

# Shumacker, Johnston & Ross, PA

Certified Public Accountants

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American Institute of  
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Florida Institute of  
Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

March 31, 2010

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fruitland Park, Florida as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements, and the individual fund financial statements of the City of Fruitland Park, Florida as of and for the years ended September 30, 2009 and 2008, as listed in the table of contents. These financial statements are the responsibility of the City of Fruitland Park, Florida's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to in the first paragraph 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 Fruitland Park, Florida as of September 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund and Community Redevelopment Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Also, in our opinion, the individual fund financial statements as of September 30, 2009 and 2008, and for the years then ended, present fairly, in all material respects, the financial position of each of the individual funds of the City of Fruitland Park, Florida, as of September 30, 2009 and 2008, and the results of operations of such funds and the cash flows of individual proprietary funds for the years then ended in conformity with accounting principles generally accepted in the United States of America.

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

The Management's Discussion and Analysis on pages 3 through 12 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We 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 of Fruitland Park, Florida basic financial statements and on the individual fund financial statements. The financial information listed as Schedule of Budgetary Compliance and Capital Assets Used in the Operation of Governmental Activities in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the City of Fruitland Park, Florida. The information in these schedules has been subjected to the auditing procedures applied in the audit of the basic and individual fund financial statements, and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds taken as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The accompanying information listed under Statistical Section in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the City of Fruitland Park, Florida. Such information has not been subjected to the auditing procedures applied in the audit of the basic and individual fund financial statements, and, accordingly, we express no opinion on it.



Shumacker, Johnston & Ross, PA

CITY OF FRUITLAND PARK  
Management's Discussion and Analysis (MD&A)  
For the Fiscal Year Ending September 30, 2009

As management of the City of Fruitland Park, Florida (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Fruitland Park for the fiscal year ended September 30, 2009. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found on pages i – v of this report.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. We encourage readers to consider all sections of this report including the financial statements, the notes to the financial statements and other supplementary information that is provided in addition to this MD&A.

**FINANCIAL HIGHLIGHTS**

- The assets of the City exceeded its liabilities at the close of the fiscal year by \$10,283,314 (net assets). Of this amount, \$1,401,053 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net assets increased \$33,999. Net assets for governmental activities increased \$353,107 and net assets for business activities decreased \$319,108.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,629,786. Thirty-two percent of this amount or \$853,946 is unreserved and available for spending in accordance with the City's fund designation and fiscal policies.
- The City's total debt decreased \$234,935 during the fiscal year. The reduction is due to scheduled debt service payments on outstanding debt issues.
- At the end of the current fiscal year, unreserved, undesignated fund balance for the General Fund was \$674,625 or 18% of total General Fund expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City of Fruitland Park's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

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

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

Both of the government-wide financial statements distinguish functions of the City of Fruitland Park that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Fruitland Park include general government, public safety, transportation (which includes roads and street maintenance), sanitation and culture and recreation. The business-type activities of the City of Fruitland Park include an enterprise fund to account for the water and wastewater utility services. The government-wide financial statements do not include any component units and can be found on pages 13-15 of this report.

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

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Fruitland Park maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Community

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Redevelopment Fund and the Capital Projects Fund. The General, Redevelopment and Capital Project funds are major funds.

The City of Fruitland Park adopts an annual appropriated budget for all governmental funds. Budgetary comparison schedules are provided for these funds to demonstrate budgetary compliance. Governmental fund financial statements can be found on pages 17-19 of this report.

**Proprietary funds.** The City of Fruitland Park maintains two proprietary funds; the Utility Fund and the Recreation Programs Fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Fruitland Park uses an enterprise fund to account for its Water and Sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Utility Fund is a major fund of the City. The basic proprietary fund financial statements can be found on pages 22-26 of this report.

**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 of Fruitland Park's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary funds include a pension trust fund for the volunteer firefighters and a pension trust fund for the City's general employees. The basic fiduciary fund financial statements can be found on pages 27-28 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-45 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary* information concerning the City of Fruitland Park. Required supplementary information can be found on page 46 of this report.

Combining and individual fund statements and schedules can be found on pages 50-78 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

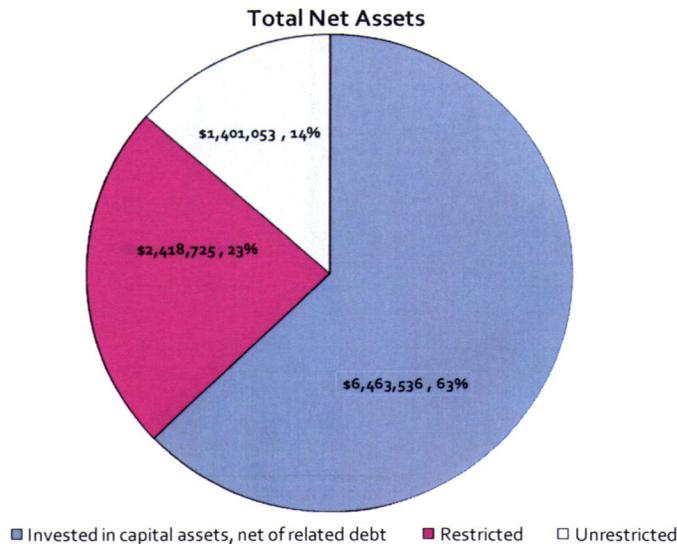
**Statement of net assets.** As noted earlier, over time net assets may serve as a useful indicator of a government's financial position. In the case of the City of Fruitland Park, assets exceeded liabilities by \$10,283,314 as of September 30, 2009. The following table reflects the condensed statement of net assets for the current fiscal year compared to the prior year.

**CITY OF FRUITLAND PARK**  
**Management's Discussion and Analysis (MD&A)**  
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**CITY OF FRUITLAND PARK - NET ASSETS**

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	2,971,744	3,008,689	1,460,703	1,655,982	4,432,447	4,664,671
Capital Assets	4,070,811	3,814,065	4,697,046	4,889,925	8,767,857	8,703,990
Net Pension Obligation	<u>8,938</u>	-	-	-	<u>8,938</u>	-
<b>Total Assets</b>	<u><b>7,051,493</b></u>	<u><b>6,822,754</b></u>	<u><b>6,157,749</b></u>	<u><b>6,545,907</b></u>	<u><b>13,209,242</b></u>	<u><b>13,368,661</b></u>
Current and other liabilities	355,865	334,423	126,851	108,895	482,716	443,318
Long-term liabilities outstanding	<u>598,410</u>	<u>744,220</u>	<u>1,844,802</u>	<u>1,931,808</u>	<u>2,443,212</u>	<u>2,676,028</u>
<b>Total liabilities</b>	<u><b>954,275</b></u>	<u><b>1,078,643</b></u>	<u><b>1,971,653</b></u>	<u><b>2,040,703</b></u>	<u><b>2,925,928</b></u>	<u><b>3,119,346</b></u>
<b>Net Assets:</b>						
Invested in capital assets, net of related debt	3,525,988	3,115,183	2,937,548	3,029,311	6,463,536	6,144,494
Restricted	1,748,873	1,782,604	669,852	792,863	2,418,725	2,575,467
Unrestricted	<u>822,357</u>	<u>846,324</u>	<u>578,696</u>	<u>683,030</u>	<u>1,401,053</u>	<u>1,529,354</u>
<b>Total net assets</b>	<u><b>\$ 6,097,218</b></u>	<u><b>\$ 5,744,111</b></u>	<u><b>\$ 4,186,096</b></u>	<u><b>\$ 4,505,204</b></u>	<u><b>\$ 10,283,314</b></u>	<u><b>\$ 10,249,315</b></u>

The largest portion of the City's net assets (\$6,463,536 or 63%) reflects its investment in capital assets (e.g., land, buildings and system improvements other than buildings, equipment, and infrastructure); less any related debt used to acquire those assets that is outstanding. The City of Fruitland Park uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Fruitland Park's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.



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An additional portion of the City of Fruitland Park's net assets (\$2,418,725 or 23%) represents resources that are subject to external restrictions on how they may be used. The remaining balance, unrestricted net assets (\$1,401,053 or 14%), may be used to meet the government's ongoing obligations to citizens and creditors.

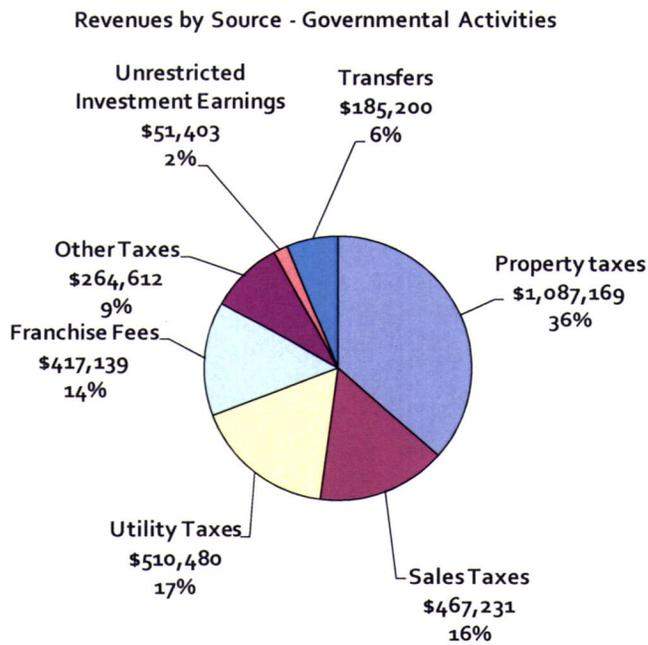
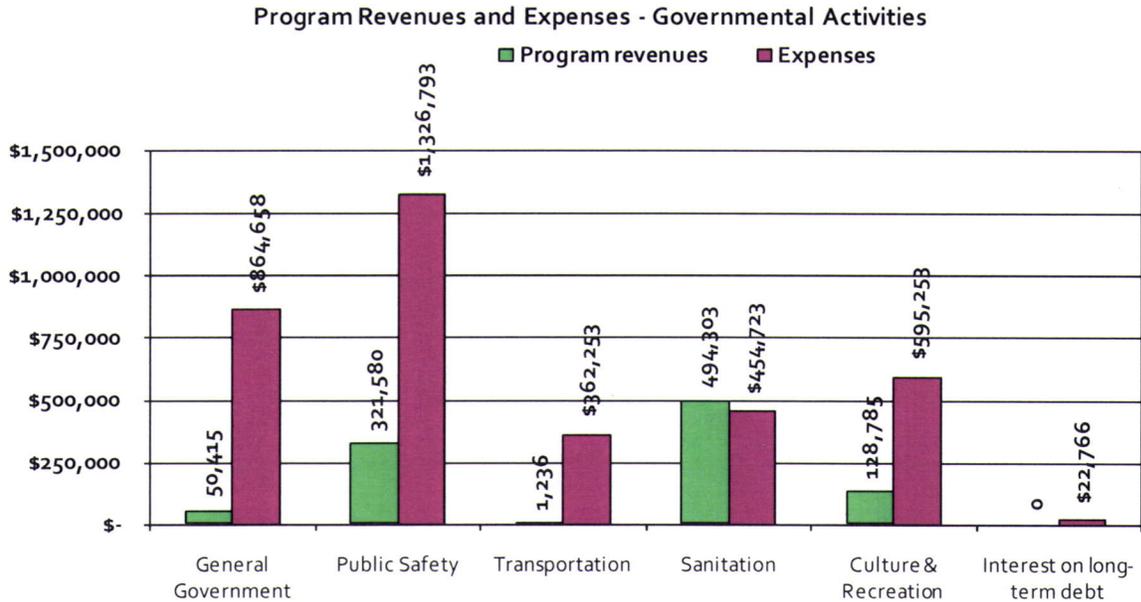
At the end of the current fiscal year, the City of Fruitland Park is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

**Statement of Activities.** As noted earlier, the statement of activities presents information showing how the City's net assets changed during the year. The following table reflects the condensed statement of activities for the current fiscal year as compared to the prior fiscal year.

	<b>CITY OF FRUITLAND PARK'S CHANGES IN NET ASSETS</b>					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2009	2008	2009	2008	2009	2008
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 810,022	\$ 1,117,834	\$ 667,830	\$ 731,690	\$ 1,477,852	\$ 1,849,524
Operating grants and contributions	108,020	131,451	-	-	108,020	131,451
Capital grants and contributions	78,277	103,175	37,254	121,887	115,531	225,062
<b>General revenues:</b>						
Property taxes	1,087,169	1,133,802	-	-	1,087,169	1,133,802
Sales Taxes	467,231	499,811	-	-	467,231	499,811
Franchise fees and utility taxes	927,619	869,774	-	-	927,619	869,774
Exise taxes	264,612	254,467	-	-	264,612	254,467
Unrestricted investment earnings	51,403	86,555	(11,631)	16,482	39,772	103,037
Gain on Sale of Capital Assets	-	1,346	-	-	-	1,346
<b>Total revenues</b>	<u>3,794,353</u>	<u>4,198,215</u>	<u>693,453</u>	<u>870,059</u>	<u>4,487,806</u>	<u>5,068,274</u>
<b>Expenses:</b>						
General Government	864,658	973,800	-	-	864,658	973,800
Public Safety	1,326,793	1,536,379	-	-	1,326,793	1,536,379
Transportation	362,253	433,573	-	-	362,253	433,573
Sanitation	454,723	457,451	-	-	454,723	457,451
Culture and Recreation	595,253	604,994	-	-	595,253	604,994
Water	-	-	482,437	459,317	482,437	459,317
Recreation Programs	-	-	22,645	15,618	22,645	15,618
Sewer	-	-	322,279	241,167	322,279	241,167
Interest on Long-term Debt	22,766	28,174	-	-	22,766	28,174
<b>Total expenses</b>	<u>3,626,446</u>	<u>4,034,371</u>	<u>827,361</u>	<u>716,102</u>	<u>4,453,807</u>	<u>4,750,473</u>
Change in net assets before transfers	167,907	163,844	(133,908)	153,957	33,999	317,801
Transfers	185,200	153,864	(185,200)	(153,864)	-	-
Change in net assets	353,107	317,708	(319,108)	93	33,999	317,801
Net assets - 10/01/2008	<u>5,744,111</u>	<u>5,426,403</u>	<u>4,505,204</u>	<u>4,505,111</u>	<u>10,249,315</u>	<u>9,931,514</u>
Net assets - 09/30/2009	<u>\$6,097,218</u>	<u>\$ 5,744,111</u>	<u>\$ 4,186,096</u>	<u>\$ 4,505,204</u>	<u>\$ 10,283,314</u>	<u>\$ 10,249,315</u>

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**Governmental Activities.** Governmental activities increased the City's net assets by \$353,107. The primary reason for this increase was the collection of infrastructure surtax revenue and redevelopment (appropriated ad valorem) taxes there were not spent.



