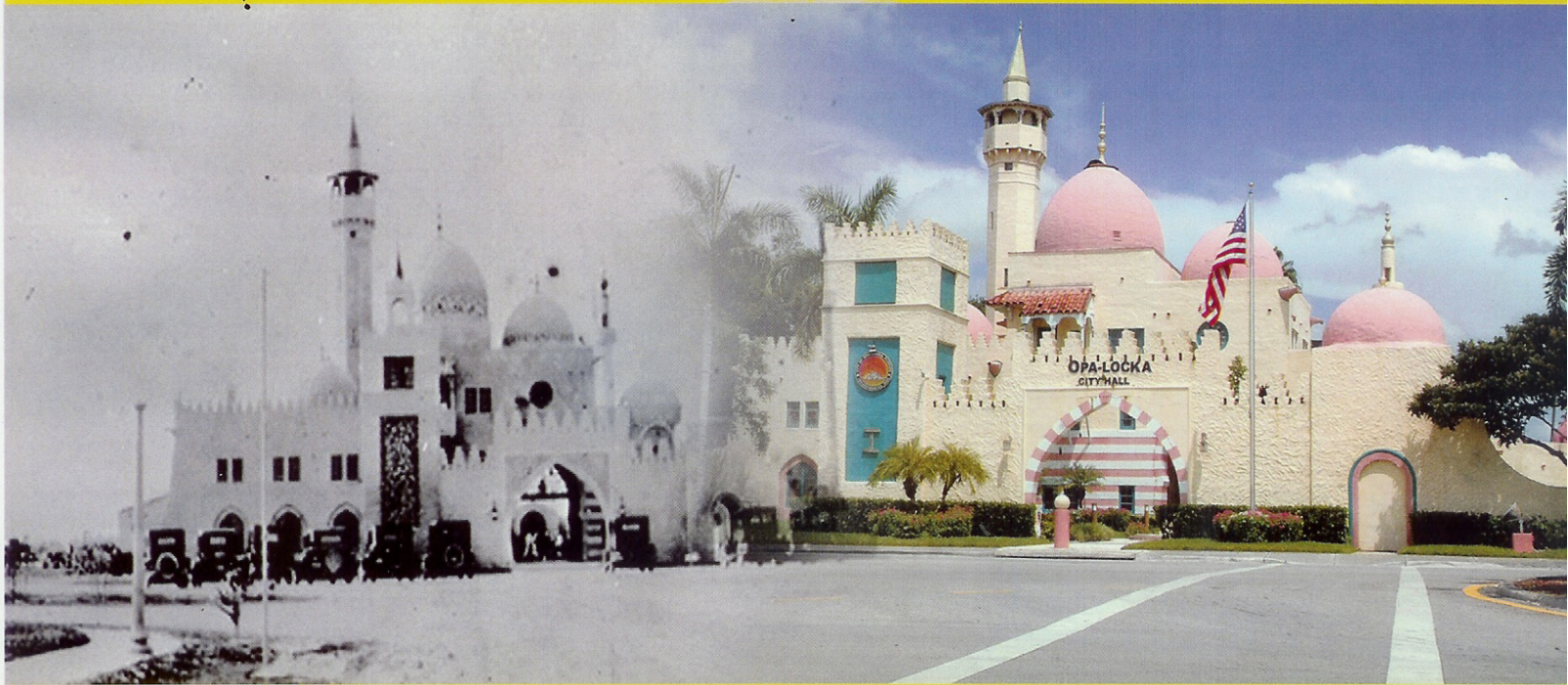




The City of Opa-Locka, Florida



Comprehensive Annual Financial Report

For the Fiscal Year Ended
September 30, 2009

The City of Opa-Locka



Mission Statement

The Mission of the City of Opa-Locka
is to enhance the quality of life, environment,
and safety of our customers and employees in
an atmosphere of courtesy, integrity,
and quality service.



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March 2, 2010

To the Citizens, The Honorable Mayor, City Commissioners and City Manager of the City of Opa-locka:

It is my pleasure to submit the Comprehensive Annual Financial Report (CAFR) for the City of Opa-locka, Florida, for the fiscal year ended September 30, 2009, pursuant to Section 218.39 of the Florida Statutes, Chapter 10.550 of the Rules of the Auditor General of the State of Florida and the City Charter. The financial statements included in this report conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). This report is published to fulfill that requirement for the fiscal year ended September 30, 2009.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The financial statements have been audited by Harvey, Covington & Thomas (HCT), a firm of licensed certified public accountants. The independent auditors have issued an unqualified opinion on the City's financial statements for the year ended September 30, 2009. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Opa-locka was incorporated in 1926 and operates under a Commission/City Manager form of government. The City Commission is comprised of the Mayor and four Commissioners, who are responsible for enacting ordinances, resolutions, and regulations governing the City; and appointing the members of various advisory boards. Additionally, the City Commission appoints the City Manager, the City Attorney and the City Clerk. As Chief Administrative Officer, the City Manager is responsible for the enforcement of laws and ordinances, and the appointment and supervision of the City's department heads.

The City provides a full range of services, including police, construction and maintenance of highways and streets and other infrastructure, recreational and cultural activities, water and wastewater, sanitation, planning and zoning, and general administrative services.

The financial reporting entity, under which the financial statements are prepared, includes all the activities and functions for which the City is financially accountable.

The City is required to prepare, approve, adopt and execute an annual budget. This annual budget serves as the foundation for the City's financial planning and control. Budgetary control is maintained at the departmental and fund level, with the finance department providing support to departments in the administration of their budgets. In accordance with the city's budget transfer policy, the city manager is authorized to transfer budgeted amounts within any fund or function; however, any supplemental appropriations or revisions that amend the total adopted budget must be approved by the City Commission. Budget to actual comparisons are provided in this report for all of the City's funds that have an appropriated annual budget.

Factors Affecting Financial Condition

Local Economy. The City of Opa-locka comprises approximately 4.2 square miles, has a population of approximately 16,000 and is located in the northern portion of Miami-Dade County. The City is a mix of residential, commercial and industrial zones with the Opa-locka airport, which is owned and operated by Miami-Dade County, being its best known landmark. The City of Opa-locka community is served by two elementary schools.

The economic decline, which began in fiscal year 2007, continued to negatively impact the City during fiscal year 2009. Revenue sources that are directly related to consumers spending declined in the past three years. Home prices continued to decline and foreclosures in the City of Opa-locka during fiscal year 2009 reached 84.

Long-term Financial Planning. The City of Opa-locka's current focus related to economic growth is the creation of a community redevelopment agency (CRA) to help promote redevelopment in the City. The City has started this process by hiring an outside consultant to identify area of community redevelopment and prepare a Community Redevelopment Plan.

In compliance with the City's financial integrity ordinance, the City's annual budget is adopted with the provision of \$500,000 for contingency reserve. As of September 30, 2009, the City's unreserved, undesignated general fund balance was 19% of general fund's fiscal year 2010 budget. The importance of monitoring the City's fund balance levels has become an integral part of the overall financial planning of the City.

For the last three years the growth of the City was affected by its wastewater lift stations having reached their capacity. During the fiscal year 2009 the City was successful in having five (5) lift stations designed and permitted for construction in fiscal year 2010. When finished, this project will allow the City to issue business permits to new businesses whose applications were pending in 2009.

Major Initiatives. The City continues to emphasize delivery of focused public services in a way that

provides efficiency, effectiveness and value to the Citizens of the City of Opa-locka. During the fiscal year 2009, the City achieved significant accomplishments. These accomplishments are:

- Installation of electronic Records Management System for the police department
- Completed project design for Sherbondy Park Improvement (project budget \$3.5 million)
- Entered into contract for the demolition of the old water plant
- Completed citywide sidewalk rehabilitation project
- Completed circulator transit study
- Added a pavilion at Sherbondy Park
- Created the Office of Customer Service under the office of the City Manager
- As a result of various factors, including the creation of Community Empowerment Team (CET) and hiring of additional sworn police officers, the City of Opa-locka experienced a 22% crime reduction rate in 2009.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2008. This was the third consecutive year that the City has earned this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, the City had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and legal requirements.

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

In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its FY 2009-2010 budget document. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department and other departments. We wish to express our appreciation to all members of all the departments who assisted and contributed to the preparation of this report. We acknowledge the services of Harvey, Covington and Thomas, LLC, the City's independent auditors.

In closing, without the leadership and support of the Mayor, the Vice-Mayor and the Commissioners, the accomplishments and future successes noted in this report would not have been possible.

Respectfully submitted,



Ezekiel O. Orji, CPA, PhD
Asst. City Manager/Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Opa-Locka
Florida

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

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



President

Executive Director

CITY OF OPA-LOCKA, FLORIDA
List of Principal Officials
As of September 30, 2009

CITY GOVERNANCE

JOSEPH KELLY – Mayor
MYRA TAYLOR – Vice Mayor
TIMOTHY HOLMES – Commissioner
DOROTHY JOHNSON – Commissioner
ROSE TYDUS - Commissioner

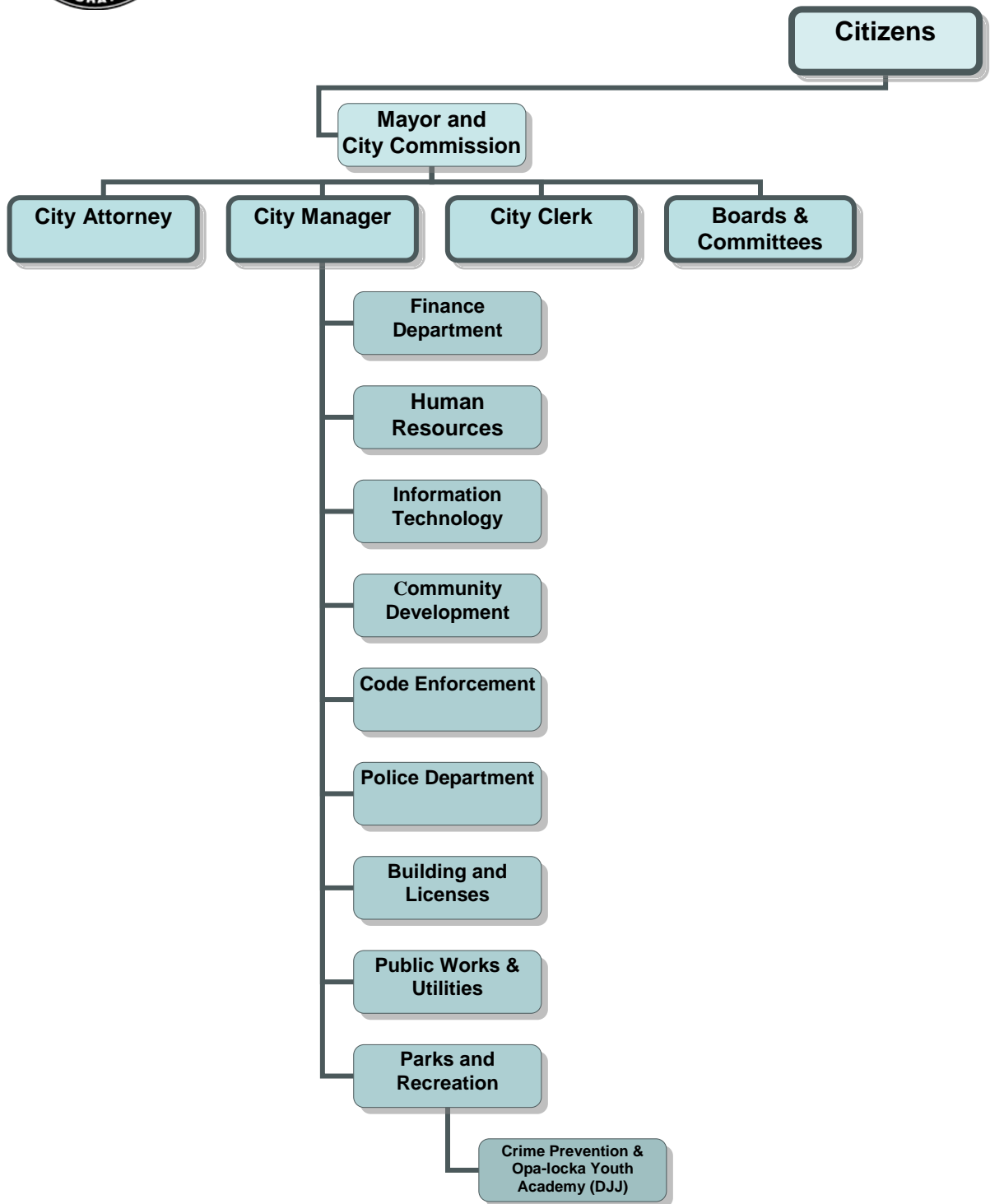
CITY EXECUTIVE MANAGEMENT

BRYAN K. FINNIE – Interim City Manager
DEBORAH S. IRBY – City Clerk
BURNADETTE NORRIS-WEEKS – City Attorney
EZEKIEL ORJI, Ph.D., CPA – Assistant City Manager/Finance Director



CITY OF OPA-LOCKA, FLORIDA ORGANIZATION CHART

September 30, 2009



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of
The City Commission
City of Opa-Locka, 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 City of Opa-Locka, Florida, as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of Opa-Locka, 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Opa-Locka, Florida, and the respective changes in financial position and, where applicable, cashflows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2010, on our consideration of the City of Opa-Locka, Florida's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Accounting principles generally accepted in the United States of America require that the management discussion and analysis and budgetary comparison information on pages 9 through 21 and 55 through 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Opa-Locka, Florida's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Harvey Lorington Thomas, S.S.C.

Hollywood, Florida
March 4, 2010

CITY OF OPA-LOCKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

As management of the City of Opa-locka, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iii of this report.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$22.493 million (net assets). Of this amount, \$9.570 million (*unrestricted net assets*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$1.035 million.
- The City's governmental funds reported combined ending fund balances of \$6.390 million, an increase of \$.458 million in comparison with the prior year. Approximately \$1.693 million of this amount is available for spending at the City's discretion (*unreserved, undesignated fund balance*).
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$2.099 million or 15% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This management's discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise 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's finances in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the 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 the statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes, and earned, but unused vacation leave).

Both the *statement of net assets* and the *statement of activities* of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, highways and streets, and culture and recreation. The business-type activities of the City include water and sewer, solid waste, and storm water operations.

CITY OF OPA-LOCKA, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2009

The government-wide financial statements can be found on pages 23-24 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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

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

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

The City maintains thirteen (13) 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 and FEMA fund which are considered to be major funds. Data from the other ten (11) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds are provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for the general fund and FEMA fund. A budgetary comparison statement has been provided for both funds to demonstrate compliance with budget.

The basic governmental fund financial statements can be found on pages 25-28.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer, stormwater and solid waste operations. Water and sewer is the major enterprise funds of the City.

The basic proprietary fund financial statements can be found on pages 29-31 of this report.

Notes to the Basic Financial Statements

CITY OF OPA-LOCKA, FLORIDA MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

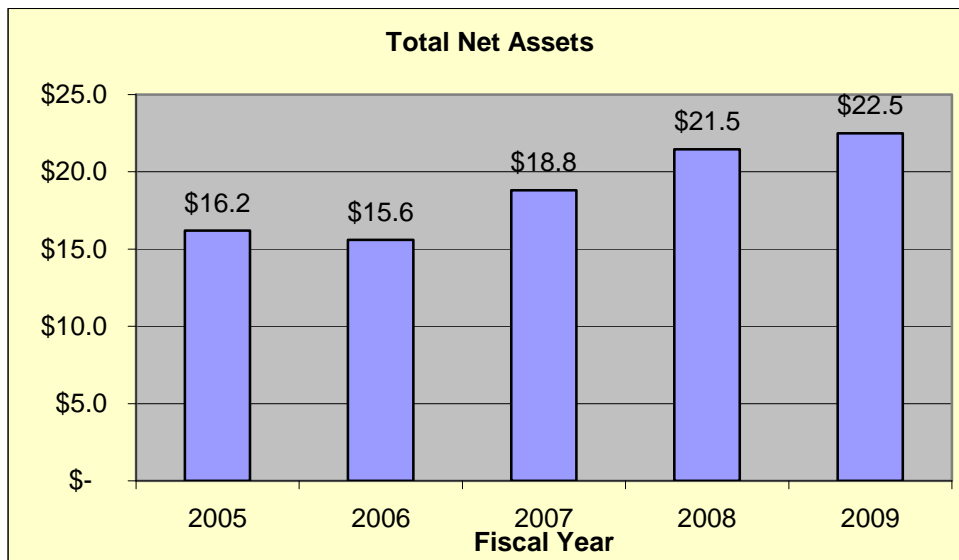
The notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 32-53 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$22.493 million at the close of the most recent fiscal year. This was an increase of approximately 5% compared to last year's net assets of \$21.457 million. The chart below shows the City's net assets over the last five years. Net assets of the City gradually increased for the last three years.

City of Opalocka's Total Net Assets
(in millions)



By far the largest portion of the City's net assets (50%) reflects its investment in capital assets (e.g., land, buildings and building improvements, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF OPA-LOCKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

City of Opa-locka's Net Assets - Government-wide

	Governmental Activities		Business-type Activities		Total	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 8,149,227	\$ 8,198,250	\$ 8,895,902	\$ 8,119,148	\$17,045,129	\$ 16,317,398
Capital assets, net	<u>11,761,075</u>	<u>11,941,595</u>	<u>11,666,873</u>	<u>11,608,455</u>	<u>23,427,948</u>	<u>23,550,050</u>
Total assets	<u>19,910,302</u>	<u>20,139,845</u>	<u>20,562,775</u>	<u>19,727,603</u>	<u>40,473,077</u>	<u>39,867,448</u>
Long-term liabilities	7,312,141	7,407,611	6,354,397	6,906,175	13,666,538	14,313,786
Other liabilities	<u>1,759,418</u>	<u>2,266,441</u>	<u>2,554,198</u>	<u>1,829,630</u>	<u>4,313,616</u>	<u>4,096,071</u>
Total liabilities	<u>9,071,559</u>	<u>9,674,052</u>	<u>8,908,595</u>	<u>8,735,805</u>	<u>17,980,154</u>	<u>18,409,857</u>
Net assets:						
Invested in capital assets,						
net of related debt	5,647,558	5,509,644	5,422,334	5,098,389	11,069,892	10,608,033
Restricted	1,455,562	1,618,813	396,472	393,842	1,852,034	2,012,655
Unrestricted	<u>3,735,623</u>	<u>3,337,336</u>	<u>5,835,374</u>	<u>5,499,567</u>	<u>9,570,997</u>	<u>8,836,903</u>
Total net assets	\$ 10,838,743	\$ 10,465,793	\$ 11,654,180	\$10,991,798	\$22,492,923	\$ 21,457,591

An additional portion of the City's net assets (9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (41%) may be used to meet the City's ongoing obligations to citizens and creditors.

