

City of Aventura, Florida

Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2009



Prepared By

The Finance Department

Brian K. Raducci, Finance Director

Brent Rogers, Controller

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City of Aventura

Government Center
19200 West Country Club Drive
Aventura, Florida 33180

March 12, 2010

To the Honorable Mayor,
Members of the City Commission
and Citizens of the
City of Aventura, Florida

SUSAN GOTTLIEB
MAYOR

COMMISSIONERS

ZEV AUERBACH

BOB DIAMOND

TERRI HOLZBERG

BILLY JOEL

MICHAEL STERN

LUZ URBÁEZ WEINBERG

ERIC M. SOROKA, ICMA-CM
CITY MANAGER

In accordance with Section 11.45, Florida Statutes and Section 4.11 of the City of Aventura (the "City") Charter, submitted herewith is the City's Comprehensive Annual Financial Report (the "CAFR") for the fiscal year ended September 30, 2009.

The financial statements included in this report conform to the generally accepted accounting principles in the United States ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"). The City is responsible for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. The financial statements have been audited by McGladrey & Pullen, LLP. The independent auditors have issued an unqualified opinion that this report fairly presents the financial position of the City and complies with all reporting standards noted above.

The contents of this report are aimed at compliance with GASB pronouncements, including Statement No. 34, requiring the preparation of government-wide financial statements on a full accrual basis of accounting for all funds and including Management's Discussion and Analysis. Also included are additional and enhanced Statistical Tables required by GASB Statement No. 44.

THE REPORTING ENTITY AND ITS SERVICES

The City was incorporated on November 7, 1995 and is a political subdivision of the State of Florida. The City operates under a commission-manager form of government and provides General Government, Public Safety and Community Services to its residents and business community. The Mayor and six (6) Commissioners are responsible for establishing the City's policies. The Mayor and Commission appoint the City Manager who is the Chief Administrative Officer of the City and is responsible for implementing policies adopted by the Commission.

This report includes all of the funds for which the City is financially accountable. Although the Miami-Dade Board of County Commissioners, Miami-Dade District School Board, South Florida Water Management District and Florida Inland Navigation District levy and collect taxes on property located within the City's corporate limits, financial information on these taxing authorities is not included in this report since each has a separate elected governing body, are legally separate and are fiscally independent of the City. Annual financial reports of these units of government are available upon request from each authority.

shortfalls at all levels of government. The financial impact of all of these challenges is more fully described in the Management's Discussion and Analysis section of this report.

MAJOR INITIATIVES

The establishment of a new municipal government structure to meet the needs of an existing City resident and business base has required the dedication of elected officials, the City Manager and all employees. The foundation on which to build the government structure has emphasized customer service, one-stop shopping and privatization where appropriate.

During the first ten (10) years of the City's existence, the City has focused on the infrastructure needs of the community. In recent years, the City has also directed its efforts to address the change in demographics toward a younger community.

During fiscal year 2009, the City completed the following major capital improvements:

- Drainage improvements along NE 190th and NE 191st Streets and NE 29th Avenue
- Expansion of the Traffic Video Monitoring Program along Biscayne Boulevard
- Traffic Improvements Phase I at the Biscayne Boulevard Intersection
- Road Resurfacing along NE 190th Street
- Classroom Additions (as more fully described below)

The August 25, 2003 opening of Aventura Charter Elementary School ("School") represented several milestones in the City's short history. The School was the first within the City's boundaries and the first municipal sponsored charter school in Miami-Dade County.

The School has been well received and has been at full capacity since its inception. The School has obtained academic success receiving an "A" grade issued by the State of Florida for the past four (4) years. In order to address the Florida Class Size Mandate Legislation, ten (10) new classrooms were added in time for the 2010 school year. This addition insures that the School meets the class size requirements of kindergarten through third grade and fourth grade to eighth grade of 18 and 22 students per classroom, respectively. In addition, the new classrooms allow an increase of eight (8) students per grade for a total of seventy two (72) new students.

In late 2007, the City Commission authorized the commencement of the design and construction of the Aventura Arts and Cultural Center (AACC) to be located adjacent to the Community Recreation Center. In January 2009, Phase I Demolition began and was completed on March 6, 2009. On March 3, 2009, the City Commission authorized an agreement for construction management services related to Phase II construction which began in May 2009. Construction is scheduled for completion in June/July 2010.

The City has entered into a contract with the Broward Performing Arts Center Authority (PACA) to provide start-up services and manage the facility. In addition, an agreement for PACA to provide concession services at the AACC is being prepared. The City will be responsible for valet and janitorial services. On December 2, 2009, a successful topping off ceremony was held and plans for the opening event (scheduled for October 2010) are underway.

In relation to the American Recovery and Reinvestment Act of 2009 which is designed to provide Economic Stimulus, the City has received approval for the following projects:

- Yacht Club Way Bridge Improvements
- Don Soffer Exercise Trail Improvements
- 2 Bus Shelter Installations along Country Club Drive
- Replacement of bus benches in various parts of the City

FINANCIAL INFORMATION

Internal Accounting Control

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

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Control

An annual appropriated budget is adopted for all governmental funds with the exception of the Charter School Fund, Federal Forfeiture Fund and Law Enforcement Trust Fund (Special Revenue Funds). In accordance with City Ordinance, appropriations are legally controlled at the Department level. Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in the accounting records and is utilized throughout the fiscal year.

Overview of Financial Activity

The accompanying financial statements reflect that the City has continued to expand its services to meet the demands of its residential and business communities. A summary of the major financial activities is included in the Management Discussion & Analysis Section of this report.

Fund Balances

Fund balances represent the accumulation of resources from prior years which are available to fund future years' budgets and for use as a reserve for unexpected events in the future. The unreserved fund balance at September 30, 2009 for the General Fund is approximately \$34,184,000, representing a significant portion of the fiscal year 2010 budget. Of this amount, approximately \$16,130,000 is used to fund a capital reserve account in the fiscal year 2010 budget which may be allocated by the City Commission to fund budget needs in the current or later fiscal years.

The fund balances in each special revenue, debt service and capital projects fund are designated for use for the specific legal purposes of each fund.

Retirement Programs

The City contributed to four (4) defined contribution pension plans based on employee classifications created in accordance with Internal Revenue Code Section 401(a). The plans currently cover all full-time employees of the City. Under these plans, the City contributes between 7% and an amount equal to the annual IRS maximum, depending on the employee classification. There are no employee contributions. Employer contributions for the fiscal year ended September 30, 2009 were approximately \$741,000.

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

In order to encourage employees to supplement the defined contribution plan, a deferred compensation program is also available to all full-time employees. Under this program, employees may voluntarily elect to defer a portion of their salary to future years. Both programs are administered by the ICMA Retirement Corporation under a trust agreement. The plan assets are separate and the City does not exercise any control or fiduciary responsibility over the assets. Therefore, the assets, liabilities and transactions are not included in the City's financial statements.

As discussed in the Notes to the Financial Statements, the City, through collective bargaining with the City's police officers agreed to establish a defined benefit retirement program covering all sworn officers. This program is funded by a combination of City and employee contributions and state insurance premium taxes. Please see Note 12 in the Notes to the Financial Statements for a detailed discussion of the retirement program.

Financing Programs and Debt Administration

The City currently has three (3) outstanding long-term debt issues. At September 30, 2009, the principal balance outstanding totaled \$32,140,000.

The Series 1999 Revenue Bonds issued from the Florida Municipal Loan Council, Inc, is secured solely by a covenant to budget and appropriate the required debt service payments each year. The loan is structured the same as a serial bond issue with principal payments due on April 1st and interest payments due on April 1st and October 1st of each year with the final maturity on April 1, 2029. Debt service requirements average approximately \$1,350,000 per year over the 30-year life of the bonds. The interest rate varies from 3.200% to 5.125% depending on the maturity date.

The Series 2000 Revenue Bonds are bank qualified debt, secured solely by a covenant to budget and appropriate the required debt service payments each year. This loan is structured the same as a serial bond issue with principal payments due on October 1st and semi-annual interest payments due on April 1st and October 1st of each year with the final maturity on April 1, 2020. Debt service requirements average approximately \$510,000 per year over the 20-year life of the obligation. The interest rate is locked at 5.05%.

The Series 2002 Revenue Bonds were financed through the Florida Intergovernmental Finance Commission. The loan is secured solely by a covenant to budget and appropriate the required debt service payments each year. This loan is structured the same as a serial bond issue with principal payments due August 1st and interest payments due on February 1st and August 1st of each year with the final maturity on April 1, 2029. Debt service requirements average approximately \$850,000 per year over the 30-year life of the obligation. The interest rate varies from 2.5% to 5.0% depending on the maturity date.

OTHER INFORMATION

Independent Audit

In accordance with Section 11.45(3)(a) (4), Florida Statutes, and Article I, Section 4.11 of the City Charter, the City engaged the firm of McGladrey & Pullen, LLP to perform the independent audit of the City's accounts and records. The independent auditors' reports are included in the Financial section.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Aventura for its CAFR for the fiscal year ended September 30, 2008. This was the thirteenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire Finance Department. We express our appreciation to all members of the Department who assisted and contributed to its preparation. We also wish to thank the City Commission for their interest and support in planning and conducting the City's financial operations in a responsible and progressive manner.

Respectfully submitted,



Eric M. Soroka, ICMA-CM
City Manager



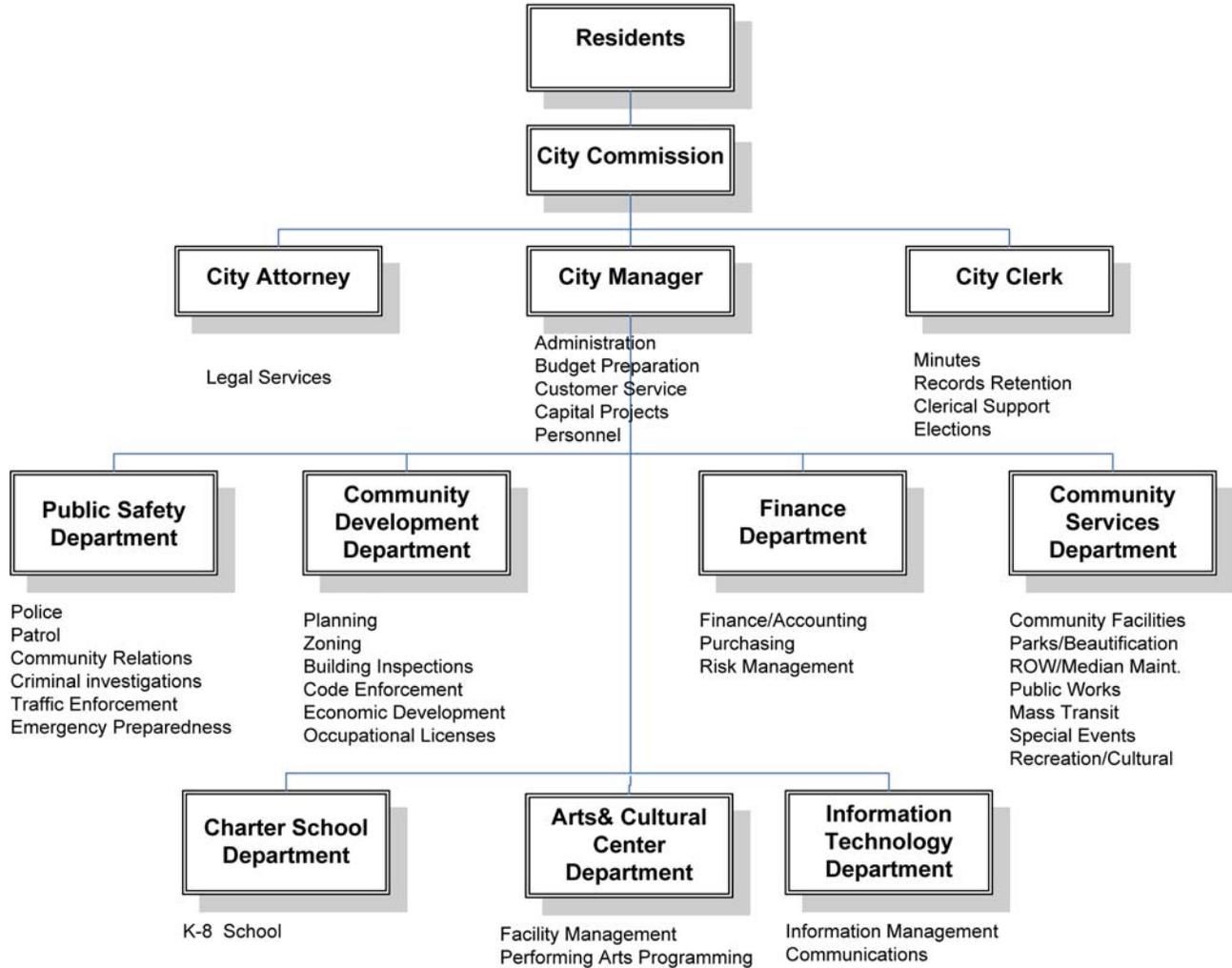
Brian K. Raducci
Finance Director

**City of Aventura, Florida
List of Principal Officials
As of September 30, 2009**

<u>Title</u>	<u>Name</u>
Mayor	Susan Gottlieb
Commissioner	Zev Auerbach
Commissioner	Bob Diamond
Commissioner	Teri Holzberg
Commissioner	Billy Joel
Commissioner	Michael Stern
Commissioner	Luz Urbaz Weinberg
City Manager	Eric M. Soroka
Finance Director	Brian K. Raducci
Community Services Director	Robert M. Sherman
City Clerk	Teresa M. Soroka
Community Development Director	Joanne Carr
Police Chief	Steven Steinberg
Information Technology Director	Karen J. Lanke
Principal Charter School	Julie Alm
City Attorney	Weiss Serota Helfman Pastoriza Cole & Boniske, P.A.
City Auditor	McGladrey & Pullen, LLP

CITY OF AVENTURA

Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Aventura
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

