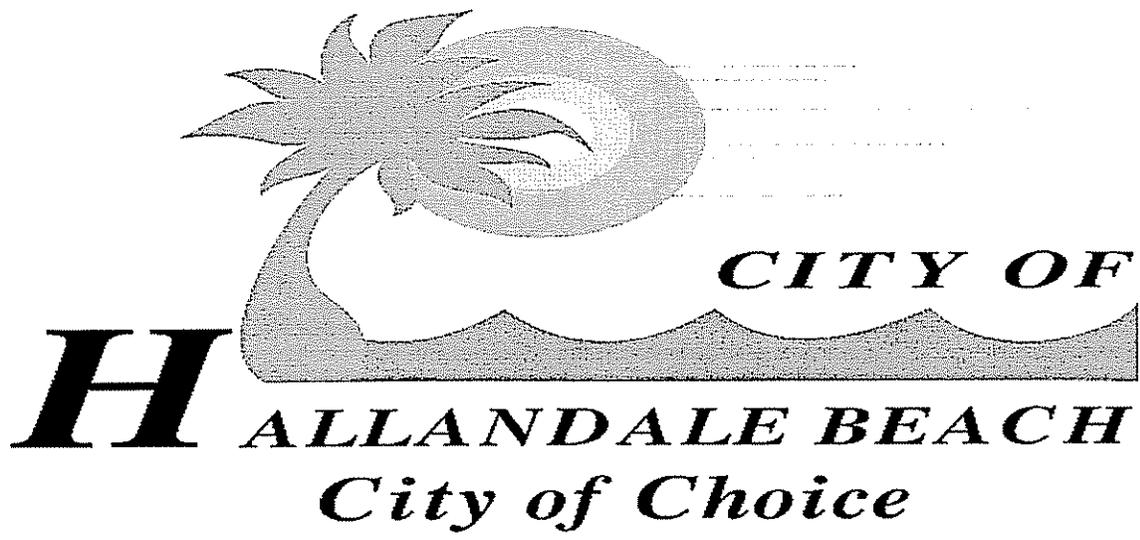
Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (unaudited)
 Special Revenue Funds - Golden Isles Safe Neighborhood Fund
 Year Ended September 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 236,533	\$ 236,533	\$ 236,542	\$ 9
Investment earnings	15,000	15,000	1,960	(13,040)
Total revenues	251,533	251,533	238,502	(13,031)
Expenditures:				
Operating expenditures	173,540	178,111	157,309	20,802
Contingency	20,000	45,000	-	45,000
Capital outlay	225,000	200,000	-	200,000
Total expenditures	418,540	423,111	157,309	265,802
Excess of revenues over expenditures	(167,007)	(171,578)	81,193	252,771
Other financing sources (uses):				
Transfers out	(50,000)	(60,340)	-	60,340
Net change in fund balances	\$ (217,007)	\$ (231,918)	\$ 81,193	\$ 313,111

City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (unaudited)
 Special Revenue Funds - Three Islands District Fund
 Year Ended September 30, 2009

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues:			
Ad valorem taxes	\$ 391,097	\$ 391,097	\$ 393,228
Investment earnings	25,000	25,000	4,369
Total revenues	416,097	416,097	397,597
Expenditures:			
Operating expenditures	397,064	397,030	354,958
Contingency	20,000	20,000	-
Capital outlay	-	40,566	3,374
Total expenditures	417,064	457,596	358,332
Excess of revenues over expenditures	(967)	(41,499)	39,265
Other financing sources:			
Transfers in	-	-	21,430
Net change in fund balances	\$ (967)	\$ (41,499)	\$ 60,695

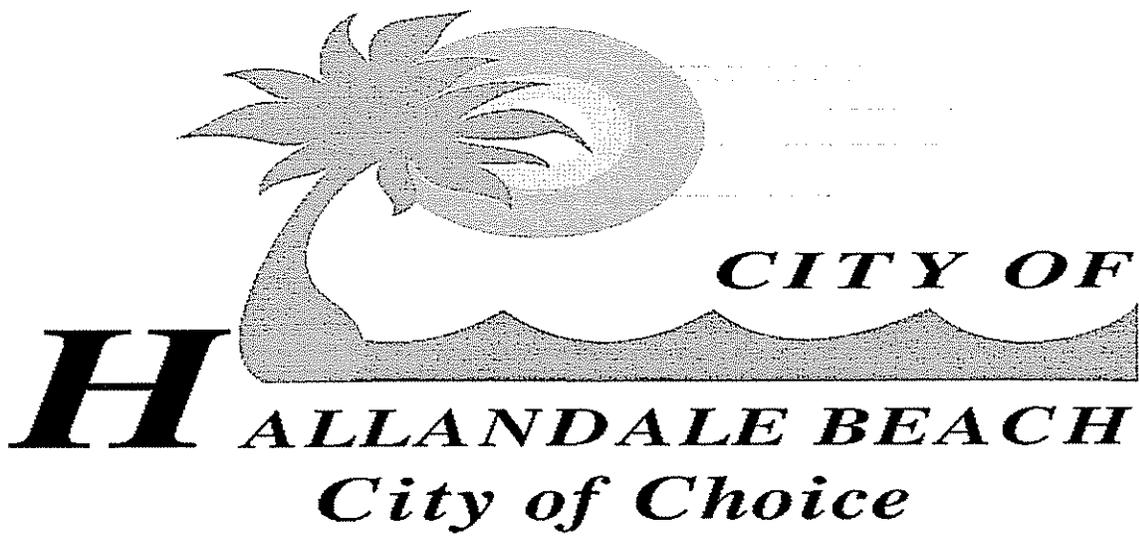


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City of Hallandale Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual (unaudited)
 Special Revenue Funds - Law Enforcement Trust Fund
 Year Ended September 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 397,208	\$ 397,208
Investment earnings	23,000	23,000	4,505	(18,495)
Total revenues	23,000	23,000	401,713	378,713
Expenditures:				
Personal services	132,977	132,977	146,422	(13,445)
Operating expenditures	189,800	196,920	123,126	73,794
Contingency	-	-	-	-
Capital outlay	5,000	1,975	-	1,975
Total expenditures	327,777	331,872	269,548	62,324
Net change in fund balances	\$ (304,777)	\$ (308,872)	\$ 132,165	\$ 441,037



CITY OF

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INTERNAL SERVICE FUNDS

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

Self-Insurance Trust Fund – to account for a post-retirement health insurance subsidy.

General Liability Trust Fund – to account for the costs of insuring the City in the areas of general and auto liability. The City is primarily self-insured in these areas. Other funds are billed to cover actual costs of premiums and claims and to maintain an adequate balance in fund equity.

Workers' Compensation Fund – to account for the costs of providing workers' compensation insurance coverage to employees of the City. The City is partially self-insured in this area. Other funds are billed to cover costs of estimated expenses.

OPEB Fund – to account for the costs of providing other post-employment benefits to retirees of the City. The City is self-funded in this area.

City of Hallandale Beach, Florida

Combining Statement of Net Assets

Internal Service Funds

September 30, 2009

	Self- Insurance Trust Fund	General Liability Trust Fund	Workers' Compensation Fund	OPEB Fund	Total Internal Service Funds
Assets					
Cash and cash equivalents	\$ 189,539	\$ 3,498,027	\$ 1,493,608	\$ 1,119,000	\$ 6,300,174
Accounts receivable, net of allowance	-	45,814	12,777	-	58,591
Total assets	189,539	3,543,841	1,506,385	1,119,000	6,358,765
Liabilities					
Current liabilities:					
Accounts payable and accrued liabilities	-	2,738	885	-	3,623
Compensated absences	-	4,094	-	-	4,094
Accrued claims for self-insured risks	-	436,000	247,438	-	683,438
Total current liabilities	-	442,832	248,323	-	691,155
Noncurrent liabilities:					
Compensated absences	-	18,652	-	-	18,652
Accrued claims for self-insured risks	-	1,218,031	27,562	-	1,245,593
Accrued other post employment benefits	-	-	-	907,000	907,000
Total noncurrent liabilities	-	1,236,683	27,562	907,000	2,171,245
Total liabilities	-	1,679,515	275,885	907,000	2,862,400
Net assets					
Unrestricted	\$ 189,539	\$ 1,864,326	\$ 1,230,500	\$ 212,000	\$ 3,496,365