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**Business-Type Activities.** Business-type activities decreased the City's net assets by \$319,108. The main reasons for the decrease were a 9% decrease in charges for services and increased expenses caused by operational problem in the City's wastewater treatment collection system.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City of Fruitland Park 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, the *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2009 the City's governmental funds reported combined ending fund balances of \$2,629,786. Approximately 32% of this total amount (\$853,946) constitutes the unreserved fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed: 1) to provide for police education (\$44,217), 2) police equipment (\$73,297), 3) cemetery care (\$112,567), 4) storm-water utility (\$59,105) 5) redevelopment (\$726,864) 6) infrastructure (\$493,415), 7) prepaid items (\$26,967) and 8) public safety capital improvements (\$239,408).

The General Fund is the primary operating fund of the City. As of the end of fiscal year 2009 the fund balance of the General Fund increased \$188,886, from \$1,041,300 to \$1,230,186, of which \$555,561 is reserved. As a measure of the General Fund's liquidity, it is useful to compare the unreserved fund balance to total expenditures. The unreserved fund balance represents 18% of General Fund's current expenditures.

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

At the end of fiscal year 2009 the City's Utility Fund reported total net assets of \$4,186,096. Of this amount \$2,937,548 or 70% is invested in capital assets (net of related debt); \$607,025 is restricted for utility capital improvements; \$62,827 is restricted for debt service and \$574,794 is unrestricted. Utility Fund net assets decreased \$311,269 in fiscal year 2009.

As of September 30, 2009 the City's Recreation Programs Fund reported unrestricted net assets of \$3,902, a decrease of \$7,839 compared to the prior fiscal year.

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**GENERAL FUND BUDGETARY HIGHLIGHTS**

Revisions to the original appropriation resulted in an increase in the original budget of 1.3% or \$49,073. The original fiscal year 2009 General Fund budget was balanced by appropriating \$99,128 of unreserved fund balance. The unreserved fund balance decreased \$30,631 from \$705,256 in 2008 to \$674,625 in fiscal year 2009.

**CAPITAL ASSETS**

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2009, amounts to \$8,723,007 (net of depreciation). Capital assets are summarized below.

CITY OF FRUITLAND PARK'S Capital Assets (net of depreciation)						
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	674,672	674,672	339,699	339,699	1,014,371	1,014,371
Design in Progress	44,850					
Buildings	1,976,682	2,038,220	117,505	124,001	2,094,187	2,162,221
Improvements other than buildings	303,011	345,472			303,011	345,472
Utility Systems			4,107,773	4,261,875		
Equipment	416,690	380,150	132,069	164,340	548,759	544,490
Infrastructure	654,906	367,755	-	-	654,906	367,755
Total Capital Assets	<u>\$ 4,070,811</u>	<u>\$ 3,806,269</u>	<u>\$4,697,046</u>	<u>\$ 4,889,915</u>	<u>\$ 4,615,234</u>	<u>\$ 4,434,309</u>

Additional information on the City's capital assets can be found in Note 5 on page 35 of this report.

**LONG-TERM DEBT**

The City owns and operates a municipal water supply system which provides service to the incorporated and unincorporated areas of Fruitland Park. To encourage and provide for commercial growth along the US 27/441 corridor, the City purchased approximately 19.3 acres off of Spring Lake Road to construct a wastewater collection, transmission and treatment plant. In 2005 the City executed an agreement with Florida Department of Environmental Protection under the State Revolving Loan Program for \$2,347,338 to fund the construction of this project. Semiannual loan payments each in the amount of \$68,834 (\$8,165 for the pre-construction; \$60,669 for the

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construction loan) began in August 2006. The City is using sewer impact fees and/or discretionary tax to repay the debt.

At the end of fiscal year 2009, the City's long-term debt decreased \$234,935 from \$2,618,221 to \$2,383,286. The outstanding balance includes a \$444,495 note for City Hall, \$208,717 State Revolving Fund (SRF) loan balance for preconstruction planning and engineering of the sewer utility system, \$1,629,746 for a SRF loan for the construction of the wastewater collection and treatment system, \$87,676 for a fire pumper truck and \$12,652 for a video system lease. The final lease payment for the fire SCBA equipment was made in fiscal year 2009. The City also reports a long-term liability of \$59,926 for compensated absences.

Additional information on the City's long-term debt can be found in Note 6 on pages 36-39 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City's final taxable value of commercial and residential property decreased \$8,129,417 or 3.7% from \$218,257,628 in fiscal year 2008 to \$210,128,211 in fiscal year 2009. The decrease in taxable value produced a decrease of \$19,529 of budgeted ad valorem tax revenue even though the tax rate increased from 4.14 to 4.36 mills.

On January 29, 2008 the Florida electorate approved an amendment to the Florida Constitution relative to property taxes. 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 another \$25,000 (for property values between \$50,000 - \$75,000), except for school district taxes. 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 1992 and limits or 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 or caps the annual increase in assessed value for non-homestead property (business, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. Amendment 1 also provides a \$25,000 exemption for tangible personal property.

Amendment 1 became effective on January 1, 2008, with the exception of the ten percent (10%) assessment cap on non-homestead property, which became effective January 1, 2009.

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**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances and for accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Treasurer, 506 W. Berckman Street, Fruitland Park, Florida 34731.

**BASIC FINANCIAL STATEMENTS**

**CITY OF FRUITLAND PARK, FLORIDA**  
**STATEMENT OF NET ASSETS**  
**SEPTEMBER 30, 2009**

<b>ASSETS</b>	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
Cash	\$1,835,615	\$ 127,442	\$ 1,963,057
Certificates of Deposit	900,000	200,000	1,100,000
Investments	-	71,884	71,884
Restricted Cash	-	763,654	763,654
Receivables (net of allowance for uncollectibles)	126,253	109,634	235,887
Due from Other Governments	82,909	-	82,909
Inventory and Prepaids	26,967	68,938	95,905
Deferred Charges	-	119,151	119,151
Capital Assets (net of accumulated depreciation):			
Land	674,672	339,699	1,014,371
Buildings	1,976,682	117,505	2,094,187
Improvements Other Than Buildings	303,011	-	303,011
Utility Systems	-	4,107,773	4,107,773
Equipment	416,690	132,069	548,759
Infrastructure	654,906	-	654,906
Design in Progress	44,850	-	44,850
Net Pension Obligation	<u>8,938</u>	<u>-</u>	<u>8,938</u>
<b>TOTAL ASSETS</b>	<u><b>7,051,493</b></u>	<u><b>6,157,749</b></u>	<u><b>13,209,242</b></u>
<b>LIABILITIES</b>			
Accounts Payable	116,874	24,040	140,914
Accrued Liabilities	71,196	9,009	80,205
Due to Other Governments	80,990	-	80,990
Accrued Interest Payable	13,907	6,007	19,914
Customer Deposits	-	87,795	87,795
Unearned Revenue	72,898	-	72,898
Noncurrent Liabilities:			
Due within one year	190,661	96,924	287,585
Due in more than one year	<u>407,749</u>	<u>1,747,878</u>	<u>2,155,627</u>
<b>TOTAL LIABILITIES</b>	<u><b>954,275</b></u>	<u><b>1,971,653</b></u>	<u><b>2,925,928</b></u>
<b>NET ASSETS</b>			
Invested in Capital Assets, net of related debt	3,525,988	2,937,548	6,463,536
Restricted for:			
Capital Improvements	732,823	607,025	1,339,848
Redevelopment Projects	726,864	-	726,864
Debt Service	-	62,827	62,827
Cemetery Care	112,567	-	112,567
Police	117,514	-	117,514
Stormwater	59,105	-	59,105
Unrestricted	<u>822,357</u>	<u>578,696</u>	<u>1,401,053</u>
<b>TOTAL NET ASSETS</b>	<u><b>\$6,097,218</b></u>	<u><b>\$4,186,096</b></u>	<u><b>\$10,283,314</b></u>

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

CITY OF FRUITLAND PARK, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		
		<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>
<b>GOVERNMENTAL ACTIVITIES:</b>				
General Government	\$ 864,658	\$ 45,695	\$ 4,720	\$ -
Public Safety	1,326,793	242,303	1,000	78,277
Transportation	362,253	-	1,236	-
Sanitation/Other Utility	454,723	494,231	72	-
Culture and Recreation	595,253	27,793	100,992	-
Interest on Long-term Debt	<u>22,766</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>3,626,446</u>	<u>810,022</u>	<u>108,020</u>	<u>78,277</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
Water Utility	482,437	569,723	-	22,409
Sewer Utility	322,279	75,381	-	14,845
Recreation Programs	<u>22,645</u>	<u>22,726</u>	<u>-</u>	<u>-</u>
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<u>827,361</u>	<u>667,830</u>	<u>-</u>	<u>37,254</u>
<b>TOTAL</b>	<u>\$4,453,807</u>	<u>\$1,447,852</u>	<u>\$ 108,020</u>	<u>\$ 115,531</u>

GENERAL REVENUES:  
Property Taxes  
Sales Taxes  
Franchise Fees  
Utility Taxes  
Excise Taxes  
Unrestricted Investment Earnings  
TRANSFERS

TOTAL GENERAL REVENUES AND  
TRANSFERS

CHANGE IN NET ASSETS

NET ASSETS - Beginning

NET ASSETS - Ending

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

NET (EXPENSE) REVENUE AND  
CHANGES IN NET ASSETS

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
\$ (814,243)	\$ -	\$ (814,243)
(1,005,213)	-	(1,005,213)
(361,017)	-	(361,017)
39,580	-	39,580
(466,468)	-	(466,468)
<u>(22,766)</u>	<u>-</u>	<u>(22,766)</u>
<u>(2,630,127)</u>	<u>-</u>	<u>(2,630,127)</u>
-	109,695	109,695
-	(232,053)	(232,053)
<u>-</u>	<u>81</u>	<u>81</u>
-	(122,277)	(122,277)
<u>(2,630,127)</u>	<u>(122,277)</u>	<u>(2,752,404)</u>
1,087,169	-	1,087,169
467,231	-	467,231
417,139	-	417,139
510,480	-	510,480
264,612	-	264,612
51,403	(11,631)	39,772
<u>185,200</u>	<u>(185,200)</u>	<u>-</u>
<u>2,983,234</u>	<u>(196,831)</u>	<u>2,786,403</u>
353,107	(319,108)	33,999
<u>5,744,111</u>	<u>4,505,204</u>	<u>10,249,315</u>
<u>\$6,097,218</u>	<u>\$4,186,096</u>	<u>\$10,283,314</u>

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**CITY OF FRUITLAND PARK, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2009**

<b>ASSETS</b>	<u>GENERAL</u>	<u>COMMUNITY REDEVELOPMENT</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Cash	\$ 861,946	\$ 346,206	\$627,463	\$1,835,615
Certificates of Deposit	500,000	400,000	-	900,000
Accounts Receivable (net of allowance for uncollectibles)	126,253	-	-	126,253
Due from Other Governments	55,768	-	27,141	82,909
Inventory and Prepaids	<u>26,967</u>	<u>-</u>	<u>-</u>	<u>26,967</u>
<b>TOTAL ASSETS</b>	<u><b>\$1,570,934</b></u>	<u><b>\$ 746,206</b></u>	<u><b>\$654,604</b></u>	<u><b>\$2,971,744</b></u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
Accounts Payable	\$ 115,664	\$ 1,210	\$ -	\$ 116,874
Accrued Liabilities	71,196	-	-	71,196
Due to Other Governments	80,990	-	-	80,990
Unearned Revenues	<u>72,898</u>	<u>-</u>	<u>-</u>	<u>72,898</u>
<b>TOTAL LIABILITIES</b>	<u><b>340,748</b></u>	<u><b>1,210</b></u>	<u><b>-</b></u>	<u><b>341,958</b></u>
 <b>FUND BALANCES:</b>				
Reserved for:				
Prepaids	26,967	-	-	26,967
Cemetery Care	112,567	-	-	112,567
Police	117,514	-	-	117,514
Stormwater	59,105	-	-	59,105
Capital Improvements	239,408	-	-	239,408
Redevelopment	-	726,864	-	726,864
Infrastructure	-	-	493,415	493,415
Unreserved	<u>674,625</u>	<u>18,132</u>	<u>161,189</u>	<u>853,946</u>
<b>TOTAL FUND BALANCES</b>	<u><b>1,230,186</b></u>	<u><b>744,996</b></u>	<u><b>654,604</b></u>	<u><b>2,629,786</b></u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><b>\$1,570,934</b></u>	<u><b>\$ 746,206</b></u>	<u><b>\$654,604</b></u>	

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Cost of capital assets \$6,185,480 less accumulated depreciation of \$2,114,669.

4,070,811

Net pension obligation is not an available financial resource and, therefore, is not reported as an asset in the funds.

8,938

Long-term liabilities are not due and payable in the current-period and, accordingly, are not reported in the governmental funds. Long-term liabilities consist of:

Accrued Interest	(13,907)
Capital Leases	(100,328)
Note Payable	(444,495)
Compensated Absences	<u>(53,587)</u>

**NET ASSETS OF GOVERNMENTAL ACTIVITIES**

**\$6,097,218**

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

CITY OF FRUITLAND PARK, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>GENERAL</u>	<u>COMMUNITY REDEVELOPMENT</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>REVENUES:</b>				
Taxes	\$1,917,192	\$ -	\$ 301,985	\$2,219,177
Licenses and Permits	35,244	-	-	35,244
Intergovernmental	452,722	403,204	-	855,926
Charges for Services	532,335	-	-	532,335
Fines and Forfeitures	203,153	-	-	203,153
Miscellaneous Revenues	<u>67,389</u>	<u>31,587</u>	<u>8,356</u>	<u>107,332</u>
<b>TOTAL REVENUES</b>	<u><b>3,208,035</b></u>	<u><b>434,791</b></u>	<u><b>310,341</b></u>	<u><b>3,953,167</b></u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General Government	999,683	6,396	-	1,006,079
Public Safety	1,353,010	-	-	1,353,010
Transportation	344,005	-	-	344,005
Sanitation/Other Utility	454,723	-	-	454,723
Culture and Recreation	518,319	-	-	518,319
Capital Outlay	-	299,232	44,850	344,082
<b>Debt Service:</b>				
Principal	44,946	-	101,317	146,263
Interest	<u>6,338</u>	<u>-</u>	<u>20,339</u>	<u>26,677</u>
<b>TOTAL EXPENDITURES</b>	<u><b>3,721,024</b></u>	<u><b>305,628</b></u>	<u><b>166,506</b></u>	<u><b>4,193,158</b></u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u><b>(512,989)</b></u>	<u><b>129,163</b></u>	<u><b>143,835</b></u>	<u><b>(239,991)</b></u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	701,875	-	-	701,875
Transfers Out	<u>-</u>	<u>(426,657)</u>	<u>(90,018)</u>	<u>(516,675)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u><b>701,875</b></u>	<u><b>(426,657)</b></u>	<u><b>(90,018)</b></u>	<u><b>185,200</b></u>
<b>NET CHANGE IN FUND BALANCES</b>	<b>188,886</b>	<b>(297,494)</b>	<b>53,817</b>	<b>(54,791)</b>
<b>FUND BALANCES:</b>				
Beginning of Year	<u>1,041,300</u>	<u>1,042,490</u>	<u>600,787</u>	<u>2,684,577</u>
End of Year	<u><b>\$1,230,186</b></u>	<u><b>\$ 744,996</b></u>	<u><b>\$ 654,604</b></u>	<u><b>\$2,629,786</b></u>