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Commission
Aventura, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Aventura, Florida (the "City"), as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the City of Aventura Police Officers' Retirement Plan Pension Trust Fund which financial statements represent 85% of the total assets and 56% of the total revenues of the aggregate remaining fund information. The financial statements of the City of Aventura Police Officers' Retirement Plan Pension Trust Fund were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Aventura Police Officers' Retirement Plan Pension Trust Fund, is based on the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of September 30, 2009 and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2010 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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

McGladrey & Pullen, LLP

Fort Lauderdale, Florida
March 12, 2010

Management's Discussion and Analysis (Unaudited)

As management of the City of Aventura (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2009. We encourage readers to consider the information presented herein in conjunction with the Letter of Transmittal, which can be found on pages i through v of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

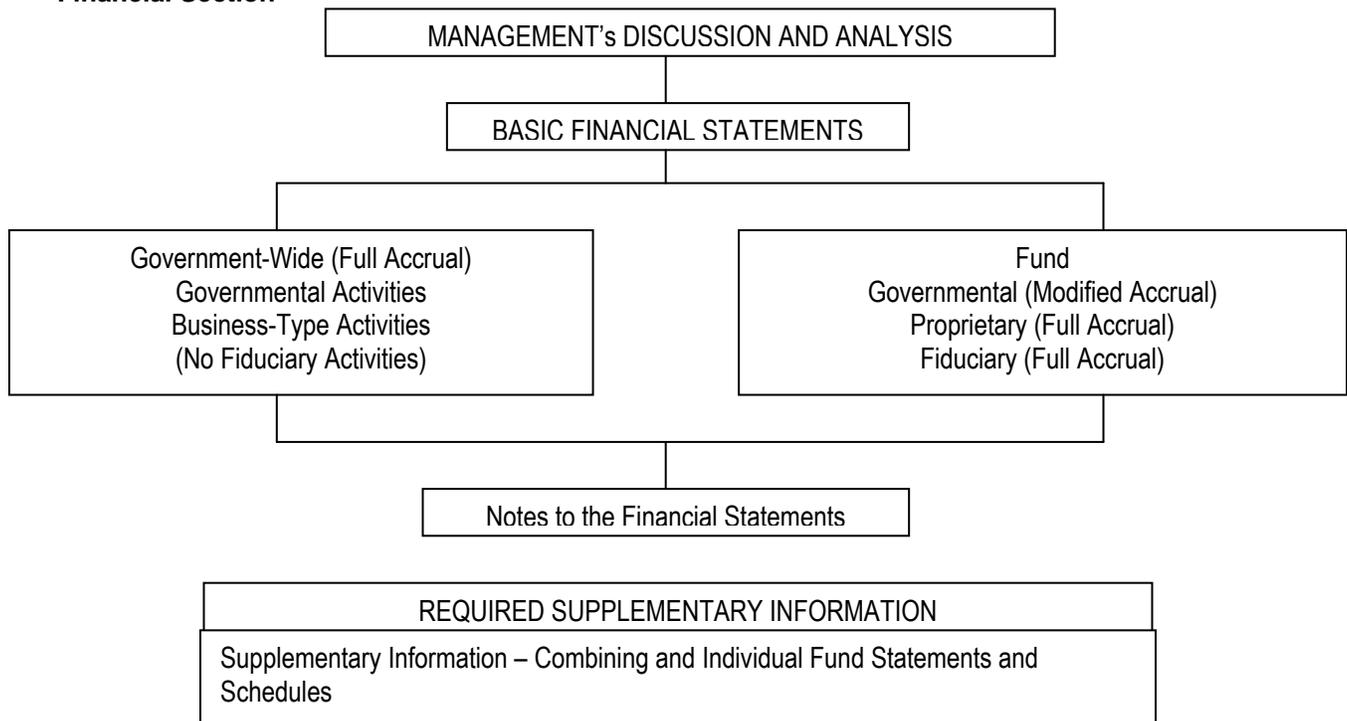
Financial Highlights

- The City's total net assets increased by \$9.2 million – over the course of this year's operations. Net assets of our business-type activities – increased by \$0.3 million, and the net assets of our governmental activities increased by \$8.9 million.
- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$100.3 million (net assets). Of this amount, \$34.8 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$34 million or 135% of total General Fund expenditures.

Overview of the Financial Statements

The financial section of this annual report consists of four (4) parts—management's discussion and analysis (this section), the basic financial statements, required supplementary information, and a supplementary information section that presents combining and individual fund statements and schedules.

Financial Section



Management’s Discussion and Analysis (Unaudited)

Major Features of the Basic Financial Statements

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

Basic Financial Statements

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

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

Management's Discussion and Analysis (Unaudited)

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

The difference between the City's total assets and total liabilities is *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the City's financial position is improving or deteriorating. Although the City's purpose is not to accumulate net assets, in general, as this amount increases it indicates that the City's financial position is improving over time.

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

Both of the government-wide financial statements distinguish City functions that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The City's governmental activities include general government, public safety and community services. The City's business-type activities include stormwater utility.

Fund financial statements. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. Except for the General Fund, separate funds are established to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three (3) categories: governmental funds, proprietary funds and fiduciary funds.

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

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

Management's Discussion and Analysis (Unaudited)

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

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

The City uses Enterprise Funds to account for *business-type activities* that charge fees to customers for the use of specific goods or services. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal Service funds are used to account for services provided and billed on an internal basis. The City does not have any Internal Service Funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City has one major enterprise fund, the Stormwater Utility fund. A statement of cash flows is presented at the fund financial statement level for proprietary funds, but no equivalent statement is presented in the government-wide financial statements for either governmental activities or business-type activities.

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

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

Required Supplementary Information

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

Management's Discussion and Analysis (Unaudited)

Combining and Individual Fund Statements and Schedules

Combining statements referred to earlier in connection with nonmajor governmental, internal service and fiduciary funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

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

	Net Assets (in thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 43,324	\$ 38,550	\$ 546	\$ 585	\$ 43,870	\$ 39,135
Capital assets	87,056	84,189	7,580	7,432	94,636	91,621
Total assets	130,380	122,739	8,126	8,017	138,506	130,756
Long-term liabilities	34,217	35,285	-	-	34,217	35,285
Other liabilities	3,892	4,148	16	167	3,908	4,315
Total liabilities	38,109	39,433	16	167	38,125	39,600
Net assets:						
Invested in capital assets, net of related debt	54,916	50,969	7,580	7,432	62,496	58,401
Restricted	1,592	1,226	-	-	1,592	1,226
Unrestricted	35,763	31,111	530	418	36,293	31,529
Total net assets	\$ 92,271	\$ 83,306	\$ 8,110	\$ 7,850	\$ 100,381	\$ 91,156

Management's Discussion and Analysis (Unaudited)

As noted earlier, net assets may serve over time as a useful indication of a government's financial position. At the close of the most recent fiscal year, the City's assets exceeded its liabilities by \$100 million.

The largest portion of the City's net assets is net assets invested in capital assets net of related debt and is 62% of total net assets. This category reflects its investment in capital assets net of any outstanding related debt used to acquire these assets. The City uses these capital assets to provide services to the citizens of the City; consequently these net assets are not available for future spending. Although the capital assets are shown net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources. The next largest portion of the City's net assets is unrestricted and is 36% of total net assets. Unrestricted net assets represent resources that are available for spending. Restricted net assets represent 2% of total net assets. Restricted net assets represent resources that are subject to external restrictions on how they can be used.

Capital assets and invested in capital assets increased \$2.9 million and \$3.9 million, respectively in the governmental activities due primarily to the construction of ten (10) additional classrooms at the Charter School, construction costs related to the Arts and Cultural Center and payment of principal on outstanding debt. Current and other assets and unrestricted net assets in the governmental activities increased by \$4.8 million and \$3.1 million, respectively, due to the increase in cash which primarily resulted from higher than anticipated revenues from utility service taxes and franchise fees and less than anticipated expenditures for personnel services and capital outlay. There were no significant changes in business-type activities.

Over time, increases and decreases in net assets measure whether the City's financial position is improving or deteriorating. Property taxes decreased \$0.7 million due to both the additional tax relief benefits provided by Amendment One as well as the reduction in the City's taxable value caused by the sagging housing market. Intergovernmental revenues decreased by \$1.2 million due to the reduction in state revenue sharing and half cent sales tax revenues. Other taxes increased by \$.7 million due to an increase in electric, telecommunication and water utility taxes.

City of Aventura, Florida

Management's Discussion and Analysis (Unaudited)

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

	Changes in Net Assets (in thousands)					
	Governmental		Business-Type		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
<i>Program revenues:</i>						
Charges for services	\$ 5,479	\$ 4,959	\$ 802	\$ 882	\$ 6,281	\$ 5,841
Operating grants and contributions	7,726	8,380	-	-	7,726	8,380
Capital grants and contributions	2,360	-	107	-	2,467	-
<i>General revenues:</i>						
Property taxes	15,189	15,942	-	-	15,189	15,942
Other taxes	7,452	6,742	-	-	7,452	6,742
Franchise fees	3,644	4,271	-	-	3,644	4,271
Intergovernmental revenues	3,578	4,800	-	-	3,578	4,800
Other revenues	746	1,784	2	18	748	1,802
Total revenues	46,174	46,878	912	900	47,085	47,778
Expenses:						
General government	6,793	6,777	-	-	6,793	6,777
Public safety	16,107	15,517	-	-	16,107	15,517
Community services	12,667	13,031	-	-	12,667	13,031
Interest on long-term debt	1,642	1,674	-	-	1,642	1,674
Stormwater utility	-	-	651	670	651	670
Total expenses	37,209	36,999	651	670	37,860	37,669
Increase in net assets before transfers	8,965	9,879	261	230	9,225	10,109
Transfers	-	-	-	-	-	-
Change in net assets	8,965	9,879	261	230	9,225	10,109
Net assets, beginning	83,306	73,427	7,850	7,620	91,156	81,047
Net assets, ending	\$ 92,271	\$ 83,306	\$ 8,110	\$ 7,850	\$ 100,381	\$ 91,156

Management's Discussion and Analysis (Unaudited)

Financial Analysis of the City of Aventura's Funds

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

Governmental Funds

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

The General Fund is the City's chief operating fund. At end of the current fiscal year, unreserved fund balance of the General Fund was \$34.2 million while the total fund balance reached \$34.4 million. Much of the unreserved fund balance will be utilized in future years to fund various capital needs. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total general fund expenditures. Unreserved fund balance represents 135% of total general fund expenditures, while total fund balance represents 135% of that same amount.

The fund balance of the City's General Fund increased by \$4.9 million during the current fiscal year. Key factors of this increase are as follows:

- An increase in Utility tax revenue of \$.7 million due to increases in the electric, telecommunication and water utility tax revenues.
- An increase in Fines and forfeitures revenue of \$1.5 million primarily due to the inception of the red light violation program.
- Capital outlay decreased \$2.6 million primarily because multiple major projects were substantially completed in fiscal year 2007/08 and less capital projects were needed in fiscal year 2008/09 in comparison to the prior fiscal year.

The Charter School Fund is used to record the operations of the Aventura City of Excellence School. The School's intergovernmental revenues decreased by \$0.5 million primarily due to the addition of the eighth grade with 100 new students and corresponding expenditures increased \$2.3 million. Debt Service Fund 2000 Series is used to record principal retirement and did not have any significant changes from the prior year.

The Arts and Cultural Fund is used to account for revenues and expenditures used to fund the construction and equipment for the Arts and Cultural Center. The net change in fund balance of \$1.7 million is due to current year construction activities which were in excess of current year intergovernmental revenues received by approximately \$0.6 million but was offset by transfers in of \$2.2 million from the General Fund and Park Development Fund to help cover the costs of construction.

Proprietary Fund

The proprietary fund showed a \$0.3 million increase in net assets from the prior year. Operating revenue increased by approximately \$26,000 from the prior year and expenses decreased by approximately \$19,000 primarily due to a decrease in cost of sales and services of \$21,000.

Management's Discussion and Analysis (Unaudited)

General Fund Budgetary Highlights

During the year, the original budget was amended and revenues and expenditures were increased by approximately \$1.7 million as follows:

- approximately \$1 million related to the reappropriation of remaining fiscal year 2007/08 capital monies for capital projects which were budgeted in fiscal year 2007/08 but were not complete at the end of the year and therefore were carried over to fiscal year 2008/09.
- approximately \$.7 million related to operational overages in various departments which were offset by additional revenue.

During the year, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates, resulting in an increase in fund balance before other financing sources and uses of approximately \$20.6 million and a positive variance in the net change in fund balance of approximately \$4.9 million. As explained earlier, much of the unreserved fund balance will be utilized in future years to fund various capital needs. Charges for services revenue exceeded the revised budget by \$.3 million and utility service tax revenues exceeded budget by \$1.1 million. Nondepartmental capital outlay was \$16.5 million less than budgeted because the City budgets a reserve for future capital expenditures which accounts for the majority of the appropriated beginning fund balance.

Capital Assets and Debt Administration

Capital Assets

As of September 30, 2009 and 2008, the City had \$94.6 and \$91.6, respectively, invested in a variety of capital assets, as reflected in the following schedule:

	Capital Assets					
	(in thousands, net of depreciation)					
	Governmental		Business-Type		Total	
	Activities		Activities			
	2009	2008	2009	2008	2009	2008
Land	\$ 17,102	\$ 17,102	\$ -	\$ -	\$ 17,102	\$ 17,102
Buildings	29,949	28,480	-	-	29,949	28,480
Improvements other than buildings	8,857	9,336	-	-	8,857	9,336
Furniture, machinery and equipment	3,116	3,688	-	-	3,116	3,688
Infrastructure	24,535	25,344	7,580	7,432	32,115	32,776
Construction in progress	3,497	239	-	-	3,497	239
Total	\$ 87,056	\$ 84,189	\$ 7,580	\$ 7,432	\$ 94,636	\$ 91,621

Management's Discussion and Analysis (Unaudited)

Major capital asset events during the year included:

- Construction in progress increased by approximately \$3.3 million due to construction of the Arts and Cultural Center.

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

Debt Administration

As of year-end, the City had \$32.1 million in debt outstanding compared to the \$33.2 million last year, a 3% decrease. All debt is secured only by a covenant to budget and appropriate.