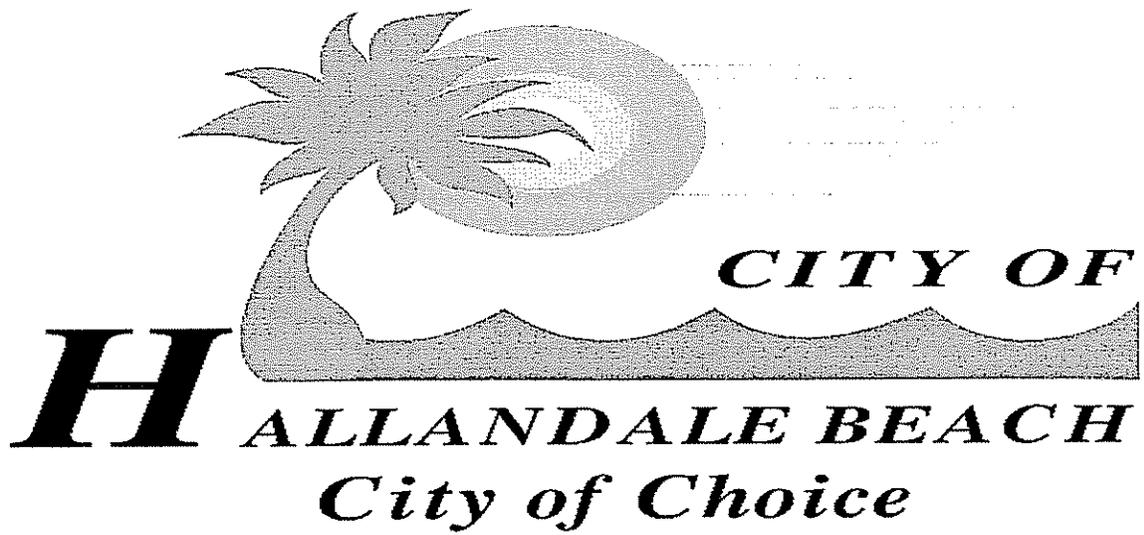
City of Hallandale Beach, Florida

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets

Internal Service Funds

Year Ended September 30, 2009

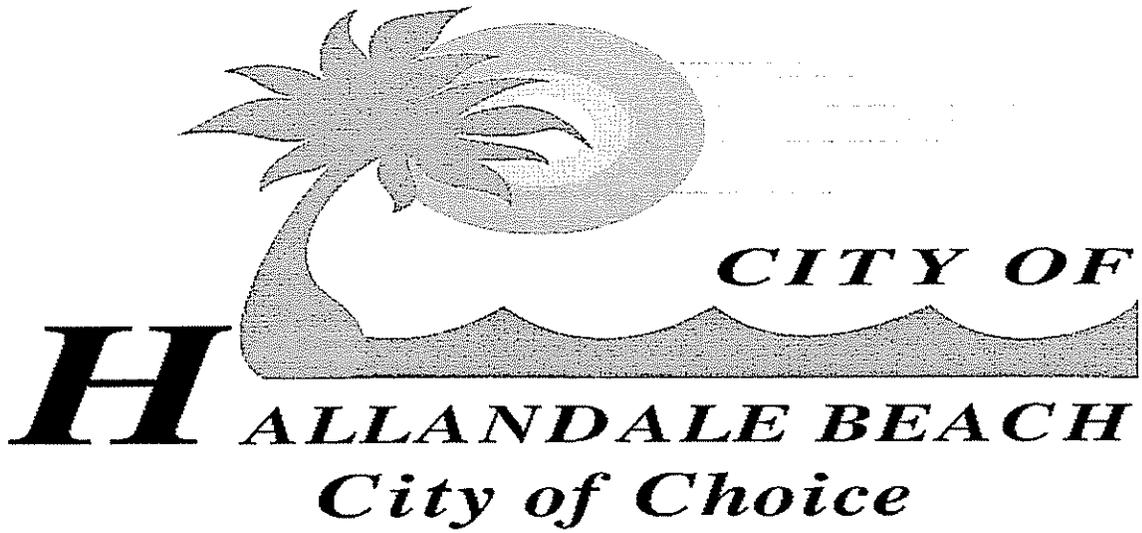
	Self- Insurance Trust Fund	General Liability Trust Fund	Workers' Compensation Fund	OPEB Fund	Total Internal Service Funds
Operating revenues:					
Charges for services	\$ -	\$ 50,000	\$ 428,590	\$ 1,119,000	\$ 1,597,590
Other revenues	-	56,879	-	-	56,879
Total operating revenues	-	106,879	428,590	1,119,000	1,654,469
Operating expenses:					
Personal services	-	252,686	218,242	907,000	1,377,928
Claims expense	-	17,654	272,786	-	290,440
Total operating expenses	-	270,340	491,028	907,000	1,668,368
Operating income (loss)	-	(163,461)	(62,438)	212,000	(13,899)
Nonoperating revenues (expenses):					
Investment earnings	999	108,783	149,966	-	259,748
Income before transfers	999	(54,678)	87,528	212,000	245,849
Transfers in	-	626,200	-	-	626,200
Transfers out	-	-	(3,000,000)	-	(3,000,000)
Change in net assets	999	571,522	(2,912,472)	212,000	(2,127,951)
Net assets, beginning	188,540	1,292,804	4,142,972	-	5,624,316
Net assets, ending	\$ 189,539	\$ 1,864,326	\$ 1,230,500	\$ 212,000	\$ 3,496,365



City of Hallandale Beach, Florida

Combining Statement of Cash Flows
Internal Service Funds
Year Ended September 30, 2009

	Self- Insurance Trust Fund	General Liability Trust Fund	Workers' Compensation Fund	OPEB Fund	Total
Cash Flows From Operating Activities:					
Cash received from fees and charges	\$ -	\$ 78,929	\$ 415,813	\$ 1,119,000	\$ 1,613,742
Cash paid to suppliers for goods, services claims and administrative charges	-	(192,718)	(433,804)	-	(626,522)
Cash paid to employees for services	-	(252,826)	(61,052)	-	(313,878)
Net cash provided (used) by operating activities	-	(366,615)	(79,043)	1,119,000	673,342
Cash Flows From Noncapital Financing Activities:					
Transfers in	-	626,200	-	-	626,200
Transfers out	-	-	(3,000,000)	-	(3,000,000)
					-
Cash Flows From Investing Activities					
Proceeds from sale of investments	-	1,695,023	3,928,000	-	5,623,023
Interest received	999	108,783	149,966	-	259,748
Net cash provided by investing activities	999	1,803,806	4,077,966	-	2,882,771
Net increase in cash and cash equivalents	999	2,063,391	998,923	1,119,000	4,182,313
Cash and cash equivalents:					
Beginning	188,540	1,434,636	494,685	-	2,117,861
Ending	\$ 189,539	\$ 3,498,027	\$ 1,493,608	\$ 1,119,000	\$ 6,300,174
Reconciliation of Operating Income to Net Cash Provided By (Used In) Operating Activities:					
Operating loss	\$ -	\$ (163,461)	\$ (62,438)	\$ 212,000	\$ (13,899)
Change in assets and Liabilities:					
Increase (decrease) in accounts receivable		(27,950)	(12,777)	-	(40,727)
Increase (decrease) in accounts payable	-	(3,675)	(110)	-	(3,785)
Decrease in estimated liability for compensated absences	-	(140)	-	-	(140)
Increase (decrease) in estimated liability for self-insured risks, non-current	-	(171,389)	(64,406)	-	(235,795)
Increase in estimated other liability for self-insured risks, current	-	-	60,688	-	60,688
Increase in estimated liability for other post-employment benefits	-	-	-	907,000	907,000
Net cash provided by (used in) operating activities	\$ -	\$ (366,615)	\$ (79,043)	\$ 1,119,000	\$ 673,342



H ***ALLANDALE BEACH***
City of Choice

FIDUCIARY FUNDS

Fiduciary funds include pension trust funds and agency funds. Pension trust funds account for certain of the City's retirement plans. Agency funds are used to account for assets held by the City for payroll related costs and other miscellaneous assets.