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

CITY OF OPA-LOCKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

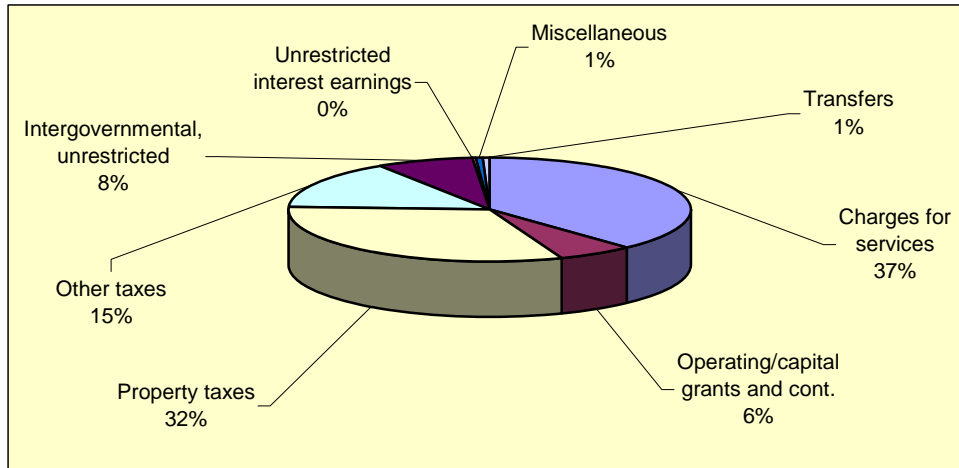
City of Opa-locka's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 849,693	\$ 638,257	\$ 8,376,430	\$ 8,027,981	\$ 9,226,123	\$ 8,666,238
Operating/capital grants and cont.	1,496,911	1,802,387	-	-	1,496,911	1,802,387
General revenues:						
Property taxes	7,667,287	7,441,927	-	-	7,667,287	7,441,927
Other taxes	3,625,838	3,649,991	-	-	3,625,838	3,649,991
Intergovernmental, unrestricted	1,884,800	2,324,878	-	-	1,884,800	2,324,878
Unrestricted interest earnings	18,043	131,469	42,914	185,758	60,957	317,227
Miscellaneous	156,067	133,169	17,760	-	173,827	133,169
Transfers	-	-	122,285	-	122,285	-
Total revenues	<u>15,698,639</u>	<u>16,122,078</u>	<u>8,559,389</u>	<u>8,213,739</u>	<u>24,258,028</u>	<u>24,335,817</u>
Expenses and transfers						
General government	4,690,986	4,603,861	-	-	4,690,986	4,603,861
Public safety	5,565,672	5,520,741	-	-	5,565,672	5,520,741
Highways and streets	3,084,070	2,664,432	-	-	3,084,070	2,664,432
Culture and recreation	939,357	892,599	-	-	939,357	892,599
Human services	535,075	541,653	-	-	535,075	541,653
Interest and fiscal charges	388,244	389,219	-	-	388,244	389,219
Water and sewer	-	-	6,460,679	5,342,491	6,460,679	5,342,491
Stormwater	-	-	388,804	534,378	388,804	534,378
Solidwaste	-	-	1,047,524	1,207,689	1,047,524	1,207,689
Transfers	122,285	-	-	-	122,285	-
Total Expenses	<u>15,325,689</u>	<u>14,612,505</u>	<u>7,897,007</u>	<u>7,084,558</u>	<u>23,222,696</u>	<u>21,697,063</u>
Increase (decrease) in net assets	372,950	1,509,573	662,382	1,129,181	1,035,332	2,638,754
Net assets, beginning	<u>10,465,793</u>	<u>8,956,220</u>	<u>10,991,798</u>	<u>9,862,617</u>	<u>21,457,591</u>	<u>18,818,837</u>
Net assets, ending	<u>\$ 10,838,743</u>	<u>\$ 10,465,793</u>	<u>\$ 11,654,180</u>	<u>\$ 10,991,798</u>	<u>\$ 22,492,923</u>	<u>\$ 21,457,591</u>

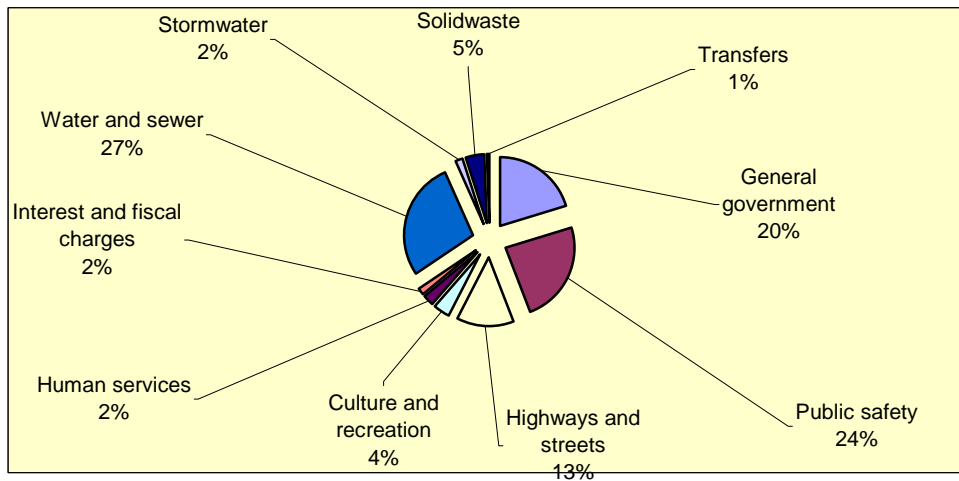
CITY OF OPA-LOCKA, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

City of Opa-locka
Sources of Revenue for Fiscal Year 2009



City of Opa-locka
Functional Expenses for Fiscal Year 2009



CITY OF OPA-LOCKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

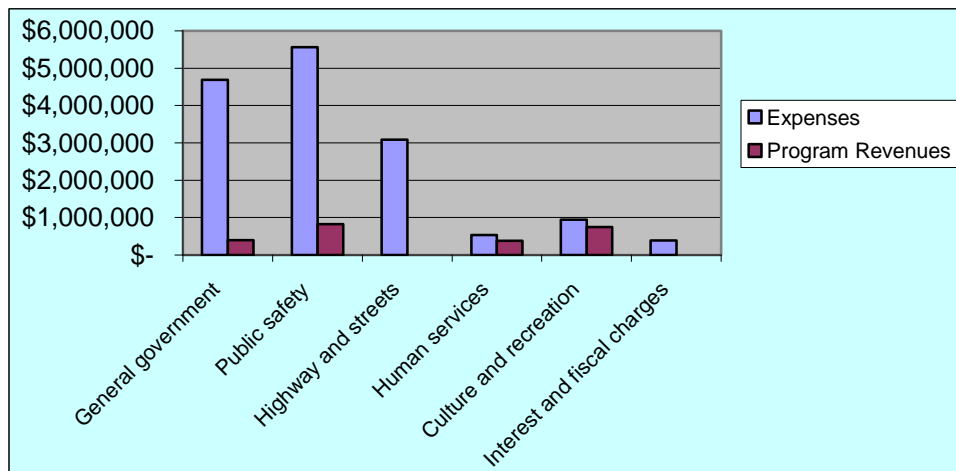
September 30, 2009

Governmental Activities

Governmental activities increased the City's net assets by \$.372 million, thereby accounting for 36 percent of the total growth in the net assets of the City.

- Total revenues for the City's governmental activities decreased by \$.424 million or three percent while total expenses increased by \$.713 million or five percent. Revenues decreased due to decrease in capital and operating grant and decrease in unrestricted intergovernmental revenue.
- Property taxes posted a minor increase of \$.226 million or three percent. In fiscal year 2009, the operating millage rate was increased from 8.0084 to 8.2084 per \$1,000 of assessed value.
- The increase in total expenses was due to cost incurred relative to the citywide sidewalk rehabilitation project and increase in depreciation which resulted from major capital projects completed toward the end of the prior year with full year depreciation this year. Also, the governmental activities made an inter-fund transfer of \$.122 million to the business-type activities in the current year.

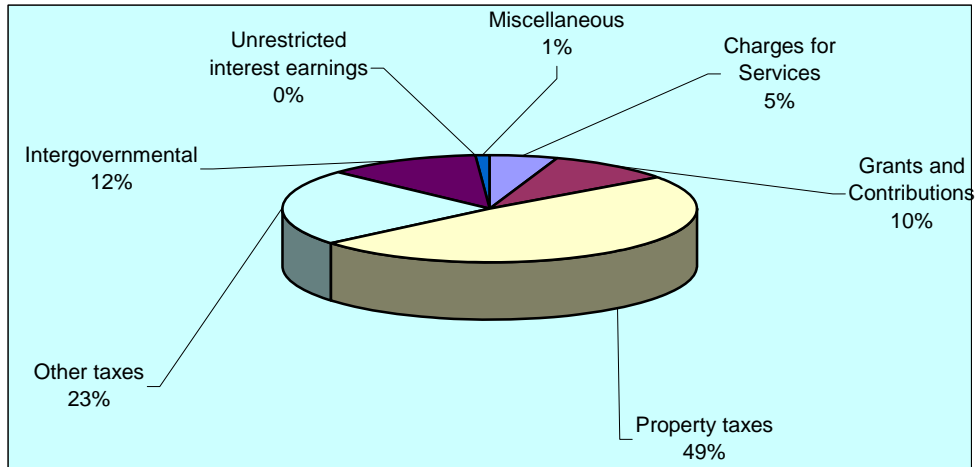
Governmental Activities Expenses and Program Revenues



CITY OF OPA-LOCKA, FLORIDA MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

Governmental Activities Revenue by Source

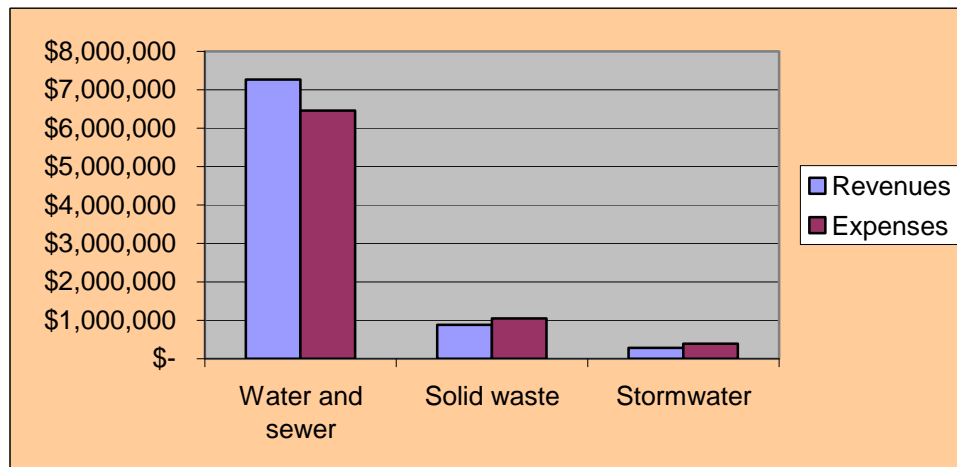


Business-type Activities

Business-type activities increased the City's net assets by \$.662 million, thereby accounting for 64 percent of the total growth in the net assets of the City.

- Charges for services increased by \$.349 million or 5% as a direct result of increase in water and sewer rates implemented during the year.
- For the water and sewer utility, total expenses increase by \$1.118 million or 21% due to increase in direct cost of bulk of water purchases and sewer treatment services paid to Miami-Dade County and increase in insurance cost. In addition, the water and sewer utility settled a lawsuit for \$.275 million during the fiscal year.

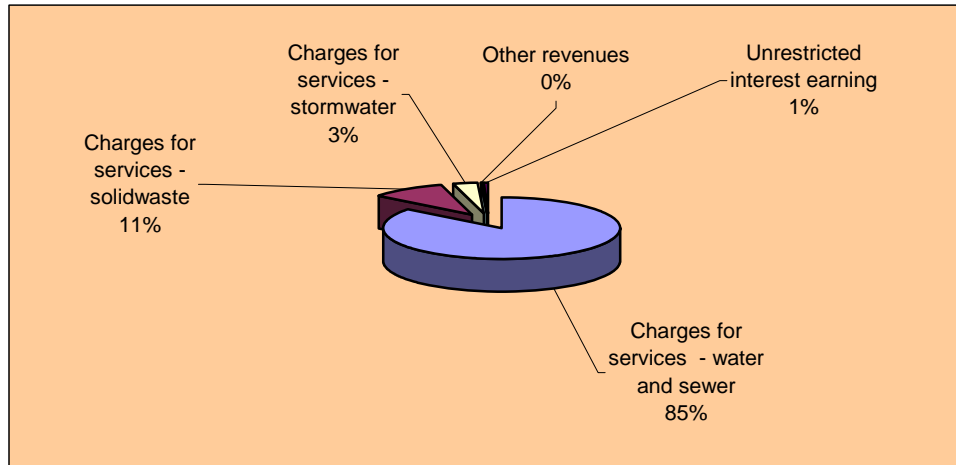
Expenses and Program Revenues Business-type Activities



CITY OF OPA-LOCKA, FLORIDA MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

Revenue by Source Business-type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$6.4 million, an increase of \$.458 million in comparison with the prior year. Approximately 26 percent of this amount (\$1.7 million) constitutes *unreserved, undesignated* fund balance, which is available for spending at the City's discretion. The remainder of the fund balance *is reserved or designated* to indicate that it is not available for new spending because it has already been committed to 1) pay debt service (\$.363 million), 2) pay capital project costs (\$1.061 million), or 3) various other restricted purposes \$(3.3 million).

General Fund

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$2.1 million, while total fund balance reached \$4.7 million. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 15% of total general fund expenditures, while total fund balance represents 33% of the same amount.

The general fund revenues increased by 2%, while expenditures decreased by 7%. After net transfers in from other funds of \$.216 million the result is a \$.587 million decrease in fund balance.

CITY OF OPA-LOCKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

The amount of general fund revenue by type, their percent of the total and the amount of change compared to prior year are shown in the following schedule:

General Fund Revenues	2009 Amount	Percent of Total	2008 Amount	Percent of Total	Increase (Decrease) From 2008	Percent of Increase (Decrease)
Property	\$ 7,667,287	56%	\$ 7,441,927	55%	\$ 225,360	3%
Utility service taxes	741,164	5%	894,359	7%	(153,195)	-17%
Communication service taxes	717,858	5%	637,712	5%	80,146	13%
Local option, use and fuel taxes	281,095	2%	295,194	2%	(14,099)	-5%
Franchise fees	1,656,093	12%	1,540,751	11%	115,342	7%
Local business taxes	229,627	2%	281,975	2%	(52,348)	-19%
Licenses and permits	378,086	3%	385,123	3%	(7,037)	-2%
Intergovernmental	603,672	4%	292,451	2%	311,221	106%
Charges for services	33,483	0%	37,010	0%	(3,527)	-10%
Fines and forfeitures	438,123	3%	216,124	2%	221,999	103%
Interest	17,450	0%	113,163	1%	(95,713)	-85%
Other revenue	202,004	1%	180,819	1%	21,185	12%
Transfers	739,562	5%	1,172,934	9%	(433,372)	-37%
Total Revenues	\$ 13,705,504	100%	\$ 13,489,542	100%	215,962	2%

- Property tax revenues increased by 3%; a net effect of increased property values and increase in tax rate from 8.084 to 8.2084.
- Intergovernmental revenues increase due to a one-time grant to the police department for the acquisition and installation of an electronic Records Management System.
- Fines and forfeitures increased primarily due to a one-time receipt of delinquent fines of approximately \$.200 million.
- Interest decreased due mainly to decreasing interest rates on cash investments during the year.

Expenditures in the general fund are shown in the following schedule:

General Fund Expenditures	2009 Amount	Percent of Total	2008 Amount	Percent of Total	Increase (Decrease) From 2008	Percent of Increase (Decrease)
General government	4,604,911	30%	4,520,068	38%	84,843	2%
Public safety	5,254,270	34%	5,136,411	44%	117,859	2%
Highways and streets	2,207,340	14%	1,872,560	16%	334,780	18%
Culture and recreation	900,056	6%	881,189	8%	18,867	2%
Capital outlay	645,558	4%	723,414	6%	(77,856)	-11%
Debt service	157,370	1%	151,844	1%	5,526	4%
Transfers	523,272	3%	2,107,635	18%	(1,584,363)	-75%
Total expenditures	14,292,777	93%	15,393,121	131%	(1,100,344)	-7%

- Increase in highways and streets function is due to the cost incurred relative to the citywide sidewalk rehabilitation project conducted during the current year and rising maintenance costs in general.
- Decrease in inter-fund transfers was due to lesser amount of transfer needed for the capital projects fund for the Curtis/Perviz road improvement project since this project was substantially completed in fiscal year 2008.