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

CITY OF FRUITLAND PARK, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Amounts reported for governmental activities in the Statement of Activities (pages 14-15) are different because:

NET CHANGE IN FUND BALANCES-TOTAL GOVERNMENTAL FUNDS	\$ (54,791)
Governmental funds report capital outlays as expenditures. In the Statement of Activities the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays, \$471,772 exceeded depreciation, \$239,230 in the current period.	232,542
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (Infrastructure surtaxes)	(7,507)
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources. This is the value of the police car received this year.	32,000
Repayment of long-term debt is reported as an expenditure in governmental funds, but a reduction of long-term liabilities in the Statement of Net Assets.	146,263
Interest accrued on long-term debt reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds.	3,911
Compensated absences reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(453)
Changes in the Net Pension Obligation do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>1,142</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 353,107</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Taxes	\$1,846,882	\$1,927,233	\$1,917,192	\$ (10,041)
Licenses and Permits	215,450	60,450	35,244	(25,206)
Intergovernmental	457,435	493,535	452,722	(40,813)
Charges for Services	558,750	558,750	532,335	(26,415)
Fines and Forfeitures	228,200	228,200	203,153	(25,047)
Miscellaneous	<u>210,125</u>	<u>211,229</u>	<u>67,389</u>	<u>(143,840)</u>
TOTAL REVENUES	<u>3,516,842</u>	<u>3,479,397</u>	<u>3,208,035</u>	<u>(271,362)</u>
EXPENDITURES:				
Current:				
General Government	1,112,475	1,115,854	999,683	116,171
Public Safety	1,395,252	1,398,569	1,353,010	45,559
Transportation	379,319	354,274	344,005	10,269
Sanitation/Other Utility	438,775	498,183	454,723	43,460
Culture and Recreation	544,168	547,272	518,319	28,953
Debt Service	<u>46,374</u>	<u>51,284</u>	<u>51,284</u>	<u>-</u>
TOTAL EXPENDITURES	<u>3,916,363</u>	<u>3,965,436</u>	<u>3,721,024</u>	<u>244,412</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(399,521)</u>	<u>(486,039)</u>	<u>(512,989)</u>	<u>(26,950)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>275,218</u>	<u>739,150</u>	<u>701,875</u>	<u>(37,275)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>275,218</u>	<u>739,150</u>	<u>701,875</u>	<u>(37,275)</u>
NET CHANGE IN FUND BALANCE	(124,303)	253,111	188,886	(64,225)
FUND BALANCE, Beginning of Year	<u>1,041,300</u>	<u>1,041,300</u>	<u>1,041,300</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 916,997</u>	<u>\$1,294,411</u>	<u>\$1,230,186</u>	<u>\$ (64,225)</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
COMMUNITY REDEVELOPMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Intergovernmental	\$ 410,908	\$ 410,908	\$ 403,204	\$ (7,704)
Miscellaneous	<u>36,000</u>	<u>36,000</u>	<u>31,587</u>	<u>(4,413)</u>
TOTAL REVENUES	<u>446,908</u>	<u>446,908</u>	<u>434,791</u>	<u>(12,117)</u>
EXPENDITURES:				
General Government:				
Other General Government	870	870	6,396	(5,526)
Contingency	50,000	12,725	-	12,725
Capital Outlay	<u>1,196,500</u>	<u>1,196,500</u>	<u>299,232</u>	<u>897,268</u>
TOTAL EXPENDITURES	<u>1,247,370</u>	<u>1,210,095</u>	<u>305,628</u>	<u>904,467</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(800,462)	(763,187)	129,163	892,350
OTHER FINANCING SOURCES (USES):				
Transfers Out	<u>(22,875)</u>	<u>(463,932)</u>	<u>(426,657)</u>	<u>37,275</u>
NET CHANGE IN FUND BALANCES	(823,337)	(1,227,119)	(297,494)	929,625
FUND BALANCE, Beginning of Year	<u>1,042,490</u>	<u>1,042,490</u>	<u>1,042,490</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 219,153</u>	<u>\$ (184,629)</u>	<u>\$ 744,996</u>	<u>\$929,625</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2009

ASSETS	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
<u>CURRENT ASSETS</u>			
Cash	\$ 119,867	\$ 7,575	\$ 127,442
Certificates of Deposit	200,000	-	200,000
Investments	71,884	-	71,884
Restricted Cash:			
SRF Loan Reserves	68,834	-	68,834
Customer Deposits	87,795	-	87,795
Customer Accounts Receivable (net of allowance for uncollectibles)	74,550	-	74,550
Inventory	<u>68,938</u>	<u>-</u>	<u>68,938</u>
TOTAL CURRENT ASSETS	<u>691,868</u>	<u>7,575</u>	<u>699,443</u>
<u>NONCURRENT ASSETS</u>			
RESTRICTED CASH:			
Water and Sewer Impact Fees	<u>607,025</u>	<u>-</u>	<u>607,025</u>
SEWER IMPACT FEE RECEIVABLES	<u>35,084</u>	<u>-</u>	<u>35,084</u>
DEFERRED ENGINEERING COSTS	<u>78,965</u>	<u>-</u>	<u>78,965</u>
SRF LOAN COSTS	<u>40,186</u>	<u>-</u>	<u>40,186</u>
CAPITAL ASSETS:			
Land	339,699	-	339,699
Buildings	243,408	-	243,408
Water System	3,199,076	-	3,199,076
Sewer System	2,225,794	-	2,225,794
Equipment	<u>336,403</u>	<u>-</u>	<u>336,403</u>
	6,344,380	-	6,344,380
Less Accumulated Depreciation	<u>1,647,334</u>	<u>-</u>	<u>1,647,334</u>
NET CAPITAL ASSETS	<u>4,697,046</u>	<u>-</u>	<u>4,697,046</u>
TOTAL NONCURRENT ASSETS	<u>5,458,306</u>	<u>-</u>	<u>5,458,306</u>
TOTAL ASSETS	<u>6,150,174</u>	<u>7,575</u>	<u>6,157,749</u>

CITY OF FRUITLAND PARK, FLORIDA  
STATEMENT OF NET ASSETS (continued)  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2009

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
<b>LIABILITIES</b>			
<u>CURRENT LIABILITIES</u>			
Accounts Payable	\$ 20,367	\$ 3,673	\$ 24,040
Accrued Payroll	9,009	-	9,009
Customer Deposits	87,795	-	87,795
State Revolving Fund Loans:			
Accrued Interest	6,007	-	6,007
Current Portion	90,585	-	90,585
Compensated Absences	6,339	-	6,339
<b>TOTAL CURRENT LIABILITIES</b>	<u>220,102</u>	<u>3,673</u>	<u>223,775</u>
<u>NONCURRENT LIABILITIES</u>			
SRF LOANS PAYABLE	<u>1,747,878</u>	<u>-</u>	<u>1,747,878</u>
<b>TOTAL LIABILITIES</b>	<u>1,967,980</u>	<u>3,673</u>	<u>1,971,653</u>
<b>NET ASSETS</b>			
Invested in Capital Assets, net of related debt	2,937,548	-	2,937,548
Restricted for utility capital improvements	607,025	-	607,025
Restricted for debt service	62,827	-	62,827
Unrestricted	<u>574,794</u>	<u>3,902</u>	<u>578,696</u>
<b>TOTAL NET ASSETS</b>	<u>\$4,182,194</u>	<u>\$ 3,902</u>	<u>\$4,186,096</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
OPERATING REVENUES:			
Charges for Services	\$ 570,522	\$22,726	\$ 593,248
Other Operating Revenues	74,582	-	74,582
<b>TOTAL OPERATING REVENUES</b>	<b>645,104</b>	<b>22,726</b>	<b>667,830</b>
OPERATING EXPENSES:			
Personal Services	196,032	-	196,032
Other Operating Expenses	361,113	22,645	383,758
Depreciation	197,435	-	197,435
<b>TOTAL OPERATING EXPENSES</b>	<b>754,580</b>	<b>22,645</b>	<b>777,225</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(109,476)</b>	<b>81</b>	<b>(109,395)</b>
NONOPERATING REVENUES (EXPENSES):			
Interest Income	20,575	93	20,668
Decrease in Fair Value of Investments	(32,299)	-	(32,299)
Interest Expense	(49,149)	-	(49,149)
Debt Issuance Costs	(987)	-	(987)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(61,860)</b>	<b>93</b>	<b>(61,767)</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>(171,336)</b>	<b>174</b>	<b>(171,162)</b>
CONTRIBUTIONS	37,254	-	37,254
TRANSFERS OUT	(177,187)	(8,013)	(185,200)
<b>CHANGE IN NET ASSETS</b>	<b>(311,269)</b>	<b>(7,839)</b>	<b>(319,108)</b>
NET ASSETS, Beginning of Year	4,493,463	11,741	4,505,204
NET ASSETS, End of Year	<u>\$4,182,194</u>	<u>\$ 3,902</u>	<u>\$4,186,096</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 636,492	\$ 22,726	\$ 659,218
Cash payments to suppliers for goods and services	(363,236)	(19,107)	(382,343)
Cash payments to employees for services	(186,430)	-	(186,430)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>86,826</u>	<u>3,619</u>	<u>90,445</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers out to General Fund	(177,187)	(8,013)	(185,200)
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	<u>(177,187)</u>	<u>(8,013)</u>	<u>(185,200)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Impact Fees received	35,694	-	35,694
SRF Loan principal repayments	(88,672)	-	(88,672)
SRF Loan interest paid	(48,997)	-	(48,997)
Acquisition and construction of capital assets	(4,556)	-	(4,556)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(106,531)</u>	<u>-</u>	<u>(106,531)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
State Board Pool B investments	(6,590)	-	(6,590)
Certificate of Deposit investments	(200,000)	-	(200,000)
Interest received on investments	20,575	93	20,668
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(186,015)</u>	<u>93</u>	<u>(185,922)</u>
NET DECREASE IN CASH	(382,907)	(4,301)	(387,208)
CASH, Beginning of Year	<u>1,266,428</u>	<u>11,876</u>	<u>1,278,304</u>
CASH, End of Year	<u>\$ 883,521</u>	<u>\$ 7,575</u>	<u>\$ 891,096</u>

continued on next page

CITY OF FRUITLAND PARK, FLORIDA  
STATEMENT OF CASH FLOWS (continued)  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED			
OPERATING ACTIVITIES:			
Operating Income (Loss)	\$(109,476)	\$ 81	\$(109,395)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	197,435	-	197,435
Changes in Assets and Liabilities:			
Increase in Customer Receivables	(16,137)	-	(16,137)
Increase in Inventory	(928)	-	(928)
Increase (Decrease) in Accounts Payable	(1,195)	3,538	2,343
Increase in Accrued Payroll	7,936	-	7,936
Increase in Customer Deposits	7,525	-	7,525
Increase in Compensated Absences	1,666	-	1,666
 TOTAL ADJUSTMENTS	 <u>196,302</u>	 <u>3,538</u>	 <u>199,840</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 <u>\$ 86,826</u>	 <u>\$ 3,619</u>	 <u>\$ 90,445</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2009

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ASSETS	<u>PENSION TRUST FUNDS</u>
Cash	\$190,370
Certificates of Deposit	100,000
Investment in State Board Fund B Pool	8,112
Investments with Trustees:	
Cash management funds	83,891
US Government securities	20,671
Corporate equity funds	66,946
Corporate bond funds	<u>4,928</u>
 TOTAL ASSETS	 <u>474,918</u>
 <b>LIABILITIES</b>	
LIABILITIES	<u>-</u>
 <b>NET ASSETS</b>	
Held in trust for City's Contributions	17,279
Held in trust for Firefighters' Contributions	10,605
Held in trust for Pension Benefits	<u>447,034</u>
 TOTAL NET ASSETS	 <u>\$474,918</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009

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	<u>PENSION TRUST FUNDS</u>
<b>ADDITIONS</b>	
CONTRIBUTIONS:	
City	\$ 32,370
Employees	1,747
State of Florida	<u>24,178</u>
Total Contributions	<u>58,295</u>
INVESTMENT INCOME:	
Net Depreciation in Fair Value of Investments	(5,489)
Interest/Dividend Income	<u>6,232</u>
Total Investment Income	743
Less Investment Expenses	<u>10</u>
Net Investment Income	<u>733</u>
TOTAL ADDITIONS	<u>59,028</u>
<b>DEDUCTIONS</b>	
Benefit Payments	2,791
Administration Expense	<u>750</u>
TOTAL DEDUCTIONS	<u>3,541</u>
CHANGE IN NET ASSETS	55,487
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS:	
Beginning of Year	<u>419,431</u>
End of Year	<u>\$474,918</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009

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NOTE 1    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Fruitland Park, Florida was created by charter in 1927. The City operates under a Commission-Manager form of government and provides the following services as authorized by its charter: public safety (police, fire and building inspections), roads and streets, culture (library) and recreation, planning and zoning, and water, sewer and garbage utility services. Except for a few customers, utility services are provided only within the incorporated boundaries of the City.

The financial statements of the City of Fruitland Park, Florida conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. Effective October 1, 2003, the City implemented Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*.

Management uses estimates and assumptions in preparing these financial statements in conformity with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenditures or expenses. Actual results could vary from the estimates that were used.

Significant accounting policies are described below:

A.    Reporting Entity

The City of Fruitland Park is a political subdivision of the State of Florida, governed by an elected board of 5 city commissioners. These financial statements present all the entities for which the City is considered financially accountable. The financial statements include the activities of the Fruitland Park Community Redevelopment Agency, a dependent special district, as a component unit blended into the primary government. A majority of the Redevelopment Agency's board members are City commissioners. Separate financial statements are not issued for the Redevelopment Agency. There are no other legally separate entities that could be included as component units of the City.

B.    Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they become both measurable and available. *Measurable* means the amount of the transaction can be determined, and *available* means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues available if they are collected within 30 days of year end. Revenues that are susceptible to accrual in the governmental funds include property taxes, sales taxes, franchise fees, municipal utility taxes, and State and County shared revenues. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures are generally recorded when a related liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The City reports the following governmental funds:

General Fund - The General Fund (a major fund) is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Community Redevelopment Fund - This special revenue fund (a major fund) accounts activities within the City's community redevelopment project area.

Capital Projects Fund - This fund is used to account for financial resources segregated for the acquisition or construction of major capital facilities. The fund also accounts for discretionary sales surtax revenues that are legally restricted for expenditure on infrastructure and related debt.

The City reports the following proprietary funds:

Utility Fund - This enterprise fund (a major fund) is used to account for the activities of the City's water and sewer utility operations.

Recreation Programs Fund - This enterprise fund accounts for the receipt of recreation programs fees and related direct costs associated with each recreation program (except for activities of the City's municipal swimming pool) sponsored by the City.

CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City reports the following fiduciary funds:

Firemen's Retirement Trust Fund - This pension trust fund accounts for the accumulation of resources for pension benefit payments to qualified City volunteer firefighters.

ICMA Retirement Trust Fund - This pension trust fund accounts for the accumulation of resources for retirement benefit payments to qualified City employees.