Pension Trust Funds:

General Employees Pension Fund – This fund is used to account for assets held in a trustee capacity for the retirement pensions of all City employees except police officers, firefighters and management/professional employees.

Police and Firefighters Pension Fund - This fund is used to account for assets held in a trustee capacity for the retirement pensions for all firefighters, fire department officers and all non-civilian police department employees.

Professional/Management Pension – This fund is used to account for assets held in a trustee capacity for the retirement pensions of all professional/management employees as indicated in the Personnel Resource System.

ICMA 401(a) Pension - This fund is used to account for the assets of four employee 401(a) plans for which the City acts as an agent on behalf of plan participants.

Agency Funds:

Payroll Trust Fund – to account for payroll-related costs held by the City in a trustee capacity.

General Trust Fund – to account for miscellaneous assets held by the City in a trustee capacity.

City of Hallandale Beach, Florida

Combining Statement of Fiduciary Net Assets
Pension Trust Funds
September 30, 2009

	General Employees Pension	ICMA 401(a) Pension	Police and Firefighters Pension	Professional/ Management Mgmt	Total Pension Trust Funds
Assets					
Due from State of Florida	\$ -	\$ -	\$ 511,274	\$ -	\$ 511,274
Interest receivable	-	-	177,280	-	177,280
Due for securities sold	-	-	273,472	-	273,472
Prepaid expense	-	-	8,006	-	8,006
Investments:					
Money market funds	-	-	6,242,293	-	6,242,293
U.S. government agencies	-	-	6,899,715	-	6,899,715
Mutual funds	-	-	-	1,500,000	1,500,000
Corporate bonds	11,640,060	-	7,808,743	4,310,487	23,759,290
Equity securities	12,902,930	4,393,794	49,711,644	7,544,727	74,553,095
Real estate investment trust	994,561	-	2,015,963	483,972	3,494,496
Total assets	25,537,551	4,393,794	73,648,390	13,839,186	117,418,921
Liabilities					
Accounts payable	-	-	211,619	-	211,619
Due for securities purchased	-	-	251,684	-	251,684
	-	-	463,303	-	463,303
Net assets					
Held in trust for pension benefits	\$ 25,537,551	\$ 4,393,794	\$ 73,185,087	\$ 13,839,186	\$ 116,955,618

City of Hallandale Beach, Florida

Combining Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended September 30, 2009

	General Employees Pension	ICMA 401(A) Pension	Police and Firefighters Pension	Professional/ Management Pension	Total Pension Trust Funds
Additions					
Contributions:					
Employer	\$ 2,008,862	\$ 395,389	\$ 6,591,042	\$ 2,219,418	\$ 11,214,711
Plan members	247,788	128,999	1,243,612	160,004	1,780,403
State of Florida	-	-	511,274	-	511,274
Other income	-	-	48,329	-	48,329
Total contributions	2,256,650	524,388	8,394,257	2,379,422	13,554,717
Investment earnings:					
Interest and dividends	-	-	1,641,844	-	1,641,844
Net increase (decrease) in fair value of investments	(698,470)	75,077	(630,704)	(363,348)	(1,617,445)
Total investment earnings	(698,470)	75,077	1,011,140	(363,348)	24,399
Less investment expense	(25,533)	(8,518)	(465,986)	(14,266)	(514,303)
Net investment income (loss)	(724,003)	66,559	545,154	(377,614)	(489,904)
Total additions	1,532,647	590,947	8,939,411	2,001,808	13,064,813
Deductions					
Benefits	1,819,897	200,777	6,628,539	747,244	9,396,457
Professional services	-	-	129,166	-	129,166
Total deductions	1,819,897	200,777	6,757,705	747,244	9,525,623
Change in net assets	(287,250)	390,170	2,181,706	1,254,564	3,539,190
Net assets, beginning	25,824,801	4,003,624	71,003,381	12,584,622	113,416,428
Net assets, ending	\$ 25,537,551	\$ 4,393,794	\$ 73,185,087	\$ 13,839,186	\$ 116,955,618

City of Hallandale Beach, Florida

Combining Statement of Fiduciary Assets and Liabilities
 Agency Funds
 Year Ended September 30, 2009

	Payroll Trust Fund	General Trust Fund	Total Agency Funds
Assets			
Cash and cash equivalents	\$ 1,488,090	\$ 356,185	\$ 1,844,275
Accounts receivable	16,193	-	16,193
	<u>\$ 1,504,283</u>	<u>\$ 356,185</u>	<u>\$ 1,860,468</u>
Liabilities			
Due to others	<u>\$ 1,504,283</u>	<u>\$ 356,185</u>	<u>\$ 1,860,468</u>

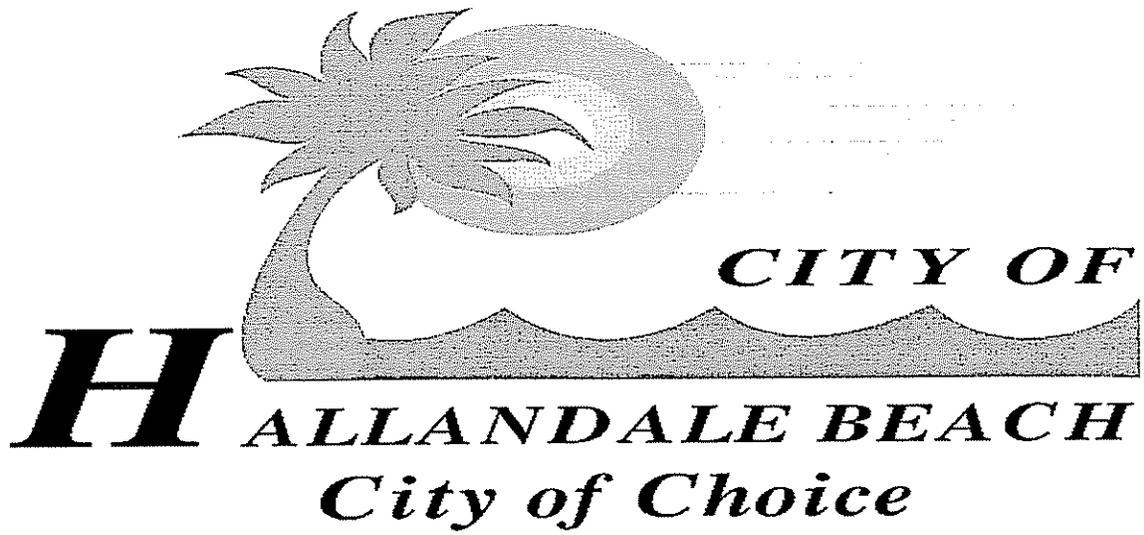
City of Hallandale Beach, Florida

Schedule of Changes in Assets and Liabilities

Payroll Trust Fund

Year Ended September 30, 2009

	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash and cash equivalents	\$ 1,053,938	\$ 29,972,632	\$ (29,538,480)	\$ 1,488,090
Accounts receivable	3,065	320,620	(307,492)	16,193
Prepaid expenses	377,243	-	(377,243)	-
	<u>\$ 1,434,246</u>	<u>\$ 30,293,252</u>	<u>\$ (30,223,215)</u>	<u>\$ 1,504,283</u>
Liabilities				
Due to others	\$ 1,434,246	\$ 29,856,531	\$ (29,786,494)	\$ 1,504,283
	<u>\$ 1,434,246</u>	<u>\$ 29,856,531</u>	<u>\$ (29,786,494)</u>	<u>\$ 1,504,283</u>