CITY OF OPA-LOCKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

At the end of the current year, the Safe Neighborhood Capital Projects Fund significantly decreased its fund balance deficit from (\$664,346) to (\$8,841) as a result of inter-fund transfer from the general fund and reimbursement received from a funding source for costs incurred in fiscal year 2007.

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.

The unrestricted net assets (deficit) of the water and sewer, stormwater, and solid waste funds at the end of the current fiscal year amounted to \$5.426 million, \$.930 million and \$(.521) million, respectively. The total increase in net assets for all enterprise funds was \$.662 million. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Although there was no increase in the total appropriations between the original and final amended budget, the original budget was amended to amend budgeted amounts within departments. Following are the main budget amendments:

- \$258,325 supplemental appropriation to the city manager's department to fund severance pay to the former city manager;
- \$321,500 supplemental appropriation to the city attorney's office to fund cost lawsuits settled during the current year;
- \$117,090 supplemental appropriation to the finance department primarily to fund salary and related costs of the grant writer hired during the year;
- \$95,610 supplemental appropriation to the code enforcement department primarily to fund salary and related costs of the department director hired during the year; and

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2009 amounts to \$23.428 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and buildings improvement, machinery and equipment, park facilities, roads and utility systems. The total decrease in the City's investment in capital assets for the current fiscal year was 1%.

Major capital assets additions during the current fiscal year included the following:

- \$217 thousand towards the acquisition of an electronic records management system for the police department
- \$126 thousand for the design of Sherbondy Park improvement project
- \$102 thousand for a Pavilion at Sherbondy Park

CITY OF OPA-LOCKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

- \$109 thousand in computer hardware and various furniture and equipment

City of Opa-locka's Capital Assets (net of accumulated depreciation)

	Governmental		Business-type		Total	
	Activities		Activities			
	2009	2008	2009	2008	2009	2008
Land	\$ 2,805,291	\$ 2,805,291	\$ 14,762	\$ 14,762	\$ 2,820,053	\$ 2,820,053
Construction in progress	578,354	600,255	64,094	-	642,448	600,255
Buildings and building improvements	744,317	390,433	1,528	(45,183)	745,845	345,250
Utility plant and systems	-	-	11,371,382	12,349,503	11,371,382	12,349,503
Furniture and equipment	1,329,151	1,097,018	215,106	(710,627)	1,544,257	386,391
Infrastructure	6,303,962	7,048,598	-	-	6,303,962	7,048,598
Total	\$ 11,761,075	\$ 11,941,595	\$ 11,666,872	\$ 11,608,455	\$ 23,427,947	\$ 23,550,050

Additional information on the City's capital assets can be found in Note 7 on pages 35-36 of this report.

Long Term Debt

At the end of the current fiscal year the city had total debt outstanding of \$12.358 million, a decrease of 7% from prior year.

Additional information on the City's long-term debt can be found on Note 9 on pages 38-40 of this report.

City of Opa Locka's Outstanding Debt

	Governmental		Business-type		Total	
	Activities		Activities			
	2009	2008	2009	2008	2009	2008
Revenue Bonds	\$ 5,815,000	\$ 6,040,000	\$ -	\$ -	\$ 5,815,000	\$ 6,040,000
Capital Leases	155,890	391,951	2,552,129	2,864,166	2,708,019	3,256,117
Loans	-	-	3,423,405	3,645,900	3,423,405	3,645,900
Liability to FDOT	-	-	269,005	327,026	269,005	327,026
Total	\$ 5,970,890	\$ 6,431,951	\$ 6,244,539	\$ 6,837,092	\$ 12,215,429	\$ 13,269,043

CITY OF OPA-LOCKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In developing the Fiscal Year 2010 budget, the following economic and other factors were considered:

- The City's gross taxable for operating purposes decreased by 4.4%.
- Estimated amounts for consumption driven revenue decline between 1.1% to 10.9%
- Special programs funding were reduced.
- Directive from the City Commission to preserve all full-time employees.
- Aggressive applications for grants available for the City under the American Recovery Act.
- The fiscal year 2010 budget approved millage rate is 8.5467.

During fiscal year 2010, the City will be looking at the following programs/initiatives:

- \$3.2 million Sherbondy Park improvement project
- \$.407 million Alibaba Road improvement project
- \$.301 million of various parks improvement project
- Refunding of the 1994 Series Capital Improvement Revenue Bonds
- Demolition of the old water plant
- Increase the count of certified officers from 44 to 51
- Conclude labor negotiations and establish multi-year collective bargaining agreements
- Water and Sewer capital project:
 - Complete major upgrade of eight pump stations
 - Transition from manual reading to fully automated electronic meter reading
 - Complete fire hydrant replacement program

All of these factors were considered in preparing the City of Opa-locka's budget for the 2010 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of Opa-locka's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to The City of Opa-locka, Finance Department, 780 Fisherman St., 4th Floor, Opa Locka, Florida 33054.

Basic Financial Statements



CITY OF OPA-LOCKA, FLORIDA

STATEMENT OF NET ASSETS

SEPTEMBER 30, 2009

	Governmental	Business-type	Total
	Activities	Activities	
ASSETS			
Cash and cash equivalents	\$ 2,228,492	\$ 7,310,581	\$ 9,539,073
Receivables, net	1,603,225	1,210,425	2,813,650
Internal balances	1,489,171	(1,489,171)	-
Estimated unbilled services	-	468,839	468,839
Inventories	20,132	4,654	24,786
Prepaid items and other assets	227,198	-	227,198
Restricted cash and cash equivalents	2,581,009	1,390,574	3,971,583
Capital assets, not being depreciated	3,383,645	78,856	3,462,501
Capital assets, being depreciated, net	<u>8,377,430</u>	<u>11,588,017</u>	<u>19,965,447</u>
Total assets	<u>19,910,302</u>	<u>20,562,775</u>	<u>40,473,077</u>
LIABILITIES			
Accounts payable and accrued liabilities	1,502,921	729,807	2,232,728
Customer deposits	-	1,247,445	1,247,445
Unearned revenue	256,497	-	256,497
Due to other governments	-	576,946	576,946
Noncurrent liabilities:			
Due within one year	395,890	725,181	1,121,071
Due in more than one year	<u>6,916,251</u>	<u>5,629,216</u>	<u>12,545,467</u>
Total liabilities	<u>9,071,559</u>	<u>8,908,595</u>	<u>17,980,154</u>
NET ASSETS			
Invested in capital assets, net of related debt	5,647,558	5,422,334	11,069,892
Restricted for:			
Capital projects	400,823	-	400,823
Public safety	691,723	-	691,723
Debt covenants	363,016	396,472	759,488
Unrestricted	<u>3,735,623</u>	<u>5,835,374</u>	<u>9,570,997</u>
Total net assets	<u>\$ 10,838,743</u>	<u>\$ 11,654,180</u>	<u>\$ 22,492,923</u>

See the accompanying notes to the financial statements.

CITY OF OPA-LOCKA, FLORIDA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Activities:						
<i>Governmental activities:</i>						
General government	\$ 4,690,986	\$ -	\$ -	\$ (4,298,723)	\$ -	\$ (4,298,723)
Public safety	5,565,672	381,392	-	(4,741,457)	-	(4,741,457)
Transportation	3,084,070	-	-	(3,084,070)	-	(3,084,070)
Human services	535,075	380,779	-	(154,296)	-	(154,296)
Culture and recreation	939,357	17,200	717,540	(190,010)	-	(190,010)
Interest on long term debt	388,244	-	-	(388,244)	-	(388,244)
Total governmental activities	15,203,404	779,371	717,540	(12,856,800)	-	(12,856,800)
<i>Business-type activities:</i>						
Water and sewer	6,460,679	-	-	-	746,056	746,056
Solid waste	1,047,524	-	-	-	(161,560)	(161,560)
Stormwater	388,804	-	-	-	(105,073)	(105,073)
Total business-type activities	7,897,007	-	-	-	479,423	479,423
Total	\$ 23,100,411	\$ 779,371	\$ 717,540	(12,856,800)	479,423	(12,377,377)
General revenues:						
Taxes:						
Property taxes				7,667,287	-	7,667,287
Utility taxes				741,164	-	741,164
Communication services tax				717,858	-	717,858
Local option, use and fuel taxes				281,095	-	281,095
Local business tax				229,627	-	229,627
Franchise fees				1,656,094	-	1,656,094
Intergovernmental revenue - unrestricted				1,884,800	-	1,884,800
Interest Income				18,043	42,914	60,957
Miscellaneous				156,067	17,760	173,827
Transfers				(122,285)	122,285	-
Total general revenues and transfers				13,229,750	182,959	13,412,709
Change in net assets				372,950	662,382	1,035,332
Net assets, beginning				10,465,793	10,991,798	21,457,591
Net assets, ending				\$ 10,838,743	\$ 11,654,180	\$ 22,492,923

CITY OF OPA-LOCKA, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2009

	<u>MAJOR FUNDS</u>		<u>NONMAJOR FUNDS</u>	
	<u>General</u>	<u>FEMA</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 2,228,492	\$ -	\$ -	\$ 2,228,492
Receivables, net	568,742	509,331	525,152	1,603,225
Due from other funds	2,487,964	36,071	675,576	3,199,611
Inventories	20,132	-	-	20,132
Prepaid items	227,198	-	-	227,198
Restricted cash and cash equivalents	-	1,174,796	1,406,213	2,581,009
Total assets	<u>\$ 5,532,528</u>	<u>\$ 1,720,198</u>	<u>\$ 2,606,941</u>	<u>\$ 9,859,667</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts payable and accrued liabilities	\$ 464,035	\$ 971,100	\$ 67,786	\$ 1,502,921
Due to other funds	300,804	-	1,409,634	1,710,438
Deferred revenues	105,934	150,563	-	256,497
Total liabilities	<u>870,773</u>	<u>1,121,663</u>	<u>1,477,420</u>	<u>3,469,856</u>
<i>Fund balances:</i>				
Reserved for:				
Inventories	20,132	-	-	20,132
Prepaid items	227,198	-	-	227,198
Public safety	-	598,535	110,839	709,374
Transportation	-	-	1,061,902	1,061,902
Debt service	-	-	363,016	363,016
Unreserved, designated:			-	
Designated for accumulated vacation/s	455,000	-	-	455,000
Designated for contingencies	1,859,851	-	-	1,859,851
Unreserved, undesignated reported in:			-	
General fund	2,099,574	-	-	2,099,574
Special revenue funds	-	-	(397,395)	(397,395)
Capital projects funds	-	-	(8,841)	(8,841)
Total fund balances	<u>4,661,755</u>	<u>598,535</u>	<u>1,129,521</u>	<u>6,389,811</u>
Total liabilities and fund balances	<u>\$ 5,532,528</u>	<u>\$ 1,720,198</u>	<u>\$ 2,606,941</u>	<u>\$ 9,859,667</u>

See the accompanying notes to the financial statements.

CITY OF OPA-LOCKA, FLORIDA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2009

Fund balances - total governmental funds	\$ 6,389,811
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Amounts reported for governmental activities in the statement
of net assets are different because:

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

Governmental capital assets	29,415,752
Less accumulated depreciation	(17,654,677)

Long-term liabilities, including bonds payable, are not due and
payable in the current period and, therefore, are not reported in
the governmental funds.

Bonds payable	(5,815,000)
Capital leases	(298,517)
Compensated absences	(1,198,626)

Net assets of governmental activities	<u>\$ 10,838,743</u>
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See the accompanying notes to the financial statements.

CITY OF OPA-LOCKA, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>MAJOR FUNDS</u>		<u>NONMAJOR FUNDS</u>	
	<u>General</u>	<u>FEMA</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:				
Taxes:				
Property taxes	\$ 7,667,287	\$ -	\$ -	\$ 7,667,287
Utility taxes	741,164	-	-	741,164
Communications service taxes	717,858	-	-	717,858
Local option, use and fuel taxes	281,095	-	-	281,095
Local business taxes	229,627	-	-	229,627
Franchise fees	1,656,093	-	-	1,656,093
Permits and fees	378,086	-	-	378,086
Intergovernmental	603,672	-	2,778,041	3,381,713
Charges for services	33,483	-	-	33,483
Fines and forfeitures	438,123	-	-	438,123
Interest	17,450	-	593	18,043
Other	147,270	-	8,797	156,067
Total revenues	<u>12,911,208</u>	<u>-</u>	<u>2,787,431</u>	<u>15,698,639</u>
EXPENDITURES:				
Current:				
General government	4,604,911	-	-	4,604,911
Public safety	5,254,270	-	14,823	5,269,093
Highways and streets	2,207,340	-	72,066	2,279,406
Culture and recreation	900,056	-	-	900,056
Human services	-	-	504,425	504,425
Capital outlay	645,558	-	208,227	853,785
Debt service:				
Principal	148,168	-	225,000	373,168
Interest	9,202	-	379,042	388,244
Total expenditures	<u>13,769,505</u>	<u>-</u>	<u>1,403,583.00</u>	<u>15,173,088</u>
Excess (deficiency) of revenues over expenditures	(858,297)	-	1,383,848	525,551
OTHER FINANCING SOURCES (USES):				
Capital lease proceeds	54,734	-	-	54,734
Transfers in	739,562	-	400,988	1,140,550
Transfers out	(523,272)	-	(739,562)	(1,262,834)
Total other financing sources (uses)	<u>271,024</u>	<u>-</u>	<u>(338,574)</u>	<u>(67,550)</u>
Net change in fund balances	(587,273)	-	1,045,274	458,001
Fund balances, beginning	5,249,028	598,535	84,247	5,931,810
Fund balances, ending	<u>\$ 4,661,755</u>	<u>\$ 598,535</u>	<u>\$ 1,129,521</u>	<u>\$ 6,389,811</u>

See accompanying notes to the financial statements

CITY OF OPA-LOCKA, FLORIDA
RECONCILIATION OF THE CHANGE 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 are different because:

Net change in fund balances - total governmental funds	\$	458,001
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital outlays		853,785
Less current depreciation		(1,034,305)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments of bonds payable		225,000
Principal payments of capital leases		148,168
Capital lease proceeds		(54,734)

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. These activities consist of:

Change in compensated absences		(222,965)
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Change in net assets of governmental activities	\$	372,950
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See the accompanying notes to the financial statements.

CITY OF OPA-LOCKA, FLORIDA

STATEMENT OF NET ASSETS PROPRIETARY FUNDS

SEPTEMBER 30, 2009

	Business-type Activities - Enterprise Funds			
	Water and	Nonmajor		
	Sewer	Stormwater	Solid Waste	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 6,867,163	\$ 443,418	\$ -	\$ 7,310,581
Receivables, net	1,119,571	90,854	-	1,210,425
Estimated unbilled services	434,554	34,285	-	468,839
Due from other funds	352,490	718,737	250	1,071,477
Inventories	4,654	-	-	4,654
Prepaid costs	-	-	-	-
Total current assets	8,778,432	1,287,294	250	10,065,976
Noncurrent assets:				
Restricted cash and cash equivalents	1,390,574	-	-	1,390,574
Capital assets, net	11,475,514	191,359	-	11,666,873
Total noncurrent assets	12,866,088	191,359	-	13,057,447
Total assets	21,644,520	1,478,653	250	23,123,423
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	623,470	695	105,642	729,807
Due to other funds	1,916,517	347,146	296,985	2,560,648
Due to other governments	576,946	-	-	576,946
Customers' deposits	1,127,966	-	119,479	1,247,445
Compensated absences	101,227	8,631	-	109,858
Current portion of loans payable	294,995	-	-	294,995
Current portion of capital lease payable	320,328	-	-	320,328
Total current liabilities	4,961,449	356,472	522,106	5,840,027
Noncurrent liabilities:				
Loans payable	3,397,415	-	-	3,397,415
Capital lease payable	2,231,801	-	-	2,231,801
Total noncurrent liabilities	5,629,216	-	-	5,629,216
Total liabilities	10,590,665	356,472	522,106	11,469,243
NET ASSETS				
Invested in capital assets, net of related debt	5,230,975	191,359	-	5,422,334
Restricted for debt covenants	396,472	-	-	396,472
Unrestricted	5,426,408	930,822	(521,856)	5,835,374
Total net assets	\$ 11,053,855	\$ 1,122,181	\$ (521,856)	\$ 11,654,180

See the accompanying notes to the financial statements.

CITY OF OPA-LOCKA, FLORIDA

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

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Business-Type - Enterprise Funds			
	Water and Sewer	Nonmajor Stormwater	Solid Waste	Total
Operating revenues:				
Charges for services	\$ 7,206,735	\$ 283,731	\$ 885,964	\$ 8,376,430
Other revenues	17,760	-	-	17,760
Total operating revenues	<u>7,224,495</u>	<u>283,731</u>	<u>885,964</u>	<u>8,394,190</u>
Operating expenses:				
Operating, administrative and maintenance	5,843,011	333,563	1,047,524	7,224,098
Depreciation	446,080	55,241	-	501,321
Total operating expenses	<u>6,289,091</u>	<u>388,804</u>	<u>1,047,524</u>	<u>7,725,419</u>
Operating income (loss)	935,404	(105,073)	(161,560)	668,771
Non-operating revenues (expenses)				
Interest earned	42,914	-	-	42,914
Interest and fiscal charges	(171,588)	-	-	(171,588)
Total non-operating revenues (expenses)	<u>(128,674)</u>	<u>-</u>	<u>-</u>	<u>(128,674)</u>
Income (loss) before transfers	806,730	(105,073)	(161,560)	540,097
Transfers in	-	-	122,285	122,285
Change in net assets	806,730	(105,073)	(39,275)	662,382
Net assets, beginning	<u>10,247,125</u>	<u>1,227,254</u>	<u>(482,581)</u>	<u>10,991,798</u>
Net assets, ending	<u>\$ 11,053,855</u>	<u>\$ 1,122,181</u>	<u>\$ (521,856)</u>	<u>\$ 11,654,180</u>

See the accompanying notes to the financial statements.