The debt position of the City is summarized below and is more fully explained in Note 7:

	Bonded Debt and Notes Payable (in thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2009
Non-Ad Valorem bonds	\$ 32,140	\$ 33,220	\$ -	\$ -	\$ 32,140	\$ 33,220

Economic Factors and Next Year's Budgets and Rates

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties, school boards) primarily rely on property and a limited array of permitted other taxes (utility taxes, franchise fees and occupational licenses) as well as intergovernmental revenues for their governmental activities. For business-type activities and certain governmental activities (construction services and recreational programs), the user pays a related fee or charge associated with the service.

The adopted operating and capital budget for fiscal year 2010 totals approximately \$52.4 million, 3.4% lower (after eliminating capital) than the final operating and capital budget for fiscal year 2009.

Over the past two (2) years, the City has experienced huge losses in property tax revenue. Between the economic recession that resulted in lower home values and voter-approved constitutional amendments that took effect last year, the City's taxable value has decreased from \$9.609 billion to \$8.063 billion. This represents a loss of 16.1% or \$2.5 million in tax revenue compared to the 2007 tax roll year.

It is important to note that for next year's budget cycle the taxable values are expected to decrease again due to the continuing decline in the housing market. The City has experienced a sharp reduction in building permits and development activity. The economic recession has negatively affected many of the City's other revenue sources as well.

As far as expenditures are concerned, due to privatizing and outsourcing many City services over the years, completing \$110 million in capital projects since 1996 and maintaining prudent reserve funds, the City has stabilized costs and is in a better position than most to weather the current economic slowdown. Prior year's comprehensive reevaluation of service levels and budget line items which resulted in operating cost reductions also played a key role in creating the foundation and financial stability for the City to respond to lower revenues as we prepared this year's budget.

City of Aventura, Florida

Management's Discussion and Analysis (Unaudited)

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you should have any questions pertaining to the information presented in this report or would like additional information, please contact the Finance Director at 19200 W. Country Club Drive, Aventura, Florida 33180.

City of Aventura, Florida

Statement of Net Assets
September 30, 2009

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 30,386,511	\$ 357,046	\$ 30,743,557
Receivables (net of allowance for uncollectibles)	533,257	-	533,257
Due from other governments	1,873,335	77,462	1,950,797
Investments	9,474,522	111,327	9,585,849
Prepaid expenses	16,504	-	16,504
Inventories	16,780	-	16,780
Bond issuance costs (net)	362,607	-	362,607
Net pension asset	159,390	-	159,390
Restricted cash, cash equivalents and investments	500,657	-	500,657
Capital assets:			
Nondepreciable	20,599,058	-	20,599,058
Depreciable (net of accumulated depreciation)	66,457,026	7,580,426	74,037,452
Total assets	<u>130,379,647</u>	<u>8,126,261</u>	<u>138,505,908</u>
Liabilities and Net Assets			
Liabilities			
Accounts payable	1,600,596	16,283	1,616,879
Accrued liabilities	1,309,021	-	1,309,021
Retainage payable	251,079	-	251,079
Due to other governments	4,377	-	4,377
Unearned revenues	525,964	-	525,964
Accrued interest payable	104,310	-	104,310
Due within one year:			
Compensated absences payable	519,221	-	519,221
Bonds payable	1,130,000	-	1,130,000
Due in more than one year:			
Compensated absences payable	1,557,664	-	1,557,664
Bonds payable	31,010,000	-	31,010,000
OPEB obligation	96,000	-	96,000
Total liabilities	<u>38,108,232</u>	<u>16,283</u>	<u>38,124,515</u>
Commitments and Contingencies			
Net assets:			
Invested in capital assets, net of related debt	54,916,084	7,580,426	62,496,510
Restricted for:			
Police purposes	851,531	-	851,531
Capital improvements	740,930	-	740,930
Unrestricted	35,762,870	529,552	36,292,422
Total net assets	<u>\$ 92,271,415</u>	<u>\$ 8,109,978</u>	<u>\$ 100,381,393</u>

See Notes to Financial Statements.

City of Aventura, Florida

Statement of Activities
Fiscal Year Ended September 30, 2009

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
General government	\$ 6,792,783	\$ -	\$ 82,673	\$ -	\$ (6,710,110)	\$ -	\$ (6,710,110)
Public safety	16,107,437	1,973,570	387,422	-	(13,746,445)	-	(13,746,445)
Community services	12,666,857	3,505,392	7,256,328	2,359,690	454,553	-	454,553
Interest and fiscal charges	1,641,919	-	-	-	(1,641,919)	-	(1,641,919)
Total governmental activities	37,208,996	5,478,962	7,726,423	2,359,690	(21,643,921)	-	(21,643,921)
Business-type activities:							
Stormwater utility	651,175	801,532	-	107,364	-	257,721	257,721
Total	\$ 37,860,171	\$ 6,280,494	\$ 7,726,423	\$ 2,467,054	\$ (21,643,921)	\$ 257,721	\$ (21,386,200)
General revenue:							
Taxes:							
Ad valorem taxes					\$ 15,189,005	\$ -	\$ 15,189,005
Utility service taxes					7,451,872	-	7,451,872
Franchise fees					3,644,177	-	3,644,177
Intergovernmental, not restricted for specific purposes					3,577,758	-	3,577,758
Interest income					292,180	2,567	294,747
Impact fees					15,581	-	15,581
Miscellaneous					438,421	-	438,421
Total general revenues					30,608,994	2,567	30,611,561
Change in net assets					8,965,073	260,288	9,225,361
Net assets, beginning					83,306,342	7,849,690	91,156,032
Net assets, ending					\$ 92,271,415	\$ 8,109,978	\$ 100,381,393

See Notes to Financial Statements.

City of Aventura, Florida

Balance Sheet
Governmental Funds
September 30, 2009

	General Fund	Charter School Fund	Capital Project Arts & Cultural Center	Debt Service Fund Series 2000	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 26,719,041	\$ 1,181,374	\$ 1,238,613	\$ 13,181	\$ 1,234,302	\$ 30,386,511
Restricted cash, cash equivalents and investments	-	-	-	500,533	124	500,657
Accounts receivable, net	478,496	5,400	-	-	49,361	533,257
Due from other funds	121,659	-	-	-	-	121,659
Due from other governments	946,054	7,314	688,682	-	231,285	1,873,335
Investments	8,331,003	368,353	386,200	4,110	384,856	9,474,522
Inventories	16,780	-	-	-	-	16,780
Prepaid expenditures	16,504	-	-	-	-	16,504
Total assets	<u>\$ 36,629,537</u>	<u>\$ 1,562,441</u>	<u>\$ 2,313,495</u>	<u>\$ 517,824</u>	<u>\$ 1,899,928</u>	<u>\$ 42,923,225</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 737,788	\$ 303,051	\$ 491,538	\$ -	\$ 68,219	\$ 1,600,596
Accrued liabilities	771,859	146,706	-	390,456	-	1,309,021
Retainage payable	-	-	145,119	-	105,960	251,079
Due to other governments	4,377	-	-	-	-	4,377
Deferred and unearned revenue	716,022	-	-	-	65,000	781,022
Due to other funds	-	-	-	121,659	-	121,659
Total liabilities	<u>2,230,046</u>	<u>449,757</u>	<u>636,657</u>	<u>512,115</u>	<u>239,179</u>	<u>4,067,754</u>
Fund balances:						
Reserved for:						
Encumbrances	181,890	202,592	864,859	-	-	1,249,341
Inventory	16,780	-	-	-	-	16,780
Prepaid expenditures	16,504	-	-	-	-	16,504
Unreserved:						
Designated for subsequent year expenditures in:						
General Fund	15,452,283	-	-	-	-	15,452,283
Special Revenue Funds	-	910,092	-	-	-	910,092
Undesignated, reported in:						
General Fund	18,732,034	-	-	-	-	18,732,034
Special Revenue Funds	-	-	-	-	1,529,283	1,529,283
Debt Service Funds	-	-	-	5,709	131,466	137,175
Capital Projects Funds	-	-	811,979	-	-	811,979
Total fund balances	<u>34,399,491</u>	<u>1,112,684</u>	<u>1,676,838</u>	<u>5,709</u>	<u>1,660,749</u>	<u>38,855,471</u>
Total liabilities and fund balances	<u>\$ 36,629,537</u>	<u>\$ 1,562,441</u>	<u>\$ 2,313,495</u>	<u>\$ 517,824</u>	<u>\$ 1,899,928</u>	<u>\$ 42,923,225</u>

See Notes to Financial Statements.

City of Aventura, Florida

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

Total fund balances – governmental funds		\$ 38,855,471
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds:		
The cost of capital assets is	\$ 113,651,610	
Accumulated depreciation is	(26,595,526)	
		87,056,084
Intergovernmental revenue is not available to pay for current period expenditures and, therefore, is deferred in the funds.		255,058
Net pension asset resulting from excess contributions to pension plans is not reported in the fund financial statements.		159,390
OPEB obligation resulting from deficiency of contributions to OPEB plans is not reported in the fund financial statements as it is not due and payable in the current period.		(96,000)
Governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized over the life of the debt in the government-wide financial statements bond issuance costs.		362,607
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences	(2,076,885)	
Bonds payable	(32,140,000)	
Accrued interest payable	(104,310)	
		(34,321,195)
Net assets of governmental activities		\$ 92,271,415

See Notes to Financial Statements.

City of Aventura, Florida

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

	Major Funds					
	General Fund	Charter School Fund	Capital Project Arts & Cultural Center	Debt Service Fund Series 2000	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Ad valorem taxes	\$ 15,189,005	\$ -	\$ -	\$ -	\$ -	\$ 15,189,005
Utility service taxes	7,451,872	-	-	-	-	7,451,872
Franchise fees	3,644,177	-	-	-	-	3,644,177
Intergovernmental	2,652,971	6,443,686	2,359,690	-	1,817,246	13,273,593
Licenses and permits	1,892,862	-	-	-	-	1,892,862
Charges for services	1,724,582	353,642	-	-	-	2,078,224
Fines and forfeitures	1,893,655	-	-	-	382,227	2,275,882
Impact fees	-	-	-	-	15,581	15,581
Interest income	236,370	21,454	-	25,231	9,125	292,180
Miscellaneous	60,472	377,949	-	-	-	438,421
Total revenues	<u>34,745,966</u>	<u>7,196,731</u>	<u>2,359,690</u>	<u>25,231</u>	<u>2,224,179</u>	<u>46,551,797</u>
Expenditures:						
Current:						
General government	4,639,737	-	-	-	-	4,639,737
Public safety	15,435,060	-	-	-	189,969	15,625,029
Community services	4,368,636	5,976,921	-	-	711,622	11,057,179
Capital outlay	1,217,443	2,395,772	2,932,852	-	732,676	7,278,743
Debt service:						
Principal retirement	-	-	-	270,000	810,000	1,080,000
Interest	-	-	-	240,912	1,367,072	1,607,984
Trustee fees and other	-	-	-	-	18,194	18,194
Total expenditures	<u>25,660,876</u>	<u>8,372,693</u>	<u>2,932,852</u>	<u>510,912</u>	<u>3,829,533</u>	<u>41,306,866</u>
Excess (deficiency) of revenues over expenditures	<u>9,085,090</u>	<u>(1,175,962)</u>	<u>(573,162)</u>	<u>(485,681)</u>	<u>(1,605,354)</u>	<u>5,244,931</u>
Other financing sources (uses):						
Transfers in	124,000	199,664	2,250,000	490,669	2,189,918	5,254,251
Transfers out	(4,336,587)	(474,000)	-	-	(443,664)	(5,254,251)
Total other financing sources (uses)	<u>(4,212,587)</u>	<u>(274,336)</u>	<u>2,250,000</u>	<u>490,669</u>	<u>1,746,254</u>	<u>-</u>
Net change in fund balances	<u>4,872,503</u>	<u>(1,450,298)</u>	<u>1,676,838</u>	<u>4,988</u>	<u>140,900</u>	<u>5,244,931</u>
Fund balances, beginning	<u>29,526,988</u>	<u>2,562,982</u>	<u>-</u>	<u>721</u>	<u>1,519,849</u>	<u>33,610,540</u>
Fund balances, ending	<u>\$ 34,399,491</u>	<u>\$ 1,112,684</u>	<u>\$ 1,676,838</u>	<u>\$ 5,709</u>	<u>\$ 1,660,749</u>	<u>\$ 38,855,471</u>

See Notes to Financial Statements.

City of Aventura, Florida

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

Net change in fund balances – total governmental funds		\$ 5,244,931
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures.		
However, in the statement of activities the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capitalized capital outlays exceeded depreciation in the current period:		
Expenditures for capital assets	\$ 6,893,749	
Less: current year's depreciation	<u>(3,617,568)</u>	
		3,276,181
In the statement of activities, the loss on the disposal of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. The change in net assets differs from the change in fund balance by:		
Cost of the assets disposed	(836,278)	
Related accumulated depreciation	<u>427,251</u>	
Loss on disposal of capital assets		(409,027)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		1,080,000
Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds:		
Net pension obligation(asset)		274,073
OPEB obligation		(96,000)
Interest		(289)
Amortization of bond issuance costs		(15,452)
Compensated absences		(11,616)
Revenues that were previously recognized in the statement of activities that are available in the fund financial statements.		<u>(377,728)</u>
Change in net assets of governmental activities		<u><u>\$ 8,965,073</u></u>

City of Aventura, Florida

Statement of Net Assets
Proprietary Fund
September 30, 2009

	Stormwater Utility Fund
Assets:	
Current assets:	
Cash and cash equivalents	\$ 357,046
Investments	111,327
Due from other governments	<u>77,462</u>
Total current assets	<u>545,835</u>
 Noncurrent assets:	
Capital assets (net of accumulated depreciation)	<u>7,580,426</u>
Total assets	<u><u>8,126,261</u></u>
 Liabilities:	
Current liabilities:	
Accounts payable	<u>16,283</u>
Total liabilities	<u><u>16,283</u></u>
 Net Assets:	
Invested in capital assets, net of related debt	7,580,426
Unrestricted	<u>529,552</u>
Total net assets	<u><u>\$ 8,109,978</u></u>

See Notes to Financial Statements.