CITY OF

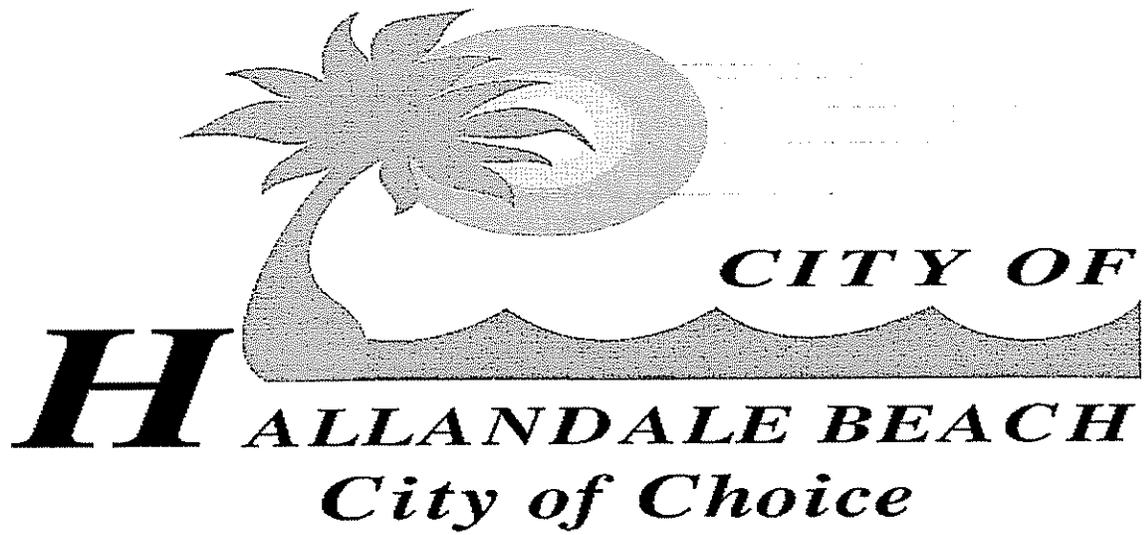
HALLANDALE BEACH

City of Choice

City of Hallandale Beach, Florida

Schedule of Changes in Assets and Liabilities
General Trust Fund
Year Ended September 30, 2009

	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash and cash equivalents	\$ 365,352	\$ 221,109	\$ (230,276)	\$ 356,185
Liabilities				
Due to others	\$ 365,352	\$ 221,109	\$ (230,276)	\$ 356,185



CITY OF

H ***ALLANDALE BEACH***

City of Choice

Statistical Section

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

<u>Contents</u>	<u>Page</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.	92
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	102
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.	110
Demographic and Economic Information This schedule offers demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	114
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.	115

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

City of Hallandale Beach, Florida

Schedule 1
 Net Assets by Component
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)
 (Amounts Expressed in Thousands)

	2000	2001	2002	2003
Governmental activities:				
Invested in capital assets, net of related debt	\$ -	\$ -	\$ -	\$ 33,403
Restricted	-	-	-	4,222
Unrestricted	-	-	-	20,907
Total governmental activities net assets	\$ -	\$ -	\$ -	\$ 58,532

Business-type activities:				
Invested in capital assets, net of related debt	-	-	-	\$ 10,364
Restricted	-	-	-	6,203
Unrestricted	-	-	-	14,291
Total business-type activities net assets	\$ -	\$ -	\$ -	\$ 30,858

Primary government:				
Invested in capital assets, net of related debt	-	-	-	43,767
Restricted	-	-	-	10,425
Unrestricted	-	-	-	35,198
Total primary government net assets	\$ -	\$ -	\$ -	\$ 89,390

(1) The City began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003. Information for fiscal years ended September 30, 1998 to 2002 is unavailable.

Fiscal Year						
2004	2005	2006	2007	2008	2009	
\$ 31,730	\$ 34,511	\$ 39,855	\$ 41,876	\$ 37,148	\$ 39,425	
4,351	3,106	3,461	13,123	18,832	22,576	
28,986	39,288	36,252	31,793	37,555	36,920	
<u>\$ 65,067</u>	<u>\$ 76,905</u>	<u>\$ 79,568</u>	<u>\$ 86,792</u>	<u>\$ 93,535</u>	<u>\$ 98,921</u>	

\$ 9,762	\$ 11,475	\$ 18,783	\$ 25,470	\$ 27,519	\$ 26,859	
-	137	-	-	-	-	
23,742	24,532	20,841	16,983	16,381	23,438	
<u>\$ 33,504</u>	<u>\$ 36,144</u>	<u>\$ 39,624</u>	<u>\$ 42,453</u>	<u>\$ 43,900</u>	<u>\$ 50,297</u>	

\$ 41,492	\$ 45,986	\$ 58,638	\$ 67,346	\$ 64,667	\$ 66,284	
4,351	3,243	3,461	13,123	18,832	22,576	
52,728	63,820	57,093	48,776	53,936	60,358	
<u>\$ 98,571</u>	<u>\$ 113,049</u>	<u>\$ 119,192</u>	<u>\$ 129,245</u>	<u>\$ 137,435</u>	<u>\$ 149,218</u>	

City of Hallandale Beach, Florida

Schedule 2

Changes in Net Assets

Last Ten Fiscal Years (1)

(Accrual Basis of Accounting)

(Amounts Expressed in Thousands)

	2000	2001	2002	2003
Expenses:				
Governmental activities:				
General government	\$ -	\$ -	\$ -	\$ 7,207
Public safety	-	-	-	19,125
Physical Environment	-	-	-	3,577
Transportation	-	-	-	1,250
Economic Environment	-	-	-	19
Culture/Recreation	-	-	-	2,338
Human Services	-	-	-	903
Interest on long-term debt	-	-	-	-
Total governmental activities expenses	-	-	-	34,419
Business-type activities:				
Cemetery	-	-	-	104
Sanitation	-	-	-	4,276
Sewer	-	-	-	5,660
Stormwater Drainage	-	-	-	810
Water	-	-	-	5,097
Total business-type activities expenses	-	-	-	15,947
Total primary government expenses	\$ -	\$ -	\$ -	\$ 31,894
Program Revenues:				
Governmental activities:				
Charges for services:				
General Government	\$ -	\$ -	\$ -	\$ 6,676
Public safety	-	-	-	2,110
Physical Environment	-	-	-	-
Transportation	-	-	-	138
Culture/Recreation	-	-	-	106
Operating grants and contributions	-	-	-	698
Capital grants and contributions	-	-	-	1,675
Total governmental activities program revenues	-	-	-	11,403
Business-type activities				
Charges for services:				
Cemetery	-	-	-	78
Sanitation	-	-	-	4,032
Sewer	-	-	-	6,569
Stormwater Drainage	-	-	-	923
Water	-	-	-	6,447
Capital grants and contributions	-	-	-	903
Total business-type activities program revenues	-	-	-	18,952
Total primary government program revenues	\$ -	\$ -	\$ -	\$ 30,355

(Continued)

Fiscal Year						
2004	2005	2006	2007	2008	2009	
\$ 7,251	\$ 8,448	\$ 13,030	\$ 13,069	\$ 11,986	\$ 11,990	
20,948	22,460	25,531	29,825	30,601	31,654	
3,516	3,674	3,465	3,693	3,841	2,839	
1,041	893	1,324	1,641	1,574	1,571	
-	37	1,542	2,363	4,946	3,227	
2,315	2,414	2,583	2,685	2,467	2,445	
904	1,009	1,379	1,154	1,141	1,139	
70	66	57	125	1,272	1,220	
36,045	39,001	48,911	54,555	57,828	56,085	
95	86	95	89	104	134	
4,562	4,538	4,661	5,117	5,274	5,213	
5,783	6,418	7,528	7,416	9,602	8,683	
1,068	1,308	1,346	1,359	1,382	1,425	
5,397	5,601	5,289	6,352	7,896	8,640	
16,905	17,951	18,919	20,333	24,258	24,095	
\$ 52,950	\$ 56,952	\$ 67,830	\$ 74,888	\$ 82,086	\$ 80,180	

\$ 5,502	\$ 4,312	\$ 4,018	\$ 5,029	\$ 4,659	\$ 5,564	
3,114	5,886	3,392	4,276	7,178	3,966	
-	-	-	-	-	39	
313	232	160	134	131	156	
153	117	132	125	99	101	
785	911	4,247	1,823	1,893	1,267	
2,485	3,316	392	620	839	1,615	
12,352	14,774	12,341	12,007	14,799	12,708	
69	227	105	124	105	342	
4,407	4,481	4,951	5,228	5,474	5,636	
6,987	6,985	7,233	7,340	8,310	10,304	
1,012	1,112	1,299	1,302	1,347	1,420	
6,895	7,062	7,473	7,310	9,055	11,392	
577	102	-	371	28	644	
19,947	19,969	21,061	21,675	24,319	29,738	
\$ 32,299	\$ 34,743	\$ 33,402	\$ 33,682	\$ 39,118	\$ 42,446	