CITY OF OPA-LOCKA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Business-Type - Enterprise Funds			
	Water	Nonmajor		
	and Sewer	Stormwater	Solidwaste	Total
Cash flows from operating activities:				
Cash received from customers	\$ 7,486,497	\$ 261,093	\$ 885,964	\$ 8,633,554
Cash paid to suppliers	(4,943,134)	(268,283)	(1,044,407)	(6,255,824)
Cash paid to employees	(498,165)	(62,768)	-	(560,933)
Internal activity payments from(to) other funds, net	169,943	321,767	36,158	527,868
Net cash provided by (used in) operating activities	2,215,141	251,809	(122,285)	2,344,665
Cash flows from noncapital financing activities:				
Principal paid on loans	(58,021)	-	-	(58,021)
Interfund transfer	-	-	122,285	122,285
Net cash provided by (used in) noncapital financing activities	(58,021)	-	122,285	64,264
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(559,739)	-	-	(559,739)
Capital contribution	-	-	-	-
Proceeds from capital borrowings	-	-	-	-
Principal paid on capital debt	(534,532)	-	-	(534,532)
Interest paid on capital debt	(169,576)	-	-	(169,576)
Net cash provided by (used in) capital and related financing activities	(1,263,847)	-	-	(1,263,847)
Cash flows from investing activities:				
Interest on investments	42,914	-	-	42,914
Net cash provided by investing activities	42,914	-	-	42,914
Net increase (decrease) in cash and cash equivalents	936,187	251,809	-	1,187,995
Cash and cash equivalents, beginning	7,321,550	191,609	-	7,513,159
Cash and cash equivalents, ending	\$ 8,257,737	\$ 443,418	\$ -	\$ 8,701,155
Displayed as:				
Unrestricted	\$ 6,867,163	\$ 443,418	\$ -	\$ 7,310,581
Restricted	1,390,574	-	-	1,390,574
Total, September 30	\$ 8,257,737	\$ 443,418	\$ -	\$ 8,701,155
Reconciliation of operating income to net cash provided by operating activities:				
Operating income (loss)	\$ 935,404	\$ (105,073)	\$ (161,560)	\$ 668,771
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation and amortization	446,080	55,241	-	501,321
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	21,141	(6,168)	-	14,973
Estimated unbilled services	159,871	(16,470)	-	143,401
Due from other funds	925,994	825,436	-	1,751,430
Increase (decrease) in:				
Accounts payable and accrued expenses	537,656	620	3,117	541,393
Due to other funds	(1,031,051)	(503,669)	36,158	(1,498,562)
Due to other governments	100,173	-	-	100,173
Customers' deposits	80,990	-	-	80,990
Compensated absences	38,883	1,892	-	40,775
Net cash provided by (used in) operating activities	\$ 2,215,141	\$ 251,809	\$ (122,285)	\$ 2,344,665

See accompanying notes to the financial statements

Notes to Basic Financial Statements



CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Opa-Locka, Florida (the “City”) in Miami-Dade County, Florida (the “County”) was incorporated in 1926 by the Laws of Florida Chapter 13187. The City comprises approximately 4.5 square miles of land and operates under a Commission/City Manager form of government and provides municipal services to its residents, including general government, public safety, transportation, and parks and recreation. The City also operates water and sewer, storm water, and sanitation enterprises.

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

A. Reporting Entity

The financial statements were prepared in accordance with GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, which establishes standards for defining and reporting on the financial reporting entity. The financial reporting entity consists of the City, organizations for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The City is financially accountable for a component unit if it appoints a voting majority of the organization’s governing board and it is able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens, on the City. Based on these criteria, entities were evaluated for inclusion in the City’s reporting entity with the following results:

The City passed ordinances in prior years establishing various neighborhood improvement districts. The following neighborhood improvement districts, which are considered to be component units of the City, have not been included in the financial statements because there has been no financial activity for several years and the funds have no assets, liabilities, or fund balances.

- 1) East-West Neighborhood Improvement District
- 2) Ali-Baba Neighborhood Improvement District
- 3) Niles Garden Neighborhood Improvement District

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

B. Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. Amounts reported as *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, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

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

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 statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period, with the exception of expenditure driven (reimbursements) grants, for which the availability period is one year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

The City reports the following major governmental funds:

The **General Fund** is the general operation fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Many of the more important activities of the City, including operation of the City's general service departments; streets and highway maintenance; public safety, and parks and recreation programs, are accounted for in this fund.

The **FEMA Fund** accounts for grant receipts from the Federal Emergency Management Agency, through the State of Florida, to fund restoration projects in relation to a declared natural disaster.

The City reports the following major proprietary funds:

The **water and sewer fund** is used to account for the operation and maintenance of the City's water and sewer system.

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's water and sewer, solid waste and stormwater enterprise funds, are charges to customers for sales and services. Operating expenses for

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

D. Assets, Liabilities, and Net Assets or Fund Equity

1. Encumbrances

Encumbrances accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to serve that portion of the applicable appropriation, is employed in the General and Capital Projects Funds. Encumbrances outstanding at the balance sheet date are canceled.

2. Deposits and Investments

The City considers cash on hand, cash with fiscal agents, demand deposits, and certificates of deposit with and original maturity of (90) ninety days or less to be cash and cash equivalents.

For purposes of the statement of cash flows for proprietary fund types fund, all highly liquid investments (including restricted assets) with maturity of three months or less when purchased are considered to be cash equivalents.

Investments, consisting of U.S. Government securities, and certificates of deposit with financial institutions, are stated at cost plus accrued interest.

3. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. The City calculates its allowance for uncollectible using historical collection data, specific account analysis, and management's judgment. Major receivables balances for the governmental activities include franchise fees and utility taxes, and amounts due from other governments. Business-type activities report utility billings as major receivable.

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

4. Inventories

Inventories are valued at cost, which approximates market, using the first-in, and first-out method. Inventories in the General and Enterprise Funds consist of fuel and expendable supplies held for consumption. The costs of Governmental Fund type inventories are recorded as expenditures when consumed rather than when purchased. In the governmental funds, reported inventories are offset by a fund balance reserve which indicates that they do not constitute available spendable resources.

5. Restricted Assets

Restricted assets include cash and cash equivalents of the governmental and enterprise funds that are legally restricted as to their use. Cash and cash equivalents are restricted for debt service, customers' deposits, revenue bond requirement, and sewer system improvements.

6. Capital Assets

Capital assets, including land, buildings, improvements, infrastructure, and equipment assets, 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 initial useful life of one year or greater. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extended the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Buildings, improvements, infrastructure and equipment assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Building Improvements	10-50
Infrastructure Systems	30
Equipment	3-10
Vehicles	3-10

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

7. Inter-fund Transactions

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

Non-current portions of long-term inter-fund loan receivables are reported as advances within the governmental funds, and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources, and therefore, are not available for appropriation.

Transactions among City funds that would be treated as revenues and expenditures or expenses if they involve organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

Transactions that constitute reimbursements to a fund for expenditures initially made from it, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund. Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds’ operating statements.

8. Deferred and Unearned Revenues

Deferred revenues in the governmental funds represent amounts due, which are measurable, but not available. In the statement of net assets, deferred revenues represent grants and similar items received; however, the City has not met all eligibility requirements imposed by the provider.

9. Compensated Absences

It is the City’s policy to permit employees to accumulate, with certain limits, earned but unused vacation time and sick leave hours for subsequent use or for payment upon termination, death or retirement. For government-wide statements and proprietary fund types, these accumulations are recorded as expenses and liabilities of the appropriate fund in the fiscal year earned. For governmental fund types, the amount of accumulated unpaid vacation and sick leave that is payable from available resources is recorded as a liability of the respective fund only if they have matured, for example, as a result of employee retirements and resignations.

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

10. Fund Equity

Reservations of fund balance represent amounts that are not appropriated or are legally segregated for a specific purpose. Restrictions of net assets are limited to outside third-party restrictions. Designations of fund balance represent tentative management plans that are subject to change.

11. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets invested in capital assets, net of related debt excludes unspent debt proceeds.

Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City first applied restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

12. Deferred Compensation Plan

The City offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, allows them to defer a portion of their salary to future years. The City's direct involvement in the Plan is limited to remitting the amounts withheld from employees to the Plan's administrator. The deferred compensation plan is not included in the City's financial statements.

13. New GASB Statement Adopted

During the fiscal year 2008, the City implemented GASB Statement No. 49, "Accounting and Financial Reporting for Pollution Obligations," which provides guidance on how to calculate and report the costs and obligations associated with pollution clean-up efforts. This Statement did have an impact on the City's financial statements, including required disclosures.

NOTE 2. DEFICIT FUND EQUITY

The City reported fund balance deficit of (\$342,333), (\$173,603), and (\$144,471), for its Opa-locka Police Youth Academy, Crime Prevention and STOP/VAWA Special Revenue Funds, respectively. The City will correct these fund balance deficits by way of appropriating funds from the general fund in its fiscal year 2009-2010 budget.

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

NOTE 3. PROPERTY TAXES

Property taxes are levied on November 1st of each year, at which time taxes become an enforceable lien on property assessed as of the previous January 1st. Tax bills are payable upon receipt with discounts rates of one to four percent allowed if paid prior to March 1 of the following calendar year. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for enforcement of collection of property taxes by the sale of interest-bearing tax certificates and the seizure of personal property to satisfy unpaid property taxes. Miami-Dade County bills and collects all property taxes for the City, and sells tax certificates for delinquent taxes.

The net assessed value of property, as established by the Miami-Dade County Property Appraiser, at July 1, 2008 upon which the 2008-2009 levy was based, was approximately \$958.753 million. For the year ended September 30, 2009, the millage rate to finance general government services was 8.2084 (\$8.2084 per \$1,000 of assessed taxable value). The City is permitted by the State to levy a maximum of 10.00 mills (\$10 per \$1,000 of assessed taxable value) for general government services.

No accrual for the property tax levy becoming due in November 2009 is included in the accompanying financial statements since the legal right to receive these taxes occurs on November 1, 2010, and such taxes are collected to finance expenditures of the fiscal year ending September 30, 2010.

NOTE 4. DEPOSITS AND INVESTMENTS

As of September 30, 2009 the City's cash are considered to be cash on hand, demand deposits, and short term investments with original maturities of three months or less from the date of acquisition.

A. Deposits

All deposits with financial institutions are fully insured or collateralized as required by the City Commission. The deposits are covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposits Act ("the Act"). Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses, in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository, are assessed against the other qualified public depositories of the same type as the depository in default.

B. Investments

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

The City is authorized to make direct investments in U.S. government, federal agency, and instrumentality obligations at a price not to exceed the market price at the time of purchase. In addition, the City may invest in certificates of financial institutions insured by the United States government or agencies thereof and repurchase agreements.

As of September 30, 2009 the City has no investments.

NOTE 5. DISAGGREGATION OF RECEIVABLE AND ACCOUNTS PAYABLE BALANCES

Receivable balances as of September 30, 2009, were as follows:

	Accounts	Taxes	Due from Other governments	Others	Allowance for uncollectibles	Net
Governmental activities:						
General	\$-	\$493,204	\$200,482	\$297,550	\$(422,494)	\$568,742
FEMA	-	-	509,331	-	-	509,331
Nonmajor funds	-	-	525,152		-	525,152
Total governmental activities	\$-	\$493,204	\$1,234,965	\$297,550	\$(422,494)	\$1,603,225
Business-type activities:						
Water and sewer	\$1,311,078	\$-	\$-	\$-	\$(191,507)	\$1,119,571
Stormwater	112,409	-	-	-	(21,555)	90,854
Solidwaste	-	-	-	-	-	-
Total business-type activities	\$1,423,487	\$-	\$-	\$-	\$(213,062)	\$1,210,425

Accounts Payable and Accrued Expenses balances as of September 30, 2009, were as follows:

	Vendors	Salaries and Benefits	Other Accrued Expenses	Total
Governmental activities:				
General	\$260,904	\$203,131	\$-	\$464,035
FEMA	971,100	-	-	971,100
Nonmajor funds	67,786	-	-	67,786
Total government-type activities	\$1,299,790	\$203,131	\$-	\$1,502,921
Business-type activities:				
Water and sewer	\$348,470	\$-	\$275,000	\$623,470
Stormwater	695	-	-	695
Solidwaste	105,642	-	-	105,642
Total business-type activities	\$454,807	\$-	\$275,000	\$729,807

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

NOTE 6. INTERFUND BALANCES AND TRANSFERS

Transfers are used to (1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. These transfers are eliminated in the consolidation, by column, for the Governmental Activities. Inter-fund balances result from the time lag between the dates that (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Interfund balances as of September 30, 2009 consisted of the following:

Receivable Fund	Payable Fund	Amount	Purpose
General fund	Water and sewer	\$1,091,123	Provide temporary resources
South FL Water Mgt. fund	Stormwater	347,146	Provide temporary resources
Nonmajor enterprise funds	Nonmajor governmental funds	50,902	Reimbursable expenditures
Total		<u>\$1,489,171</u>	

Interfund transfers for the year ended September 30, 2009, consisted of the following:

Transfer from:	Transfer to:	Amount	Purpose
General fund	Crime Prevention	\$10,000	Transfer excess funds after debt service
Debt service fund	General fund	739,562	To fund capital projects
General fund	Capital projects	390,888	To fund operations-provided for in the budget
General fund	Solid waste	122,285	To fund operations-provided for in the budget
Total		<u>\$1,262,735</u>	

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

NOTE 7. CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended September 30, 2009:

	Balance <u>30-Sep-08</u>	<u>Increases</u>	<u>Decreases</u>	<u>Reclass</u>	Balance <u>30-Sep-09</u>
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 2,805,291	\$ -	\$ -	\$ -	\$ 2,805,291
Construction in progress	600,255	185,993	(207,894)	-	578,354
Total assets not being depreciated	<u>3,405,546</u>	<u>185,993</u>	<u>(207,894)</u>	<u>-</u>	<u>3,383,645</u>
Capital assets being depreciated:					
Buildings and improvements	2,867,941	400,970	-	-	3,268,911
Furniture and equipment	3,431,143	402,934	-	-	3,834,077
Infrastructure	18,857,337	71,782	-	-	18,929,119
Total assets being depreciated	<u>25,156,421</u>	<u>875,686</u>	<u>-</u>	<u>-</u>	<u>26,032,107</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,477,508)	(47,086)	-	-	(2,524,594)
Furniture and equipment	(2,334,125)	(170,801)	-	-	(2,504,926)
Infrastructure	(11,808,739)	(816,418)	-	-	(12,625,157)
Total accumulated depreciation	<u>(16,620,372)</u>	<u>(1,034,305)</u>	<u>-</u>	<u>-</u>	<u>(17,654,677)</u>
Total capital assets being depreciated, net	<u>8,536,049</u>	<u>(158,619)</u>	<u>-</u>	<u>-</u>	<u>8,377,430</u>
Governmental activities capital assets, net	<u>\$ 11,941,595</u>	<u>\$ 27,374</u>	<u>\$ (207,894)</u>	<u>\$ -</u>	<u>\$ 11,761,075</u>
Business-Type Activities:					
Capital Assets not being depreciated:					
Land	\$ 14,762	\$ -	\$ -	\$ -	\$ 14,762
Construction in progress	-	64,094	-	-	64,094
Total assets not being depreciated	<u>14,762</u>	<u>64,094</u>	<u>-</u>	<u>-</u>	<u>78,856</u>
Capital assets being depreciated:					
Buildings and improvements	991,006	-	-	-	991,006
Utility plant and systems	18,751,946	314,441	-	-	19,066,387
Furniture and equipment	2,677,762	181,204	-	-	2,858,966
Total assets being depreciated	<u>22,420,714</u>	<u>495,645</u>	<u>-</u>	<u>-</u>	<u>22,916,359</u>
Less accumulated depreciation for:					
Building and improvements	(1,036,189)	(347)	-	47,058	(989,478)
Utility plant and systems	(6,402,443)	(437,323)	-	(855,239)	(7,695,005)
Furniture and equipment	(3,388,389)	(63,652)	-	808,181	(2,643,860)
Total accumulated depreciation	<u>(10,827,021)</u>	<u>(501,322)</u>	<u>-</u>	<u>-</u>	<u>(11,328,343)</u>
Total capital assets being depreciated, net	<u>11,593,693</u>	<u>(5,677)</u>	<u>-</u>	<u>-</u>	<u>11,588,016</u>
Business-type activities capital assets, net	<u>\$ 11,608,455</u>	<u>\$ 58,417</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,666,872</u>

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

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

Governmental activities:	
General government	\$83,271
Public safety	106,675
Transportation	830,375
Parks and recreation	13,984
Total	<u>\$1,034,305</u>
Business-type activities:	
Water and sewer	\$466,0080
Stormwater	55,241
Solidwaste	-
Total	<u>\$501,321</u>

NOTE 8. LEASES

A. Operating Leases

The City leases building and office facilities under noncancelable operating leases. Total costs for such leases were \$493,722 for the year ended September 30, 2009. The future minimum lease payments for the leases are as follows:

<u>Year Ending September 30</u>	<u>Amount</u>
2010	\$493,722
2011	493,722
2012	493,722
2013	493,722
2014	493,722
2015-2016	987,444
Total	<u>\$3,456,054</u>

B. Capital Leases

The City has entered into lease agreements as lessee for financing the acquisition of various vehicles. The City also financed the acquisition of water meter reading equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception dates. Future minimum payments under the lease agreements and the present value of minimum payments as of September 30, 2009 are as follows:

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

B. Capital Leases – (Continued)

Year Ending September 30,	Governmental Activities	Business-type Activities
2010	\$165,021	\$428,535
2011	117,889	422,978
2012	22,955	422,978
2013	6,354	422,978
2014	-	422,978
2015-2016	-	845,962
Total minimum lease payments	312,219	2,960,852
Less: amount representing interest	(13,702)	(408,723)
Present value of minimum lease payments	<u>\$298,517</u>	<u>\$2,552,129</u>

The assets acquired through the capital leases are as follows:

	Governmental Activities	Business-type Activities
Machinery and equipment	\$796,648	\$45,635
Utility plant and systems	-	2,968,650
Less: Accumulated depreciation	(487,571)	(40,251)
Net	<u>\$309,077</u>	<u>\$2,974,034</u>

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

NOTE 9. LONG-TERM DEBT

Long-term liability activity for the year ended September 30, 2009 was as follows:

	Balance September 30, 2008	Additions	Reductions	Balance September 30, 2008	Due within One year
Governmental activities:					
Capital Improvement Revenue					
Bond, Series 1994A	\$6,040,000	\$-	\$(225,000)	\$5,815,000	\$240,000
Other liabilities:					
Capital leases obligation	391,951	54,734	(148,168)	298,517	155,890
Compensated absences	975,660	716,029	(493,065)	1,198,624	-
Total governmental activities long-term liabilities	<u>\$7,407,611</u>	<u>\$770,763</u>	<u>\$(866,233)</u>	<u>\$7,312,141</u>	<u>\$395,890</u>
Business-type activities:					
State Revolving Loan No.					
CS120800020	\$146,787	\$-	\$(27,867)	\$118,920	\$28,541
State Revolving Loan No.					
CS12080003P	1,241,927	-	(69,370)	1,172,557	71,486
State Revolving Loan No.					
WW800050	2,257,186	-	(125,258)	2,131,928	126,218
Total loans payable	3,645,900	-	(211,847)	3,423,405	226,245
Other liabilities:					
Capital lease	2,864,166	-	(312,037)	2,552,129	320,328
Liability to Florida					
Department of	327,026	-	(58,021)	269,005	68,750
Transportation					
Accrued compensated	69,083	91,682	(50,907)	109,858	26,314
absences					
Total business-type activities long-term debt	<u>\$6,906,175</u>	<u>\$91,682</u>	<u>\$(643,460)</u>	<u>\$6,354,397</u>	<u>\$641,637</u>

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

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

Long-Term Debt – Governmental Activities

Long-term debt of the City's governmental activities, excluding compensated absences and capital leases, include the Series 1994A Capital Improvement Revenue bonds, bearing annual interest rates ranging from approximately 5.0% to 6.125%, and are payable from a pledge of the City's ½ cent sales tax and shared revenues from the State of Florida. Annual principal installments range from \$125,000 in 1998 to \$570,000 through 2024. The combined total ½ cent sales tax and shared revenues for the year ended September 30, 2009 is \$1,346,542 while total debt service payments is \$604,042.