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

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

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in conjunction with a proprietary fund's principal ongoing operations. Principal operating revenues of the City's Utility Fund and Recreation Programs Fund are charges for providing water services and recreation program user fees, respectively. Operating expenses include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Investments

Cash includes amounts in bank demand deposits as well as funds on deposit with the State Board of Administration Fund A investment pool bearing interest at 0.37% as of September 30, 2009. The State Board of Administration pool is an external 2a7-like investment pool. The fair value of the City's deposits in the pool is the same as the value of the pool shares. Oversight of the State Board of Administration pool is provided by the Florida Auditor General.

Investments in the State Board of Administration Fund B Surplus Funds Trust Fund are accounted for as a fluctuating net asset pool. At September 30, 2009, shares in the Fund B pool are stated net of a fair value factor of 0.549151.

Pension trust fund investments are reported at fair value, determined by the last reported sales price for securities traded on a national exchange.

CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Inventory

Inventory held in the Utility Fund consists of water and sewer system supplies and is valued at cost (first-in, first-out). Governmental fund-type inventory (office supplies) is valued at cost (first-in, first-out), and recorded as expenditures when consumed rather than when purchased.

F. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (roads, sidewalks, drainage systems, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$500 and an estimated useful life of more than two years.

In the case of the initial capitalization of general infrastructure assets, the City chose to include such items beginning October 1, 2003, the year of implementation of GASB Statement No. 34. The City completed construction of its first infrastructure assets under this policy during 2008. As the City constructs or acquires additional capital assets, including infrastructure assets, they are capitalized and reported at historical cost. Donated capital assets are recorded at their estimated fair value on the date donated.

Interest incurred during construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation is provided using the straight-line method over the estimated useful lives of the various classes of depreciable assets as follows:

Buildings	30 to 40 years
Improvements other than Buildings	10 to 20 years
Water & Sewer Systems	20 to 50 years
Equipment	5 to 10 years
Infrastructure	30 years

G. Compensated Absences

The City accrues accumulated unpaid vacation benefits when incurred in the government-wide and proprietary fund financial statements. Vacation benefits are generally not reported in the governmental fund financial statements, as these liabilities would not normally be liquidated with expendable available financial resources. Personnel policies allow employees to accumulate a maximum of 20 days vacation leave. Upon termination, employees are paid for their unused vacation leave. Compensated absences for governmental activities are generally liquidated by the General Fund.

H. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. City management determines on a case by case basis whether restricted funds will be used for an expenditure when there is choice to use restricted or unrestricted assets. Designations of fund balance represent tentative management plans that are subject to change.

J. Transfers

Transfers are made from the enterprise funds to the General Fund for administrative costs. Transfers are made from the Capital Projects Fund to other funds in order to use infrastructure surtax revenues on qualified "infrastructure" expenditures.

K. Comparative data/reclassifications

Comparative individual fund financial statements are presented as supplementary information. Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTE 2 BUDGETING

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

- 1) The budgets for the governmental fund types are adopted on a basis consistent with generally accepted accounting principles. All appropriations lapse at year end.
- 2) Prior to September 30, the City Manager submits a proposed operating budget for the upcoming fiscal year. The budget includes proposed expenditures and the means of financing them.
- 3) Public workshops are held where the Commission, City Manager and department heads refine budget detail items. Public hearings are held to obtain taxpayer comments. The budget is then enacted through passage of a resolution no later than September 30.
- 5) Appropriations are authorized by resolution at the major department level. These are the legal levels of budgetary control. Administrative control is maintained through the establishment of more detailed line-item budgets.
- 6) The City Manager is authorized to transfer budgeted amounts between line items within any department; however, any revisions that alter the total expenditures of a department must be approved by a majority vote of the City Commission.
- 7) Formal budgetary integration is employed as a management control device during the year for governmental funds. Total budgeted appropriations within a governmental fund type may not be exceeded legally. The budget amounts shown in the financial statements are the final legally authorized amounts as amended during the year. These amendments increased total appropriations by \$11,798.
- 8) Encumbrance accounting is currently employed by the City. Encumbrances outstanding at year end do not constitute expenditures or liabilities and are not reported as reserved fund balances.

CITY OF FRUITLAND PARK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2009

**NOTE 3 CASH AND INVESTMENTS**

Cash Deposits

At September 30, 2009, the carrying amount of the City's cash deposits, including cash on deposit with the State Board of Administration Fund A pool, was \$2,726,711. The actual bank balances at September 30, 2009 totaled \$2,880,680, and were entirely insured by Federal depository insurance or by a State collateral insurance pool held by the Treasurer, State of Florida, in the Public Deposit Security Trust Fund.

Investments

Florida Statutes authorize the City to invest without limitation in bonds, notes, or other obligations of the United States. Additionally, investments of the ICMA Retirement Trust Fund may be held in stocks and bonds issued by a corporation if the corporation meets certain rating and profitability criteria. All of the City's investments are insured, or are securities held by the City or its agent in the City's name. At September 30, 2009 the City's investments are as follows:

	<u>Fair Value</u>
Certificates of Deposit	\$1,200,000
State Board Fund B Pool	79,996
US Government Securities	20,671
Mutual Funds	<u>155,765</u>
	<u>\$1,456,432</u>

*Credit risk.* The City's investment policy limits its investments to the State Board of Administration investment pool, certificates of deposit, highly rated money market funds, government obligations, and mutual funds. The City's mutual bond fund investments are not rated. The State Board of Administration investment pool is not rated by any nationally recognized statistical rating agency.

*Interest Rate Risk.* Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The Fund B Pool has a weighted average life of 6.69 years. The City's investment policy does not specifically address interest rate risk.

*Custodial credit risk - certificates of deposit.* Custodial credit risk is the risk that in the event of a bank failure, the City's certificates of deposit may not be returned to it. The City's investment policy limits investments in certificates of deposit to be made only with state-certified qualified public depositories. As of September 30, 2009 all of the City's certificates of deposit were with Citizens First Bank and CenterState Bank, which are included on the listing of state-certified qualified public depositories.

**NOTE 4 ACCOUNTS RECEIVABLE**

Accounts receivable at September 30, 2009 are as follows:

	<u>General Fund</u>	<u>Utility Fund</u>
Customer Accounts Receivable	\$ 45,934	\$ 80,580
Franchise and Utility Taxes	62,846	-
Other Receivables	17,473	35,084
Less Allowance for Uncollectibles	<u>-</u>	<u>(6,030)</u>
Net Receivables	<u>\$126,253</u>	<u>\$109,634</u>

**CITY OF FRUITLAND PARK, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2009**

**NOTE 5 CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2009:

	October 1, 2008	Additions	Transfers/ Deletions	Sept 30, 2009
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated:				
Land	\$ 674,672	\$ -	\$ -	\$ 674,672
Design in Progress	<u>-</u>	<u>44,850</u>	<u>-</u>	<u>44,850</u>
	<u>674,672</u>	<u>44,850</u>	<u>-</u>	<u>719,522</u>
Capital assets being depreciated:				
Buildings	2,590,160	-	-	2,590,160
Improvements	751,680	-	-	751,680
Equipment	1,350,462	159,690	(60,710)	1,449,442
Infrastructure	<u>375,444</u>	<u>299,232</u>	<u>-</u>	<u>674,676</u>
	<u>5,067,746</u>	<u>458,922</u>	<u>(60,710)</u>	<u>5,465,958</u>
Less accumulated depreciation for:				
Buildings	(551,940)	(61,538)	-	(613,478)
Improvements	(406,208)	(42,461)	-	(448,669)
Equipment	(970,312)	(123,150)	60,710	(1,032,752)
Infrastructure	<u>(7,689)</u>	<u>(12,081)</u>	<u>-</u>	<u>(19,770)</u>
Total accumulated depreciation	<u>(1,936,149)</u>	<u>(239,230)</u>	<u>60,710</u>	<u>(2,114,669)</u>
Total capital assets being depreciated, net	<u>3,131,597</u>	<u>219,692</u>	<u>-</u>	<u>3,351,289</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$3,806,269</u>	<u>\$ 264,542</u>	<u>\$ -</u>	<u>\$4,070,811</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated:				
Land	\$ 339,699	\$ -	\$ -	\$ 339,699
Capital assets being depreciated:				
Buildings	243,408	-	-	243,408
Water System	3,199,076	-	-	3,199,076
Sewer System	2,223,944	1,850	-	2,225,794
Equipment	<u>333,697</u>	<u>2,706</u>	<u>-</u>	<u>336,403</u>
	<u>6,000,125</u>	<u>4,556</u>	<u>-</u>	<u>6,004,681</u>
Less accumulated depreciation for:				
Buildings	(119,397)	(6,506)	-	(125,903)
Water System	(1,041,146)	(81,733)	-	(1,122,879)
Sewer System	(119,999)	(74,219)	-	(194,218)
Equipment	<u>(169,357)</u>	<u>(34,977)</u>	<u>-</u>	<u>(204,334)</u>
Total accumulated depreciation	<u>(1,449,899)</u>	<u>(197,435)</u>	<u>-</u>	<u>(1,647,334)</u>
Total assets being depreciated, net	<u>4,550,226</u>	<u>(192,879)</u>	<u>-</u>	<u>4,357,347</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$4,889,925</u>	<u>\$(192,879)</u>	<u>\$ -</u>	<u>\$4,697,046</u>

During the year ended September 30, 2009, a transfer of \$403,781 was made from the Redevelopment Fund to the General Fund. The purpose of the transfer was to reimburse the General Fund for the purchase price of real property that is in the City's redevelopment project area, to be used for a redevelopment project. The property was originally purchased on October 30, 2006.

CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009

**NOTE 5 CAPITAL ASSETS (continued)**

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

GOVERNMENTAL ACTIVITIES:	
General Government	\$ 52,938
Public Safety	88,519
Transportation	22,729
Culture and Recreation	<u>75,044</u>
Total Depreciation Expense- Governmental Activities	<u>\$239,230</u>
BUSINESS-TYPE ACTIVITIES:	
Water	\$110,027
Sewer	<u>87,408</u>
Total Depreciation Expense- Business-type Activities	<u>\$197,435</u>

**NOTE 6 LONG-TERM DEBT**

Infrastructure Sales Surtax Note

On February 28, 2003, the City issued a \$1,000,000 note payable to SunTrust Bank for the purpose of funding the construction of a new City Hall complex. The note is secured by a pledge of and lien on the City's "infrastructure sales surtax revenue". The note is repayable in annual installments of \$121,676 including interest at 3.73% beginning March 1, 2004. The schedule of remaining debt service payments for the note is as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>
3/01/10	\$ 105,096	\$16,580	\$121,676
3/01/11	109,016	12,660	121,676
3/01/12	113,083	8,593	121,676
3/01/13	<u>117,300</u>	<u>4,375</u>	<u>121,675</u>
	<u>\$ 444,495</u>	<u>\$42,208</u>	<u>\$487,063</u>

The note may be redeemed prior to its maturity at 100% of the principal balance outstanding, plus accrued interest, plus a redemption premium based upon a formula using the "yield-to-maturity" interest rate of U.S. Treasury Notes or Bonds as reported in the Wall Street Journal.

State Revolving Fund Loans

On September 17, 2001, the City entered into a loan agreement with the State of Florida Department of Environmental Protection under the Clean Water State Revolving Fund (SRF) loan program. The purpose of the loan was to provide funding for preconstruction planning and engineering activities for a sewer utility system for the City's highway commercial corridor. The gross revenues of the City's water system, net of operating expenses except depreciation, are pledged for repayment of the loan. Maximum borrowing under this agreement was \$237,108. All preconstruction activities have been completed, and all loan disbursements have been received. At September 30, 2009, the total loan balance outstanding was \$208,717.

Interest accrues on the outstanding balance at a rate of 3.16% per year. At September 30, 2009, accrued interest totaled \$831.

CITY OF FRUITLAND PARK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2009

NOTE 6 LONG-TERM DEBT (continued)

Semi-annual loan payments of \$8,054 began on August 15, 2006, and continue each February 15 and August 15 thereafter through February 15, 2026. At September 30, 2009, the repayment schedule is as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>
2/15/10	\$ 4,867	\$ 3,298	\$ 8,165
8/15/10	4,944	3,221	8,165
2/15/11	5,022	3,143	8,165
8/15/11	5,102	3,063	8,165
2/15/12	5,182	2,983	8,165
8/15/12	5,264	2,901	8,165
2/15/13	5,347	2,818	8,165
8/15/13	5,432	2,733	8,165
2/15/14	5,518	2,647	8,165
8/15/14	5,605	2,560	8,165
Thereafter	<u>156,434</u>	<u>31,361</u>	<u>187,795</u>
	<u>\$208,717</u>	<u>\$60,728</u>	<u>\$269,445</u>

On March 29, 2005, the City entered into a second loan agreement with the State of Florida Department of Environmental Protection under the Clean Water SRF loan program. The purpose of the loan was to provide funding for construction of a sewer utility system, consisting of a 98,000 gallons per day wastewater treatment plant and a low-pressure sewer collection system along the City's highway commercial corridor. The gross revenues of the City's water and sewer systems, including related connection fees, net of operating expenses except depreciation and amortization, are pledged for repayment of the loan. Maximum borrowing under this agreement is \$2,393,745.

All loan disbursements have been received. The total amount borrowed was \$1,937,529. The outstanding loan balance at September 30, 2009 was \$1,629,746.

Interest accrues on the outstanding balance at a rate of 2.52% per year. At September 30, 2009, accrued interest totaled \$5,176. No interest was capitalized during the year. For the year ended September 30, 2009, interest totaling \$42,176 was paid on the loan.

Semi-annual loan payments of \$76,589 began on August 15, 2006. Beginning February 15, 2009, the semi-annual loan payments were reduced to \$60,669, and continue each February 15 and August 15 thereafter through February 15, 2026. The current repayment schedule is as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>
2/15/10	\$ 40,134	\$ 20,535	\$ 60,669
8/15/10	40,640	20,029	60,669
2/15/11	41,152	19,517	60,669
8/15/11	41,671	18,999	60,670
2/15/12	42,196	18,473	60,669
8/15/12	42,727	17,942	60,669
2/15/13	43,266	17,404	60,670
8/15/13	43,811	16,858	60,669
2/15/14	44,363	16,306	60,669
8/15/14	44,922	15,747	60,669
Thereafter	<u>1,204,864</u>	<u>190,528</u>	<u>1,395,392</u>
	<u>\$1,629,746</u>	<u>\$372,338</u>	<u>\$2,002,084</u>

CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009

NOTE 6 LONG-TERM DEBT (continued)

Covenants of the SRF loans require creation of separate accounts. A "loan debt service account" accumulates the upcoming semi-annual payment. The City has fully funded this account for both loans, totaling \$68,834 at September 30, 2009.

Capital Leases

On October 8, 2007, the City purchased 7 Eagleye digital in-car video systems for the police department under a lease agreement. The agreement qualifies as a capital lease for accounting purposes, and therefore, has been recorded at the present value of the future minimum lease payments of \$21,170.