City of Aventura, Florida

**Statement of Revenues, Expenses and Change in Net Assets
Proprietary Fund
Fiscal Year Ended September 30, 2009**

	Stormwater Utility Fund
<hr/>	
Operating revenues:	
Charges for services	\$ 801,532
 Operating expenses:	
Cost of sales and services	394,572
Depreciation expense	256,603
Total operating expenses	<u>651,175</u>
Operating income	<u>150,357</u>
 Nonoperating revenues:	
Interest income	2,567
Income before contributions	<u>152,924</u>
 Capital contribution - grants	<u>107,364</u>
Change in net assets	260,288
 Net assets, beginning	<u>7,849,690</u>
Net assets, ending	<u><u>\$ 8,109,978</u></u>

See Notes to Financial Statements.

City of Aventura, Florida

Statement of Cash Flows

Proprietary Fund

Fiscal Year Ended September 30, 2009

Cash Flows From Operating Activities	
Cash received from customers, users and other	\$ 844,867
Cash paid to suppliers	<u>(545,411)</u>
Net cash provided by operating activities	<u>299,456</u>
Cash Flows From Capital and Related Financing Activities	
Capital grants and contributions	107,364
Purchase of capital assets	<u>(405,259)</u>
Net cash (used) by capital and related financing activities	<u>(297,895)</u>
Cash Flows Provided By Investing Activities	
Purchase of investments	(111,327)
Interest received	<u>2,567</u>
Net cash (used) by investing activities	<u>(108,760)</u>
Net decrease in cash and cash equivalents	<u>(107,199)</u>
Cash and cash equivalents, beginning	<u>464,245</u>
Cash and cash equivalents, ending	<u>\$ 357,046</u>
Reconciliation of Operating Income to Net Cash Provided By Operating Activities	
Operating income	<u>\$ 150,357</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	256,603
Changes in assets and liabilities:	
Decrease in due from other governments	43,335
Decrease in accounts payable	<u>(150,839)</u>
Total adjustments	<u>149,099</u>
Net cash provided by operating activities	<u>\$ 299,456</u>

See Notes to Financial Statements.

City of Aventura, Florida

Statement of Fiduciary Net Assets
Police Officers' Retirement Plan Fund
September 30, 2009

Assets:	
Investments	\$ 10,058,218
Due from other governments	265,314
Accrued interest	<u>34,973</u>
Total assets	<u>10,358,505</u>
Liabilities:	
Accrued expenses	-
Net assets held in trust for pension benefits	<u><u>\$ 10,358,505</u></u>

See Notes to Financial Statements.

City of Aventura, Florida

**Statement of Changes in Fiduciary Net Assets
Police Officers' Retirement Plan Fund
Year Ended September 30, 2009**

Additions:	
Contributions:	
Employer	\$ 1,208,578
Employees	437,949
State of Florida, premium tax	265,314
Total contributions	<u>1,911,841</u>
Investment earnings:	
Net appreciation in fair value of investments	721,914
Interest income	232,768
Total investment income	<u>954,682</u>
Less investment expense	<u>(74,659)</u>
Net investment income	<u>880,023</u>
Total additions	<u>2,791,864</u>
Deductions:	
Administrative expenses	29,040
Benefits paid	100,875
Total deductions	<u>129,915</u>
Change in net assets	<u>2,661,949</u>
Net assets held in trust for pension benefits, beginning	<u>7,696,556</u>
Net assets held in trust for pension benefits, ending	<u>\$ 10,358,505</u>

See Notes to Financial Statements.

Note 1. Summary of Significant Accounting Policies

The City of Aventura, Florida (the "City") was incorporated on November 7, 1995, under the provisions of Chapter 63-1675 Laws of Florida. The City operates under a commission-manager form of government and provides the following full range of municipal services as authorized by its charter: public safety, highways and streets, building, licensing and code compliance, culture and recreation, public works and stormwater management, public records and general administrative services.

The Comprehensive Annual Financial Report (the "CAFR") of the City includes all funds. The financial statements of the City have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Significant accounting and reporting policies and practices used by the City are described below:

A. Financial Reporting Entity

Accounting principles generally accepted in the United States of America require that the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Section 2100 of the Codification of Government Accounting and Financial Reporting Standards have been considered and there are no agencies or entities which should be presented with the City.

B. Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements.

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all activities of the City. For the most part, the effect of interfund services provided and used has been eliminated 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 services.

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

The net cost (by function) is normally covered by general revenue (i.e., property taxes, sales taxes, franchise taxes, nonspecific intergovernmental revenues, interest income, etc.).

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Separate fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of fund financial statements is on major funds. Major individual governmental funds and the major individual enterprise fund are reported as separate columns in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined or funds that management deems of public importance) for the determination of major funds. The nonmajor funds are combined and presented in a single column in the fund financial statements.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories, (by category). Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

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

Basis of accounting refers to when revenues, expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension, other post-employment benefits and claims and judgments, are recorded only when due.

Property taxes when levied for, franchise fees, utility taxes, charges for services, intergovernmental revenues when eligibility requirements are met and interest associated with the current fiscal period are all considered to be measurable and have been recognized as revenues of the current fiscal period, if available. All other revenue items such as fines and forfeitures and licenses and permits are considered to be measurable and available when cash is received by the City.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

The City reports the following major governmental funds:

General Fund – This fund is the principal operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund.

Charter School Fund – This fund is used to account for revenues and expenditures from the operations of the Aventura City of Excellence School, a special revenue fund of the City.

Arts & Cultural Center Construction Fund – This fund is used to account for revenues and expenditures used to fund the construction and equipment for the Arts and Cultural Center.

Debt Service Fund Series 2000 – is used to account for the payment of principal, interest and other expenditures associated with the Series 2000 Revenue Bonds.

The City reports the following major proprietary fund:

Stormwater Utility Fund – This fund accounts for the operation of the City's stormwater system.

Additionally, the government reports the following fiduciary fund type:

Police Officers' Retirement Plan Fund – This fund accounts for the activities of the Police Officers' Retirement Plan that accumulates resources for pension benefits to qualifying police officers.

The 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 GASB. Governments also have the option of following subsequent private-sector guidance for their business-type and enterprise funds, subject to the same limitation. The government 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. Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided and fines and forfeitures, 2) operating grants and contributions and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

1. Cash, cash equivalents and investments – Cash and cash equivalents, which consist of cash and short-term investments with original maturities of three (3) months or less when purchased, include cash on hand, demand deposits and investments with the Florida State Board of Administration (“SBA”) a Local Government Surplus Funds Trust Fund Investment Pool (“Pool”).

The City maintains a pooled cash account for all funds. This enables the City to invest large amounts of idle cash for short periods of time and to optimize earnings potential. Cash and cash equivalents represents the amount owned by each City fund. Resources of all funds, with the exception of the pension fund, are also combined into investment pools for the purpose of maximizing investment yields. Interest earned on pooled cash and investments is allocated monthly based on cash balances of the respective funds.

The City's investments are reported at their fair value based on quoted market prices as reported by recognized security exchanges except for the Guaranteed Investment Contract which is recorded at cost.

The pension plan's investments in common stocks, corporate bonds and government securities are reported at fair value based on quoted market price. Investments in money market funds are valued at cost.

2. Receivables and payables – Transactions between funds that are representative of an outstanding lending/borrowing arrangement at the end of the year are referred to as either “interfund receivables/payables.” Any residual outstanding balances between the governmental activities and business-type activities at year-end are reported in the government-wide financial statements as internal balances.
3. Prepaid expenses/expenditures – Certain payments to vendors reflect costs applicable to a future accounting period and are recorded as prepaid items in both government-wide and fund financial statements.
4. Inventories – Inventories are valued at the lower of cost (last-in, first-out) or market. These amounts are reserved in governmental fund financial statements. Inventory is accounted for using the consumption method whereby inventories are recorded as expenditures when they are used.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

5. Capital assets – Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

	Years
Buildings	25
Improvements other than buildings	20 – 30
Infrastructure	20 – 40
Furniture, machinery and equipment	3 – 20

Within governmental funds, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported within the governmental fund financial statements.

6. Unearned / deferred revenues – Unearned revenues at the government-wide level, governmental funds and proprietary funds are reported when the City receives resources before it has earned the revenues. Furthermore, governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.
7. Compensated absences payable – The City’s sick leave policy permits employees to accumulate earned but unused sick pay benefits. Upon termination, sick pay is paid out between 10-50% based on length of service.

The City’s vacation policy is that earned vacation is cumulative although limited to certain maximums based on length of service.

Accumulated compensated absences are recorded in the government-wide and proprietary fund financial statements when earned. Expenditures for accumulated compensated absences have been recorded in the governmental funds only if they have matured, (e.g., resulting from employee resignations and retirements). Payments are generally paid out of the General Fund.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

8. Long-term obligations – In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums, discounts and issue costs are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable premiums and discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issue costs in the year of issuance. Bond proceeds at face value and premiums are reported as other financing source. Bond discounts are reported as other financing use. Issue costs, even if withheld from the actual net proceeds received, and bond principal payments are reported as debt service expenditures.

9. Equity classifications

Government-Wide and Proprietary Fund Statements:

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvements of those assets.
- b. Restricted net assets – consists of net assets with constraints placed on the use either by: 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – all other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund Statements:

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

10. Encumbrances – Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds.

Encumbrances are recorded at the time a purchase order or other commitment is entered into. Encumbrances outstanding at year-end represent the estimated amount of expenditures which would result if unperformed purchase orders and other commitments at year-end are completed. Appropriations lapse at year-end; however, the City generally intends to honor purchase orders and other commitments in process. As a result, encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities of the current period.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

11. Use of estimates – 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2. Property Taxes

Property taxes are assessed as of January 1 each year and are first billed (levied) and due the following November 1.

Under Florida law, the assessment of all properties and the collection of all county, municipal, school board and special district property taxes are consolidated in the Offices of the County Property Appraiser and County Tax Collector. The laws for the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The millage rate assessed by the City for the year ended September 30, 2009 was 1.7261 mills.

The City's tax levy is established by the City Commission prior to October 1 of each year, and the County Property Appraiser incorporates the millage into the total tax levy, which includes Miami-Dade County, Miami-Dade County School Board and certain other special taxing districts.

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

All real and tangible personal property taxes are due and payable on November 1 each year or as soon as practicable thereafter as the assessment roll is certified by the County Property Appraiser. Miami-Dade County mails each property owner on the assessment roll a notice of the taxes due and collects the taxes for the City. Taxes may be paid upon receipt of the notice from Miami-Dade County, with discounts at the rate of 4% if paid in the month of November, 3% if paid in the month of December, 2% if paid in the month of January and 1% if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed on April 1 of the year following the year in which the taxes were assessed. Procedures for the collection of delinquent taxes by Miami-Dade County are provided for in the laws of Florida. There were no material delinquent property taxes as of September 30, 2009.

Note 3. Deposits and Investments

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

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

The Florida SBA Pool is not a registrant with the Securities and Exchange Commission (“SEC”); however, its board has adopted operating procedures consistent with the requirements for a 2a-7 fund. The SBA investments are allocated among two funds, Fund A and Fund B (hereinafter referred to as “LGIP-A” and “LGIP-B”). For LGIP-A, a 2a7-like pool, the value of the City’s position is the same as the value of the pool shares and is recorded at amortized cost. At September 30, 2009, the City’s investment in LGIP-A was that of \$21,998,302. In accordance with these requirements, the method used to determine the participants’ shares sold and redeemed is the amortized cost method. The amortized cost method is the same method used to report investments. Amortized cost includes accrued income and is a method of calculating an investment’s value by adjusting its acquisition cost for the amortization of discount or premium over the period from purchase to maturity. Thus, the City’s account balance in the SBA is its amortized cost. LGIP-B is accounted for as a fluctuating NAV pool. The balance of the City’s investment in LGIP-B at year end amounted to \$172,894, with a net asset value factor of 0.54915069. The SBA is governed by Chapter 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of the SBA. Additionally, the Office of the Auditor General of the State of Florida performs the operational audit of the activities and investment of the SBA. The SBA accounts are not subject to custodial credit risk as these investments are not evidenced by securities that exist in physical or bank entry form.

Investments: On June 2, 2009 the City adopted Chapter 6.6 of the Administrative Policy and Directives and Procedures Manual, entitled “Investments Objective and Parameters,” as the City’s Investment Policy for the management of Public Funds (“the policy”). The policy was created in accordance with Section 218.415, Florida Statutes. The policy applies to all investments held and controlled by the City, with the exception of the Police Officers’ Pension Plan and its debt issuance where there are other existing policies or indentures in effect for the investment of related funds.

The City’s policy for investments other than pension plan investments is summarized below. The Finance Director has responsibility for the type of investments the City makes. The investment policy establishes permitted investments, asset allocation, issuer limits, credit rating requirements and maturity limits to protect the City’s assets. All investment securities are held by a Trust custodian, and are managed by financial advisors. The City’s policy allows them to invest, but is not limited to the following: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open-end money market mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations; and (4) commercial paper with a rating of at least “Prime-1” by Moody’s and “A-1” by Standards & Poor’s.

The City policy for pension investments is under the oversight of the Plan’s Board of Trustees (the “Board”). The Board contracts with an investment advisory firm and approves any new investment vehicles presented by the consultant. The Board follows all applicable state statutes. State law limits investments in corporate bonds and commercial paper to the top three (3) ratings issued by nationally-recognized statistical rating organizations.

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

The City has a Guaranteed Investment Contract ("GIC") that is not subject to interest rate classification because it is a direct contractual investment and is not a security. The GIC also is not rated for credit risk classification purposes. The GIC provides for a guaranteed return on investments over a specific period of time at a rate of 5.04% per annum. The value of the GIC as of September 30, 2009 is \$525,944 and the value of the GIC is expected to be sufficient to meet the reserve fund requirement for the Series 2000A Revenue Note of a minimum of \$500,000. The GIC is recorded at the contract amount which is \$500,657.

Interest rate risk – The City does not have a formal investment policy for its pension funds that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's policy is to limit its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools.

Concentrations – The City's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific issuer. Specific limits have been established which limit the percentage of portfolio assets that can be invested with a specific issuer. The pension fund limits investments that may be invested in any one issuer to no more than 5% of plan net assets, other than those issued by the U.S. Government or its Agencies. More than 5% of the Fund's plan net assets are invested in debt securities issued by the United States Treasury and the Federal National Mortgage Association. The United States Treasury investment represented 8.74% of Plan Net Assets and the Federal National Mortgage Association Investment represented 6.06% of Plan Net Assets, respectively.