Long-Term Debt - Business-Type Activities

Long-term debt of the City's business-type activities, excluding compensated absences and capital leases, consists of the following:

- a) State Revolving Loan Note Project No. CS120800020 - for \$480,816, bearing interest at rates ranging from 2.89% to 3.75% due in 20 annual payments of \$32,365, including interest, from July 31, 1994 through July 31, 2013, secured by a lien on Pledge Revenues as defined by the State Revolving Fund loan agreement.
- b) State Revolving Loan Note Project No. CS12080003P as amended - for \$1.827 million, bearing interest at a rate of 2.56% and 1.54%, due in 40 semi-annual payments of \$53,240, including interest, from June 15, 2003 through December 15, 2022, secured by a lien on Pledge Revenues as defined by the State Revolving Fund loan agreement.
- c) State Revolving Loan Note Project No. WW800050 - for \$2.375 million, bearing interest at a rate of 1.53%, due in 40 semi-annual payments of \$71,143, including interest, secured by a lien on Pledge Revenues as defined by the State Revolving Fund loan agreement.
- d) Settlement with the Florida Department of Transportation (FDOT) - for \$632,954, bearing an implied interest rate of 4.11%, due in 119 monthly payments of \$5,319, including interest, from January 2001 through November 2010.

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

Debt Service Requirements

The annual requirements to amortize all long-term debt outstanding at September 30, 2009, other than the liability for accumulated vacation and sick leave and the capital leases, are as follows:

Fiscal Year ending September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2010	\$240,000	\$359,800	\$289,547	\$54,879
2011	255,000	342,475	293,612	50,814
2012	275,000	323,925	297,781	46,645
2013	290,000	304,150	301,167	42,369
2014	315,000	282,975	226,578	38,013
2015-2019	1,890,000	1,084,125	1,107,336	113,094
2020-2024	2,550,000	408,844	902,300	39,522
Thereafter	-	-	274,089	2,580
	<u>\$5,815,000</u>	<u>\$3,106,294</u>	<u>\$3,692,410</u>	<u>\$387,916</u>

Summary of Debt Covenants

Series 1994A Capital Improvement Revenue Bonds – Debt service is provided by a pledge of guaranteed state revenue sharing funds, local option gas tax revenues, and the half-cent sales tax. Reserves must be maintained equal to the maximum bond service requirement. At September 30, 2009 the City had on deposit with the trustee for these bonds, a reserve account insurance policy which unconditionally and irrevocably guarantees the full and complete payment required to be made by or on the behalf of the City.

Pledge Revenues - the City's agreement under the State of Florida Revolving Loan Fund Program requires the City to generate Pledged Revenues, as defined by the agreement, from the services furnished by its water and sewer systems equal to or exceeding 1.15 times the sum of the semiannual loan payments. As of September 30, 2009 the City is in compliance with this requirement.

The amount of long-term debt that can be incurred by the City is limited by the charter of the City. Total general obligation bond of the City outstanding in any one fiscal year can be no greater than 15% of the assessed value of taxable property as of the beginning of the fiscal year. As of September 30, 2009 the amount of bonds outstanding and notes payable exclusively from the revenues of a municipal project was less than 5% of property assessments as of September 30, 2009.

Bonds payable exclusively from the revenue of a municipal project may be issued and outstanding without regard to the 15% limitation; however, such an issue would be subject to the limitations imposed by the City's charter with respect to restrictions on bonds parity with or junior to the Series 1994A Capital Improvement Revenue Bonds.

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

NOTE 10. DEFINED BENEFIT PENSION PLAN

Florida Retirement Systems Plans - The City participates in the State of Florida Retirement System (the "System"), a cost-sharing multiple-employer defined benefit plan or defined contribution retirement plan which covers substantially all of the City's full-time employees. The FRS was established in 1970, by consolidating several employee retirement systems. All eligible employees as defined by the State who were hired after 1970 and those employed prior to 1970 that elect to be enrolled, are covered by the System.

Benefit provisions and all other requirements are established by Chapter 121, Florida Statutes and any amendments thereto can be made only by an act of the Florida Legislature. Employees of the FRS may participate in either the Public Employee Optional Retirement Program (the "Investment Plan"), a defined contribution retirement program or in the defined benefit retirement plan (the "Pension Plan").

Eligible members of the Investment Plan are vested after one year of service and are directed to choose their investment product with a third party administrator selected by the State Board of Administration.

Employees participating in the Pension Plan have their benefits computed on the basis of age, average final compensation and service credit. Benefits under the Pension Plan vest after six years of service. Employees who retire at or after age 62, with ten years of credited service, are entitled to an annual retirement benefit, payable monthly for life. A post-retirement health insurance subsidy is also provided to eligible retired employees through the FRS defined benefits retirement plan.

**Summary of Florida Retirement System Contributions,
Covered Payroll and Percentage of Covered Payroll**

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Covered payroll	\$8,038,470	\$6,770,729	\$6,524,545
Required Contributions	1,079,604	896,318	1,029,819
% of Covered Payroll	13.4%	13.2%	15.8%

The City is required to contribute amounts necessary to pay benefits when due as defined by State Statute. Such contribution requirements ranged between 9.85% and 20.92% of gross salaries during fiscal year 2009. For the fiscal years ended September 30, 2009, 2008 and 2007, the City contributed 100% of the required contributions.

A copy of the System's annual report can be obtained by writing to the Division of Retirement, P.O. Box 9000, Tallahassee, FL 32315-9000 or by calling (877) 377-1737.

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

NOTE 11. RELATIONSHIP WITH THE COUNTY

In 1955, the Florida Legislature approved and submitted to a general election a constitutional amendment designed to give a new form of government to the County of Miami-Dade. The County is, in effect, a municipality with governmental powers effective upon more than 29 cities, including the City, and the unincorporated areas. It has not displaced or replaced the cities, but supplements them. The County can take over particular activities of the City's operations if (1) the services fall below minimum standards set by the County Commission, or (2) with the consent of the governing body of the City.

Since its inception, the County has assumed responsibility for a number of functions, including county-wide police services, complementing county-wide fire protection; consolidated two-tier court system; creation of the various surface transportation programs; installation of a central traffic control computer system; merging all public transportation systems into a county system; and centralization of the property appraiser and tax collector functions.

NOTE 12. COMMITMENTS AND CONTINGENCIES

A. Commitments

Water Supply and Sewer Services Contract

In February 1985, the City entered into an agreement with Miami-Dade Water and Sewer Authority (the "Authority") for the purpose of providing to the City all of its potable water supply and sewer services for a period of thirty (30) years subject to termination at any time by operation of law or by mutual consent of the City and the Authority. For the year ended September 30, 2009 and 2008, the City purchased water and sewer services totaling \$2,302,926 and \$2,078,040 respectively, from the Authority under the terms of this agreement.

B. Contingencies

The City participates in a number of Federal and State grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The possible disallowance of any item charged to the program or request for the return of already collected funds may be disallowed by the grantor agency. Any potential disallowed amounts cannot be determined at this time. No provision for any liability that may result has been made in the financial statements. The City expects such amounts, if any, to be immaterial.

Various claims and lawsuits, which arose in the normal course of operations, are pending against the City. In the opinion of management, based on the advice of the City's Attorney, the outcome of these actions is not anticipated to have a material effect on the financial position and results of operations of the City.

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

NOTE 13. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan (the “Plan”), which is administered by two administrators. The portion of the plan administered by the International City Management Association Retirement Corporation (“ICMA”) was created in accordance with Internal Revenue Code Section 457 (a qualified plan). The other portion constitutes a nonqualified plan benefit and is administered by the Equitable Life Assurance Society (“Equitable”). The Plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in this plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All assets and income of the Plan are held in trust for the exclusive benefits of the participants. The City makes no investment decisions and has no fiduciary responsibilities regarding the Plan; therefore, the assets and liabilities of the Plan are not included in the City’s financial statements as September 30, 2009.

NOTE 14. RISK MANAGEMENT

The government is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. The City has not had a significant reduction in insurance coverage from coverage in the prior year by major categories of risk, and settled claims have not exceeded the City’s retention and excess coverage in force for each of the past three years.

NOTE 15. BUDGETARY COMPARISONS

Under GASB Statement No. 34, budgetary comparison information is required to be presented for the general fund and each major special revenue fund with a legally adopted budget. The City adopts annual operating budgets for the general fund and all special revenue funds. Budget and actual comparison for the general fund and the FEMA fund are presented in the Required Supplementary Information section of the report. Budget and actual comparisons for other funds are reflected in the Combining Statements section.

NOTE 16. NEW ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 51 – In June 2007, the GASB issued Statement No. 51, Accounting and Financial Reporting for Intangible Assets. This statement requires governments to classify certain intangible assets as capital assets. All existing GAAP for capital assets – for recognition, measurement, depreciation (i.e., amortization), and disclosure – apply to intangible assets that fall within the scope of GASB Statement No. 51. Its scope excludes goodwill, assets obtained through capital leases, and assets that are used to obtain income or generate profit. The provisions of this Statement are effective for the City for periods beginning after June 15, 2009. The City has not yet determined the effect this Statement will have on its financial statements.

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

GASB Statement No. 54 – In March 2009, the GASB approved Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (Statement). Certain of the significant changes in the Statement will require the following:

Fund balances for each of the City's governmental funds (General Fund, special revenue funds, capital projects funds, and debt service funds) will be displayed in the following classification depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- *Nonspendable fund balance* – amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.
- *Restricted fund balance* – amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.
- *Committed fund balance* – amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority.
- *Assigned fund balance* – amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.
- *Unassigned fund balance* – amounts that are available for any purpose; these amounts can be reported only in the City's General Fund.

The Statement also establishes several new presentation and disclosure requirements, including requirements related to stabilization arrangements (i.e., "rainy day" amounts).

In addition, the Statement clarifies the definitions of the various types of governmental funds. Interpretations of certain terms within the new definition of special revenue funds may affect which activities the City can report in special revenue funds.

The provisions of this Statement will be implemented by the City for the fiscal year beginning October 1, 2009. Implementation will require the City to restate existing fund balances of the governmental funds.

GASB Statement No. 45 – In July 2004, the GASB issued Statement No. 45, Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions. This statement establishes standards for the measurement, recognition and display of other postretirement benefits expenses/expenditures and related liabilities (assets), note disclosures and required supplementary information in

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

the financial reports of state and local governmental employers. The provisions of this Statement are effective for the City for periods beginning after December 15, 2008. The City has not yet determined the effect this Statement will have on its financial statements.

NOTE 17. SUBSEQUENT EVENTS

1. Settlement of Class Action Litigation

The City settled a Class action suit subsequent to September 30, 2009. In the matter of Steven Barrett, Individually and as Class representative of all those similarly situated vs. the City of Opa-locka, the City agreed to a settlement that included a \$275,000 payment to Barrett and his counsel. The amount was paid by the City on December 23, 2009 as full and final settlement of the pending litigation against the City. Accordingly, an amount for \$275,000 has been accrued and recognized as a current liability in the City's financial statements at September 30, 2009.

2. Solid Waste Collection and Disposal Contract

On January 19, 2010, the City entered into a Residential Solid Waste Collection and Disposal Agreement (the "Agreement") with a third party contractor, commencing March 1, 2010 and terminating on February 28, 2013. The agreement allows for an additional one year renewal unless either party is notified within at least sixty (60) days prior to the determination date or any renewal term.

CITY OF OPA-LOCKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

Required Supplementary Information



CITY OF OPA-LOCKA, FLORIDA

BUDGETARY COMPARISON SCHEDULE GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes:				
Property taxes	\$ 7,598,700	\$ 7,598,700	\$ 7,667,287	\$ 68,587
Utility taxes	822,360	822,360	741,164	(81,196)
Communications service taxes	699,200	699,200	717,858	18,658
Local option gas tax	308,950	288,870	281,095	(7,775)
Local business taxes	250,000	266,000	229,627	(36,373)
Franchise fees	1,926,000	1,740,900	1,656,093	(84,807)
Permits and fees	431,300	284,100	378,086	93,986
Intergovernmental	609,845	753,060	603,672	(149,388)
Charges for services	40,625	41,925	33,483	(8,442)
Fines and forfeitures	192,700	272,200	438,123	165,923
Interest	150,000	35,000	17,450	(17,550)
Other	94,300	151,800	147,270	(4,530)
Total revenues	13,123,980	12,954,115	12,911,208	(42,907)
Expenditures:				
Current:				
General government:				
City commission	147,030	147,030	86,920	60,110
City manager	596,375	854,700	401,569	453,131
City clerk	458,350	461,350	290,263	171,087
City attorney	279,500	601,000	643,563	(42,563)
Finance/Utility billing	829,860	946,950	624,687	322,263
Information technology	269,270	321,170	134,170	187,000
Human resources	279,805	266,040	146,095	119,945
Building and licenses	379,710	366,570	377,971	(11,401)
Community development	361,570	396,800	385,544	11,256
Total general government	3,601,470	4,361,610	3,090,782	1,270,828
Public safety:				
Police	5,014,720	5,113,730	5,324,858	(211,128)
Code enforcement	259,140	354,650	345,318	9,332
Total public safety	5,273,860	5,468,380	5,670,176	(201,796)
Public works:				
Administration	428,480	421,475	403,503	17,972
Street maintenance	656,825	721,640	805,514	(83,874)
Building maintenance	277,755	277,755	381,156	(103,401)
Vehicle maintenance	604,815	612,315	626,247	(13,932)
Total public works	1,967,875	2,033,185	2,216,420	(183,235)

(Continued)

CITY OF OPA-LOCKA, FLORIDA

BUDGETARY COMPARISON SCHEDULE GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2009

(Continued)

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Parks and recreation:				
Parks	948,725	1,019,570	1,104,763	(85,193)
Special events	32,000	63,862	59,139	4,723
Total parks and recreation	980,725	1,083,432	1,163,902	(80,470)
Non-departmental	2,418,920	2,213,020	1,628,224	584,796
Total non-departmental	2,418,920	2,213,020	1,628,224	584,796
Total expenditures	14,242,850	15,159,627	13,769,504	1,390,123
Excess of revenues over expenditures	(1,118,870)	(2,205,512)	(858,296)	1,347,216
Other financing sources (uses):				
Capital lease proceeds	-	-	54,734	54,734
Transfers in	925,775	1,536,917	739,562	(797,355)
Transfers out	(1,178,785)	(703,285)	(523,272)	180,013
Net change in fund balance	(1,371,880)	(1,371,880)	(587,272)	784,608
Fund balance, beginning	5,249,028	5,249,028	5,249,028	-
Fund balance, end	\$ 3,877,148	\$ 3,877,148	\$ 4,661,756	\$ 784,608

CITY OF OPA-LOCKA, FLORIDA

BUDGETARY COMPARISON SCHEDULE FEMA FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Grants	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Deficiency of revenues over expenditures	-	-	-	-
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance, beginning	598,535	598,535	598,535	-
Fund balance, end	<u>\$ 598,535</u>	<u>\$ 598,535</u>	<u>\$ 598,535</u>	<u>\$ -</u>

CITY OF OPA-LOCKA, FLORIDA

NOTES TO BUDGETARY COMPARISON SCHEDULE

NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING

Chapter 166, Florida Statutes, requires that all municipalities prepare, approve, adopt and execute an annual budget for funds as may be required by law or by sound financial practices and generally accepted accounting principles. The budgets control the levy and the expenditure of money for City purposes in the ensuing fiscal year. The budgeting process is based on estimates of revenues and expenditures. The City budgets are prepared on a modified-accrual basis or accrual basis of accounting in accordance with generally accepted accounting principles.