City of Hallandale Beach, Florida

Schedule 2 (Continued)
 Changes in Net Assets
 Last Ten Fiscal Years (1)
 (Accrual Basis of Accounting)
 (Amounts Expressed in Thousands)

	2000	2001	2002	2003
Net (expense)/revenue				
Governmental activities	\$ -	\$ -	\$ -	\$ (23,016)
Business-type activities	-	-	-	3,005
Total primary government net expenses	\$ -	\$ -	\$ -	\$ (20,011)
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ 13,062
Franchise and utility taxes	-	-	-	6,461
Sales taxes	-	-	-	1,993
Motor fuel taxes	-	-	-	678
Alcoholic beverage taxes	-	-	-	18
Fire assessments	-	-	-	-
Intergovernmental revenue	-	-	-	2,018
Investment earnings	-	-	-	484
Slot machine proceeds	-	-	-	-
Other revenue	-	-	-	763
Gain on the sale of capital assets	-	-	-	-
Transfers	-	-	-	-
Total governmental activities	-	-	-	25,477
Business-type activities:				
Franchise and utility taxes	-	-	-	35
Investment earnings	-	-	-	361
Other revenue	-	-	-	(293)
Gain on the sale of capital assets	-	-	-	-
Transfers	-	-	-	-
Total business-type activities	-	-	-	103
Total primary government	\$ -	\$ -	\$ -	\$ 25,580
Change in Net Assets				
Governmental activities	\$ -	\$ -	\$ -	\$ 2,461
Business-type activities	-	-	-	3,108
Total primary government	\$ -	\$ -	\$ -	\$ 5,569

(1) The City began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003. Information for fiscal years ended September 30, 2000 to 2002 is unavailable.

Fiscal Year						
2004	2005	2006	2007	2008	2009	
\$ (23,693)	\$ (24,227)	\$ (36,570)	\$ (42,548)	\$ (43,029)	\$ (43,377)	
3,042	2,018	2,142	1,342	61	5,643	
\$ (20,651)	\$ (22,209)	\$ (34,428)	\$ (41,206)	\$ (42,968)	\$ (37,734)	

\$ 15,353	\$ 17,945	\$ 19,605	\$ 25,151	\$ 24,287	\$ 23,369	
6,378	6,852	7,404	7,656	8,148	8,486	
2,005	2,116	2,279	2,228	2,107	1,976	
611	745	668	658	649	673	
25	21	24	22	21	18	
		2,476	2,510	3,266	3,686	
3,671	3,575	4,316	6,075	7,221	5,842	
339	1,094	1,989	2,729	2,188	1,788	
-	-	-	1,746	1,985	1,749	
1,104	3,349	358	1,146	-	1,130	
-	23	19	-	-	8	
-	-	95	(150)	(100)	37	
29,486	35,720	39,233	49,771	49,772	48,762	

32	34	67	178	214	237	
315	855	1,341	1,133	783	445	
-	1	21	10	288	53	
-	77	4	16	-	57	
-	-	(95)	150	100	(37)	
347	967	1,338	1,487	1,385	755	
\$ 29,833	\$ 36,687	\$ 40,571	\$ 51,258	\$ 51,157	\$ 49,517	

\$ 5,793	\$ 11,493	\$ 2,663	\$ 7,223	\$ 6,743	\$ 5,385	
3,389	2,985	3,480	2,829	1,446	6,398	
\$ 9,182	\$ 14,478	\$ 6,143	\$ 10,052	\$ 8,189	\$ 11,783	

City of Hallandale Beach, Florida

Schedule 3
 Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 (Amounts Expressed in Thousands)

	2000	2001	2002	2003
General Fund				
Reserved	\$ 707	\$ 1,064	\$ 1,040	\$ 1,325
Unreserved	14,405	16,888	18,387	18,805
Total general fund	\$ 15,112	\$ 17,952	\$ 19,427	\$ 20,130
All Other Governmental Funds				
Reserved	\$ 524	\$ 948	\$ 3,756	\$ 5,386
Unreserved, reported in:				
Special revenue funds	3,262	4,297	4,188	2,392
Capital projects funds	2,056	4,025	1,961	1,165
Total all other governmental funds	\$ 5,842	\$ 9,270	\$ 9,905	\$ 8,943

Fiscal Year					
2004	2005	2006	2007	2008	2009
\$ 695	\$ 156	\$ 95	\$ 133	\$ 624	\$ 356
21,037	24,508	24,302	23,065	20,133	22,187
<u>\$ 21,732</u>	<u>\$ 24,664</u>	<u>\$ 24,397</u>	<u>\$ 23,198</u>	<u>\$ 20,757</u>	<u>\$ 22,543</u>

\$ 6,609	\$ 6,579	\$ 5,460	\$ 11,508	\$ 14,623	\$ 2,419
2,279	3,143	3,445	3,327	7,009	22,832
2,552	3,144	2,373	8,333	8,704	8,448
<u>\$ 11,440</u>	<u>\$ 12,866</u>	<u>\$ 11,278</u>	<u>\$ 23,168</u>	<u>\$ 30,336</u>	<u>\$ 33,699</u>

City of Hallandale Beach, Florida

Schedule 4
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 (Amounts Expressed in Thousands)

	2000	2001	2002	2003
Revenues				
Taxes	\$ 15,715	\$ 17,021	\$ 17,653	\$ 19,523
Licenses, fees and permits	705	1,067	947	1,217
Fines and forfeitures	1,068	619	725	644
Charges for services	4,376	4,744	4,804	5,745
Intergovernmental	5,044	5,165	5,220	7,098
Investment earnings	981	1,216	535	396
Slot machine proceeds	-	-	-	-
Other revenues	1,860	1,533	1,467	1,872
Total revenues	29,749	31,365	31,351	36,495
Expenditures				
General government	4,469	4,968	5,404	5,698
Public safety	14,408	15,131	15,478	17,428
Physical environment	2,709	2,861	4,343	2,420
Transportation	-	-	-	1,084
Economic development	-	-	-	19
Human services	550	596	618	825
Culture and recreation	1,482	1,634	1,793	2,006
Capital outlay	1,941	1,622	3,477	5,347
Debt service:				
Principal	497	378	401	628
Interest	-	92	58	90
Bond issuance costs	-	-	-	-
Total expenditures	26,056	27,282	31,572	35,545
Excess of revenues over (under) expenditures	3,693	4,083	(221)	950
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	22
Transfers in	958	4,308	3,675	1,990
Transfers out	(894)	(2,123)	(3,788)	(3,640)
Proceeds from issuance of long-term debt	-	-	2,846	-
Total other financing sources (uses)	64	2,185	2,733	(1,628)
Net change in fund balances	\$ 3,757	\$ 6,268	\$ 2,512	\$ (678)
Debt service as a percentage of noncapital expenditures	2.1%	1.9%	1.7%	2.4%

(1) The City began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003. Information for fiscal years ended September 30, 2000 to 2002 is unavailable.