Custodial credit risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City's investment policy requires securities, with the exception of certificates of deposit, to be registered in the City's name and held with a third party custodian.

City of Aventura, Florida

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

As of September 30, 2009, the City's cash and investments consisted of the following:

Cash and cash equivalents and investments	
Deposits with financial institutions	\$ 8,145,423
SBA	22,171,196
Guaranteed investment contract	500,657
U.S. Government obligations	8,706,570
Mortgage-backed securities	322,755
Collateralized mortgage obligations	150,000
Corporate bonds	406,523
Money market funds	424,784
Petty cash	2,155
	<u>40,830,063</u>
Fiduciary Fund investments:	
Common stocks	6,284,819
U.S. Government securities	1,503,984
Corporate bonds	1,737,879
Money market funds	531,536
Total fiduciary fund investments	<u>10,058,218</u>
Total cash, cash equivalents and investments	<u>\$ 50,888,281</u>

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

Statement of Net Assets:	
Cash and cash equivalents	\$ 30,743,557
Investments	9,585,849
Restricted cash, cash equivalents and investments	500,657
	<u>40,830,063</u>

Statement of Fiduciary Net Assets:	
Common stocks	6,284,819
U.S. Government securities	1,503,984
Corporate bonds	1,737,879
Money market funds	531,536
Total fiduciary fund investments	<u>10,058,218</u>
Total cash and investments	<u>\$ 50,888,281</u>

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

Interest rate risk – This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the entity’s debt-type investments to this risk using the segmented time distribution model is as follows:

Summary of Investments and Interest Rate Risk	Investment Maturities (in Years)				
	Fair Value	Less Than 1 Year	1 – 5 Years	6 – 10 Years	Greater Than 10 Years
City Investments					
U.S. Government securities	\$ 8,706,570	\$ 1,339,235	\$ 7,367,335	\$ -	\$ -
Mortgage-backed securities	322,755	101,198	221,557	-	-
Collateralized mortgage obligations	150,000	-	150,000	-	-
Money market funds	424,784	424,784	-	-	-
Corporate bonds	406,523	-	406,523	-	-
SBA	22,171,196	22,171,196	-	-	-
Fiduciary Funds					
U.S. Treasuries	888,098	211,583	435,694	240,821	-
U.S. Agencies	615,886	203,219	276,222	136,445	-
Corporate bonds	1,737,879	210,433	1,130,163	397,283	-
Money market funds	531,536	531,536	-	-	-
	\$ 35,955,227	\$ 25,193,184	\$ 9,987,494	\$ 774,549	\$ -

Notes to Financial Statements

Note 3. Deposits and Investments (Continued)

Credit Risk – Generally, credit risk is the risk that an issuer of a debt-type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally-recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Investments in the SBA Pool, mortgage-back securities, collateralized mortgage obligations and the money market funds are not rated. The City's' and pension funds corporate bonds were rated by Moody's Investors Services as follows:

Rating	Fair Value
City Investments	
Aaa	\$ 406,523
Fiduciary Funds	
A1/A	249,698
A1/A+	263,905
A2/A	603,222
A2/A+	73,640
AA2/AA-	207,201
AA2AA+	83,047
AA3/A+	84,428
AA3/AA-	172,738
	<u>\$ 1,737,879</u>

Note 4. Receivables

Receivables as of September 30, 2009 consist of the following:

Governmental activities	General Fund	Charter School Fund	Nonmajor Governmental Funds	Total
Utility service taxes	\$ 368,514	\$ -	\$ -	\$ 368,514
Police services	77,662	-	49,361	127,023
Vendors	2,630	5,400	-	8,030
Franchise fees	29,690	-	-	29,690
Total governmental activities	<u>\$ 478,496</u>	<u>\$ 5,400</u>	<u>\$ 49,361</u>	<u>\$ 533,257</u>

Notes to Financial Statements

Note 5. Interfund Balances and Transfers

Interfund receivables and payables as of September 30, 2009 were as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 121,659	\$ -
Debt Service Fund Series 2000	-	121,659
	<u>\$ 121,659</u>	<u>\$ 121,659</u>

These balances resulted from the time lag between the dates interfund goods and services are provided or reimbursable expenditures occur.

Interfund transfers during the year ended September 30, 2009 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 124,000	\$ 4,336,587
Charter School Fund	199,664	474,000
Capital Project Arts & Cultural Center Fund	2,250,000	-
Debt Service Fund Series 2000	490,669	-
Other nonmajor governmental funds	2,189,918	443,664
	<u>\$ 5,254,251</u>	<u>\$ 5,254,251</u>

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them from or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers to the General Fund represent reimbursement of cost from the Charter School Fund of \$30,000 and \$94,000 from the 911 Fund. The transfer to the Charter School Fund consist of \$99,664 unrestricted residual balances from the Charter School Capital Projects funds and \$100,000 from the General Fund which are being used to support future capital projects occurring in the Charter School Special Revenue Fund. Transfers to the Arts & Cultural Center Fund are comprised of the following; transfer from the General Fund of \$2,000,000 and \$250,000 from the Park Development Fund. The remaining transfers represent transfers to meet debt service requirements in the Debt Service Funds.

Notes to Financial Statements

Note 6. Capital Assets

Capital assets activity for the year ended September 30, 2009 was as follows:

	Balance October 1, 2008	Additions	Retirements and transfers	Balance September 30, 2009
<i>Governmental Activities:</i>				
Capital assets, not being depreciated:				
Land	\$ 17,102,344	\$ -	\$ -	\$ 17,102,344
Construction in progress	239,245	3,257,469	-	3,496,714
Total capital assets, not being depreciated	17,341,589	3,257,469	-	20,599,058
Capital assets, being depreciated:				
Buildings	34,032,591	2,222,780	159,314	36,414,685
Improvements other than buildings	10,966,944	73,009	(223,969)	10,815,984
Infrastructure	34,015,887	739,569	(237,052)	34,518,404
Furniture, machinery and equipment	11,237,128	600,922	(534,571)	11,303,479
Total capital assets, being depreciated	90,252,550	3,636,280	(836,278)	93,052,552
Less accumulated depreciation for:				
Buildings	5,552,809	918,431	(5,314)	6,465,926
Improvement other than buildings	1,631,434	407,668	(80,536)	1,958,566
Infrastructure	8,671,469	1,255,190	56,595	9,983,254
Furniture, machinery and equipment	7,549,497	1,036,279	(397,996)	8,187,780
Total accumulated depreciation	23,405,209	3,617,568	(427,251)	26,595,526
Total capital assets, being depreciated, net	66,847,341	18,712	(409,027)	66,457,026
Governmental activities capital assets, net	\$ 84,188,930	\$ 3,276,181	\$ (409,027)	\$ 87,056,084
<i>Business-Type Activities:</i>				
Construction in progress	\$ -	\$ 322,092	\$ -	\$ 322,092
Capital assets, being depreciated:				
Infrastructure	8,838,134	83,167	-	8,921,301
Less accumulated depreciation	1,406,364	256,603	-	1,662,967
Business-type activities capital assets, net	\$ 7,431,770	\$ 148,656	\$ -	\$ 7,580,426

Notes to Financial Statements

Note 6. Capital Assets (Continued)

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

Governmental activities:	
General government	\$ 1,927,435
Public safety	519,765
Community services	1,170,368
Total depreciation expense – governmental activities	<u>\$ 3,617,568</u>
Business-type activities:	
Stormwater utility	<u>\$ 256,603</u>

Note 7. Long-Term Liabilities of Governmental Activities

Changes in Governmental Activities long-term liabilities during the year ended September 30, 2009 were as follows:

	Balance October 1, 2008	Additions	Retirements	Balance September 30, 2009	Due Within One Year
Series 1999 Revenue Bonds payable	\$ 17,290,000	\$ -	\$ 495,000	\$ 16,795,000	\$ 515,000
Series 2000 Revenue Bonds payable	4,780,000	-	270,000	4,510,000	285,000
Series 2002 Revenue Bonds payable	11,150,000	-	315,000	10,835,000	330,000
Compensated absences payable	2,065,269	1,027,178	1,015,562	2,076,885	519,221
Other Post Employment benefits	-	96,000	-	96,000	-
	<u>\$ 35,285,269</u>	<u>\$ 1,123,178</u>	<u>\$ 2,095,562</u>	<u>\$ 34,312,885</u>	<u>\$ 1,649,221</u>

Notes to Financial Statements

Note 7. Long-Term Liabilities of Governmental Activities (Continued)

Revenue bonds as of September 30, 2009 were comprised of the following:

Series 1999 Revenue Bonds issued from the Florida Municipal Loan Council, Inc. Principal is due annually over 30 years in various amounts through April 2029. The bonds bear interest at various rates (3.20% – 5.125%) and are payable semi-annually on October 1 and April 1 of each year. The bonds are collateralized by available Non-Ad Valorem revenues. \$ 16,795,000

Series 2000 Revenue Bonds, principal is due annually over 20 years in various amounts through October 2020. The bonds bear interest at 5.05% and are payable semi-annually on October 1 and April 1 of each year. The bonds are collateralized by available Non-Ad Valorem revenues. 4,510,000

Series 2002 Revenue Bonds issued from the Florida Intergovernmental Finance Commission. Principal is due annually over 30 years in various amounts through August 2032. The bonds bear interest at various rates (2.50% – 5.00%) and are payable semi-annually on February 1 and August 1 of each year. The bonds are collateralized by available Non-Ad Valorem revenues. 10,835,000
\$ 32,140,000

Compensated absences attributable to governmental activities are generally liquidated by the General Fund.

The City previously issued \$6,555,000 in Series 2000 Revenue Bonds to finance the acquisition of land for parks and recreational purposes and for the construction of a community recreation center. The bond indenture relating to this issue requires that a reserve fund of \$500,000 be established, the balance of which as of September 30, 2009 was sufficient to meet this requirement. The indenture also requires the maintenance of a minimum debt service coverage ratio of 2.50:1.00.

The City also previously entered into a bond indenture agreement with the Florida Intergovernmental Finance Commission through an interlocal governmental agreement. As a result, the City issued \$12,610,000 in Series 2002 Revenue Bonds to finance the acquisition of land and construction of a charter school as well as the construction of the community recreation center. The bond indenture relating to this issue requires a reserve fund in the amount of \$842,000. The City purchased a surety bond to meet this requirement.

Notes to Financial Statements

Note 7. Long-Term Liabilities of Governmental Activities (Continued)

The annual debt service requirements to maturity for the revenue bonds are as follows:

Year Ending September 30,	Principal	Interest	Total
2010	\$ 1,130,000	\$ 1,565,698	\$ 2,695,698
2011	1,175,000	1,516,811	2,691,811
2012	1,230,000	1,464,864	2,694,864
2013	1,280,000	1,410,294	2,690,294
2014	1,340,000	1,352,731	2,692,731
2015-2019	7,565,000	5,726,393	13,291,393
2020-2024	7,725,000	3,766,545	11,491,545
2025-2029	8,635,000	1,852,250	10,487,250
2030-2032	2,060,000	209,250	2,269,250
	<u>\$ 32,140,000</u>	<u>\$ 18,864,836</u>	<u>\$ 51,004,836</u>

Note 8. Commitments and Contingencies

Litigation: Various claims and lawsuits, which arise in the normal course of operations, are pending against the City. It is management's opinion, based on the advice of the City Attorney, that the outcome of these actions will not have a material adverse effect on the financial statements of the City. Management also believes that the litigation against the City will be covered by insurance.

The City is involved in a litigation matter involving its red light camera program and has sufficient unrestricted funds to satisfy the City's potential liability which is estimated to be between \$0 and \$1,156,000.

Government grants: Revenue recognized from grants may be subject to audit by the grantor agencies. In the opinion of City management, as a result of such audits, disallowances of grant revenues, if any, would not have a material adverse effect on the City's financial condition.

Employment agreement: The City has an employment contract with its City Manager that provides for an annual salary, adjusted for cost-of-living increases and certain benefits. This agreement is effective for an indefinite term subject to termination of the City Manager by the City Commission in accordance with Article III, Section 3.08 of the City Charter. The City Manager must provide two (2) months advance written notice to resign voluntarily.

Charter school agreements: The City has a contract with the School Board of Miami-Dade County, Florida that provides for Aventura City of Excellence School to provide the residents of the City of Aventura an education choice for up to 900 elementary and middle school students. The contract ends on June 30, 2018 but provides for a renewal of up to 15 years by mutual agreement of both parties. The City has entered into an agreement with Charter School USA, Inc. ("CSUSA") to provide administrative and educational services for the City's charter school. The agreement terminates on June 30, 2013.

Notes to Financial Statements

Note 8. Commitments and Contingencies (continued)

Other agreements: The City has entered into nonexclusive agreements with several engineering consulting firms (the "Consultants") to provide building inspections and plan review services. Pursuant to the agreements, the Consultants receive 70% of the gross building permit fee revenues for the first \$100,000 in fees in a month and 65% of the amount in excess of \$100,000 per month.

Construction commitments: The City is a party to several construction contracts for City infrastructure improvements. The amount remaining on these uncompleted contracts as of September 30, 2009 was approximately \$4,729,000.

Pension funding: There have been significant negative economic developments surrounding the overall market liquidity, credit availability and market collateral levels which have resulted in declines in the value of the investment securities held by the Police Officers Retirement Plan. Consequently, the City's required contribution amount to the Plan, which is necessary to maintain the actuarial soundness and to provide the level of assets sufficient to meet participant benefits, could significantly increase in future periods. It is management's opinion that future contributions to the Plan will not have a material adverse effect on the City's financial position.

Note 9. Risk Management

The City is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, employee health, workers' compensation and natural disasters for which the City carries commercial insurance. Settlement amounts have not exceeded insurance coverage for any of the past three (3) fiscal years. In addition, there were no reductions in insurance coverage from those in the prior year.