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to August 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. Budgetary control is maintained at the departmental and fund level, with finance department providing support to departments in the administration of their budgets. In accordance with the City's budget transfer policy, the City Manager is authorized to transfer budgeted amounts within any fund or functions; however, any supplemental appropriations or revisions that amend the total expenditure of any fund must be approved by the City Commission. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrances outstanding at the balance sheet date are canceled.
5. Annual operating budgets are legally adopted for the General, Special Revenue, Debt Service, Capital Projects, and Enterprise Funds. All budgets are on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is the department level. This is the level at which expenditures may not exceed appropriations.
6. All annual appropriations lapse at fiscal year end.
 - a. Although the original budget was amended there was no increase in the total appropriations between the original and final amended budget for the fiscal year 2008-2009.

CITY OF OPA-LOCKA, FLORIDA

NOTES TO BUDGETARY COMPARISON SCHEDULE

NOTE 2. BUDGETARY EXPENDITURES IN EXCESS OF APPROPRIATIONS

For the year ended September 30, 2008 expenditures exceeded appropriations in the city attorney, building and licenses, police, public works and parks departments of the general by \$42,563, \$11,401, \$201,796, \$ 183,235 and \$80,470. The overexpenditures were funded by available fund balance in the case of the general fund.

Combining and Individual Statements



Nonmajor Governmental Funds

Special Revenue Funds

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

Police Special Law Enforcement – accounts for the receipt and disbursement of the State’s special law enforcement trust fund, fines and forfeitures.

Boy Scout – accounts for the proceeds from donations to the City’s Police Explorer Program.

Opa-locka Police Youth Academy (OPYA, formerly DJJ Aftercare Program) - to account for revenue received from the half percent sales surtax to support transportation operations, transportation related capital projects and acquisition of capital transportation assets.

Crime Prevention – accounts for the special slate grants to the City to develop a crime program prevention program.

STOP/VAWA GRANT- accounts for grants from the Department of Children and Families to provide domestic violence law enforcement services to victims.

Local Law Enforcement Block Grant – (LLEBG) – accounts for grants to the City from the Department of Justice to reduce crime and improve public safety.

DEP Waste and Water and South Florida Water Management Grant – accounts for grant money received from the Department of Environmental Protection to assist in the upgrade of the City’s drainage systems.

Community Redevelopment Agency – accounts for the redevelopment within the City.

Debt Service Fund

Capital Improvement Debt Service – accounts for the sinking fund requirements of the Series 1994A Capital Improvement Revenue Bonds.

Capital Projects Fund

Safe Neighborhood Capital Projects – accounts for revenue and expenditures of the CDBG and General Obligations Bonds funds from Miami-Dade County.

CITY OF OPA-LOCKA, FLORIDA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2009

Special Revenue Funds						
	<u>Special Law Enforcement</u>	<u>Boy Scout</u>	<u>DJJ Aftercare Program</u>	<u>Crime Prevention</u>	<u>STOP/VAWA Program</u>	<u>Transportation Tax</u>
ASSETS						
Cash and equity in pooled cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, net	-	-	41,710	49,659	7,267	77,142
Due from other funds	-	17,515	-	-	-	225,552
Restricted cash and cash equivalents	202,180	-	-	-	-	802,511
Total assets	<u>\$ 202,180</u>	<u>\$ 17,515</u>	<u>\$ 41,710</u>	<u>\$ 49,659</u>	<u>\$ 7,267</u>	<u>\$ 1,105,205</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 332	\$ 2,930	\$ -	\$ 43,303
Due to other funds	108,992	100	383,711	220,332	151,738	-
Total liabilities	<u>108,992</u>	<u>100</u>	<u>384,043</u>	<u>223,262</u>	<u>151,738</u>	<u>43,303</u>
FUND BALANCES						
Reserved for:						
Public safety	93,188	17,415	-	-	-	-
Transportation						1,061,902
Debt service	-	-	-	-	-	-
Unreserved	-	-	(342,333)	(173,603)	(144,471)	-
Total fund balances	<u>93,188</u>	<u>17,415</u>	<u>(342,333)</u>	<u>(173,603)</u>	<u>(144,471)</u>	<u>1,061,902</u>
Total liabilities and fund balances	<u>\$ 202,180</u>	<u>\$ 17,515</u>	<u>\$ 41,710</u>	<u>\$ 49,659</u>	<u>\$ 7,267</u>	<u>\$ 1,105,205</u>

(continued)

CITY OF OPA-LOCKA, FLORIDA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

(Continued)

SEPTEMBER 30, 2009

	Special Revenue Funds						
	DEP Wastewater System Improvement	South Florida Water Management	Local Law Enforcement	Community Redevelopment	Capital Improvement Debt Service	Safe Neighborhood Capital Projects	Total Nonmajor Governmental Funds
ASSETS							
Cash and equity in pooled cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, net	-	-	-	-	109,144	240,230	525,152
Due from other funds	-	347,145	236	-	-	85,128	675,576
Restricted cash and cash equivalents	-	-	-	-	401,522	-	1,406,213
Total assets	<u>\$ -</u>	<u>\$ 347,145</u>	<u>\$ 236</u>	<u>\$ -</u>	<u>\$ 510,666</u>	<u>\$ 325,358</u>	<u>\$ 2,606,941</u>
LIABILITIES							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	21,221	\$ 67,786
Due to other funds	-	84,133	-	-	147,650	312,978	1,409,634
Total liabilities	<u>-</u>	<u>84,133</u>	<u>-</u>	<u>-</u>	<u>147,650</u>	<u>334,199</u>	<u>1,477,420</u>
FUND BALANCES							
Reserved for:							
Public safety	-	-	236	-	-	-	110,839
Transportation	-	-	-	-	-	-	1,061,902
Debt service	-	-	-	-	363,016	-	363,016
Unreserved	-	263,012	-	-	-	(8,841)	(406,236)
Total fund balances	<u>-</u>	<u>263,012</u>	<u>236</u>	<u>-</u>	<u>363,016</u>	<u>(8,841)</u>	<u>1,129,521</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 347,145</u>	<u>\$ 236</u>	<u>\$ -</u>	<u>\$ 510,666</u>	<u>\$ 325,358</u>	<u>\$ 2,606,941</u>

CITY OF OPA-LOCKA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds					
	Special Law Enforcement	Boy Scout	DJJ Aftercare Program	Crime Prevention	STOP/VAWA Program	Transportation Tax
Revenues:						
Intergovernmental	\$ 46,269	\$ -	\$ 225,113	\$ 155,666	\$ -	\$ 462,851
Interest	593	-	-	-	-	-
Other	-	-	297	8,500	-	-
Total revenues	<u>46,862</u>	<u>-</u>	<u>225,410</u>	<u>164,166</u>	<u>-</u>	<u>462,851</u>
Expenditures:						
Current:						
Public safety	14,823	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Human services	-	-	289,603	214,822	-	-
Capital outlay	-	-	-	3,210	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	<u>14,823</u>	<u>-</u>	<u>289,603</u>	<u>218,032</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>32,039</u>	<u>-</u>	<u>(64,193)</u>	<u>(53,866)</u>	<u>-</u>	<u>462,851</u>
Other financing sources:						
Transfers in	-	-	-	10,000	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	32,039	-	(64,193)	(43,866)	-	462,851
Fund balance, beginning	<u>61,149</u>	<u>17,415</u>	<u>(278,140)</u>	<u>(129,737)</u>	<u>(144,471)</u>	<u>599,051</u>
Fund balance, ending	<u>\$ 93,188</u>	<u>\$ 17,415</u>	<u>\$ (342,333)</u>	<u>\$ (173,603)</u>	<u>\$ (144,471)</u>	<u>\$ 1,061,902</u>

(continued)

CITY OF OPA-LOCKA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds						
	DEP Wastewater System Improvement	South Florida Water Management	Local Law Enforcement	Community Redevelopment	Capital Improvement Debt Service	Safe Neighborhood Capital Projects	Total Nonmajor Governmental Funds
Revenues:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 1,346,542	\$ 541,600	\$ 2,778,041
Interest	-	-	-	-	-	-	593
Other	-	-	-	-	-	-	8,797
Total revenues	-	-	-	-	1,346,542	541,600	2,787,431
Expenditures:							
Current:							
Public safety	-	-	-	-	-	-	14,823
Highways and streets	-	-	-	-	-	72,066	72,066
Human services	-	-	-	-	-	-	504,425
Capital outlay	-	-	-	-	-	205,017	208,227
Debt service:							
Principal	-	-	-	-	225,000	-	225,000
Interest	-	-	-	-	379,042	-	379,042
Total expenditures	-	-	-	-	604,042	277,083	1,403,583
Excess (deficiency) of revenues over expenditures	-	-	-	-	742,500	264,517	1,383,848
Other financing sources:							
Transfers in	-	-	-	-	-	390,988	400,988
Transfers out	-	-	-	-	(739,562)	-	(739,562)
Total other financing sources	-	-	-	-	(739,562)	390,988	(338,574)
Net change in fund balance	-	-	-	-	2,938	655,505	1,045,274
Fund balance, beginning	-	263,012	236	-	360,078	(664,346)	84,247
Fund balance, ending	\$ -	\$ 263,012	\$ 236	\$ -	\$ 363,016	\$ (8,841)	\$ 1,129,521

CITY OF OPA-LOCKA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds							
	Special Law Enforcement				Boy Scout			
	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Intergovernmental	\$ 26,700	\$ 24,600	\$ 46,269	\$ 21,669	\$ -	\$ -	\$ -	\$ -
Interest	-	-	593	593	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	26,700	24,600	46,862	22,262	-	-	-	-
Expenditures:								
Current:								
Public safety	26,700	24,600	14,823	9,777	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Total expenditures	26,700	24,600	14,823	9,777	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	32,039	32,039	-	-	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	32,039	32,039	-	-	-	-
Fund balance, beginning	61,149	61,149	61,149	-	17,415	17,415	17,415	-
Fund balance, end	\$ 61,149	\$ 61,149	\$ 93,188	\$ 32,039	\$ 17,415	\$ 17,415	\$ 17,415	\$ -

(continued)

CITY OF OPA-LOCKA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds							
	DJJ Aftercare Program				Crime Prevention			
	Budgeted Amounts			Variance With Final Budget Positive (Negative)	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>		<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:								
Intergovernmental	\$ 378,629	\$ 198,310	\$ 225,113	\$ 26,803	\$ 109,500	\$ 134,500	\$ 155,666	\$ 21,166
Other	-	-	297	297	-	-	8,500	8,500
Total revenues	<u>378,629</u>	<u>198,310</u>	<u>225,410</u>	<u>27,100</u>	<u>109,500</u>	<u>134,500</u>	<u>164,166</u>	<u>29,666</u>
Expenditures:								
Current:								
Human services	378,629	198,310	289,603	(91,293)	109,500	144,500	214,822	(70,322)
Highways and streets	-	-	-	-	-	-	3,210	(3,210)
Total expenditures	<u>378,629</u>	<u>198,310</u>	<u>289,603</u>	<u>(91,293)</u>	<u>109,500</u>	<u>144,500</u>	<u>218,032</u>	<u>(73,532)</u>
Deficiency of revenues over expenditures	-	-	(64,193)	(64,193)	-	(10,000)	(53,866)	(43,866)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	10,000	10,000	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	10,000	10,000	-
Net change in fund balance	-	-	(64,193)	(64,193)	-	-	(43,866)	(43,866)
Fund balance, beginning	<u>(278,140)</u>	<u>(278,140)</u>	<u>(278,140)</u>	-	<u>(129,737)</u>	<u>(129,737)</u>	<u>(129,737)</u>	-
Fund balance, end	<u>\$ (278,140)</u>	<u>\$ (278,140)</u>	<u>\$ (342,333)</u>	<u>\$ (64,193)</u>	<u>\$ (129,737)</u>	<u>\$ (129,737)</u>	<u>\$ (173,603)</u>	<u>\$ (43,866)</u>

(continued)

CITY OF OPA-LOCKA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds							
	STOP/VAWA				Peoples' Transportation Tax			
	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 520,000	\$ 520,000	\$ 462,851	\$ (57,149)
Interest	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	520,000	520,000	462,851	(57,149)
Expenditures:								
Current:								
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	520,000	520,000	-	520,000
Total expenditures	-	-	-	-	520,000	520,000	-	520,000
Deficiency of revenues over expenditures	-	-	-	-	-	-	462,851	462,851
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(704,382)	-	(704,382)
Total other financing sources	-	-	-	-	-	(704,382)	-	(704,382)
Net change in fund balance	-	-	-	-	-	(704,382)	462,851	1,167,233
Fund balance, beginning	(144,471)	(144,471)	(144,471)	-	599,051	599,051	599,051	-
Fund balance, end	\$ (144,471)	\$ (144,471)	\$ (144,471)	\$ -	\$ 599,051	\$ (105,331)	\$ 1,061,902	\$ 1,167,233

(continued)

CITY OF OPA-LOCKA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 200

Special Revenue Funds								
DEP Wastewater System Improvement					South Florida Water Management			
Budgeted Amounts				Variance With Final Budget Positive (Negative)	Budgeted Amounts			Variance With Final Budget Positive (Negative)
Original	Final	Actual			Original	Final	Actual	
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	-	-
Expenditures:								
Current:								
Highways and streets	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	-	-
Deficiency of revenues over expenditures	-	-	-	-	-	-	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-	-
Fund balance, beginning	-	-	-	-	263,012	263,012	263,012	-
Fund balance, end	\$ -	\$ -	\$ -	\$ -	\$ 263,012	\$ 263,012	\$ 263,012	\$ -

(continued)

CITY OF OPA-LOCKA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds							
	Local Law Enforcement				Community Redevelopment			
	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest			-	-			-	-
Other	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	-	-
Expenditures:								
Current:								
Highways and streets	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	-	-
Deficiency of revenues over expenditures	-	-	-	-	-	-	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-	-
Fund balance, beginning	236	236	236	-	-	-	-	-
Fund balance, end	\$ 236	\$ 236	\$ 236	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF OPA-LOCKA, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 1,528,350	\$ 1,435,010	\$ 1,346,540	\$ (88,470)
Interest	-	100	22	(78)
Total revenues	<u>1,528,350</u>	<u>1,435,110</u>	<u>1,346,562</u>	<u>(88,548)</u>
Expenditures:				
Debt service:				-
Principal	225,000	225,000	225,000	-
Interest	<u>377,575</u>	<u>377,575</u>	<u>379,042</u>	<u>(1,467)</u>
Total expenditures	<u>602,575</u>	<u>602,575</u>	<u>604,042</u>	<u>(1,467)</u>
Deficiency of revenues over expenditures	925,775	832,535	742,520	(90,015)
Other financing uses:				
Transfers out	<u>(925,775)</u>	<u>(832,535)</u>	<u>(739,562)</u>	<u>92,973</u>
Net change in fund balance	-	-	2,958	2,958
Fund balance, beginning	<u>360,078</u>	<u>360,078</u>	<u>360,078</u>	<u>-</u>
Fund balance, end	<u>\$ 360,078</u>	<u>\$ 360,078</u>	<u>\$ 363,036</u>	<u>\$ 2,958</u>

CITY OF OPA-LOCKA, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 2,319,960	\$ 2,319,960	\$ 541,600	\$ (1,778,360)
Interest	450	100	-	(100)
Total revenues	<u>2,320,410</u>	<u>2,320,060</u>	<u>541,600</u>	<u>(1,778,460)</u>
Expenditures:				
Current:				
Highways and streets	-	-	72,066	(72,066)
Capital outlay	<u>3,341,410</u>	<u>2,891,060</u>	<u>205,017</u>	<u>2,686,043</u>
Total expenditures	<u>3,341,410</u>	<u>2,891,060</u>	<u>277,083</u>	<u>2,613,977</u>
Deficiency of revenues over expenditures	<u>(1,021,000)</u>	<u>(571,000)</u>	<u>264,517</u>	<u>835,517</u>
Other financing sources (uses):				
Transfers in	<u>1,021,000</u>	<u>571,000</u>	<u>390,988</u>	<u>(180,012)</u>
Total other financing sources	<u>1,021,000</u>	<u>571,000</u>	<u>390,988</u>	<u>(180,012)</u>
Net change in fund balance	-	-	655,505	655,505
Fund balance, beginning	<u>(664,346)</u>	<u>(664,346)</u>	<u>(664,346)</u>	<u>-</u>
Fund balance, end	<u>\$ (664,346)</u>	<u>\$ (664,346)</u>	<u>\$ (8,841)</u>	<u>\$ 655,505</u>

Statistical Section



CITY OF OPA-LOCKA, FLORIDA

NET ASSETS BY COMPONENT

LAST SEVEN FISCAL YEARS

(accrual basis of accounting)

	Fiscal Year					
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental activities						
Invested in capital assets, net of related debt	\$ 5,647,558	\$ 5,509,644	\$ 1,856,232	\$ 173,474	\$ 2,881,664	\$ 796,149
Restricted	1,455,562	1,618,813	1,648,369	349,600	340,785	340,785
Unrestricted	<u>3,735,623</u>	<u>3,337,336</u>	<u>5,451,619</u>	<u>3,517,428</u>	<u>1,254,617</u>	<u>2,363,225</u>
Total governmental activities net assets	<u>\$ 10,838,743</u>	<u>\$ 10,465,793</u>	<u>\$ 8,956,220</u>	<u>\$ 4,040,502</u>	<u>\$ 4,477,066</u>	<u>\$ 3,500,159</u>
Business-type activities						
Invested in capital assets, net of related debt	\$ 5,422,334	\$ 5,098,389	\$ 6,559,594	\$ 707,159	\$ 306,435	\$ 3,925,622
Restricted	396,472	393,842	1,344,966	562,555	371,568	371,568
Unrestricted	<u>5,835,374</u>	<u>5,499,567</u>	<u>1,958,057</u>	<u>10,241,234</u>	<u>11,039,324</u>	<u>4,829,304</u>
Total business-type activities net assets	<u>\$ 11,654,180</u>	<u>\$ 10,991,798</u>	<u>\$ 9,862,617</u>	<u>\$ 11,510,948</u>	<u>\$ 11,717,327</u>	<u>\$ 9,126,494</u>
Primary government						
Invested in capital assets, net of related debt	\$ 11,069,892	\$ 10,608,033	\$ 8,415,826	\$ 880,633	\$ 3,188,099	\$ 4,721,771
Restricted	1,852,034	2,012,655	2,993,335	912,155	712,353	712,353
Unrestricted	<u>9,570,997</u>	<u>8,836,903</u>	<u>7,409,676</u>	<u>13,758,662</u>	<u>12,293,941</u>	<u>7,192,529</u>
Total primary government net assets	<u>\$ 22,492,923</u>	<u>\$ 21,457,591</u>	<u>\$ 18,818,837</u>	<u>\$ 15,551,450</u>	<u>\$ 16,194,393</u>	<u>\$ 12,626,653</u>