On October 26, 2005, the City recorded the purchase of a 2004 Pierce fire truck under a lease agreement. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments of \$192,641.

On November 25, 2003, the City took delivery of firefighter SCBA airmask equipment that was financed under a lease agreement. The lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments of \$68,000. The final lease payment was made October 3, 2008.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2009 were as follows:

<u>Year Ending</u>	<u>Fire Truck</u>	<u>Video Systems</u>
September 30, 2010	\$ 31,606	\$ 4,909
September 30, 2011	31,606	4,909
September 30, 2012	<u>31,606</u>	<u>4,910</u>
Total minimum lease payments	94,818	14,728
Less amount representing interest	<u>(7,142)</u>	<u>(2,076)</u>
Present value of minimum lease payments	<u>\$ 87,676</u>	<u>\$ 12,652</u>

**CITY OF FRUITLAND PARK, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2009**

**NOTE 6 LONG-TERM DEBT (continued)**

Changes in Long-term Liabilities

	<u>Balances</u> <u>10/01/08</u>	<u>Additions</u>	<u>Repayments</u>	<u>Balances</u> <u>9/30/09</u>	<u>Due in</u> <u>one year</u>
GOVERNMENTAL ACTIVITIES:					
SunTrust Note	\$545,812	\$ -	\$(101,317)	\$ 444,495	\$105,096
Fire Truck Lease	114,672	-	(26,996)	87,676	28,081
Fire SCBA Lease	14,341	-	(14,341)	-	-
Video System Lease	16,261	-	(3,609)	12,652	3,897
Vacation Leave	<u>53,134</u>	<u>101,460</u>	<u>(101,007)</u>	<u>53,587</u>	<u>53,587</u>
GOVERNMENTAL ACTIVITY LONG-TERM LIABILITIES					
	<u>\$744,220</u>	<u>\$101,460</u>	<u>\$(247,270)</u>	<u>\$ 598,410</u>	<u>\$190,661</u>
BUSINESS-TYPE ACTIVITIES:					
SRF Loan-preconstr	\$ 218,226	\$ -	(9,509)	\$ 208,717	\$ 9,811
SRF Loan-construct	1,708,909	-	(79,163)	1,629,746	80,774
Vacation Leave	<u>4,673</u>	<u>13,552</u>	<u>(11,886)</u>	<u>6,339</u>	<u>6,339</u>
BUSINESS-TYPE ACTIVITY LONG-TERM LIABILITIES					
	<u>\$1,931,808</u>	<u>\$ 13,552</u>	<u>\$(100,558)</u>	<u>\$1,844,802</u>	<u>\$ 96,924</u>

**NOTE 7 LEASE COMMITMENTS**

The City leases police cars under noncancelable operating leases. Total costs for such leases were \$45,563 for the year ended September 30, 2009. The future minimum lease payments for operating leases are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Amount</u>
2010	\$ 45,563
2011	45,563
2012	37,094
2013	<u>14,387</u>
Total	<u>\$142,607</u>

**NOTE 8 RESERVED FUND BALANCES**

Fund balances have been reserved within the General Fund \$26,967 for prepaid items, \$112,567 for cemetery care and maintenance, \$44,217 for police education expenditures, \$73,297 for police equipment expenditures, \$59,105 for stormwater expenditures, \$239,408 for public safety capital improvements; within the Community Redevelopment Fund \$726,864 for redevelopment projects; within the Capital Projects Fund \$493,415 for infrastructure; within the Firemen's Retirement Trust Fund \$333,330 for the payment of pension benefits; and within the ICMA Retirement Trust Fund \$141,588 for the payment of pension benefits.

Fund balances reserved for infrastructure represent unspent discretionary sales surtax amounts that are required by Florida Statute to be spent on infrastructure. Infrastructure is defined as public facilities with a useful life of at least five years, as well as certain emergency vehicles. The statute permits these funds to be spent on debt related to the construction or acquisition of infrastructure.

CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009

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NOTE 9 RETIREMENT COMMITMENTS

A. The Municipal Firemen's Retirement Plan

The Municipal Firemen's Retirement Plan was established to conform to provisions of the Florida Statutes for all sworn firefighters. The Plan is a single-employers, defined benefit pension plan, and is administered by the City. There is no separately issued report on the Plan.

Firefighters attaining the age of 55 who have completed 10 or more creditable years of service or attaining the age of 52 who have completed 25 years of creditable service are entitled to annual benefits of 3.0 percent of their average final compensation times years of credited service. The Plan permits early retirement at the completion of 10 years of continuous service and attaining the age of 50 years. Active firefighters who retire disabled receive not less than 42 percent of their average monthly earnings at the time of disability.

Disability benefits are paid for ten years certain or life or recovery from disability. If a firefighter dies prior to retirement but has at least 10 years of contributing service, his or her beneficiary is entitled to the benefits payable to the firefighter at early or normal retirement age.

As of September 30, 2009, there were no retirees currently receiving benefits, and no terminated firefighters were entitled to benefits but not yet receiving them. Out of the 24 active volunteer firefighters, 3 have vested retirement benefits. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Effective January 1, 1995, each firefighter is required by local ordinance to contribute five percent of his/her compensation to the Plan. The City also contributes five percent of each plan member's compensation to the Plan. Additionally, the Plan is funded by a 1% State excise tax on all fire insurance premiums collected from policyholders insuring property within the City limits. For the year ended September 30, 2009, the City collected \$24,178 in fire insurance premium taxes, which are reported as tax revenue in the General Fund. The City is required by State Statute to contribute these taxes to the plan within 5 days of receipt. The corresponding contribution to the pension fund is reported as a fire department expenditure in the General Fund.

The total required contribution to the Plan for the year ended September 30, 2009 was zero. Employee and City contributions for the year ended September 30, 2009 were each \$1,747.

The City's contribution requirements are not actuarially determined, and the actuarial implication of the City's funding policy has also not been determined. There were no changes during the year ended September 30, 2009 in the method used to calculate or establish contribution requirements. Most administrative costs of the Plan are absorbed by the General Fund.

The funded status of the plan as of October 1, 2007 follows:

Actuarial accrued liability		\$ 107,341
Actuarial value of plan assets		<u>277,943</u>
Unfunded actuarial accrued liability		(170,602)
Funded ratio	259%	
Covered payroll		27,321
UAAL as a percent of covered payroll	(624)%	

CITY OF FRUITLAND PARK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2009

NOTE 9 RETIREMENT COMMITMENTS (continued)

Additional information as of the latest (10/01/07) actuarial valuation follows:

Valuation date:	10/01/05	Actuarial Assumptions:	
		Investment rate	
Actuarial cost method:	Aggregate Actuarial Cost	of return	4.0%
		Projected salary increases*	4.5%
Amortization method:	N/A	Cost-of-living adjustments	None
Remaining amortization period:	N/A	* Includes inflation at 3.0%	
Asset valuation method:	Market Value		

Three-Year Trend Information:

Year Ending	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
9/30/08	\$283	100%	\$(8,938)
9/30/07	243	100%	(7,796)
9/30/06	217	100%	(6,674)

Development of Net Pension Obligation (NPO):

This municipal defined benefit plan has been subject to the minimum funding standards since the adoption of the "Florida Protection of Public Employee Retirement Benefits Act" (Part VII of Chapter 112, Florida Statutes) in 1980. Accordingly, the City has funded the actuarially determined required contributions for all years from October 1, 1987 through the transition date, October 1, 1997. Thus, the Net Pension Obligation on October 1, 1997 is zero.

The development of the NPO through September 30, 2007 (which is the latest actuarial information available) is as follows:

	<u>9/30/05</u>	<u>9/30/06</u>	<u>9/30/07</u>	<u>9/30/08</u>
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -
Interest on NPO	(209)	(238)	(267)	(312)
Adjustment to actuarially determined contribution	<u>408</u>	<u>455</u>	<u>510</u>	<u>595</u>
Annual Pension Cost	199	217	243	283
Contributions made	<u>917</u>	<u>937</u>	<u>1,365</u>	<u>1,425</u>
Increase in NPO	(718)	(720)	(1,122)	(1,142)
NPO, beginning of year	<u>(5,236)</u>	<u>(5,954)</u>	<u>(6,674)</u>	<u>(7,796)</u>
NPO, end of year	<u><u>\$ (5,954)</u></u>	<u><u>\$ (6,674)</u></u>	<u><u>\$ (7,796)</u></u>	<u><u>\$ (8,938)</u></u>

Although the NPO calculation for September 30, 2009 is not available, management believes it will not be materially different from the September 30, 2008 balance.

CITY OF FRUITLAND PARK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2009

NOTE 9 RETIREMENT COMMITMENTS (continued)

B. ICMA 401-a Retirement Plan

Effective January 1, 1997, the City established, by resolution, a money purchase plan and trust called "The City of Fruitland Park 401-a Plan" in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust. The plan is a defined contribution pension plan administered by the ICMA Retirement Corporation. The City Commission must authorize plan amendments to benefit provisions or the obligation to make contributions.

All full-time employees at least 18 years of age are eligible to participate in this pension plan once they have completed a 90-day period of service. An employee does not become vested in any pension benefits until the completion of five years of service, at which time the employee becomes 100% vested. At September 30, 2009 there were 27 members in the plan, 10 of which had vested benefits.

Contributions into the plan are made only by the City. The City will contribute a minimum of 2% of a participant's earnings, not including overtime or bonuses, into the plan. The City will contribute up to 5% into the plan, depending upon (and matching) a participant's contribution into the City's ICMA 457 deferred compensation plan. During the year ended September 30, 2009, the City contributed \$30,623 into the plan.

Participant's separating from service with the City before the five year vesting period of service is complete forfeit their entire account balance in the plan. The City may use forfeited amounts to reduce the City's required payment of contributions for current plan participants. During the year ended September 30, 2009, the City used \$6,806 in forfeited amounts for payment of contributions for current plan participants. Distributions of the account balances of vested participants that separate from service are subject to the Internal Revenue Code rules for distributions from qualified plans.

C. Financial Statements for Individual Pension Funds

STATEMENT OF FIDUCIARY NET ASSETS  
 AS OF SEPTEMBER 30, 2009

	<u>Firemen's Retirement Trust Fund</u>	<u>ICMA Retirement Trust Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	\$190,370	\$ -	\$190,370
Certificates of Deposit	100,000	-	100,000
Investments with Trustees	<u>42,960</u>	<u>141,588</u>	<u>184,548</u>
<b>TOTAL ASSETS</b>	333,330	141,588	474,918
<b>LIABILITIES</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS</b>			
Held in trust for Pension Benefits	<u>\$333,330</u>	<u>\$141,588</u>	<u>\$474,918</u>

**CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009**

**NOTE 9 RETIREMENT COMMITMENTS (continued)**

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Firemen's Retirement <u>Trust Fund</u>	ICMA Retirement <u>Trust Fund</u>	<u>Total</u>
<b>ADDITIONS</b>			
Contributions:			
City	\$ 1,747	\$ 30,623	\$ 32,370
Employees	1,747	-	1,747
State of Florida	<u>24,178</u>	<u>-</u>	<u>24,178</u>
Total Contributions	<u>27,672</u>	<u>30,623</u>	<u>58,295</u>
Investment Income:			
Net Appreciation (Depreciation) in Fair Value of Investments	2,976	(8,465)	(5,489)
Interest/Dividend Income	6,232	-	6,232
Less Investment Expenses	<u>(10)</u>	<u>-</u>	<u>(10)</u>
Net Investment Income	<u>9,198</u>	<u>(8,465)</u>	<u>733</u>
TOTAL ADDITIONS	<u>36,870</u>	<u>22,158</u>	<u>59,028</u>
<b>DEDUCTIONS</b>			
Benefit Payments	760	2,031	2,791
Administration Expense	<u>750</u>	<u>-</u>	<u>750</u>
TOTAL DEDUCTIONS	<u>1,510</u>	<u>2,031</u>	<u>3,541</u>
NET INCREASE	35,360	20,127	55,487
<b>NET ASSETS</b>			
Beginning of Year	<u>297,970</u>	<u>121,461</u>	<u>419,431</u>
End of Year	<u>\$333,330</u>	<u>\$141,588</u>	<u>\$474,918</u>

**NOTE 10 ICMA 457 DEFERRED COMPENSATION PLAN**

Effective May 18, 1990, the City participates in and offers to its employees a multiple-employer retirement system which is administered by the ICMA Retirement Corporation. This deferred compensation plan was created in accordance with Internal Revenue Code Section 457. The plan permits the City's employees to defer a portion of their salary until future years.

All of the City's employees are eligible to participate in the ICMA deferred compensation plan after completion of a three month probationary period upon their first date of employment. Participation is strictly on a voluntary basis. Participants become immediately 100% vested in contributions credited to their account. At September 30, 2009 there were 28 participants in the plan.

The City does not make any contributions to this plan for participants who entered the plan after January 1, 1997. For those employees participating in the plan on January 1, 1997, the City contributes a minimum of 2% and will match up to 5% of a participant's contribution into the plan.

CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009

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**NOTE 10 ICMA 457 DEFERRED COMPENSATION PLAN (continued)**

Participants have a choice of designation among various investment types for their contributions. Investments are managed by the ICMA Retirement Corporation. Contributions are made through voluntary payroll deductions. Upon retirement or termination of employment with the City, participants must decide within sixty days of that date as to the disposition of their account balance as follows:

- 1) Take a lump-sum distribution
- 2) Leave their funds in the plan until mandatory retirement age
- 3) Select a series of payments

On January 1, 1997, the plan document was amended to conform to Internal Revenue Code changes pertaining to Section 457 deferred compensation plans contained in the 1996 Small Business Tax/Minimum Wage Bill (H.R. 3448). Prior to these changes, assets held in the plan were solely the property of the City (until paid or made available to the employee or other beneficiary), and were subject to the claims of the City's general creditors. Accordingly, the City previously reported the plan in an agency fund. The plan amendment established a trust to hold the assets of the plan for the exclusive benefit of plan participants and their beneficiaries. Plan assets at September 30, 2009, which totaled \$763,080, are therefore no longer subject to the claims of the City's general creditors. Since the City does not have fiduciary accountability for the Section 457 plan, the fund is not reported in the City's financial statements.

**NOTE 11 INSURANCE COVERAGE**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City manages its various risks of loss by the purchase of commercial insurance coverages primarily through Preferred Government Insurance. During the year ended September 30, 2009 there were no significant reductions in coverages from the prior year.

Insurance claim settlements have not exceeded coverages on any policies during the past three fiscal years.

**NOTE 12 BUDGETARY BASIS OF ACCOUNTING**

The City Commission adopts budget resolutions for all governmental and proprietary funds. The budget for the Utility Fund was adopted on an accounting basis other than in accordance with generally accepted accounting principles. Adjustments necessary to convert the results of operations for the year ended September 30, 2009 from the GAAP basis to the budget basis are as follows:

Change in net assets, GAAP Basis	\$ (311,269)
Increase due to change in fair value of investments	32,299
Decrease due to debt principal payments	(88,672)
Increase due to accrued interest	152
Increase due to depreciation expense	197,435
Increase due to debt issuance costs	987
Decrease due to equipment purchases	(2,706)
Decrease due to sewer project construction	<u>(1,850)</u>
Deficiency of Revenues under Expenses, Budget Basis	<u>\$ (173,624)</u>

CITY OF FRUITLAND PARK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009

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**NOTE 13 PROPERTY TAXES**

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the Lake County Property Appraiser and Lake County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method state wide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the City for taxes collected during the fiscal year ended September 30, 2009 was 4.360. The millage rate assessed by the City on taxable property to be levied on November 1, 2009 was 4.360.