Fiscal Year						
	2004	2005	2006	2007	2008	2009
\$	21,731	\$ 24,075	\$ 27,241	\$ 32,784	\$ 32,665	\$ 31,854
	2,246	3,733	1,378	1,632	1,756	1,543
	596	465	419	580	3,769	823
	4,386	4,853	4,706	5,940	5,045	5,759
	9,581	8,239	11,907	10,908	11,890	11,079
	339	958	1,706	2,314	1,895	1,528
	-	-	-	1,746	1,985	1,749
	2,860	3,731	3,179	4,197	4,616	4,851
	41,739	46,054	50,536	60,101	63,621	59,186
	6,363	8,109	10,235	10,271	10,596	9,501
	20,412	21,529	24,332	28,860	29,760	30,749
	2,543	2,600	2,920	3,383	3,366	2,355
	905	996	1,161	1,437	1,390	1,416
	-	37	1,542	2,406	4,923	2,728
	873	954	1,318	1,101	1,087	1,098
	1,986	2,035	2,138	2,308	2,118	2,120
	3,886	4,720	7,549	22,943	2,476	4,415
	878	878	689	500	1,180	891
	70	57	61	52	1,318	1,189
	-	-	-	34	-	-
	37,916	41,915	51,945	73,295	58,214	56,462
	3,823	4,139	(1,409)	(13,194)	5,407	2,724
	64	43	40	-	-	14
	1,976	2,553	3,265	4,855	7,444	9,636
	(1,764)	(2,377)	(3,750)	(5,585)	(8,124)	(7,225)
	-	-	-	24,615	-	-
	276	219	(445)	23,885	(680)	2,425
\$	4,099	\$ 4,358	\$ (1,854)	\$ 10,691	\$ 4,727	\$ 5,149
	2.8%	2.5%	1.7%	1.2%	4.7%	4.2%

City of Hallandale Beach, Florida

Schedule 5

Tax Revenues by Source, Governmental Funds

Last Ten Fiscal Years

(Amounts Expressed in Thousands)

Fiscal year	Ad Valorem	Franchise Fees	Utility	Communications Service	Sales
2000	\$ 10,143	\$ 1,953	\$ 2,593	\$ 1,079	\$ 1,795
2001	10,720	2,309	2,841	1,201	2,030
2002	11,329	1,808	2,684	1,877	1,943
2003	13,062	2,024	2,829	1,643	1,993
2004	15,353	2,120	2,811	1,479	2,005
2005	17,165	2,394	2,939	1,576	2,116
2006	19,791	2,699	2,988	1,763	2,251
2007	25,075	2,844	3,124	1,741	2,164
2008	24,531	2,904	3,367	1,861	2,107
2009	23,395	2,891	3,560	2,007	1,936
Change					
2000-2009	130.7%	48.0%	37.3%	86.0%	7.9%

Notes: Property in Broward County is reassessed once every year, on average. The county assesses property at approximately 85-100% of actual value for commercial and industrial property and 85-100% for residential property, as required by Florida law. Estimated actual taxable value is calculated by dividing taxable value by those percentages. Tax rates are \$1,000 of assessed value.

	Motor Fuel	Alcoholic Beverage	Total
\$	621	\$ 19	\$ 18,203
	703	17	19,821
	673	18	20,332
	678	17	22,246
	611	25	24,404
	745	21	26,956
	696	24	30,212
	685	21	35,654
	680	21	35,471
	714	18	34,521
	15.0%	-5.3%	89.6%

City of Hallandale Beach, Florida

Schedule 6

Property Tax Rates – Direct and Overlapping Property Taxes Rates

Last Ten Fiscal Years

Tax roll year	Fiscal Year	Direct	Overlapping Rates						
		City Rate	Broward County BOCC			School Board of Broward County			So Florida Water Management District
		City of Hallandale Beach	Operating Millage	Debt Service Millage	Total Broward County	Operating Millage	Debt Service Millage	Total School District	
1999	2000	6.9870	-	-	7.5250	-	-	8.9553	0.6970
2000	2001	6.9870	-	-	7.4005	-	-	8.7541	0.6970
2001	2002	6.7480	-	-	7.4005	-	-	8.7541	0.6970
2002	2003	6.7480	-	-	7.3650	-	-	8.8825	0.6970
2003	2004	6.7480	-	-	7.1880	-	-	8.4176	0.6970
2004	2005	6.5456	6.4831	0.5399	7.0230	8.0140	0.2555	8.2695	0.6970
2005	2006	6.2838	6.2942	0.4888	6.7830	7.8410	0.2213	8.0623	0.6970
2006	2007	5.9696	5.6433	0.4228	6.0661	7.6790	0.1897	7.8687	0.6970
2007	2008	4.9818	4.8889	0.3979	5.2868	7.4770	0.1714	7.6484	0.6240
2008	2009	4.9818	4.8889	0.4256	5.3145	7.4170	-	7.4170	0.6240

Notes: Tax millage rates (per \$1,000 of taxable value).

Source: Broward County Department of Revenue; Broward County Property Appraiser

(1) Not included in total tax rate, as these do not apply to entire City.

Florida Inland Navigation District	Children's Services Council	South Broward Hospital District	Total Direct & Overlapping Rates	Golden Isles Safe Neighborhood District (1)	Three Islands Safe Neighborhood District (1)
0.0410	-	1.9939	26.1992	1.0900	1.1170
0.0385	-	1.8694	25.7465	1.0900	1.1170
0.0385	0.3055	1.8694	25.8130	1.0900	1.1170
0.0385	0.3316	1.7336	25.7962	1.0900	1.1170
0.0385	0.3920	1.7336	25.2147	1.2900	1.1170
0.0385	0.4231	1.5761	24.5728	1.2900	1.1170
0.0385	0.4231	1.4500	23.7377	1.2900	1.0000
0.0385	0.4073	1.3300	22.3772	1.2900	0.8000
0.0345	0.3572	1.1643	20.0970	1.0934	0.6897
0.0345	0.3754	1.1913	19.9385	1.0934	0.6600

City of Hallandale Beach, Florida

Schedule 7

Principal Property Taxpayers

Current and Nine Years Ago

(Amounts Expressed in Thousands)

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Gulfstream Park Racing Assn	\$ 168,904,392	1	3.462%	\$ 22,818,230	1	1.64%
Ocean Marine Yacht Club LLC	76,411,660	2	1.566%			
17070 Collins Ave. Shopping Ctr	42,720,650	3	0.876%			
Hollywood Greyhound Track	28,563,900	4	0.586%	17,038,430	4	1.17%
Florida Power & Light Co.	27,791,227	5	0.570%			
Three Islands Associates	27,689,400	6	0.568%	20,999,210	2	1.44%
Diplomat Properties Ltd. Partnership	25,066,868	7	0.514%			
600 Hallandale LLC	19,918,500	8	0.408%			
2500 Hallandale Beach LLC	17,627,880	9	0.361%			
Wal-Mart Stores, Inc.	15,371,723	10	0.315%	9,054,300	5	0.62%
Hasam Realty				18,449,120	3	1.27%
Gulf-Empire Properties LLC				7,140,820	6	0.49%
Susa Partnership LP				6,012,120	7	0.41%
Riviera Club, Ltd				5,276,100	8	0.36%
E.M.Loew's Theaters, Inc.				5,052,500	9	0.35%
Security Management Corp.				5,029,260	10	0.35%
Total	\$ 450,066,200		9.226%	\$ 116,870,090		8.100%

Source: Broward County, Florida, Department of Revenue

City of Hallandale Beach, Florida

Schedule 8

Property Tax Levies and Collections

Last Ten Fiscal Years

(Amounts Expressed In Thousands)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	\$ 10,500	\$ 10,387	98.92%	83	\$ 10,470	99.71%
2001	11,056	10,884	98.44%	143	11,027	99.74%
2002	11,760	11,649	99.05%	72	11,721	99.67%
2003	13,569	13,436	99.02%	100	13,536	99.76%
2004	15,859	15,811	99.69%	22	15,832	99.83%
2005	17,738	17,670	99.62%	34	17,704	99.81%
2006	20,426	20,329	99.52%	50	20,379	99.77%
2007	25,750	25,656	99.64%	88	25,744	99.98%
2008	25,226	25,097	99.49%	95	25,192	99.87%
2009	24,950	23,891	95.76%	-	23,891	95.76%

Source: Broward County Revenue Collection Division

(1) This amount represents gross levy (does not include discounts).

(2) Amounts include Golden Isles and Three Islands safe neighborhood districts which are component units of the City of Hallandale Beach, Florida.

City of Hallandale Beach, Florida

Schedule 9

Assessed Value and Estimated Actual Value of Taxable Property

Last Five Fiscal Years

(Amounts Expressed In Thousands)

Fiscal Year	Real Property			Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value
	Residential Property	Commercial Property	Other Property			
2005	\$ 2,886,394	\$ 372,248	\$ 64,300	\$ 128,391	\$ 840,718	\$ 2,610,615
2006	3,612,869	401,980	74,921	137,046	1,069,269	3,157,547
2007	4,977,427	499,783	94,731	103,527	1,506,712	4,168,756
2008	5,556,934	631,372	140,400	98,120	1,580,177	4,846,649
2009	5,314,439	682,485	150,501	134,656	1,383,597	4,898,484

Source: Broward County Revenue Collection Division

(1) Information for years before 2005 is not available.