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

CITY OF OPA-LOCKA, FLORIDA
CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
(accrual basis of accounting)

Expenses	Fiscal Year						
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental activities:							
General government	\$ 4,690,986	\$ 4,603,861	\$ 4,221,761	\$ 4,051,643	\$ 4,349,856	\$ 3,047,149	\$ 3,483,349
Public safety	5,565,672	6,062,394	5,746,353	5,278,005	4,865,651	4,830,590	4,411,455
Economic environment	-	-	-	-	-	-	179,588
Highways and streets	3,084,070	2,664,432	3,079,201	9,200,709	18,637,182	7,393,917	6,574,144
Human services	535,075	-	-	-	-	-	-
Culture and recreation	939,357	892,599	889,461	758,395	496,612	295,795	379,390
Interest on long-term debt	388,244	389,219	408,438	421,563	455,432	478,145	506,055
Total governmental activities expenses	<u>15,203,404</u>	<u>14,612,505</u>	<u>14,345,214</u>	<u>19,710,315</u>	<u>28,804,733</u>	<u>16,045,596</u>	<u>15,533,981</u>
Business-type activities:							
Water and sewer	6,460,679	5,342,491	10,699,290	\$ 8,223,846	\$ 4,537,539	5,013,772	\$ 5,312,483
Solid waste	1,047,524	1,207,689	873,783	747,215	872,006	1,070,181	1,594,006
Stormwater	388,804	534,378	1,716,944	509,627	495,818	303,032	215,172
Total Business-type activities expenses	<u>7,897,007</u>	<u>7,084,558</u>	<u>13,290,017</u>	<u>9,480,688</u>	<u>5,905,363</u>	<u>6,386,985</u>	<u>7,121,661</u>
Total primary government expenses	<u>\$ 23,100,411</u>	<u>\$ 21,697,063</u>	<u>\$ 27,635,231</u>	<u>\$ 29,191,003</u>	<u>\$ 34,710,096</u>	<u>\$ 22,432,581</u>	<u>\$ 22,655,642</u>
Program Revenues							
Governmental activities:							
Charges for services:							
General government	\$ 392,263	\$ 404,826	\$ 811,121	\$ 839,762	\$ 41,280	\$ 687,446	\$ 938,315
Public safety	442,823	220,846	-	97,549	-	6,766	11,384
Highways and streets	-	-	-	-	-	16,137	32,904
Culture and recreation	14,607	12,585	5,858	12,311	-	53,153	66,269
Operating grants and contributions	779,371	435,019	-	1,107,935	1,415,067	830,604	1,239,134
Capital grants and contributions	717,540	1,599,939	4,691,815	5,121,725	17,762,358	5,804,895	5,537,112
Total governmental activities program revenues	<u>2,346,604</u>	<u>2,673,215</u>	<u>5,508,794</u>	<u>7,179,282</u>	<u>19,218,705</u>	<u>7,399,001</u>	<u>7,825,118</u>
Business-type Activities:							
Charges for services:							
Water and sewer	7,206,735	6,963,170	5,996,478	\$ 7,732,804	\$ 7,817,072	\$ 6,695,298	\$ 5,949,701
Solid waste	885,964	793,534	729,062	583,123	812,946	724,169	1,720,377
Stormwater	283,731	271,277	303,308	332,821	337,874	336,351	316,364
Operating grants and contributions	-	-	-	92,864	-	-	-
Capital grants and contributions	-	-	4,307,851	-	-	768,215	1,630,250
Total Business-type activities program revenues	<u>8,376,430</u>	<u>8,027,981</u>	<u>11,336,699</u>	<u>8,741,612</u>	<u>8,967,892</u>	<u>8,524,033</u>	<u>9,616,692</u>
Total primary government program revenues	<u>\$ 10,723,034</u>	<u>\$ 10,701,196</u>	<u>\$ 16,845,493</u>	<u>\$ 15,920,894</u>	<u>\$ 28,186,597</u>	<u>\$ 15,923,034</u>	<u>\$ 17,441,810</u>

	Fiscal Year						
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Net (expense)/revenue							
Governmental activities	\$ (12,856,800)	\$ (11,939,290)	\$ (9,474,688)	\$ (12,531,033)	\$ (9,586,029)	\$ (8,646,595)	\$ (7,708,863)
Business-type activities	<u>479,423</u>	<u>943,423</u>	<u>(1,953,318)</u>	<u>(739,076)</u>	<u>3,062,529</u>	<u>2,137,048</u>	<u>2,494,491</u>
Total primary government net expense	<u>\$ (12,377,377)</u>	<u>\$ (10,995,867)</u>	<u>\$ (11,428,006)</u>	<u>\$ (13,270,109)</u>	<u>\$ (6,523,500)</u>	<u>\$ (6,509,547)</u>	<u>\$ (5,214,372)</u>
General Revenues and Other Changes in Net Assets							
Governmental Activities:							
Taxes							
Property taxes	\$ 7,667,287	\$ 7,441,927	\$ 7,207,046	\$ 5,802,009	\$ 4,877,060	\$ 4,679,897	\$ 4,314,652
Utility taxes	741,164	894,359	1,544,532	1,467,039	503,181	836,173	816,519
Communications service taxes (1)	717,858	637,712	-	-	-	-	-
Local option gas tax	281,095	295,194	308,170	356,931	-	318,589	327,810
Franchise fees	1,656,094	1,540,751	1,919,542	1,941,938	1,313,694	1,674,120	1,198,858
Local business taxes	229,627	281,975	327,326	-	-	-	-
Intergovernmental revenue	1,884,800	2,092,307	1,764,906	2,227,585	3,662,889	2,710,536	2,019,880
Investment earnings	18,043	131,469	283,431	89,567	41,352	17,334	18,244
Miscellaneous	156,067	133,169	397,185	209,409	164,759	174,225	235,304
Transfer	<u>(122,285)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>13,229,750</u>	<u>13,448,863</u>	<u>13,752,138</u>	<u>12,094,478</u>	<u>10,562,935</u>	<u>10,410,874</u>	<u>8,931,267</u>
Business Type Activities:							
Investment earnings	42,914	185,758	304,702	\$ 273,781	\$ 18,046	\$ 30,690	\$ 15,299
Miscellaneous	17,760	-	-	258,915	-	221,100	14,268
Transfer	<u>122,285</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>182,959</u>	<u>185,758</u>	<u>304,702</u>	<u>532,696</u>	<u>18,046</u>	<u>251,790</u>	<u>29,567</u>
Total primary government	<u>\$ 13,412,709</u>	<u>\$ 13,634,621</u>	<u>\$ 14,056,840</u>	<u>\$ 12,627,174</u>	<u>\$ 10,580,981</u>	<u>\$ 10,662,664</u>	<u>\$ 8,960,834</u>
Change in Net Assets							
Governmental activities	\$ 372,950	\$ 1,509,573	\$ 4,277,450	\$ (436,555)	\$ 976,906	\$ 1,764,279	\$ 1,222,404
Business-type activities	<u>662,382</u>	<u>1,129,181</u>	<u>(1,648,616)</u>	<u>(206,380)</u>	<u>3,080,575</u>	<u>2,388,838</u>	<u>2,524,058</u>
Total primary government	<u>\$ 1,035,332</u>	<u>\$ 2,638,754</u>	<u>\$ 2,628,834</u>	<u>\$ (642,935)</u>	<u>\$ 4,057,481</u>	<u>\$ 4,153,117</u>	<u>\$ 3,746,462</u>

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

(1) Included in utility taxes prior to 2007.

CITY OF OPA-LOCKA, FLORIDA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property</u>	<u>Sales and Use</u>	<u>Franchise</u>	<u>Utility</u>	<u>Communications Service Taxes (1)</u>	<u>Local Business Tax (2)</u>	<u>Total</u>
2000	\$ 3,619,392	\$ 1,302,952	\$ 1,001,783	\$ 1,462,653	\$ -	\$ -	\$ 7,386,780
2001	3,760,247	1,427,879	1,027,026	1,420,326	-	-	7,635,478
2002	3,846,425	1,286,148	1,032,531	1,918,559	-	-	8,083,663
2003	4,377,548	1,357,982	1,198,858	1,805,699	-	-	8,740,087
2004	4,679,897	1,356,128	1,674,120	2,055,032	-	-	9,765,177
2005	4,877,060	1,479,783	1,313,694	1,794,845	-	-	9,465,382
2006	5,802,009	356,931	1,941,938	1,224,316	599,654	200,837	10,125,685
2007	7,207,046	308,170	1,919,542	892,002	652,530	327,326	11,306,616
2008	7,441,927	295,194	1,540,751	894,359	637,712	281,975	11,091,918
2009	7,667,287	281,095	1,656,094	741,164	717,858	229,627	11,293,125

(1) Effective Oct. 1, 2001. Reported as part of Utility taxes from 2002 to 2005.

(2) Reported as part of permits, licenses and fees prior to 2006.

CITY OF OPA-LOCKA, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
General Fund										
Reserved	\$ 247,330	\$ 340,679	\$ 380,380	\$ 389,118	\$ 386,120	\$ 347,297	\$ 114,723	\$ 41,642	\$ 50,869	\$ 31,315
Unreserved	<u>4,414,425</u>	<u>4,908,350</u>	<u>6,772,228</u>	<u>4,653,301</u>	<u>3,884,621</u>	<u>2,645,448</u>	<u>1,846,740</u>	<u>1,162,531</u>	<u>(58,240)</u>	<u>(440,802)</u>
Total General Fund	<u>\$ 4,661,755</u>	<u>\$ 5,249,029</u>	<u>\$ 7,152,608</u>	<u>\$ 5,042,419</u>	<u>\$ 4,270,741</u>	<u>\$ 2,992,745</u>	<u>\$ 1,961,463</u>	<u>\$ 1,204,173</u>	<u>\$ (7,371)</u>	<u>\$ (409,487)</u>
 All Other Governmental Funds										
Reserved	<u>\$ 2,134,292</u>	<u>\$ 1,636,464</u>	<u>\$ 1,648,369</u>	<u>\$ 340,785</u>	<u>\$ -</u>	<u>\$ 637,374</u>	<u>\$ 340,785</u>	<u>\$ 122,569</u>	<u>\$ 122,569</u>	<u>\$ 650,721</u>
Unreserved, reported in:										
Special revenue funds	(397,395)	(289,336)	(308,288)	(117,431)	935,287	768,224	323,820	(581,741)	(540,407)	(286,501)
Capital projects funds	<u>(8,841)</u>	<u>(664,346)</u>	<u>(417,272)</u>	<u>98,078</u>	<u>385,320</u>	<u>(235,793)</u>	<u>22,904</u>	<u>(307,757)</u>	<u>(270,577)</u>	<u>(727,993)</u>
Total all other governmental funds	<u>\$ 1,728,056</u>	<u>\$ 682,782</u>	<u>\$ 922,809</u>	<u>\$ 321,432</u>	<u>\$ 1,320,607</u>	<u>\$ 1,169,805</u>	<u>\$ 687,509</u>	<u>\$ (766,929)</u>	<u>\$ (688,415)</u>	<u>\$ (363,773)</u>

CITY OF OPA-LOCKA, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Revenues:										
Taxes	\$ 11,293,124	\$ 11,091,918	\$ 11,306,616	\$ 9,567,917	\$ 6,653,005	\$ 8,409,049	\$ 7,382,105	\$ 6,797,515	\$ 6,207,599	\$ 6,083,828
Licenses and permits	378,086	385,123	638,268	813,503	503,181	538,792	821,714	580,939	431,198	450,760
Fines and forfeitures	438,123	216,124	27,065	31,584	123,479	149,548	116,519	129,198	94,210	197,073
Intergovernmental	3,381,713	4,127,265	6,456,721	8,457,245	20,284,816	8,497,712	8,158,238	2,897,003	2,698,412	2,158,013
Charges for services	33,483	37,010	178,711	104,535	41,280	26,694	54,060	51,454	23,013	39,272
Interest	18,043	131,469	283,431	89,567	47,667	17,334	18,243	27,583	15,921	30,434
Miscellaneous	156,067	133,169	370,120	209,409	2,550,203	170,747	205,505	160,071	118,072	446,611
Total revenues	<u>15,698,639</u>	<u>16,122,078</u>	<u>19,260,932</u>	<u>19,273,760</u>	<u>30,203,631</u>	<u>17,809,876</u>	<u>16,756,384</u>	<u>10,643,763</u>	<u>9,588,425</u>	<u>9,405,991</u>
Expenditures:										
General government	4,604,911	4,520,068	3,951,414	3,813,756	6,523,196	2,991,081	2,374,650	3,399,603	2,948,300	3,334,152
Public safety	5,269,093	5,966,913	5,458,602	5,153,511	3,898,324	4,775,745	4,310,132	4,596,407	4,060,155	4,588,005
Economic environment	-	-	-	-	-	-	179,588	-	-	-
Highways and streets	2,279,406	1,937,045	2,573,422	8,768,977	16,977,785	6,961,686	6,574,144	924,199	1,401,235	1,581,890
Culture and recreation	900,056	881,189	868,588	758,395	496,612	300,414	379,390	494,495	486,609	822,410
Human services	504,425	-	-	-	-	-	-	-	-	-
Capital outlay	853,785	4,257,057	3,004,588	513,766	288,043	934,139	-	-	-	-
Debt service: Principal	373,168	349,699	416,514	492,762	170,000	321,233	401,762	145,000	640,000	130,000
Debt Service: Interest	388,244	401,364	408,438	421,563	437,718	474,335	506,055	613,189	479,412	397,672
Total expenditures	<u>15,173,088</u>	<u>18,313,335</u>	<u>16,681,566</u>	<u>19,922,730</u>	<u>28,791,678</u>	<u>16,758,633</u>	<u>14,725,721</u>	<u>10,172,893</u>	<u>10,015,711</u>	<u>10,854,129</u>
Excess (deficiency) of revenues over expenditures	<u>525,551</u>	<u>(2,191,257)</u>	<u>2,579,366</u>	<u>(648,970)</u>	<u>1,411,953</u>	<u>1,051,243</u>	<u>2,030,663</u>	<u>470,870</u>	<u>(427,286)</u>	<u>(1,448,138)</u>
Other Financing Sources (Uses)										
Capital lease proceeds	54,734	47,650	132,200	421,470	16,844	462,334	-	-	-	-
Other credits	-	-	-	-	-	-	-	662,161	500,000	-
Transfers in	1,140,550	3,280,569	874,259	1,259,709	949,083	1,048,387	683,710	687,044	753,983	1641763
Transfers out	<u>(1,262,834)</u>	<u>(3,280,568)</u>	<u>(874,259)</u>	<u>(1,259,709)</u>	<u>(949,083)</u>	<u>(1,048,387)</u>	<u>(683,710)</u>	<u>(687,044)</u>	<u>(753,983)</u>	<u>(993,499)</u>
Total other financing sources (uses)	<u>(67,550)</u>	<u>47,651</u>	<u>132,200</u>	<u>421,470</u>	<u>16,844</u>	<u>462,334</u>	<u>-</u>	<u>662,161</u>	<u>500,000</u>	<u>648,264</u>
Net change in fund balances	<u>\$ 458,001</u>	<u>\$ (2,143,606)</u>	<u>\$ 2,711,566</u>	<u>\$ (227,500)</u>	<u>\$ 1,428,797</u>	<u>\$ 1,513,577</u>	<u>\$ 2,030,663</u>	<u>\$ 1,133,031</u>	<u>\$ 72,714</u>	<u>\$ (799,874)</u>
Debt service as a percentage of noncapital expenditures	5%	5%	6%	5%	2%	5%	6%	7%	11%	5%

CITY OF OPA-LOCKA, FLORIDA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis)

<u>Fiscal Year</u>	<u>Property</u>	<u>Sales and Use</u>	<u>Franchise</u>	<u>Utility</u>	<u>Communications Service Taxes (1)</u>	<u>Local Business Tax (2)</u>	<u>Total</u>
2000	\$ 3,619,392	\$ 1,302,952	\$ 1,001,783	\$ 1,462,653	\$ -	\$ -	\$ 7,386,780
2001	3,760,247	1,427,879	1,027,026	1,420,326	-	-	7,635,478
2002	3,846,425	1,286,148	1,032,531	1,918,559	-	-	8,083,663
2003	4,377,548	1,357,982	1,198,858	1,805,699	-	-	8,740,087
2004	4,679,897	1,356,128	1,674,120	2,055,032	-	-	9,765,177
2005	4,877,060	1,479,783	1,313,694	1,794,845	-	-	9,465,382
2006	5,802,009	356,931	1,941,938	1,224,316	599,654	200,837	10,125,685
2007	7,207,046	308,170	1,919,542	892,002	652,530	327,326	11,306,616
2008	7,441,927	295,194	1,540,751	894,359	637,712	281,975	11,091,918
2009	7,667,287	281,095	1,656,093	741,164	717,858	229,627	11,293,124

(1) Effective Oct. 1, 2001. Reported as part of Utility taxes from 2002 to 2005.