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

The current year taxes for the fiscal year, beginning October 1, are billed in the month of November and are due no later than March 31. On April 1, all unpaid amounts become delinquent and are subject to interest and penalties. Discounts are allowed for early payment as follows:

November	4%
December	3%
January	2%
February	1%

Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 of the following tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years.

Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property, or by the five year statute of limitations.

The City's tax calendar is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, Succeeding Year
Lien Date:	April 1, Succeeding Year

CITY OF FRUITLAND PARK, FLORIDA  
 FIREMEN'S RETIREMENT TRUST FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SEPTEMBER 30, 2009

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
10/01/2007	\$277,943	\$107,341	\$(170,602)	259%	\$27,321	-624%

The Plan uses the "aggregate actuarial cost method" for determining the actuarial value of assets. This method does not identify or separately amortize unfunded actuarial liabilities. Beginning with the 10/01/07 actuarial valuation report, GASB Statement 50 requires that plans using the aggregate actuarial cost method disclose the funded ratio the plan would have if it were utilizing the entry age normal cost method.

SCHEDULE OF CONTRIBUTIONS FROM EMPLOYER AND OTHERS

Year Ended Sept. 30	Annual Required Contribution	City (Employer) Contribution	State Contribution	Percentage Contributed
2009	\$ -	\$1,747	\$24,178	100%
2008	-	1,425	22,651	100%
2007	-	1,365	18,972	100%
2006	-	937	16,087	100%
2005	-	917	14,959	100%
2004	-	933	14,657	100%

The information presented in the above required supplementary schedules was determined as part of the actuarial valuation dated 10/01/05, which is the latest actuarial valuation available.

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS

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**GENERAL FUND**

To account for resources traditionally associated with governments which are not required legally or by sound financial management to be accounted for in another fund.

CITY OF FRUITLAND PARK, FLORIDA  
GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
SEPTEMBER 30, 2009 AND 2008

ASSETS	<u>2009</u>	<u>2008</u>
Cash	\$ 861,946	\$ 464,455
Certificates of Deposit	500,000	700,000
Accounts Receivable:		
Franchise/Utility Taxes	62,846	66,247
Garbage/Solid Waste Customers	45,934	44,546
Cemetery Lots	1,340	3,818
Miscellaneous	16,133	3,895
Due from Other Governments:		
State of Florida	35,626	32,437
Lake County	20,142	18,462
Prepaid Items	<u>26,967</u>	<u>23,295</u>
 TOTAL ASSETS	 <u>\$1,570,934</u>	 <u>\$1,357,155</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
LIABILITIES:		
Accounts Payable	\$ 115,664	\$ 120,911
Accrued Payroll and Related Liabilities	71,196	76,932
Due to Lake County	80,990	23,814
Developer Maintenance Deposits	-	27,895
Unearned Revenues	<u>72,898</u>	<u>66,303</u>
 TOTAL LIABILITIES	 <u>340,748</u>	 <u>315,855</u>
 FUND BALANCE:		
Reserved:		
For Prepaid Items	26,967	-
For Police Education	44,217	40,450
For Police Equipment and Automation	73,297	96,565
For Cemetery Care	112,567	109,577
For Building Inspections	-	42,285
For Stormwater Utility	59,105	45,747
For Public Safety Capital Improvements	239,408	-
For Infrastructure	-	1,420
Unreserved	<u>674,625</u>	<u>705,256</u>
 TOTAL FUND BALANCE	 <u>1,230,186</u>	 <u>1,041,300</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$1,570,934</u>	 <u>\$1,357,155</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
With comparative actual amounts for the year ended September 30, 2008

	2009		VARIANCE WITH FINAL BUDGET	2008 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES:				
Taxes	\$1,927,233	\$1,917,192	\$ (10,041)	\$1,850,504
Licenses and Permits	60,450	35,244	(25,206)	247,769
Intergovernmental	493,535	452,722	(40,813)	458,602
Charges for Services	558,750	532,335	(26,415)	540,892
Fines and Forfeitures	228,200	203,153	(25,047)	265,358
Miscellaneous	211,229	67,389	(143,840)	207,661
TOTAL REVENUES	<u>3,479,397</u>	<u>3,208,035</u>	<u>(271,362)</u>	<u>3,570,786</u>
EXPENDITURES:				
Current:				
General Government	1,115,854	999,683	116,171	1,143,071
Public Safety	1,398,569	1,353,010	45,559	1,523,693
Transportation	354,274	344,005	10,269	416,641
Sanitation/Other Utility	498,183	454,723	43,460	457,451
Culture and Recreation	547,272	518,319	28,953	536,252
Debt Service	51,284	51,284	-	51,283
TOTAL EXPENDITURES	<u>3,965,436</u>	<u>3,721,024</u>	<u>244,412</u>	<u>4,128,391</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(486,039)</u>	<u>(512,989)</u>	<u>(26,950)</u>	<u>(557,605)</u>
OTHER FINANCING SOURCES (USES):				
Capital Lease	-	-	-	21,170
Transfers in from Community Redevelopment Fund	463,932	426,657	(37,275)	-
Transfers in from Capital Projects Fund	90,018	90,018	-	95,175
Transfers in from Utility Fund	177,187	177,187	-	191,131
Transfers in from Recreation Programs Fund	8,013	8,013	-	5,000
Sale of Capital Assets	-	-	-	1,346
TOTAL OTHER FINANCING SOURCES	<u>739,150</u>	<u>701,875</u>	<u>(37,275)</u>	<u>313,822</u>
NET CHANGE IN FUND BALANCE	253,111	188,886	(64,225)	(243,783)
FUND BALANCE, Beginning of Year	<u>1,041,300</u>	<u>1,041,300</u>	<u>-</u>	<u>1,285,083</u>
FUND BALANCE, End of Year	<u>\$1,294,411</u>	<u>\$1,230,186</u>	<u>\$ (64,225)</u>	<u>\$1,041,300</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
GENERAL FUND  
SCHEDULE OF REVENUES COMPARED TO BUDGET  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
With comparative actual amounts for the year ended September 30, 2008

	2009		VARIANCE WITH FINAL BUDGET	2008 ACTUAL
	FINAL BUDGET	ACTUAL		
<b>TAXES:</b>				
Ad-Valorem Taxes	\$ 884,377	\$ 867,272	\$ (17,105)	\$ 876,669
Local Option Gas Tax	84,405	78,923	(5,482)	81,410
Fire Insurance Premium Tax	18,000	24,178	6,178	22,651
Franchise Fees:				
Electric	348,609	348,609	-	318,612
Gas	25,000	21,193	(3,807)	23,279
Solid Waste	48,000	47,337	(663)	46,381
Utility Taxes:				
Electric	263,742	279,826	16,084	254,687
Water	42,000	43,949	1,949	44,305
Gas	30,000	22,915	(7,085)	26,860
Propane	2,600	3,850	1,250	3,038
Communications Services Tax	161,000	159,940	(1,060)	152,612
City Business Tax	19,500	19,200	(300)	16,403
<b>TOTAL TAXES</b>	<u>1,927,233</u>	<u>1,917,192</u>	<u>(10,041)</u>	<u>1,866,907</u>
<b>LICENSES AND PERMITS:</b>				
Building Permits	57,000	34,564	(22,436)	230,541
Burn/Clearing Permits	400	165	(235)	285
Highway Sign Permits	2,100	-	(2,100)	-
Cemetery Permits	650	480	(170)	320
Vending Machine Permits	300	35	(265)	220
<b>TOTAL LICENSES AND PERMITS</b>	<u>60,450</u>	<u>35,244</u>	<u>(25,206)</u>	<u>231,366</u>
<b>INTERGOVERNMENTAL REVENUE:</b>				
Federal Law Enforcement Grants	1,000	1,000	-	1,275
Federal Dept of Transport Grant	35,100	34,358	(742)	-
County Recycling/Education Grant	500	72	(428)	303
State Revenue Sharing	105,779	92,856	(12,923)	106,866
Mobile Home Licenses	9,000	10,963	1,963	9,404
Alcoholic Beverage Licenses	1,300	1,325	25	1,226
Local Government ½ Cent Sales Tax	199,328	172,753	(26,575)	186,271
FDOT Traffic Signal Maintenance	1,236	1,236	-	1,200
County Library Agreement	100,992	100,992	-	113,219
County Business Tax	4,000	4,292	292	5,928
County Gas Tax	34,800	32,875	(1,925)	32,910
County Youth Recreation Assistance	500	-	(500)	-
<b>TOTAL INTERGOVERNMENTAL REVENUE</b>	<u>493,535</u>	<u>452,722</u>	<u>(40,813)</u>	<u>458,602</u>

CITY OF FRUITLAND PARK, FLORIDA  
GENERAL FUND

SCHEDULE OF REVENUES COMPARED TO BUDGET (continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

With comparative actual amounts for the year ended September 30, 2008

	2009		VARIANCE WITH FINAL BUDGET	2008 ACTUAL
	FINAL BUDGET	ACTUAL		
<b>CHARGES FOR SERVICES:</b>				
Zoning Fees	\$ 1,000	\$ 215	\$ (785)	\$ 115
Annexation Fees	2,600	200	(2,400)	1,400
Comprehensive Plan Fees	5,100	600	(4,500)	2,100
Land Development Procedure	6,000	582	(5,418)	4,072
Site Plan Fees	7,000	6,267	(733)	1,906
Certification and Copying	2,200	2,695	495	2,065
Fire Inspection Fees	5,550	2,910	(2,640)	3,440
Garbage Fees	418,800	421,104	2,304	411,200
Garbage Billing Admin Fees	52,800	51,680	(1,120)	52,712
Impact Fee Collection Fees	12,000	1,200	(10,800)	18,389
Stormwater Fees	19,800	21,447	1,647	20,073
Library Fees	200	280	80	110
Pool Admissions and Fees	11,000	11,058	58	10,830
Other Recreation Fees	700	-	(700)	120
Special Event Fees	4,000	4,110	110	3,805
Casino Fees	10,000	7,987	(2,013)	8,555
<b>TOTAL CHARGES FOR SERVICES</b>	<u>558,750</u>	<u>532,335</u>	<u>(26,415)</u>	<u>540,892</u>
<b>FINES AND FORFEITURES:</b>				
Court Fines	165,000	134,496	(30,504)	128,953
Police Education	8,000	8,684	684	7,648
Law Enforcement Automation	38,500	37,054	(1,446)	34,722
Library Fines	4,700	4,358	(342)	4,642
Parking Violation Fines	2,000	2,993	993	1,630
Forfeitures	10,000	15,568	5,568	87,763
<b>TOTAL FINES AND FORFEITURES</b>	<u>228,200</u>	<u>203,153</u>	<u>(25,047)</u>	<u>265,358</u>
<b>MISCELLANEOUS REVENUES:</b>				
Interest Earnings	53,000	20,610	(32,390)	40,257
Cemetery Lot Sales	7,600	3,510	(4,090)	4,450
Building Rental	-	-	-	270
Police Impact Fees	50,000	4,555	(45,445)	46,173
Fire Impact Fees	60,000	7,364	(52,636)	57,002
Insurance Proceeds	-	310	310	14,519
Planning/Zoning Reimbursements	20,000	8,127	(11,873)	14,277
Donations	1,104	4,720	3,616	15,454
Other Police Revenue	7,000	5,869	(1,131)	6,749
Fuel Tax Refunds	2,500	4,048	1,548	3,136
Other Revenue	10,025	8,276	(1,749)	5,374
<b>TOTAL MISCELLANEOUS REVENUES</b>	<u>211,229</u>	<u>67,389</u>	<u>(143,840)</u>	<u>207,661</u>
<b>TOTAL REVENUES</b>	<u>\$3,479,397</u>	<u>\$3,208,035</u>	<u>\$(271,362)</u>	<u>\$3,570,786</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
With comparative actual amounts for the year ended September 30, 2008

	2009		VARIANCE WITH FINAL BUDGET	2008 ACTUAL
	FINAL BUDGET	ACTUAL		
<b>GENERAL GOVERNMENT SERVICES:</b>				
Legislative (City Commission):				
Personal Services	\$ 39,382	\$ 39,348	\$ 34	\$ 39,541
Operating Expenses	15,926	12,760	3,166	13,804
Capital Outlay	-	-	-	13,925
Contingency	6,612	-	6,612	-
Total Legislative	<u>61,920</u>	<u>52,108</u>	<u>9,812</u>	<u>67,270</u>
Executive:				
Personal Services	223,253	219,728	3,525	220,435
Operating Expenses	13,738	14,049	(311)	15,021
Capital Outlay	5,400	4,809	591	-
Total Executive	<u>242,391</u>	<u>238,586</u>	<u>3,805</u>	<u>235,456</u>
Finance:				
Personal Services	207,161	199,484	7,677	198,840
Operating Expenses	55,166	45,138	10,028	51,085
Capital Outlay	7,507	6,378	1,129	523
Total Finance	<u>269,834</u>	<u>251,000</u>	<u>18,834</u>	<u>250,448</u>
Legal Counsel:				
Operating Expenses	93,807	93,786	21	70,600
Other General Government:				
Personal Services	41,338	40,012	1,326	39,023
Operating Expenses	175,943	140,884	35,059	271,828
Redevelopment Taxes	190,621	183,307	7,314	200,240
Capital Outlay	40,000	-	40,000	8,026
Total Other General Government	<u>447,902</u>	<u>364,203</u>	<u>83,699</u>	<u>519,297</u>
<b>TOTAL GENERAL GOVERNMENT SERVICES</b>	<u>1,115,854</u>	<u>999,683</u>	<u>116,171</u>	<u>1,143,071</u>
<b>PUBLIC SAFETY:</b>				
Police Department:				
Personal Services	871,719	818,861	52,858	815,837
Operating Expenses	196,902	214,460	(17,558)	298,809
Capital Outlay	91,392	82,391	9,001	66,018
Debt Service - Principal	3,609	3,609	-	4,909
Debt Service - Interest	1,301	1,301	-	-
Contingency	2,000	1,000	1,000	3,600
Total Police Department	<u>1,166,923</u>	<u>1,121,622</u>	<u>45,301</u>	<u>1,189,173</u>
Fire Department:				
Personal Services	59,848	65,267	(5,419)	57,024
Operating Expenses	49,961	53,012	(3,051)	56,458
Capital Outlay	37,392	28,736	8,656	5,848
Debt Service - Principal	41,337	41,337	-	39,878
Debt Service - Interest	5,037	5,037	-	6,496
Total Fire Department	<u>193,575</u>	<u>193,389</u>	<u>186</u>	<u>165,704</u>

CITY OF FRUITLAND PARK, FLORIDA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
With comparative actual amounts for the year ended September 30, 2008