Note 10. Other Post Employment Benefits

For the fiscal year ended September 30, 2009 the City implemented Governmental Accounting Standards Board Statement No. 45, Accounting and reporting by Employers for Postemployment Benefits Other Than Pension (OPEB), for certain postemployment health care benefits provided by the City.

As of October 1, 2008, the latest actuarial valuation, health care and dental plan participants consisted of:

Active plan participants	185
Retiree plan participants and spouses	3
	<hr/>
	188
	<hr/> <hr/>

Plan Description: Pursuant to Section 112.0801, Florida Statutes, the City is required to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Other than certain department directors, retirees must pay a monthly premium as determined by the insurance carrier. Pursuant to Resolution 2006-64, department directors who retire at age 55 or later with at least 10 years of service are not required to pay a premium for medical or dental coverage for themselves prior to age 65. Retirees pay 100% of the blended equivalent premium rates. The blended rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

Notes to Financial Statements

Note 10. Other Post Employment Benefits (continued)

Funding Policy: The City is funding the post employment benefits on a pay-as-you-go basis. For the fiscal year ended September 30, 2009, the annual required contribution was \$143,000. The City made an implied contribution of \$46,000 towards this amount. Retirees contributed \$20,670 towards the cost of these benefits, for the fiscal year ended September 30, 2009. At September 30, 2009 the City recorded a net OPEB obligation of \$96,000 for governmental activities, in its government-wide statement of net assets.

Annual OPEB Cost and Net OPEB Obligation: The annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liability over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed, and the changes in the net OPEB obligation.

Annual Required Contribution (ARC)	\$ 143,000
Interest on net pension obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost	<u>143,000</u>
Employer contributions made	(46,000)
Interest on employer obligation	(1,000)
Increase in net OPEB obligation	<u>96,000</u>
Net OPEB obligation, beginning of year	-
Net OPEB obligation, end of year	<u><u>\$ 96,000</u></u>

The City's annual OPEB cost, the percentage of annual OPEB costs contributed to the plan, and the net OPEB obligation as of September 30, 2009 (first year of implementation) was as follows:

September 30,	OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 143,000	33%	\$ 96,000

Funded Status and Funding Progress: The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits. An analysis of funding progress is as follows:

Notes to Financial Statements

Note 10. Other Post Employment Benefits (continued)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability at Entry Age	Unfunded	Funded Ratio	Covered Payroll	UAAL
			Actuarial Accrued Liability (UAAL)			as % of Covered Payroll
10/01/08	\$ -	\$ 735,000	\$ 735,000	0.0%	\$ 9,175,000	8.0%

Methods and Assumption: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the October 1, 2008 actuarial valuation, the projected unit credit cost method was used. The annual required contribution (ARC) reflects a 12-year open period, level dollar payment amortization of the unfunded actuarial accrued liability (UAAL). The actuarial assumptions included a 4.0% investment rate of return.

The following assumptions were made:

Eligibility: For police officers, eligibility was assumed to occur at the earlier of any age with at least 35 years of service or at age 55 with at least six (6) years of service; for all other employees eligibility was assumed to occur at the earlier of any age with at least 30 years of service or at age 62 with at least six (6) years of service.

Mortality: Sex-distinct mortality rates set forth in the RP-2000 mortality table for annuitants and non-annuitants.

Disability: Sex-distinct disability rates set forth in the Wyatt 1985 Disability Study; class 4 rates were used for police and class 1 rates were used for all other employees.

Permanent Withdrawal from Active Status: Sex-distinct withdrawal rates set forth in Scale 155 table

Investment Rate of Return: A discount rate of 4.00% per annum (includes inflation at 2.50% per annum)

Healthcare Cost Trend Rate: The cost of covered medical services has been assumed to increase in accordance with the following rates, compounded annually:

2008/09	10.00%
2009/10	9.00%
2010/11	8.00%
2011/12	7.00%
2012/13	6.00%

Notes to Financial Statements

Note 10. Other Post Employment Benefits (continued)

Implied Subsidy (Medical Insurance): The implied subsidy for a 62-year old retiree for the period October 1, 2008 through September 30, 2009 is assumed to be \$5,400 per year for the retiree and \$5,400 per year for the retiree's spouse.

Implied Subsidy (Dental Insurance): There is no implied subsidy for the dental insurance since we have assumed that the premium charged for the covered individuals does not increase with age.

Age-Related Morbidity: The cost of the medical services has been assumed to increase with age at the rate of 3.50% per annum.

Retiree Contribution: Other than eligible department directors, retirees electing post-employment healthcare coverage have been assumed to make monthly contributions equal to the premium charged to active employees. Eligible department directors have been assumed to make the required contribution for healthcare coverage for their spouses.

Cost-of-Living Increase: Retiree contributions have been assumed to increase in accordance with the healthcare cost trend assumption.

Future Participation Rates: Other than eligible department directors, 5% of eligible employees were assumed to elect coverage until age 65 upon retirement or disability; 100% of department directors who are eligible for the explicit subsidy from the City were assumed to elect coverage until age 65.

Marriage & Dependant Assumption: 80% of males and 50% of females as assumed to elect coverage at retirement for themselves and their spouses, with husbands assumed to be three (3) years older than their wives; active employees were not assumed to have any dependent children upon retirement or disability.

COBRA Assumption: Future healthcare coverage provided solely pursuant to COBRA was not included on the OPEB valuation, we assumed that COBRA premiums to be paid by the participant fully cover the cost of providing healthcare coverage during the relevant period.

Note 11. Defined Contribution Pension Plans

The City is a single-employer that contributes to four (4) defined contribution pension plans based on employee classification created in accordance with Internal Revenue Code Section 401(a). The plans currently cover all full-time employees of the City. Under these plans, the City contributes between 7% and an amount equal to the annual IRS maximum depending on employee classifications. City contributions for the City Manager, department directors and assistant department directors vest in the year they are contributed. City contributions to general employees vest beginning after one year of service through year five in 20% increments. Participants are not permitted to make contributions during the year. The City made plan contributions of approximately \$741,000 during the year. Plan provisions and contribution requirements may be amended by the City Commission.

The Plan's assets are administered by ICMA Retirement Corp. The City does not exercise any control or fiduciary responsibility over the Plan's assets.

Notes to Financial Statements

Note 12. Defined Benefit Pension Plan

The City agreed to provide a defined benefit retirement plan effective October 1, 2003 through a collective bargaining contract between the City and the Miami-Dade County Police Benevolent Association City of Aventura Police Officers' Retirement Plan (the "Plan"). The Plan is a single-employer defined benefit retirement plan. The Plan was established by the City in accordance with a City ordinance and state statutes. The Plan covers only sworn police officers and is funded by a combination of City contributions, employee contributions, rollover of 401(a) Plan assets for certain employees and the proceeds of the state insurance premium tax on casualty insurance policies. The current funding levels of covered payroll are 17.780% for the City's contribution, 6.775% for the employee's contribution and 5% for the state premiums tax. The State is required to contribute pursuant to chapter 185 of the Florida Statutes, a premium on certain casualty insurance contracts written on the City's property. The premium tax is collected by the State and remitted to the City. During the current fiscal year the City received \$265,314 from the State. The Plan and employee contributions are mandatory for all sworn police officers. Contribution requirements of the Plan members and the participating employer are established and may be changed by an amendment to the City ordinance.

The City utilizes the entry age normal cost method. The asset valuation method is a market value less unrecognized capital appreciation, which is recognized at a rate of 20% per year.

Information as of the latest actuarial valuation, dated October 1, 2009, included no cost of living adjustments and a 3.00% annual inflation rate; an annual investment rate of return of 8.00%; projected annual salary increases of 5.00%; the amortization method is level percent, closed; and a remaining amortization period of 24 years.

On October 1, 2009 (the last plan year valuation date), Plan membership consisted of:

Retirees and beneficiaries receiving benefits	4
Active plan members	73
	<u>77</u>

The financial statements of the Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

The general administration, management and investment decisions of the Plan and the responsibility for carrying out its provisions is vested in the five (5) member Board of Trustees. Administrative costs of the Plan are financed through current or prior investment earnings.

The City has issued stand-alone financial statements for the Plan, which may be obtained from the City's Finance Department.

Notes to Financial Statements

Note 12. Defined Benefit Pension Plan (continued)

Benefits

Normal retirement may be received upon attainment of age 55 with ten (10) years of credited service or upon completion of 25 years of credited service. For the first 40 years of service, the monthly benefit received will be 3.00% of final monthly compensation multiplied by the number of years of service, to a maximum of 80.00%. Years credited beyond 40 will be taken into account at 2.00% of final compensation per year. Early retirement may be received upon the attainment of age 45 with ten (10) years of credited service. The benefit may be received either on a deferred basis or on an immediate basis. On an immediate basis, the benefit amount will be the normal retirement benefit reduced by 3.00% per year for each year by which the retirement date precedes the normal retirement date. On a deferred basis, the benefit amount will be the same as the normal retirement benefit except that the final compensation and credited service will be based upon the early retirement date.

Disability retirement – Members who become disabled due to service-incurred injuries, which arise out of performance of service with the City, will receive a monthly benefit amount equal to the member's accrued benefit but not less than 42.00% of the member's final monthly compensation as of the date of disability, offset by any other payments, such as worker's compensation. Members who become disabled due to no-service-incurred injuries, which do not arise out of performance with the City, and who have completed at least ten (10) years of service, will receive a monthly benefit amount equal to 3.00% of final monthly compensation for each year of credited service, but not less than 30.00%.

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

September 30,	Actuarially Determined Contribution	Percentage of APC Contributed	Net Pension Obligation/ (Asset)
2009	\$ 886,124	130%	\$ (159,390)
2008	1,049,891	101%	114,683
2007	994,187	101%	123,006

Funding progress: The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits. An analysis of funding progress for the year ended September 30, 2009 is as follows:

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability at Entry Age	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
10/01/09	\$ 10,375,587	\$ 15,136,976	\$ 4,761,389	68.5%	\$ 6,084,396	78.3%

Notes to Financial Statements

Note 12. Defined Benefit Pension Plan (Continued)

The annual pension cost and net pension obligation (asset) for the Plan for year ended September 30, 2009 is as follows:

Annual Required Contribution (ARC)	\$ 886,124
Interest on net pension obligation	8,310
Adjustment to annual required contribution	<u>(19,351)</u>
Annual pension cost	875,083
Contributions made	<u>1,149,156</u>
Decrease in net pension obligation	(274,073)
Net pension obligation, beginning	114,683
Net pension asset, ending	<u><u>\$ (159,390)</u></u>

Note 13. Pronouncements Issued But Not Yet Effective

The GASB has issued several statements not yet implemented by the City. The statements which might impact the City are as follows:

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* issued July 10, 2007, is effective for the City beginning with its fiscal year ending September 30, 2010. This Statement provides guidance regarding how to identify, account for, and report intangible assets.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, was issued in June 2008. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2010.

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

The City's management has not yet determined the effect these unadopted standards may have on the City's financial statements.

City of Aventura, Florida

**Schedule of Revenues and Expenditures – Budget and Actual
General Fund
For the Year Ended September 30, 2009
(Required Supplementary Information)**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Ad Valorem taxes:				
Current	\$ 15,479,349	\$ 15,479,349	\$ 15,062,722	\$ (416,627)
Delinquent	25,000	25,000	126,283	101,283
Utility service taxes:				
Electric	3,418,000	3,418,000	3,706,940	288,940
Telecommunication	2,298,000	2,368,000	2,861,566	493,566
Water	550,000	550,000	831,390	281,390
Gas	35,000	35,000	51,976	16,976
Franchise fees:				
Electric	3,306,706	3,306,706	3,130,232	(176,474)
Gas	50,000	50,000	67,928	17,928
Sanitation	410,000	410,000	415,924	5,924
Towing	25,000	25,000	30,093	5,093
Total taxes	<u>25,597,055</u>	<u>25,667,055</u>	<u>26,285,054</u>	<u>617,999</u>
Intergovernmental revenues:				
Federal grants	-	-	202,623	202,623
State and local grants	-	-	44,600	44,600
State pension contribution	-	-	265,314	265,314
Alcoholic beverage licenses	19,000	19,000	16,745	(2,255)
State revenue sharing	390,000	390,000	347,225	(42,775)
Half cent sales tax	1,854,000	1,854,000	1,731,828	(122,172)
County occupational licenses	45,000	45,000	44,636	(364)
Total intergovernmental revenues	<u>2,308,000</u>	<u>2,308,000</u>	<u>2,652,971</u>	<u>344,971</u>
Licenses and permits:				
City business tax receipts	715,000	715,000	768,006	53,006
Building permits	800,000	1,000,000	997,205	(2,795)
Certificates of occupancy	50,000	50,000	118,636	68,636
Engineering	35,000	35,000	9,015	(25,985)
Total licenses and permits	<u>1,600,000</u>	<u>1,800,000</u>	<u>1,892,862</u>	<u>92,862</u>
Charges for services:				
Certificate of use fees	5,000	5,000	5,145	145
Lien search fees	25,000	25,000	47,708	22,708
Development review fees	25,000	25,000	73,270	48,270
Recreation/cultural events	585,000	585,000	823,015	238,015
Police services	771,000	771,000	775,444	4,444
Total charges for services	<u>1,411,000</u>	<u>1,411,000</u>	<u>1,724,582</u>	<u>313,582</u>

(Continued)