(2) Reported as part of permits, licenses and fees prior to 2006.

CITY OF OPA-LOCKA, FLORIDA
ASSESSED VALUE OF ALL TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS

Fiscal Year	Real Property	Personal Property	Centrally Assessed Property	Total Gross Assessed Value	Real Estate Exempt Properties	Total Net Assessed Value	Total Direct Tax Rate
2000	\$ 303,915,000	\$ 97,212,000	N/A	\$ 401,127,000	\$ 4,297,000	\$ 396,830,000	9.8000
2001	317,469,000	84,083,000	N/A	401,552,000	10,157,000	391,395,000	9.8000
2002	337,721,469	81,094,116	\$ 1,271,453	420,087,038	10,162,000	409,925,038	9.8000
2003	357,301,495	87,946,659	1,133,008	446,381,162	8,326,000	438,055,162	9.8000
2004	394,926,966	90,984,153	1,104,373	487,015,492	2,801,905	484,213,587	9.8000
2005	434,282,541	88,332,831	1,948,311	524,563,683	13,277,720	511,285,963	9.8000
2006	514,575,250	93,121,243	1,363,003	609,059,496	18,622,416	590,437,080	9.8000
2007	668,025,734	102,636,497	1,343,829	772,006,060	25,512,624	746,493,436	9.8000
2008	827,093,363	108,948,153	1,591,662	937,633,178	13,163,594	924,469,584	8.0084
2009	868,952,536	94,569,260	1,604,574	965,126,370	15,691,078	949,435,292	8.2084

Source: Miami-Dade County Property Appraiser's Office

(1) The basis of assessed value is approximately one hundred percent (100%) of actual value. For each fiscal year ended September 30, property is valued as of January 1st of the preceding year. Tax rates are per \$1,000 of assessed value.

CITY OF OPA-LOCKA, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
 (PER \$1,000 OF ASSESSED VALUATION)
 LAST TEN FISCAL YEARS

<u>City of Opa-locka, Florida</u>				<u>Overlapping Rates</u>			Total Direct and Overlapping Rates
Fiscal <u>Year</u>	Operating <u>Millage</u>	Debt Service <u>Millage</u>	Total <u>Millage</u>	Miami- Dade <u>County</u>	School <u>District</u>	<u>State</u>	
2000	9.8000	-	9.8000	9.698	9.640	0.741	9.640
2001	9.8000	-	9.8000	9.506	9.620	0.738	9.620
2002	9.8000	-	9.8000	9.468	9.380	1.082	9.380
2003	9.8000	-	9.8000	9.578	9.250	0.736	9.250
2004	9.8000	-	9.8000	9.325	8.687	0.736	8.687
2005	9.8000	-	9.8000	9.210	8.438	0.736	8.438
2006	9.8000	-	9.8000	9.459	8.105	0.736	8.105
2007	9.8000	-	9.8000	7.920	7.948	0.736	7.948
2008	8.0084	-	8.0084	7.948	7.948	0.736	7.948
2009	8.2084	-	8.2084	8.153	7.797	0.658	7.797

Source: Miami-Dade County Property Appraiser.

CITY OF OPA-LOCKA, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2009			1999		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Creative Choice Homes II	\$ 32,445,013	1	3.36%			
Bodwin LTD Partnership	15,663,494	2	1.62%	\$ 12,110,792	1	3.10%
Lejeune-Douglas Industrial PK LLC	14,673,645	3	1.52%			
Florida Power & Light	11,595,330	4	1.20%			
Thyssenkrupp Safway Inc	10,403,937	5	1.08%			
J R Realty Corp.	10,214,976	6	1.06%	4,794,820	6	1.23%
American Fuits & Produce	10,029,596	7	1.04%			
Sahara Properties Inc.	9,991,856	8	1.04%			
Avati Press Inc	8,343,077	9	0.86%	5,706,230	4	1.46%
Bellsouth Telecommunications Inc.	8,290,844	10	0.86%			
Alterman Transport Lines				7,400,000	2	1.89%
Fred A Zorovich				6,369,963	3	1.63%
H & J Properties Corp				5,215,594	5	1.33%
Moises & Lydia Kriger				3,600,000	7	0.92%
B & H Real Estate				3,593,645	8	0.92%
Birdsall Inc				3,525,185	9	0.90%
Total	<u>\$ 131,651,768</u>		<u>13.64%</u>	<u>\$ 52,316,229</u>		<u>13.38%</u>

Source: Miami-Dade County Property Appraiser's Office

CITY OF OPA-LOCKA, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Current Tax Collected	Percent of Current Tax Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2000	\$ 3,931,000	\$ 3,619,392	92.07	\$ 60,581	\$ 3,679,973	93.61
2001	3,857,589	3,760,247	97.47	74,349	3,834,596	99.4
2002	4,116,853	3,846,425	93.43	86,538	3,932,963	95.53
2003	4,240,621	4,377,548	100.00	-	4,377,548	103.23
2004	4,772,752	4,679,897	98.05	19,843	4,699,740	98.47
2005	5,140,724	4,680,089	91.04	26,647	4,706,736	91.56
2006	5,968,783	5,802,009	97.21	-	5,802,009	97.21
2007	7,565,659	7,207,046	95.26	-	7,207,046	95.26
2008	7,508,942	7,425,461	98.89	16,466	7,441,927	99.11
2009	8,050,942	7,454,906	92.60	212,380	7,667,286	95.23

Source: Miami Dade County Property Appraiser and internally generated data.

CITY OF OPA-LOCKA, FLORIDA
RATIOS OF OUSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-type Activities				Total Primary	Population (1)	Per Capita
	Revenue Bonds	Notes Payable	Capital Leases	Revenue Bonds	Revolving Loans	Notes Payable	Capital Leases	Government		
2000	\$ 7,400,000	\$ -	\$ -	\$ -	\$ 512,076	\$ 533,412	\$ 443,287	\$ 8,888,775	14,951	\$ 595
2001	7,260,000	-	-	-	519,020	2,256,438	321,406	10,356,864	14,951	693
2002	7,115,000	-	-	-	1,482,681	2,045,551	194,237	10,837,469	14,951	725
2003	6,960,000	538,781	-	-	1,407,349	1,521,745	61,647	10,489,522	14,951	702
2004	6,795,000	382,547	334,363	-	1,214,626	1,208,346	48,082	9,982,964	14,951	668
2005	6,625,000	203,822	343,578	-	1,042,197	772,650	35,143	9,022,390	14,951	603
2006	6,445,000	15,679	619,110	-	1,574,754	458,892	3,425,681	12,539,116	14,951	839
2007	6,250,000	-	496,145	-	1,805,723	395,596	3,169,436	12,116,900	14,951	810
2008	6,040,000	-	391,951	-	3,645,900	327,026	2,864,166	13,269,043	14,951	888
2009	5,815,000		298,517	-	3,423,405	269,185	2,552,129	12,358,236	14,951	827

Note: Details about the City's outstanding debt can be found in Note 8 in the notes to basic financial statements.

(1) U.S. Census Bureau, Census 2000. Data for 1999 - U.S. Census Bureau, Census 1990.

CITY OF OPA-LOCKA, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
(IN THOUSANDS)
AS OF SEPTEMBER 30, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to City of Opa-locka</u>	<u>Amount Applicable to City of Opa-locka</u>
Overlapping:			
Miami-Dade County	\$ 504,371	0.4%	\$ 2,017
Miami-Dade Count Schools	381,880		
City direct debt	<u>5,815</u>	100%	<u>5,815</u>
Total direct and overlapping debt	<u>\$ 892,066</u>		<u>\$ 7,832</u>

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

Fiscal Year	Capital Improvement Revenue Refunding Bonds					State Revolving Loan					
	State Shared					Water and					Coverage Ratio Percentage
	Revenue/ 1/2 Cent Sales Tax	Debt Service Principal	Interest	Coverage Ratio Percentage		Sewer Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Interest	
2000	\$ 1,302,952	\$ 130,000	\$ 471,475	2.17		\$ 3,748,601	\$ 4,447,658	\$ (699,057)	\$ -	\$ -	N/A
2001	1,325,075	140,000	464,385	2.2		4,196,786	6,304,982	(2,108,196)	-	-	N/A
2002	1,272,016	145,000	456,760	2.11		5,641,758	4,421,084	1,220,674	-	-	N/A
2003	1,273,182	155,000	448,505	2.11		5,960,824	3,560,179	2,400,645	132,802	33,733	14.42
2004	1,356,128	165,000	439,463	2.24		6,916,398	4,649,900	2,266,498	186,777	29,970	10.46
2005	1,479,783	170,000	429,830	2.47		7,648,557	4,503,524	3,145,033	191,413	25,334	14.51
2006	1,790,593	180,000	418,600	2.99		8,084,583	8,188,860	(104,277)	103,445	35,400	(0.75)
2007	1,582,930	195,000	408,438	2.62		5,996,478	6,094,397	(97,919)	92,149	47,807	(0.70)
2008	1,558,282	210,000	389,219	2.6		6,963,170	4,682,851	2,280,319	211,847	34,519	9.26
2009	1,346,542	225,000	379,042	2.23		7,224,495	5,843,011	1,381,484	222,495	171,588	3.50

CITY OF OPA-LOCKA, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar <u>Year</u>	(1) <u>Population</u>	Personal Income (<i>thousands of dollars</i>)	(2) Per Capita Personal <u>Income</u>	(3) Median <u>Age</u>	(4) School <u>Enrollment</u>	(5) Unemployment <u>Rate</u>
2000	14,951	\$ 19,631	\$ 9,538	27.3	360,202	17.5
2001	14,951	19,631	9,538	27.3	368,453	17.5
2002	14,951	19,631	9,538	27.3	374,725	17.5
2003	14,951	19,631	9,538	27.3	371,482	17.5
2004	14,951	19,631	9,538	27.3	369,578	17.5
2005	14,951	19,631	9,538	27.3	361,550	17.5
2006	14,951	19,631	9,538	27.3	365,784	17.5
2007	14,951	19,631	9,538	27.3	353,283	17.5
2008	14,951	19,631	9,538	27.3	385,655	17.5
2009	14,951	19,631	9,538	27.3	385,655	17.5

(1) University of Florida, Bureau of Economic & Business Research (except in 2000 - U.S. Census Bureau, Census 2000).

(2) U.S. Census Bureau, Census 2000. Data for 1999 - U.S. Census Bureau, Census 1990.

(3) U.S. Census Bureau, Census 2000. Data for 1999 - U.S. Census Bureau, Census 1990.

(4) Source: Miami-Dade County School Board. Data is for Miami-Dade County.

(5) U.S. Census Bureau, Census 2000. Data for 1999 - U.S. Census Bureau, Census 1990.



CITY OF OPA-LOCKA, FLORIDA
PRINCIPAL EMPLOYERS
FISCAL YEAR 2009 AND NINE YEARS AGO

<u>Employer</u>	<u>2009</u>			<u>2000</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Jackson North Maternity Center	230	1	5%	N/A	N/A	N/A
Master North America	200	2	4%	N/A	N/A	N/A
Aramark	160	3	3%	N/A	N/A	N/A
Don Greene Poultry	120	4	2%	N/A	N/A	N/A
Combined Services	98	5	2%	N/A	N/A	N/A
Miami Offset	75	6	2%	N/A	N/A	N/A
Robert. B. Ingram Elementary	73	7	1%	N/A	N/A	N/A
Nathan B. Young Elementary	66	8	1%	N/A	N/A	N/A
Alufab	50	9	1%	N/A	N/A	N/A
Kauffs Towing	50	10	1%	N/A	N/A	N/A
Total	<u>1,122</u>		<u>22%</u>			

Source: City Community Development and Planning
N/A - Not Available

CITY OF OPALOCKA, FLORIDA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

<u>Function</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities:										
General Government	40	40	45	42	41	45	48	56	49	48
Public Safety	54	69	73	72	83	76	80	88	59	65
Highways & Streets	28	16	22	17	15	19	22	27	26	29
Culture & Recreation	14	12	8	7	6	6	14	7	11	11
Human services (1)	0	0	0	0	0	0	0	0	0	8
Business-type activities:										
Water & sewer utility	13	13	13	15	11	15	15	17	15	15
Solid waste (2)	15	10	12	14	0	0	0	0	0	0
Stormwater	2	2	2	2	2	2	2	2	4	4
Total	166	162	175	169	158	163	181	197	164	180

Source: City Human Resources Department.

CITY OF OPA-LOCKA, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST THREE FISCAL YEARS

Function	<u>2009</u>	<u>2008</u>
Police (1)		
Physical arrests	341	845
Parking violations	451	400
Traffic violations	2,507	2,400
No. of calls for service	4,875	15,699
Solidwaste(2)		
Highways and Sreets (3)		
Street resurfacing (miles)	0	1
Potholes repaired	261	400
Parks and recreation (4)		
Youth athletic program participants	127	120
Adults athletic program participants	16	16
Senior's program average monthly participants	42	42
Special events	8	15
Water (3)		
New connections	15	13
Water main breaks	5	6
Average daily consumption (millions of gallons)	2.50	2.50
Peak daily consumption millions of gallons)	3.00	3.00

(1) Source: City of Opa-locka Police Department

(2) Solidwaste collection is contracted out by the City.

(3) Source: City of Opa-locka Public Works Department.

(4) Source: City of Opa-locka Parks and Recereation Department.

Note: Data prior to 2006 is not available.

N/A - Not Available



CITY OF OPA-LOCKA, FLORIDA
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	22	18	22	22	22	22	22	22	22	22
Other Public Works										
Miles of Streets		36	36	36	36	36	36	36	36	36
Number of Street Lights		625	625	625	625	625	625	625	625	625
Water										
Miles of water mains	71	71	71	71	71	71	71	71	71	71
Number of service connections	5,700	5,690	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
Number fire hydrants	363	363	363	363	363	363	363	363	363	363
Daily average consumption in gallons(millions)	3.9	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8
Wastewater										
Miles of sanitary sewers	77	77	77	77	77	77	77	77	77	77
Miles of storm sewers	14	14	14	14	14	14	14	14	14	14
Number of service connections	3,700	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,675	3,765
Culture & Recreation										
Number of community centers	1	1	1	1	1	1	1	1	1	1
Number of parks	3	3	3	3	3	3	3	3	3	3
Number of libraries (1)	1	1	1	0	0	0	0	1	1	1
Number of tennis courts	1	1	1	1	1	1	1	1	1	1

Source: Various City Departments

(1) The City stopped its library services in fiscal year 2003. During the fiscal year 2007 Miami-Dade County opened and operated a library in the City. The City contributes to the library's operating expenses by paying the operating lease of the library location.

Compliance Section



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

Honorable Mayor and Members of
The City Commission
City of Opa-Locka, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Opa-Locka, Florida as of and for the year ended September 30, 2009, which collectively comprise City of Opa-Locka, Florida's basic financial statements and have issued our report thereon dated March 4, 2010. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Opa-Locka, Florida's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Opa-Locka, Florida's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted a certain matter that we reported to the management of the City of Opa-Locka, Florida in the attached Management Letter dated March 4, 2010.

This report is intended solely for the information and use of the Mayor, City Commission, management and specific legislative or regulatory bodies and is not intended to be, and should not be, used by anyone other than these specified parties.

Harvey Lorington J. Thomas, L.L.C.

March 4, 2010
Hollywood, Florida

**INDEPENDENT AUDITOR'S LETTER TO MANAGEMENT
IN ACCORDANCE WITH THE RULES
OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

Honorable Mayor and Members of
The City Commission
City of Opa-Locka, Florida

We have audited the financial statements of the City of Opa-Locka, Florida, as of and for the fiscal year ended September 30, 2009, and have issued our report thereon dated March 4, 2010.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Compliance and Internal Control over Financial Reporting. Disclosures in those reports and schedule, which are March 4, 2010, should be considered in conjunction with this management letter.

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

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. We noted the status of those findings or recommendations noted during the fiscal year ended September 30, 2008 audit below under "Status of Prior Year Findings and Recommendations".
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the City of Opa-Locka complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we noted no such items.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential. In connection with our audit, we noted no such matters.

- Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that are inconsequential to the determination of financial statement amounts, considering both quantitative and qualitative factors: (1) violations of laws, regulations, contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, and (2) control deficiencies that are not significant deficiencies, including, but not limited to: (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the annual financial statements); (b) failures to properly record financial transactions; and (c) inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we noted no such matters.
- Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The required information is disclosed in the City of Opa-Locka September 30, 2009 notes to the financial statements.
- Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City of Opa-Locka did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the City of Opa-Locka for the fiscal year ended September 30, 2009, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2009. As of the date of this Management Letter, the City of Opa-Locka had not submitted the annual financial report to the Florida Department of Financial Services.
- Pursuant to Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures as of September 30, 2009. It is management's responsibility to monitor the City of Opa-Locka's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Status of Prior Year Findings and Recommendations

At the completion of the audit for fiscal year 2008, recommendations were made and were to be addressed during the fiscal year ending 2009. We have reviewed the recommendations and the progress made toward implementation. The current status of the City's effort, toward implementing the 2008 recommendations, is described below.

Recommendation

We recommend the City implement a 100% review of all employee HR files. The HR Evaluation Committee must make all appropriate changes to each employee vacation, sick, and/or leave balances. It is important that all time is accurately documented and recorded to fairly compensate employees as well as reduce the risk of, the City, over expending on accrued time not earned.

We also recommend that a standing committee be created to approve all request for payout of accrued vacation time. The Committee should also define the term "emergency". The City should set parameters, within the employee manual, for certain events that constitute immediate payout.

Current Year Status

*Substantially
Implemented*

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

Please feel free to contact us with any questions or comments, as we would be pleased to meet with you at your convenience.

Harvey, Covington & Thomas, LLC

Harvey, Covington & Thomas, LLC

March 4, 2010