	2009		VARIANCE WITH FINAL BUDGET	2008 ACTUAL
	FINAL BUDGET	ACTUAL		
<b>PUBLIC SAFETY (CONTINUED):</b>				
Protective Building Inspections:				
Personal Services	\$ 61,473	\$ 59,827	\$ 1,646	\$ 85,506
Operating Expenses	<u>27,882</u>	<u>29,456</u>	<u>(1,574)</u>	<u>134,593</u>
Total Protective Inspections	<u>89,355</u>	<u>89,283</u>	<u>72</u>	<u>220,099</u>
TOTAL PUBLIC SAFETY	<u>1,449,853</u>	<u>1,404,294</u>	<u>45,559</u>	<u>1,574,976</u>
<b>TRANSPORTATION:</b>				
Roads and Streets:				
Personal Services	210,236	208,432	1,804	215,082
Street Lighting	81,911	88,674	(6,763)	83,174
Operating Expenses	45,627	41,523	4,104	53,120
Road Resurfacing	-	-	-	65,265
Capital Outlay	<u>16,500</u>	<u>5,376</u>	<u>11,124</u>	<u>-</u>
Total Roads and Streets	<u>354,274</u>	<u>344,005</u>	<u>10,269</u>	<u>416,641</u>
TOTAL TRANSPORTATION	<u>354,274</u>	<u>344,005</u>	<u>10,269</u>	<u>416,641</u>
<b>SANITATION/OTHER UTILITY:</b>				
Garbage Collection/Disposal:				
Operating Expenses	<u>418,800</u>	<u>420,735</u>	<u>(1,935)</u>	<u>411,285</u>
Electric Utility:				
Personal Services	17,008	1,480	15,528	-
Operating Expenses	<u>42,400</u>	<u>24,419</u>	<u>17,981</u>	<u>39,789</u>
Total Electric Utility	<u>59,408</u>	<u>25,899</u>	<u>33,509</u>	<u>39,789</u>
Stormwater Management:				
Operating Expenses	<u>19,975</u>	<u>8,089</u>	<u>11,886</u>	<u>6,377</u>
TOTAL SANITATION/OTHER UTILITY	<u>498,183</u>	<u>454,723</u>	<u>43,460</u>	<u>457,451</u>
<b>CULTURE AND RECREATION:</b>				
Library:				
Personal Services	165,005	154,267	10,738	152,609
Operating Expenses	44,491	44,013	478	39,946
Library Books	31,500	29,743	1,757	32,506
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,264</u>
Total Library	<u>240,996</u>	<u>228,023</u>	<u>12,973</u>	<u>227,325</u>

*continued on next page*

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

CITY OF FRUITLAND PARK, FLORIDA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
With comparative actual amounts for the year ended September 30, 2008

	2009		VARIANCE WITH FINAL BUDGET	2008 ACTUAL
	FINAL BUDGET	ACTUAL		
CULTURE AND RECREATION (CONTINUED):				
Municipal Pool:				
Personal Services	\$ 35,294	\$ 27,823	\$ 7,471	\$ 35,922
Operating Expenses	27,221	27,321	(100)	24,739
Capital Outlay	-	-	-	1,500
Total Municipal Pool	<u>62,515</u>	<u>55,144</u>	<u>7,371</u>	<u>62,161</u>
Recreation Facilities				
Maintenance:				
Personal Services	86,607	88,114	(1,507)	82,435
Operating Expenses	43,706	40,431	3,275	54,242
Capital Outlay	-	-	-	2,495
Total Recreation Facilities Maintenance	<u>130,313</u>	<u>128,545</u>	<u>1,768</u>	<u>139,172</u>
Recreation:				
Personal Services	90,436	83,211	7,225	82,105
Operating Expenses	22,212	23,396	(1,184)	24,089
Capital Outlay	800	-	800	1,400
Total Recreation	<u>113,448</u>	<u>106,607</u>	<u>6,841</u>	<u>107,594</u>
TOTAL CULTURE AND RECREATION	<u>547,272</u>	<u>518,319</u>	<u>28,953</u>	<u>536,252</u>
TOTAL EXPENDITURES	<u>\$3,965,436</u>	<u>\$3,721,024</u>	<u>\$244,412</u>	<u>\$4,128,391</u>

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

**SPECIAL REVENUE FUND**

**Community Redevelopment Fund** - To account for financial resources segregated for the rehabilitation, conservation and redevelopment of the City's redevelopment project area. This fund also includes the activities of the Fruitland Park Community Redevelopment Agency, a Florida dependent special district.

CITY OF FRUITLAND PARK, FLORIDA  
COMMUNITY REDEVELOPMENT FUND  
COMPARATIVE BALANCE SHEETS  
SEPTEMBER 30, 2009 AND 2008

	2009	2008
<b>ASSETS</b>		
Cash	\$ 346,206	\$1,043,240
Certificates of Deposit	400,000	-
TOTAL ASSETS	\$ 746,206	\$1,043,240
 <b>LIABILITIES AND FUND BALANCE</b>		
LIABILITIES:		
Accounts Payable	\$ 460	\$ -
Rental Security Deposit	750	750
TOTAL LIABILITIES	1,210	750
FUND BALANCE:		
Reserved for Redevelopment Projects	726,864	1,005,215
Unreserved	18,132	37,275
TOTAL FUND BALANCE	744,996	1,042,490
TOTAL LIABILITIES AND FUND BALANCE	\$ 746,206	\$1,043,240

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

CITY OF FRUITLAND PARK, FLORIDA  
COMMUNITY REDEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
With comparative actual amounts for the year ended September 30, 2008

	2009		VARIANCE WITH FINAL BUDGET	2008 ACTUAL
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>		
REVENUES:				
Intergovernmental:				
Appropriated Incremental Ad-Valorem Taxes	\$ 410,908	\$ 403,204	\$ (7,704)	\$ 457,373
Miscellaneous:				
Interest Earnings	27,000	22,437	(4,563)	29,748
Building Rental Fees	<u>9,000</u>	<u>9,150</u>	<u>150</u>	<u>9,112</u>
TOTAL REVENUES	<u>446,908</u>	<u>434,791</u>	<u>(12,117)</u>	<u>496,233</u>
EXPENDITURES:				
General Government:				
Other General Government:				
Operating Expenditures	870	6,396	(5,526)	570
Contingency	<u>12,725</u>	<u>-</u>	<u>12,725</u>	<u>-</u>
Capital Outlay:				
Land Purchase	750,000	-	750,000	-
Buildings - Community Center	50,000	-	50,000	-
Streetscape Project	<u>396,500</u>	<u>299,232</u>	<u>97,268</u>	<u>280,120</u>
TOTAL EXPENDITURES	<u>1,210,095</u>	<u>305,628</u>	<u>904,467</u>	<u>280,690</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(763,187)</u>	<u>129,163</u>	<u>892,350</u>	<u>215,543</u>
OTHER FINANCING SOURCES (USES):				
Transfers out to General Fund	<u>(463,932)</u>	<u>(426,657)</u>	<u>37,275</u>	<u>-</u>
TOTAL OTHER FINANCING USES	<u>(463,932)</u>	<u>(426,657)</u>	<u>37,275</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(1,227,119)	(297,494)	929,625	215,543
FUND BALANCE, Beginning of Year	<u>1,042,490</u>	<u>1,042,490</u>	<u>-</u>	<u>826,947</u>
FUND BALANCE, End of Year	<u>\$ (184,629)</u>	<u>\$ 744,996</u>	<u>\$929,625</u>	<u>\$1,042,490</u>

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

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**CAPITAL PROJECTS FUND**

To account for financial resources segregated for the acquisition or construction of major capital facilities.

CITY OF FRUITLAND PARK, FLORIDA  
 CAPITAL PROJECTS FUND  
 COMPARATIVE BALANCE SHEETS  
 SEPTEMBER 30, 2009 AND 2008

ASSETS	<u>2009</u>	<u>2008</u>
Cash	\$ 627,463	\$ 579,363
Due from State of Florida	<u>27,141</u>	<u>28,931</u>
TOTAL ASSETS	<u>\$ 654,604</u>	<u>\$ 608,294</u>
<b>LIABILITIES AND FUND BALANCE</b>		
LIABILITIES:		
Accounts Payable	\$ -	\$ -
Deferred Revenue:		
Infrastructure Surtax	<u>-</u>	<u>7,507</u>
TOTAL LIABILITIES	<u>-</u>	<u>7,507</u>
FUND BALANCE:		
Reserved for Infrastructure	493,415	441,345
Unreserved:		
Undesignated	<u>161,189</u>	<u>159,442</u>
TOTAL FUND BALANCE	<u>654,604</u>	<u>600,787</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 654,604</u>	<u>\$ 608,294</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009  
 With comparative actual amounts for the year ended September 30, 2008

	2009		VARIANCE WITH FINAL BUDGET	2008 ACTUAL
	FINAL BUDGET	ACTUAL		
<b>REVENUES:</b>				
Local Government Infrastructure Surtax	\$ 328,532	\$ 301,985	\$ (26,547)	\$ 313,664
State FRDAP Recreation Grants	100,000	-	(100,000)	-
Interest Earnings	15,000	8,356	(6,644)	16,550
<b>TOTAL REVENUES</b>	<u>443,532</u>	<u>310,341</u>	<u>(133,191)</u>	<u>330,214</u>
<b>EXPENDITURES:</b>				
Capital Outlay:				
Police Department:				
Public Safety Complex	50,000	44,850	5,150	-
Roads and Streets:				
Sidewalk Project	75,000	-	75,000	66,421
New Road Construction	-	-	-	9,436
Parks and Recreation:				
Cales Complex	100,000	-	100,000	-
Debt Service:				
Principal	101,317	101,317	-	97,674
Interest	20,359	20,339	20	23,972
<b>TOTAL EXPENDITURES</b>	<u>346,676</u>	<u>166,506</u>	<u>180,170</u>	<u>197,503</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>98,856</u>	<u>143,835</u>	<u>46,979</u>	<u>132,711</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out to General Fund	(90,018)	(90,018)	-	(95,175)
Transfers out to Utility Fund	(80,000)	-	80,000	(42,267)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(170,018)</u>	<u>(90,018)</u>	<u>80,000</u>	<u>(137,442)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(73,162)	53,817	126,979	(4,731)
FUND BALANCE, Beginning of Year	600,787	600,787	-	605,518
FUND BALANCE, End of Year	<u>\$ 527,625</u>	<u>\$ 654,604</u>	<u>\$ 126,979</u>	<u>\$ 600,787</u>

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

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#### **ENTERPRISE FUNDS**

**Utility Fund** - To account for the provision of water and sewer utility services to the residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

**Recreation Programs Fund** - To account for the receipt of recreation program fees for activities sponsored by the City's Recreation Department, and the direct costs associated with each program. Administrative costs of maintaining the various recreation facilities are accounted for in the General Fund.

CITY OF FRUITLAND PARK, FLORIDA  
UTILITY FUND  
COMPARATIVE STATEMENTS OF NET ASSETS  
SEPTEMBER 30, 2009 AND 2008

ASSETS	<u>2009</u>	<u>2008</u>
<u>CURRENT ASSETS</u>		
Cash	\$ 119,867	\$ 387,440
Certificates of Deposit	200,000	-
Investments	71,884	97,593
Restricted Cash:		
State Revolving Fund Loan Reserves	68,834	84,754
Customer Deposits	87,795	80,270
Customer Accounts Receivable:		
Billed Utility Service, net of allowance for uncollectibles of \$6,030 and \$4,000 for 2009 and 2008, respectively	42,666	45,474
Unbilled Utility Service	12,998	10,992
Other Customer Receivables	18,886	1,947
Inventory	<u>68,938</u>	<u>68,010</u>
 TOTAL CURRENT ASSETS	 <u>691,868</u>	 <u>776,480</u>
 <u>NONCURRENT ASSETS</u>		
RESTRICTED CASH:		
Water Impact Fees	146,307	123,898
Sewer Impact Fees	460,718	583,540
State Revolving Fund Loan Reserves	<u>-</u>	<u>6,526</u>
 Total Restricted Cash	 <u>607,025</u>	 <u>713,964</u>
 SEWER IMPACT FEE RECEIVABLES	 <u>35,084</u>	 <u>33,524</u>
 DEFERRED ENGINEERING COSTS	 <u>78,965</u>	 <u>78,965</u>
 SRF LOAN COSTS	 <u>40,186</u>	 <u>41,173</u>
 PROPERTY, PLANT AND EQUIPMENT:		
Land	339,699	339,699
Buildings	243,408	243,408
Water System	3,199,076	3,199,076
Sewer System	2,225,794	2,223,944
Equipment	<u>336,403</u>	<u>333,697</u>
	6,344,380	6,339,824
Less Accumulated Depreciation	<u>1,647,334</u>	<u>1,449,899</u>
 Net Property, Plant and Equipment	 <u>4,697,046</u>	 <u>4,889,925</u>
 TOTAL NONCURRENT ASSETS	 <u>5,458,306</u>	 <u>5,757,551</u>
 TOTAL ASSETS	 <u>6,150,174</u>	 <u>6,534,031</u>