City of Aventura, Florida

**Schedule of Revenues and Expenditures – Budget and Actual
General Fund (Continued)
For the Year Ended September 30, 2009
(Required Supplementary Information)**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Fines and forfeitures:				
County court fees	\$ 274,000	\$ 274,000	\$ 401,368	\$ 127,368
Code violation fines	65,000	480,000	1,492,287	1,012,287
Total fines and forfeitures	<u>339,000</u>	<u>754,000</u>	<u>1,893,655</u>	<u>1,139,655</u>
Other:				
Interest income	800,000	800,000	236,370	(563,630)
Miscellaneous	75,000	75,000	60,472	(14,528)
Total other	<u>875,000</u>	<u>875,000</u>	<u>296,842</u>	<u>(578,158)</u>
Total revenues	<u>32,130,055</u>	<u>32,815,055</u>	<u>34,745,966</u>	<u>1,930,911</u>
Expenditures:				
Current:				
General government:				
City Commission:				
Personnel services	59,405	59,405	62,168	(2,763)
Operating	57,038	57,038	49,081	7,957
City Manager:				
Personnel services	717,967	717,967	728,892	(10,925)
Operating	170,300	170,300	129,880	40,420
Capital outlay	4,000	4,000	2,452	1,548
Finance:				
Personnel services	686,547	686,547	688,529	(1,982)
Operating	122,100	122,100	87,219	34,881
Capital outlay	3,000	5,080	3,079	2,001
Information technology:				
Personnel services	556,922	556,922	563,697	(6,775)
Operating	214,360	214,360	179,849	34,511
Capital outlay	136,000	205,074	35,926	169,148
Legal:				
Operating	280,000	315,000	308,658	6,342
City Clerk:				
Personnel services	202,647	202,647	205,383	(2,736)
Operating	64,300	69,300	63,864	5,436
Capital outlay	3,000	3,000	1,589	1,411
Total general government- departmental	<u>3,277,586</u>	<u>3,388,740</u>	<u>3,110,266</u>	<u>278,474</u>

(Continued)

City of Aventura, Florida

**Schedule of Revenues and Expenditures – Budget and Actual
General Fund (Continued)
For the Year Ended September 30, 2009
(Required Supplementary Information)**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Nondepartmental:				
Operating	\$ 1,745,000	\$ 1,745,000	\$ 1,572,517	\$ 172,483
Capital outlay	16,500,000	16,500,000	38,280	16,461,720
Total nondepartmental	18,245,000	18,245,000	1,610,797	16,634,203
Total general government	21,522,586	21,633,740	4,721,063	16,912,677
Public safety:				
Police:				
Personnel services	12,313,123	12,313,123	12,371,824	(58,701)
Operating	1,412,500	1,412,500	1,117,234	295,266
Capital outlay	849,500	1,096,754	725,828	370,926
Community development:				
Personnel services	669,940	669,940	691,112	(21,172)
Operating	775,800	1,355,800	1,254,890	100,910
Capital outlay	48,300	48,300	2,693	45,607
Total public safety	16,069,163	16,896,417	16,163,581	732,836
Community services:				
Personnel services	1,357,482	1,357,482	1,276,780	80,702
Operating	2,873,500	2,873,500	2,937,376	(63,876)
Capital outlay	778,000	1,489,629	407,596	1,082,033
Arts and cultural center:				
Personnel services	86,361	86,361	-	86,361
Operating	11,000	76,000	154,480	(78,480)
Total community services	5,106,343	5,882,972	4,776,232	1,106,740
Total expenditures	42,698,092	44,413,129	25,660,876	18,752,253
Excess (deficiency) of revenues over expenditures	(10,568,037)	(11,598,074)	9,085,090	20,683,164
Other financing sources (uses):				
Transfers in	124,000	124,000	124,000	-
Transfers out	(4,257,029)	(4,236,587)	(4,336,587)	(100,000)
Appropriated fund balance	14,701,066	15,710,661	-	(15,710,661)
Total other financing sources (uses)	10,568,037	11,598,074	(4,212,587)	(15,810,661)
Net change in fund balance	\$ -	\$ -	\$ 4,872,503	\$ 4,872,503

See Notes to Required Supplementary Information.

City of Aventura, Florida

**Schedule of Funding Progress
Police Officers' Retirement Plan Fund
(Unaudited)
(Required Supplementary Information)**

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability at Entry Age	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
10/01/09	\$ 10,375,587	\$ 15,136,976	\$ 4,761,389	68.5%	\$ 6,084,396	78.3%
10/01/07	6,935,097	10,825,108	3,890,011	64.1%	5,576,592	69.8%
10/01/04	2,393,593	5,118,997	2,725,404	46.8%	4,085,348	66.7%

**Schedule of Funding Progress
Other Post Employment Benefits
(Unaudited)
(Required Supplementary Information)**

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability at Entry Age	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
10/01/09	\$ -	\$ 765,000	\$ 765,000	0.0%	\$ 11,774,743	6.5%
10/01/08	-	735,000	735,000	0.0%	9,175,000	8.0%

See Notes to Required Supplementary Information

City of Aventura, Florida

**Schedule of Contributions From the Employer
and the State of Florida
Police Officers' Retirement Plan Fund
(Unaudited)
(Required Supplementary Information)**

Year Ended September 30,	City Annual Required Contribution	City Contribution	State of Florida Insurance Premium Tax	Percentage Contributed
2009	\$ 1,151,438	\$ 1,149,156	\$ 265,314	123%
2008	1,169,142	1,024,908	163,088	101%
2007	1,154,250	1,000,802	160,063	101%

See Notes to Required Supplementary Information.

Notes to Required Supplementary Information

Note 1. Budgets and Budgetary Accounting

An annual appropriated budget is adopted for all governmental funds with the exception of the Charter School Fund, Federal Forfeiture Fund and Law Enforcement Trust Fund (Special Revenue Funds).

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

- a. The City Manager submits to the City Commission a proposed operating and capital budget for the ensuing fiscal year. The budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. Prior to October 1, the budget is legally enacted through passage of an ordinance.
- d. Formal budgetary integration is employed as a management control device during the year for the governmental funds described above.
- e. The City Commission, by ordinance, may make supplemental appropriations for the year up to the amount of revenues in excess of those estimated. The City Commission made several supplementary budgetary appropriations throughout the year including approximately \$1,695,000 in the General Fund.
- f. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles ("GAAP").
- g. The City Manager is authorized to transfer part or all of an unencumbered appropriation balance within departments within a fund; however, any revisions that alter the total appropriations of any department or fund must be approved by the City Commission. The classification detail at which expenditures may not legally exceed appropriations is at the department level.
- h. Unencumbered appropriations lapse at fiscal year-end. Unencumbered amounts are reappropriated in the following year's budget for capital accounts only.
- i. Expenditures did not exceed appropriations in any of the governmental funds.

Note 2. Actuarial Assumptions

Information as of the latest actuarial valuation date of October 1, 2009 included no cost of living adjustments and a 3% annual inflation rate; an annual investment rate of return of 8.00%; projected annual salary increase of 5.0%; the amortization method is level percent, closed; and an amortization period of 30 years.

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Police Education Fund – This fund is used to account for revenues and expenditures associated with the two dollars (\$2) the City receives from each paid traffic citation, by State Statute, must be used to further the education of the City's police officers.

Street Maintenance Fund – This fund is to account for revenues and expenditures, which by State Statute are designated for street maintenance and construction costs.

Police Capital Outlay Impact Fee Fund – This fund is used to account for impact fees derived from new developments and restricted by ordinance for police capital improvements. This fund provides a funding source to assist the City in providing police services required by the growth in the City.

Park Development Fund – This fund is used to account for revenues and expenditures specifically earmarked for capital improvements to the City's park system. This fund accounts for impact fees derived from new developments and restricted by ordinance for park capital improvement projects.

911 Fund – This fund is used to account for revenues and expenditures specifically earmarked for the City's emergency 911 system in accordance with Florida Statutes 365.172. The funds may be used to provide emergency dispatch systems, training, communication, maintenance and repairs and related capital outlay purchases. The fund offsets a portion of the emergency 911 operations.

Federal Forfeiture Fund – This fund is used to account for proceeds obtained from the sale of confiscated and unclaimed property turned over to the City through court judgments. Proceeds are to be used solely for crime fighting purposes.

Law Enforcement Trust Fund – This fund is used to account for resources resulting from police department confiscations and their expenditure for law enforcement purposes.

DEBT SERVICE FUNDS

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

Debt Service Fund Series 1999 – This fund is used to accumulate monies for the payment of the 1999 Revenue Bonds. Non-ad valorem tax revenues in the governmental funds are pledged for the payment of principal and interest.

Debt Service Fund Series 2002 – Charter School Land Acquisition – This fund is used to accumulate monies for the payment of the 2002 Revenue Bonds. Non-ad valorem tax revenues in the governmental funds are pledged for the payment of principal and interest.

Debt Service Fund Series 2002 – Charter School Building Construction – This fund is used to accumulate monies for the payment of the 2002 Revenue Bonds. Non-ad valorem tax revenues in the governmental funds are pledged for the payment of principal and interest.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities.

Capital Construction Fund Series 2000 – This fund is used to accumulate monies for the payment of the 2000 Revenue Bonds. Non-ad valorem tax revenues in the governmental funds are pledged for the payment of principal and interest.

City of Aventura, Florida

Combining Balance Sheet
Other Nonmajor Governmental Funds
September 30, 2009

	Special Revenue Funds						
	Police Education Fund	Street Maintenance Fund	Police Capital Outlay Impact Fee Fund	Park Development Fund	911 Fund	Federal Forfeiture Fund	Law Enforcement Trust Fund
Assets							
Cash and cash equivalents	\$ 9,559	\$ 52,875	\$ 12,454	\$ 374,242	\$ 56,581	\$ 462,551	\$ 165,888
Restricted cash, cash equivalents and investments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	49,361	-	-
Investments	2,981	16,487	3,883	116,688	17,642	144,223	51,724
Due from other governments	1,193	230,092	-	-	-	-	-
Total assets	<u>\$ 13,733</u>	<u>\$ 299,454</u>	<u>\$ 16,337</u>	<u>\$ 490,930</u>	<u>\$ 123,584</u>	<u>\$ 606,774</u>	<u>\$ 217,612</u>
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	\$ -	\$ 64,888	\$ -	\$ -	\$ 368	\$ -	\$ 2,925
Retainage payable	-	105,960	-	-	-	-	-
Deferred revenue	-	65,000	-	-	-	-	-
Total liabilities	<u>-</u>	<u>235,848</u>	<u>-</u>	<u>-</u>	<u>368</u>	<u>-</u>	<u>2,925</u>
Fund balances:							
Unreserved:							
Undesignated, reported in:							
Special revenue funds	13,733	63,606	16,337	490,930	123,216	606,774	214,687
Debt service funds	-	-	-	-	-	-	-
Total fund balances	<u>13,733</u>	<u>63,606</u>	<u>16,337</u>	<u>490,930</u>	<u>123,216</u>	<u>606,774</u>	<u>214,687</u>
Total liabilities and fund balances	<u>\$ 13,733</u>	<u>\$ 299,454</u>	<u>\$ 16,337</u>	<u>\$ 490,930</u>	<u>\$ 123,584</u>	<u>\$ 606,774</u>	<u>\$ 217,612</u>

Debt Service Funds			Capital Projects Funds		
	Debt Service Fund Series 2002	Debt Service Fund Series 2002			
Debt Service Fund Series 1999	Charter School Land Acquisition	Charter School Building Construction	Capital Construction Fund Series 2000		Total Nonmajor Governmental Funds
\$ 11,480	\$ -	\$ 88,672	\$ -		\$ 1,234,302
-	63	61	-		124
-	-	-	-		49,361
3,579	-	27,649	-		384,856
-	-	-	-		231,285
\$ 15,059	\$ 63	\$ 116,382	\$ -		\$ 1,899,928
\$ -	\$ 38	\$ -	\$ -		\$ 68,219
-	-	-	-		105,960
-	-	-	-		65,000
-	38	-	-		239,179
-	-	-	-		1,529,283
15,059	25	116,382	-		131,466
15,059	25	116,382	-		1,660,749
\$ 15,059	\$ 63	\$ 116,382	\$ -		\$ 1,899,928

City of Aventura, Florida

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
 Other Nonmajor Governmental Funds
 Year Ended September 30, 2009

	Special Revenue Funds						
	Police Education Fund	Street Maintenance Fund	Police Capital Outlay Impact Fee Fund	Park Development Fund	911 Fund	Federal Forfeiture Fund	Law Enforcement Trust Fund
Revenues:							
Intergovernmental revenues	\$ -	\$ 1,558,451	\$ -	\$ -	\$ 258,795	\$ -	\$ -
Fines and forfeitures	8,023	-	-	-	-	282,690	91,514
Impact fees	-	-	15,581	-	-	-	-
Interest income	83	493	133	5,302	-	329	2,040
Total revenues	<u>8,106</u>	<u>1,558,944</u>	<u>15,714</u>	<u>5,302</u>	<u>258,795</u>	<u>283,019</u>	<u>93,554</u>
Expenditures:							
Current:							
Public safety	5,061	-	-	-	99,002	-	85,906
Community services	-	711,622	-	-	-	-	-
Capital outlay	-	625,505	8,091	31,928	-	22,134	45,018
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Trustee fees and other	-	-	-	-	-	-	-
Total expenditures	<u>5,061</u>	<u>1,337,127</u>	<u>8,091</u>	<u>31,928</u>	<u>99,002</u>	<u>22,134</u>	<u>130,924</u>
Excess (deficiency) of revenues over expenditures	3,045	221,817	7,623	(26,626)	159,793	260,885	(37,370)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	(250,000)	(94,000)	-	-
Net change in fund balances	3,045	221,817	7,623	(276,626)	65,793	260,885	(37,370)
Fund balances (deficit), beginning	10,688	(158,211)	8,714	767,556	57,423	345,889	252,057
Fund balances, ending	<u>\$ 13,733</u>	<u>\$ 63,606</u>	<u>\$ 16,337</u>	<u>\$ 490,930</u>	<u>\$ 123,216</u>	<u>\$ 606,774</u>	<u>\$ 214,687</u>

Debt Service Funds			Capital Projects Funds	
Debt Service Fund Series 1999	Debt Service Fund Series 2002	Debt Service Fund Series 2002	Capital Construction Fund Series 2000	Total Other Nonmajor Governmental Funds
	Charter School Land	Charter School Building		
	Acquisition	Construction		
\$ -	\$ -	\$ -	\$ -	\$ 1,817,246
-	-	-	-	382,227
-	-	-	-	15,581
281	5	459	-	9,125
281	5	459	-	2,224,179
-	-	-	-	189,969
-	-	-	-	711,622
-	-	-	-	732,676
495,000	148,854	166,146	-	810,000
846,018	245,764	275,290	-	1,367,072
7,761	7,444	2,989	-	18,194
1,348,779	402,062	444,425	-	3,829,533
(1,348,498)	(402,057)	(443,966)	-	(1,605,354)
1,345,341	400,577	444,000	-	2,189,918
-	-	-	(99,664)	(443,664)
(3,157)	(1,480)	34	(99,664)	140,900
18,216	1,505	116,348	99,664	1,519,849
\$ 15,059	\$ 25	\$ 116,382	\$ -	\$ 1,660,749