(2) Includes tax exempt property.

Total Direct Tax Rate (mills)	Estimated Actual Taxable Value (2)	Assessed Value as a Percentage of Actual Value
6.5456	\$ 3,451,333	75.6%
6.5456	4,226,816	74.7%
5.9696	5,675,468	73.5%
4.9818	6,426,826	75.4%
4.9818	6,282,081	78.0%

City of Hallandale Beach, Florida

Schedule 10

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal year	Governmental Activities				Business-Type Activities		Total Primary Government
	Pledged Revenue Note	Revenue Note Series 2002	Bonds Series 2007A	Notes Payable	Revenue Bonds Series 2001A	Revenue Bonds Series 2005A	
2000	\$ 2,077,140	\$ -	\$ -	\$ 67,647	\$ -	\$ -	\$ 2,144,787
2001	1,699,478	-	-	22,973	-	-	1,722,451
2002	1,321,816	2,846,385	-	-	4,770,000	-	8,938,201
2003	944,154	2,596,385	-	-	4,610,000	-	8,150,539
2004	566,492	2,096,385	-	-	4,445,000	-	7,107,877
2005	188,830	1,596,385	-	-	4,295,000	8,800,000	14,880,215
2006	-	1,096,385	-	-	4,125,000	8,510,000	13,731,385
2007	-	596,385	24,615,000	-	3,950,000	8,200,000	37,361,385
2008	-	96,385	23,935,000	-	3,765,000	7,880,000	35,676,385
2009	-	-	23,140,000	-	3,575,000	7,550,000	34,265,000

City of Hallandale Beach, Florida

Schedule 11

Direct and Overlapping Governmental Activities Debt

As of September 30, 2009

Jurisdiction	Net debt Outstanding (1)	Percentage applicable to City of Hallandale Beach (2)	Amount applicable to City of Hallandale Beach
City of Hallandale Beach	\$ -	0.000%	\$ -
Broward County	443,997,073	2.930%	13,009,114
Broward School District	-	0.000%	-
Total direct and overlapping debt	<u>\$ 443,997,073</u>		<u>\$ 13,009,114</u>

(1) Gross general obligation debt outstanding, less applicable amounts reserved for debt service.

(2) Percentage of taxable value of property in Hallandale Beach, to taxable value of property in overlapping unit.

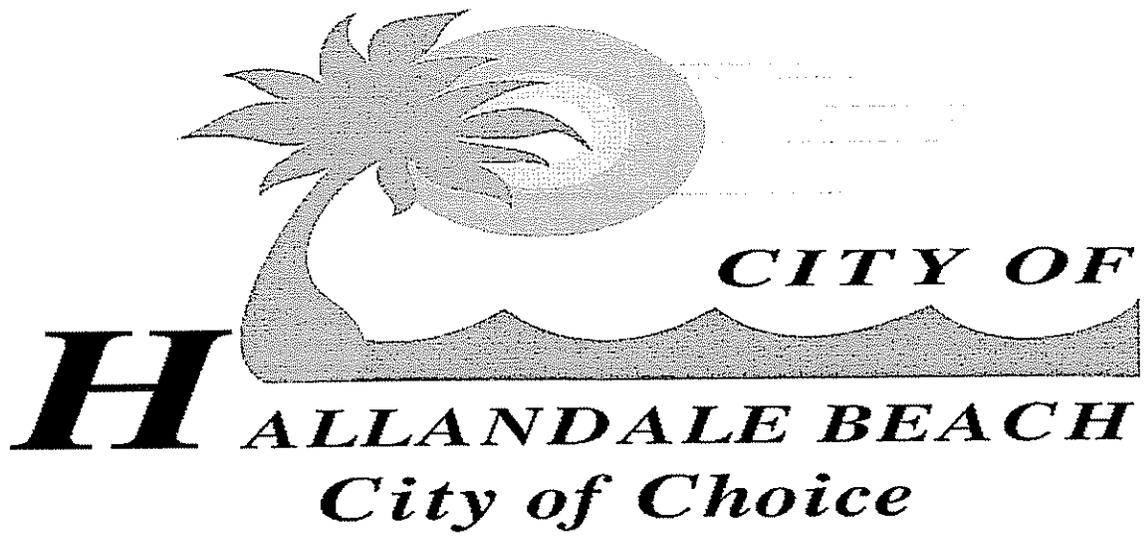
City of Hallandale Beach, Florida

Schedule 12
Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal year	Utility Revenue Bonds, Series 2001A and 2005A					
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2000	-	-	-	-	-	-
2001	-	-	-	-	-	-
2002	12,580,744	11,174,293	1,406,451	-	106,200	13.24
2003	14,019,936	11,786,521	2,233,415	160,000	227,712	5.76
2004	14,894,415	12,247,145	2,647,270	155,000	222,594	7.01
2005	15,158,977	13,283,428	1,875,549	160,000	387,085	3.43
2006	15,753,547	12,819,915	2,933,632	460,000	266,186	4.04
2007	15,951,761	14,862,524	1,089,237	485,000	265,067	1.45
2008	18,712,613	18,424,786	287,827	505,000	334,112	0.34
2009	23,115,163	18,184,821	4,930,342	520,000	562,540	4.55

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

Revenue Note Series 2002 and Bonds 2007A						Pledged Revenue Note			
Pledged Revenue	Debt Service		Debt Service			Franchise Fees	Debt Service		
	Principal	Interest	Principal	Interest	Coverage		Principal	Interest	Coverage
-	-	-	-	-	-	1,899,839	377,662	119,916	3.82
-	-	-	-	-	-	2,258,073	377,662	92,142	4.81
-	-	-	-	-	-	3,640,334	377,662	42,665	8.66
2,215,102	250,000	61,951	-	-	7.10	3,482,715	377,662	28,303	8.58
3,299,820	500,000	51,382	-	-	5.98	3,567,793	377,662	18,553	9.00
4,461,035	500,000	48,668	-	-	8.13	3,969,778	377,662	8,620	10.28
5,827,132	500,000	56,437	-	-	10.47	4,462,284	188,831	4,331	23.10
9,390,974	500,000	41,645	-	-	17.34	-	-	-	-
40,356,815	500,000	16,346	680,000	1,301,576	16.16	-	-	-	-
37,137,163	96,385	1,035	795,000	1,187,552	17.85	-	-	-	-



CITY OF

H ***ALLANDALE BEACH***

City of Choice

City of Hallandale Beach, Florida

Schedule 13
 Demographic and Economic Statistics
 Last Ten Fiscal Years

Fiscal year	Population (1)	Personal Income (2)	Broward County Per capita Personal Income (2)		Unemployment Rate		Public School Enrollment (5)
			Personal Income (2)	Median Age(6)	Broward County	Hallandale Beach	
2000	34,282	\$ 1,052,765,938	\$ 30,709	50.9	3.90%	5.60% (3)	2,635
2001	34,286	1,079,700,426	31,491	50.9	4.60%	5.40% (3)	2,712
2002	34,254	1,098,320,256	32,064	50.9	5.90%	4.60% (3)	2,817
2003	34,908	1,146,518,352	32,844	50.9	5.60%	7.10% (3)	2,835
2004	35,204	1,208,905,360	34,340	50.9	4.10%	6.14% (4)	2,735
2005	35,716	1,307,027,020	36,595	50.9	3.50%	4.70% (4)	2,895
2006	35,844	1,424,655,624	39,746	50.9	3.10%	3.90% (4)	3,010
2007	38,193	1,572,367,617	41,169	50.9	3.80%	4.50% (4)	3,073
2008	37,400	*	*	50.9	6.10%	7.40% (4)	2,978
2009	*	*	*	50.9	9.80%	10.70% (4)	3,070

(1) Source: University of Florida, Bureau of Economic Research for Hallandale Beach.