CITY OF FRUITLAND PARK, FLORIDA  
UTILITY FUND  
COMPARATIVE STATEMENTS OF NET ASSETS (continued)  
SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<b>LIABILITIES</b>		
<u>CURRENT LIABILITIES</u>		
Accounts Payable	\$ 20,367	\$ 9,121
Retainage Payable	-	12,441
Accrued Payroll	9,009	1,073
Customer Deposits	87,795	80,270
State Revolving Fund Loans:		
Accrued Interest Payable	6,007	5,855
Current Portion	90,585	120,316
Vacation Leave Payable	<u>6,339</u>	<u>4,673</u>
TOTAL CURRENT LIABILITIES	<u>220,102</u>	<u>233,749</u>
 <u>NONCURRENT LIABILITIES</u>		
SRF LOANS PAYABLE:		
Preconstruction	198,906	208,717
Construction	<u>1,548,972</u>	<u>1,598,102</u>
Total SRF Loans Payable	<u>1,747,878</u>	<u>1,806,819</u>
TOTAL LIABILITIES	<u>1,967,980</u>	<u>2,040,568</u>
 <b>NET ASSETS</b>		
Invested in Capital Assets, net of related debt	2,937,548	3,029,311
Restricted for Utility Capital Improvements	607,025	707,438
Restricted for Debt Service	62,827	85,425
Unrestricted	<u>574,794</u>	<u>671,289</u>
TOTAL NET ASSETS	<u>\$4,182,194</u>	<u>\$4,493,463</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
UTILITY FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
OPERATING REVENUES:		
Water Sales	\$ 487,981	\$ 491,918
Sewer Revenue	63,286	38,337
Connection Fees	19,255	105,732
Septic Decommission Fees	5,896	25,600
Other Operating Revenues	<u>68,686</u>	<u>49,623</u>
TOTAL OPERATING REVENUES	<u>645,104</u>	<u>711,210</u>
OPERATING EXPENSES:		
Personal Services	196,032	169,732
Depreciation	197,435	187,533
Engineering Fees	109,648	62,447
Contractual Services	56,113	66,620
Utilities	55,336	48,018
Operating Supplies and Fuel	45,983	54,730
Repairs and Maintenance	42,752	23,923
Insurance	13,640	12,903
Other Professional Fees	14,573	7,478
Postage	6,546	5,931
Telephone	5,803	5,611
Bad Debt Expense	2,030	485
Other Operating Expenses	<u>8,689</u>	<u>6,468</u>
TOTAL OPERATING EXPENSES	<u>754,580</u>	<u>651,879</u>
OPERATING INCOME (LOSS)	<u>(109,476)</u>	<u>59,331</u>
NONOPERATING REVENUES (EXPENSES):		
Interest Income	20,575	42,964
Decrease in Fair Value of Investments	(32,299)	(26,718)
Interest Expense	(49,149)	(47,003)
Debt Issuance Costs	<u>(987)</u>	<u>(1,602)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(61,860)</u>	<u>(32,359)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(171,336)	26,972
CAPITAL CONTRIBUTIONS:		
Water Impact Fees	22,409	(5,359)
Sewer Impact Fees	14,845	127,246
TRANSFERS IN FROM CAPITAL PROJECTS FUND	-	42,267
TRANSFERS OUT TO GENERAL FUND	<u>(177,187)</u>	<u>(191,131)</u>
CHANGE IN NET ASSETS	(311,269)	(5)
TOTAL NET ASSETS, Beginning of Year	<u>4,493,463</u>	<u>4,493,468</u>
TOTAL NET ASSETS, End of Year	<u>\$4,182,194</u>	<u>\$4,493,463</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
UTILITY FUND  
COMPARATIVE STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 636,492	\$ 711,419
Cash payments to suppliers for goods and services	(363,236)	(247,680)
Cash payments to employees for services	<u>(186,430)</u>	<u>(172,506)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>86,826</u>	<u>291,233</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers in from Capital Projects Fund	-	42,267
Transfers out to General Fund	<u>(177,187)</u>	<u>(191,131)</u>
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	<u>(177,187)</u>	<u>(148,864)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
State Revolving Fund Loan borrowings	-	164,723
Water and Sewer Impact Fees received	35,694	114,449
SRF Loan principal repayments	(88,672)	(122,314)
SRF Loan interest paid	(48,997)	(47,194)
Water System construction	-	(190,232)
Sewer System construction	(1,850)	(206,674)
Purchase of Equipment	<u>(2,706)</u>	<u>(33,028)</u>
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(106,531)</u>	<u>(320,270)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
State Board Fund B pool investment	(6,590)	(124,311)
Certificate of Deposit investments	(200,000)	-
Interest received on investments	<u>20,575</u>	<u>42,964</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(186,015)</u>	<u>(81,347)</u>
NET DECREASE IN CASH	(382,907)	(259,248)
CASH, Beginning of Year	<u>1,266,428</u>	<u>1,525,676</u>
CASH, End of Year	<u>\$ 883,521</u>	<u>\$1,266,428</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income (Loss)	\$(109,476)	\$ 59,331
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	197,435	187,533
Changes in Assets and Liabilities:		
(Increase) Decrease in Customer Receivables	(16,137)	6,659
(Increase) Decrease in Inventory	(928)	58,209
Decrease in Accounts Payable	(1,195)	(11,275)
Increase (Decrease) in Accrued Payroll	7,936	(3,974)
Increase in Vacation Leave Payable	1,666	1,200
Increase (Decrease) in Unearned Revenue	-	(17,400)
Increase in Customer Deposits	<u>7,525</u>	<u>10,950</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 86,826</u>	<u>\$ 291,233</u>
SIGNIFICANT TRANSACTIONS NOT AFFECTING CASH:		
Sewer system construction on account	\$ -	\$ 2,036

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

CITY OF FRUITLAND PARK, FLORIDA  
 RECREATION PROGRAMS FUND  
 COMPARATIVE STATEMENTS OF NET ASSETS  
 SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
<u>CURRENT ASSETS</u>		
Cash	\$ 7,575	\$11,876
TOTAL ASSETS	<u>7,575</u>	<u>11,876</u>
 <b>LIABILITIES</b>		
<u>CURRENT LIABILITIES</u>		
Accounts Payable	<u>3,673</u>	<u>135</u>
TOTAL LIABILITIES	3,673	135
 <b>NET ASSETS</b>		
Unrestricted	<u>3,902</u>	<u>11,741</u>
TOTAL NET ASSETS	<u>\$ 3,902</u>	<u>\$11,741</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
RECREATION PROGRAMS FUND  
SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

With comparative actual amounts for the year ended September 30, 2008

	2009		VARIANCE WITH FINAL BUDGET	2008 ACTUAL
	FINAL BUDGET	ACTUAL		
OPERATING REVENUES:				
Adult Softball Fees	\$15,390	\$ 7,900	\$(7,490)	\$12,580
Soccer Fees	10,050	4,580	(5,470)	2,140
Tennis Fees	2,500	2,550	50	1,975
T Ball Fees	1,800	3,106	1,306	1,660
Summer Camp	-	4,350	4,350	1,825
Baseball	4,925	150	(4,775)	-
Other Revenue	-	90	90	300
TOTAL OPERATING REVENUES	<u>34,665</u>	<u>22,726</u>	<u>(11,939)</u>	<u>20,480</u>
OPERATING EXPENSES:				
Softball Program	13,630	8,175	5,455	9,369
Soccer Program	10,990	8,454	2,536	2,614
T Ball Program	2,110	2,808	(698)	1,659
Tennis Program	-	1,150	(1,150)	1,260
Summer Camp	-	2,058	(2,058)	715
Baseball	5,274	-	5,274	-
Other Expenses	125	-	125	1
Fruitland Park Day	2,450	-	2,450	-
TOTAL OPERATING EXPENSES	<u>34,579</u>	<u>22,645</u>	<u>11,934</u>	<u>15,618</u>
OPERATING INCOME	86	81	(5)	4,862
NONOPERATING INCOME:				
Interest Income	600	93	(507)	236
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	686	174	(512)	5,098
TRANSFERS OUT TO GENERAL FUND	(8,013)	(8,013)	-	(5,000)
CHANGE IN NET ASSETS	(7,327)	(7,839)	(512)	98
NET ASSETS, Beginning of Year	<u>11,741</u>	<u>11,741</u>	-	<u>11,643</u>
NET ASSETS, End of Year	<u>\$ 4,414</u>	<u>\$ 3,902</u>	<u>\$ (512)</u>	<u>\$11,741</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
RECREATION PROGRAMS FUND  
COMPARATIVE STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from program participants	\$ 22,726	\$ 20,480
Cash payments to suppliers for goods and services	<u>(19,107)</u>	<u>(15,513)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>3,619</u>	<u>4,967</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers out to General Fund	<u>(8,013)</u>	<u>(5,000)</u>
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	<u>(8,013)</u>	<u>(5,000)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received on cash investments	<u>93</u>	<u>236</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>93</u>	<u>236</u>
NET INCREASE (DECREASE) IN CASH	(4,301)	203
CASH, Beginning of Year	<u>11,876</u>	<u>11,673</u>
CASH, End of Year	<u>\$ 7,575</u>	<u>\$ 11,876</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income	\$ 81	\$ 4,862
Changes in Assets and Liabilities:		
Increase in Accounts Payable	<u>3,538</u>	<u>105</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 3,619</u>	<u>\$ 4,967</u>

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

**UTILITY FUND  
SCHEDULE OF BUDGETARY COMPLIANCE**

The City Commission adopted budget resolutions for all governmental and proprietary funds. The budget for the Utility Fund is adopted on an accounting basis other than in accordance with generally accepted accounting principles (GAAP). The following schedule is presented to report legal compliance with the City's budget resolutions.

CITY OF FRUITLAND PARK, FLORIDA  
UTILITY FUND  
SCHEDULE OF REVENUES AND EXPENSES -  
BUDGET AND ACTUAL (BASIS OTHER THAN GAAP)  
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
<b>REVENUES:</b>			
Sale of Water	\$ 547,000	\$ 487,981	\$ (59,019)
Installation of Meters	40,200	19,255	(20,945)
Other Revenues	64,126	68,686	4,560
Sewer Revenue	36,800	63,286	26,486
Sewer Decommission	-	5,896	5,896
Interest Earnings	48,000	20,575	(27,425)
Water Impact Fees	19,100	22,409	3,309
Sewer Impact Fees	30,800	14,845	(15,955)
Developer Contribution	335,000	-	(335,000)
Transfer in from Capital Projects Fund	<u>80,000</u>	<u>-</u>	<u>(80,000)</u>
<b>TOTAL REVENUES</b>	<u><b>1,201,026</b></u>	<u><b>702,933</b></u>	<u><b>(498,093)</b></u>
<b>EXPENSES:</b>			
Water Utility Services:			
Personal Services	161,068	162,690	(1,622)
Operating Expenses	207,500	208,040	(540)
Bad Debt Expense	750	1,680	(930)
Sewer Utility Services:			
Personal Services	40,028	33,342	6,686
Operating Expenses	64,758	151,043	(86,285)
Bad Debt Expense	750	350	400
Equipment Purchases - Water	-	1,468	(1,468)
Water System Extensions	25,000	-	25,000
Water System Construction using Impact Fees	335,000	-	335,000
Equipment Purchases - Sewer	20,000	1,238	18,762
Sewer System Addition	60,000	1,850	58,150
Debt Service Payments	169,513	137,669	31,844
Transfer out to General Fund	177,187	177,187	-
Contingency	<u>15,000</u>	<u>-</u>	<u>15,000</u>
<b>TOTAL EXPENSES</b>	<u><b>1,276,554</b></u>	<u><b>876,557</b></u>	<u><b>399,997</b></u>
<b>DEFICIENCY OF REVENUES UNDER EXPENSES</b>	<u><b>\$ (75,528)</b></u>	<u><b>\$ (173,624)</b></u>	<u><b>\$ (98,096)</b></u>

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

CAPITAL ASSETS USED IN THE OPERATION  
OF GOVERNMENTAL ACTIVITIES

CITY OF FRUITLAND PARK, FLORIDA  
 COMPARATIVE SCHEDULES OF CAPITAL ASSETS  
 USED IN GOVERNMENTAL ACTIVITIES - BY SOURCE  
 SEPTEMBER 30, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
CAPITAL ASSETS:		
Land	\$ 674,672	\$ 674,672
Buildings	2,590,160	2,590,160
Improvements other than Buildings	751,680	751,680
Equipment	1,449,442	1,350,462
Infrastructure	<u>674,676</u>	<u>375,444</u>
TOTAL CAPITAL ASSETS	6,140,630	<u>\$5,742,418</u>
Design in Progress	<u>44,850</u>	
	<u>\$6,185,480</u>	
INVESTMENT IN CAPITAL ASSETS FROM:		
Federal Grants	\$ 145,307	\$ 110,949
State and Local Grants	881,419	881,419
General Fund	1,087,845	1,427,003
Infrastructure Surtaxes	2,858,285	2,845,436
Redevelopment Taxes	1,109,476	406,463
Gifts	80,828	48,828
Special Assessments	<u>22,320</u>	<u>22,320</u>
TOTAL INVESTMENT IN CAPITAL ASSETS	<u>\$6,185,480</u>	<u>\$5,742,418</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
 SCHEDULE OF CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES  
 BY FUNCTION AND ACTIVITY  
 SEPTEMBER 30, 2009

FUNCTION AND ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	EQUIPMENT	INFRA- STRUCTURE
GENERAL GOVERNMENT:						
Legislative	\$1,595,649	\$131,532	\$1,379,290	\$ 16,753	\$ 68,074	-
Executive	46,040	15,000	-	-	31,040	-
Finance	55,474	-	-	-	55,474	-
Other General Government	554,001	428,081	94,931	22,523	8,466	-
TOTAL GENERAL GOVERNMENT	<u>2,751,164</u>	<u>574,613</u>	<u>1,474,221</u>	<u>39,276</u>	<u>163,054</u>	<u>-</u>
PUBLIC SAFETY:						
Police Department	455,548	-	-	150	455,398	-
Fire Department	603,826	1,000	74,381	2,425	526,020	-
Building Inspections	12,503	-	-	-	12,503	-
TOTAL PUBLIC SAFETY	<u>1,071,877</u>	<u>1,000</u>	<u>74,381</u>	<u>2,575</u>	<u>993,921</u>	<u>-</u>
TRANSPORTATION:						
Roads and Streets	830,013	-	4,709	-	150,628	674,676
CULTURE AND RECREATION:						
Library	744,420	-	698,834	-	45,586	-
Municipal Pool	266,619	-	143,356	114,186	9,077	-
Recreation Facilities	976,537	99,059	194,659	595,643	87,176	-
TOTAL CULTURE AND RECREATION	<u>1,987,576</u>	<u>99,059</u>	<u>1,036,849</u>	<u>709,829</u>	<u>141,839</u>	<u>-</u>
TOTAL CAPITAL ASSETS	<u>\$6,140,630</u>	<u>\$674,672</u>	<u>\$2,590,160</u>	<u>\$751,680</u>	<u>\$1,449,442</u>	<u>\$674,676</u>

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

CITY OF FRUITLAND PARK, FLORIDA  
 SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN  
 GOVERNMENTAL ACTIVITIES - BY FUNCTION AND ACTIVITY  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009

<u>FUNCTION AND ACTIVITY</u>	<u>CAPITAL ASSETS 10/01/08</u>	<u>ADDITIONS</u>	<u>TRANSFERS/ DELETIONS</u>	<u>CAPITAL ASSETS 9/30/09</u>
GENERAL GOVERNMENT:				
Legislative	\$1,595,649	\$ -	\$ -	\$1,595,649
Executive	41,231	4,809	-	46,040
Finance	49,096	6,378	-	55,474
Other General Government	<u>554,001</u>	<u>-</u>	<u>-</u>	<u>554,001</u>
TOTAL GENERAL GOVERNMENT	<u>2,239,977</u>	<u>11,187</u>	<u>-</u>	<u>2,251,164</u>
PUBLIC SAFETY:				
Police Department	341,157	159,241	-	500,398
Fire Department	635,700	28,736	(60,610)	603,826
Building Inspections	<u>12,503</u>	<u>-</u>	<u>-</u>	<u>12,503</u>
TOTAL PUBLIC SAFETY	<u>989,360</u>	<u>187,977</u>	<u>(60,610)</u>	<u>1,116,727</u>
TRANSPORTATION:				
Roads and Streets	<u>525,405</u>	<u>304,608</u>	<u>-</u>	<u>830,013</u>
CULTURE AND RECREATION:				
Library	744,520	-	(100)	744,420
Municipal Pool	266,619	-	-	266,619
Recreation Facilities	<u>976,537</u>	<u>-</u>	<u>-</u>	<u>976,537</u>
TOTAL CULTURE AND RECREATION	<u>1,987,676</u>	<u>-</u>	<u>(100)</u>	<u>1,987,576</u>
TOTAL CAPITAL ASSETS	<u>\$5,742,418</u>	<u>\$ 503,772</u>	<u>\$ (60,710)</u>	<u>\$6,185,480</u>

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