(2) Source: U.S. Department of Commerce, Bureau of Economic Analysis for year ended December 31.

(3) Source: Florida Department of Labor and Employment Security for City of Hallandale Beach, Florida.

(4) Source: Florida's Labor Market Statistics

(5) Source: Broward School District for City of Hallandale Beach, Florida.

(6) 2000 U. S. Census.

* Data not available.

City of Hallandale Beach, Florida

Schedule 14

Full-time-Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

	2000	2001	2002	2003	2004
Function/Program					
General government					
Management	8.0	8.0	8.0	8.0	6.5
General Services	7.0	7.0	9.0	7.0	4.0
City Attorney	3.0	3.0	3.0	3.0	3.0
Finance	9.0	9.5	8.5	8.5	9.0
Information Technology	2.0	2.0	1.0	3.5	3.5
Personnel	5.0	5.0	5.0	5.0	5.0
City Clerk	6.0	6.0	6.0	5.0	3.0
Development Services	22.0	19.75	22.75	24.87	27.50
Other	4.0	4.0	4.0	4.5	4.0
Police					
Officers	90.0	90.0	98.0	105.0	101.0
Civilians	66.0	60.75	62.75	55.0	55.0
Fire					
Paramedics, firefighters, officers	74.0	74.0	76.0	74.0	74.0
Civilians	2.0	2.0	2.0	2.0	2.0
Public Works					
Administration	4.0	4.0	5.0	6.0	5.0
Equipment Maintenance	9.0	9.0	9.0	9.0	9.0
Grounds Maintenance	16.0	14.0	14.0	14.0	14.0
Building Maintenance	14.0	14.75	13.5	13.5	13.5
Human Services	20.0	16.6	16.6	16.6	12.2
Parks and Recreation	62.0	48.15	44.25	47.25	37.5
Transportation					
Streets	9.0	7.95	7.95	7.95	7.20
Minibus	4.0	4.8	4.8	3.2	-
Sanitation	23.0	22.75	21.75	21.75	21.75
Water	45.0	46.0	45.0	47.0	45.0
Stormwater	5.0	5.0	5.0	5.0	5.0
Sewer	14.0	14.0	14.0	12.0	12.0
Total	523.00	498.00	506.85	508.62	479.65

Source: City Budget Office

Notes: A full-time employee is scheduled to work 2,088 hours per year, including holidays, vacation and sick leave.
Full-time equivalent employment is calculated by dividing total labor hours by 2,088.

2005	2006	2007	2008	2009
7.0	8.0	8.0	8.0	8.00
4.0	4.0	4.0	4.0	4.00
3.0	3.0	4.0	4.0	4.00
8.5	9.5	9.75	9.75	9.75
5.0	5.0	5.0	5.0	5.00
5.0	5.75	5.75	5.50	5.00
3.0	3.0	3.0	3.0	3.00
29.0	29.0	30.75	30.75	28.75
2.0	2.0	2.0	2.0	2.00
102.0	101.0	103.00	101.00	101.00
49.25	37.0	40.00	40.00	41.00
76.0	77.0	80.0	77.0	78.00
2.0	3.0	3.0	3.0	3.00
8.75	7.75	7.75	7.75	5.76
9.0	9.0	9.0	9.5	10.75
16.0	17.25	17.00	16.00	16.54
12.5	14.25	13.50	12.50	11.28
12.2	12.2	13.2	13.2	10.10
37.5	32.80	36.30	32.30	31.12
6.75	6.75	6.75	5.75	4.25
-	-	-	-	-
21.0	21.0	17.0	23.0	22.29
44.0	43.0	43.0	42.5	40.50
2.0	2.0	2.0	4.0	5.53
12.0	12.0	12.0	12.0	16.00
477.45	465.25	475.75	471.50	466.62

City of Hallandale Beach, Florida

Schedule 15

Operating Indicators by Function/Program

Last Ten Fiscal Years

	2000	2001	2002	2003	2004
Function/Program					
Development Services					
Building permits issued	2,317	2,128	2,541	2,541	2,956
Building inspections conducted	23,002	28,351	19,935	53,904	23,173
Police					
Physical arrests	1,365	1,333	1,444	1,357	1,157
Parking violations	3,927	5,388	2,870	3,409	3,047
Traffic violations	14,464	14,310	16,388	17,652	15,096
Fire					
EMS responses	5,136	6,130	6,143	5,815	5,870
Other emergency responses	1,775	1,297	1,194	1,118	1,358
Fires	91	122	102	132	122
Inspections	3,539	2,962	2,510	2,657	1,648
Refuse Collection					
Refuse collected (tons per year)	23,307	22,903	23,942	25,597	27,500
Other Public Works					
Street resurfacing (miles)	*	*	*	2.77	2.85
Number of streets repaired	171	394	589	620	557
Asphalt used (tons)	361	437	418	558	213
Parks and recreation					
Summer camp participants	*	*	*	*	*
Athletic teams	38	38	39	35	41
Water					
New/Replacemnt connections	44	27	37	208	70
Average daily consumption (1000's of gallons)	5,670	5,230	5,630	5,840	5,880
Peak daily consumption (1000's of gallons)	6,900	6,580	7,440	6,940	6,850
Wastewater					
Average daily sewage transmitted (1000's of gallons)	4,300	5,210	5,480	4,820	5,400
Transit					
Total route miles per year	45,209	45,209	45,209	45,209	45,209
Passengers per year	59,074	52,734	48,822	47,420	41,234

* Data not available

2005	2006	2007	2008	2009
3,526	3,702	2,917	2,558	2,704
42,010	32,134	32,134	13,994	9,138
1,063	977	1,211	1,168	1,655
3,434	2,983	1,995	2,674	5,763
13,850	12,680	12,259	13,498	9,254
5,859	5,781	5,617	5,505	5,277
1,798	2,362	2,343	1,734	2,285
161	218	156	149	129
2,411	2,097	2,665	2,170	2,451
27,601	26,775	27,934	27,650	25,882
1.27	2.75	6.67	5.18	-
585	468	439	641	455
352	334	312	405	87
95	100	637	609	593
38	37	50	66	77
66	74	62	32	80
5,990	5,830	5,520	5,462	5,167
7,290	6,880	6,780	7,280	7,500
6,330	6,690	6,952	6,841	6,650
45,209	64,584	81,102	107,215	103,109
44,287	91,700	118,266	156,160	145,200

City of Hallandale Beach, Florida

Schedule 16
 Capital Assets Statistics by Function/Program
 Last Ten Fiscal Years

	2000	2001	2002	2003	2004
Function/Program					
Police					
Stations	1	1	1	1	1
Patrol Units					
Fire Stations	3	3	3	3	3
Refuse Collection					
Collection Trucks	*	*	*	*	*
Other Public Works					
Streets (miles)	67	67	67	67	67
Sidewalks (miles)	39	39	40	40	40
Streetlights	*	*	*	*	*
Traffic signals	*	*	42	42	42
Parks and recreation					
Playgrounds	7	8	8	8	8
Baseball/softball diamonds	4	4	4	4	4
Outdoor pavilions	4	5	5	5	5
Community centers	5	5	5	5	5
Pool	1	1	1	1	1
Tennis courts	14	14	14	14	14
Water					
Water mains (miles)	77	77	77	77	77
Fire hydrants	*	*	*	*	545
Storage capacity (millions of gallons)	*	*	*	*	4.9
Wastewater					
Sanitary sewers (miles)	73	73	73	73	73
Storm sewers (miles)	31	31	31	31	32
Transmission capacity (millions of gallons per day)	*	*	*	*	*

* Data not available

2005	2006	2007	2008	2009
1	1	1	1	1
3	3	3	3	3
*	18	18	18	18
67	67	67	67	67
41	41	41	41	41
*	1,391	1,391	1,391	1,391
42	42	42	42	42
8	8	7	7	10
4	4	4	4	4
5	5	5	5	7
5	5	5	5	5
1	1	1	1	1
14	14	14	14	14
78	78	79	79	79
545	545	554	554	554
4.9	4.9	4.9	4.9	4.9
73	73	73	73	73
35	35	38	38	38
6.65	6.65	6.65	6.65	6.65