City of Aventura, Florida

Schedule of Revenues and Expenditures – Budget and Actual

Special Revenue Fund

Police Education Fund

For the Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	4,300	4,300	8,023	3,723
Impact fees	-	-	-	-
Interest income	-	-	83	83
Total revenues	<u>4,300</u>	<u>4,300</u>	<u>8,106</u>	<u>3,806</u>
Expenditures:				
Operating	4,300	14,988	5,061	9,927
Capital outlay	-	-	-	-
Total expenditures	<u>4,300</u>	<u>14,988</u>	<u>5,061</u>	<u>9,927</u>
Excess (deficiency) of revenues over expenditures	-	(10,688)	3,045	13,733
Other financing sources (uses):				
Transfers out	-	-	-	-
Appropriated fund balances	-	10,688	-	(10,688)
Total other financing sources (uses)	-	10,688	-	(10,688)
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,045</u>	<u>\$ 3,045</u>

City of Aventura, Florida

Schedule of Revenues and Expenditures – Budget and Actual
 Special Revenue Fund
 Street Maintenance Fund
 For the Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ 1,636,000	\$ 1,636,000	\$ 1,558,451	\$ (77,549)
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Interest income	10,000	10,000	493	(9,507)
Total revenues	<u>1,646,000</u>	<u>1,646,000</u>	<u>1,558,944</u>	<u>(87,056)</u>
Expenditures:				
Operating	-	-	711,622	(711,622)
Capital outlay	1,646,000	1,646,000	625,505	1,020,495
Total expenditures	<u>1,646,000</u>	<u>1,646,000</u>	<u>1,337,127</u>	<u>308,873</u>
Excess (deficiency) of revenues over expenditures	-	-	221,817	221,817
Other financing sources (uses):				
Transfers out	-	-	-	-
Appropriated fund balances	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 221,817</u>	<u>\$ 221,817</u>

City of Aventura, Florida

Schedule of Revenues and Expenditures – Budget and Actual
 Special Revenue Fund
 Police Capital Outlay Impact Fee Fund
 For the Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Impact fees	1,000	1,000	15,581	14,581
Interest income	-	-	133	133
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>15,714</u>	<u>14,714</u>
Expenditures:				
Operating	-	-	-	-
Capital outlay	1,000	9,714	8,091	1,623
Total expenditures	<u>1,000</u>	<u>9,714</u>	<u>8,091</u>	<u>1,623</u>
Excess (deficiency) of revenues over expenditures	-	(8,714)	7,623	16,337
Other financing sources (uses):				
Transfers out	-	-	-	-
Appropriated fund balances	-	8,714	-	(8,714)
Total other financing sources (uses)	-	8,714	-	(8,714)
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,623</u>	<u>\$ 7,623</u>

City of Aventura, Florida

Schedule of Revenues and Expenditures – Budget and Actual
 Special Revenue Fund
 Park Development Fund
 For the Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Impact fees	1,000	1,000	-	(1,000)
Interest income	-	-	5,302	5,302
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>5,302</u>	<u>4,302</u>
Expenditures:				
Operating	-	-	-	-
Capital outlay	71,000	518,556	31,928	486,628
Total expenditures	<u>71,000</u>	<u>518,556</u>	<u>31,928</u>	<u>486,628</u>
Excess (deficiency) of revenues over expenditures	<u>(70,000)</u>	<u>(517,556)</u>	<u>(26,626)</u>	<u>490,930</u>
Other financing sources (uses):				
Transfers out	(250,000)	(250,000)	(250,000)	-
Appropriated fund balances	320,000	767,556	-	(767,556)
Total other financing sources (uses)	<u>70,000</u>	<u>517,556</u>	<u>(250,000)</u>	<u>(767,556)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (276,626)</u>	<u>\$ (276,626)</u>

City of Aventura, Florida

Schedule of Revenues and Expenditures – Budget and Actual
 Special Revenue Fund
 911 Fund
 For the Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ 213,000	\$ 213,000	\$ 258,795	\$ 45,795
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Interest income	-	-	-	-
Total revenues	<u>213,000</u>	<u>213,000</u>	<u>258,795</u>	<u>45,795</u>
Expenditures:				
Operating	119,000	119,000	99,002	19,998
Capital outlay	-	57,423	-	57,423
Total expenditures	<u>119,000</u>	<u>176,423</u>	<u>99,002</u>	<u>77,421</u>
Excess (deficiency) of revenues over expenditures	<u>94,000</u>	<u>36,577</u>	<u>159,793</u>	<u>123,216</u>
Other financing sources (uses):				
Transfers out	(94,000)	(94,000)	(94,000)	-
Appropriated fund balances	-	57,423	-	(57,423)
Total other financing sources (uses)	<u>(94,000)</u>	<u>(36,577)</u>	<u>(94,000)</u>	<u>(57,423)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,793</u>	<u>\$ 65,793</u>

City of Aventura, Florida

Schedule of Revenues and Expenditures – Budget and Actual
 Debt Service Fund Series 1999
 For the Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Interest income	\$ -	\$ -	\$ 281	\$ 281
Expenditures:				
Debt service:				
Principal	495,000	495,000	495,000	-
Interest	848,557	848,557	846,018	2,539
Trustee fees and other	20,000	20,000	7,761	12,239
Total expenditures	1,363,557	1,363,557	1,348,779	14,778
Excess (deficiency) of revenues over expenditures	(1,363,557)	(1,363,557)	(1,348,498)	15,059
Other financing sources:				
Transfers in	1,363,557	1,345,341	1,345,341	-
Appropriated fund balances	-	18,216	-	(18,216)
Net change in fund balances	\$ -	\$ -	\$ (3,157)	\$ (3,157)

City of Aventura, Florida

Schedule of Revenues and Expenditures – Budget and Actual
Debt Service Fund Series 2000
For the Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Interest income	\$ 20,000	\$ 20,000	\$ 25,231	\$ 5,231
Expenditures:				
Debt service:				
Principal	270,000	270,000	270,000	-
Interest	241,390	241,390	240,912	478
Trustee fees and other	-	-	-	-
Total expenditures	<u>511,390</u>	<u>511,390</u>	<u>510,912</u>	<u>478</u>
Excess (deficiency) of revenues over expenditures	(491,390)	(491,390)	(485,681)	5,709
Other financing sources:				
Transfers in	491,390	490,669	490,669	-
Appropriated fund balances	-	721	-	(721)
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,988</u>	<u>\$ 4,988</u>

City of Aventura, Florida

**Schedule of Revenues and Expenditures – Budget and Actual
Debt Service Fund Series 2002 - Charter School Land Acquisition
For the Year Ended September 30, 2009**

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Interest income	\$ -	\$ -	\$ 5	\$ 5
Expenditures:				
Debt service:				
Principal	148,855	148,855	148,854	1
Interest	246,227	246,227	245,764	463
Trustee fees and other	7,000	7,000	7,444	(444)
Total expenditures	402,082	402,082	402,062	20
Excess (deficiency) of revenues over expenditures	(402,082)	(402,082)	(402,057)	25
Other financing sources:				
Transfers in	402,082	400,577	400,577	-
Appropriated fund balances	-	1,505	-	(1,505)
Net change in fund balances	\$ -	\$ -	\$ (1,480)	\$ (1,480)

City of Aventura, Florida

Schedule of Revenues and Expenditures – Budget and Actual
 Debt Service Fund Series 2002 - Charter School Building Construction
 For the Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Interest income	\$ -	\$ -	\$ 459	\$ 459
Expenditures:				
Debt service:				
Principal	166,146	166,146	166,146	-
Interest	274,829	274,829	275,290	(461)
Trustee fees and other	3,500	3,500	2,989	511
Total expenditures	444,475	444,475	444,425	50
Excess (deficiency) of revenues over expenditures	(444,475)	(444,475)	(443,966)	509
Other financing sources:				
Transfers in	444,475	444,475	444,000	(475)
Appropriated fund balances	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ 34	\$ 34

City of Aventura, Florida

Schedule of Revenues and Expenditures – Budget and Actual
 Capital Projects Fund
 Capital Construction Fund Series 2000
 For the Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Capital outlay	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	(99,664)	(99,664)	-
Proceeds from bond issuance	-	-	-	-
Appropriated fund balance	-	99,664	-	(99,664)
Total other financing sources (uses)	-	-	(99,664)	(99,664)
Net change in fund balances	\$ -	\$ -	\$ (99,664)	\$ (99,664)

City of Aventura, Florida

Schedule of Revenues and Expenditures – Budget and Actual

Capital Projects Fund

Arts & Cultural Center Fund

For the Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Intergovernmental revenues	\$ -	\$ 4,100,000	\$ 2,359,690	\$ (1,740,310)
Interest income	-	-	-	-
Miscellaneous	350,000	350,000	-	(350,000)
Total revenues	<u>350,000</u>	<u>4,450,000</u>	<u>2,359,690</u>	<u>(2,090,310)</u>
Expenditures:				
Capital outlay	<u>6,700,000</u>	<u>6,700,000</u>	<u>2,932,852</u>	<u>3,767,148</u>
Excess (deficiency) of revenues over expenditures	(6,350,000)	(2,250,000)	(573,162)	1,676,838
Other Financing Sources (Uses)				
Transfers in	2,250,000	2,250,000	2,250,000	-
Transfers out	-	-	-	-
Proceeds from bond issuance	4,100,000	-	-	-
Appropriated fund balance	-	-	-	-
Total other financing sources (uses)	<u>6,350,000</u>	<u>2,250,000</u>	<u>2,250,000</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,676,838</u>	<u>\$ 1,676,838</u>

STATISTICAL SECTION

STATISTICAL SECTION

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

Financial trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Net assets by component	71
Changes in net assets	72-73
Governmental activities tax revenues by source	74
Fund balances of governmental funds	75
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General governmental tax revenues by source	78

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

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Principal property taxpayers	82
Property tax levies and collections	83

Debt Capacity:

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

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Ratios of bonded debt outstanding	85
Direct and overlapping governmental activity debt	86
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STATISTICAL SECTION

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

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Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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Capital asset statistics by function	92

Sources: Unless otherwise indicated, information in these schedules is derived from the comprehensive annual financial reports for the respective years. The City implemented GASB 34 in 2003. Schedules presenting government-wide information include information beginning with that year.

Net Assets by Component
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended September 30,						
	2003	2004	2005	2006	2007	2008	2009
Governmental activities							
Invested in capital assets, net							
of related debt	\$ 19,880,605	\$ 22,471,893	\$ 23,896,000	\$ 26,151,708	\$ 45,438,705	\$ 50,968,930	\$ 54,916,084
Restricted	5,214,557	1,872,770	2,944,000	3,047,457	2,942,261	1,226,693	1,592,461
Unrestricted	6,882,421	12,099,673	15,844,000	20,119,775	25,046,530	31,110,719	35,762,870
Total governmental activities net assets	<u>\$ 31,977,583</u>	<u>\$ 36,444,336</u>	<u>\$ 42,684,000</u>	<u>\$ 49,318,940</u>	<u>\$ 73,427,496</u>	<u>\$ 83,306,342</u>	<u>\$ 92,271,415</u>
Business-type activities							
Invested in capital assets, net							
of related debt	\$ 5,350,003	\$ 5,350,598	\$ 6,161,008	\$ 6,417,218	\$ 7,502,883	\$ 7,431,770	\$ 7,580,426
Unrestricted	(221,770)	62,243	(278,512)	287,480	117,452	417,920	529,552
Total business-type activities net assets	<u>\$ 5,128,233</u>	<u>\$ 5,412,841</u>	<u>\$ 5,882,496</u>	<u>\$ 6,704,698</u>	<u>\$ 7,620,335</u>	<u>\$ 7,849,690</u>	<u>\$ 8,109,978</u>
Primary government							
Invested in capital assets, net							
of related debt	\$ 25,230,608	\$ 27,822,491	\$ 30,057,008	\$ 32,568,926	\$ 52,941,588	\$ 58,400,700	\$ 62,496,510
Restricted	5,214,557	1,872,770	2,944,000	3,047,457	2,942,261	1,226,693	1,592,461
Unrestricted	6,660,651	12,161,916	15,565,488	20,407,255	25,163,982	31,528,639	36,292,422
Total primary government net assets	<u>\$ 37,105,816</u>	<u>\$ 41,857,177</u>	<u>\$ 48,566,496</u>	<u>\$ 56,023,638</u>	<u>\$ 81,047,831</u>	<u>\$ 91,156,032</u>	<u>\$ 100,381,393</u>

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

City of Aventura, Florida

**Changes in Net Assets
Last Seven Fiscal Years
(accrual basis of accounting)**

	Fiscal Year Ended September 30,						
	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities:							
General government	\$ 3,901,371	\$ 4,378,320	\$ 5,234,533	\$ 8,614,169	\$ 6,221,118	\$ 6,776,605	\$ 6,792,783
Public safety	10,262,009	11,548,304	13,042,732	14,480,174	15,364,893	15,517,221	16,107,437
Community services	4,822,153	8,395,691	8,958,704	10,057,441	13,061,771	13,030,566	12,666,857
Interest expense	1,785,364	1,830,330	1,777,122	1,804,438	1,720,827	1,674,297	1,641,919
Total governmental activities expenses	20,770,897	26,152,645	29,013,091	34,956,222	36,368,609	36,998,689	37,208,996
Business-type activities:							
Stormwater utility	125,727	147,242	249,947	360,712	557,635	670,602	651,175
Total business-type activities expenses	125,727	147,242	249,947	360,712	557,635	670,602	651,175
Total primary government expenses	\$ 20,896,624	\$ 26,299,887	\$ 29,263,038	\$ 35,316,934	\$ 36,926,244	\$ 37,669,291	\$ 37,860,171
Program Revenues							
Governmental activities:							
Charges for services:							
General government	\$ 2,629,963	\$ 1,057,776	\$ 539,332	\$ 91,522	\$ -	\$ -	\$ -
Public safety	772,325	2,402,106	3,585,061	4,788,890	3,489,180	2,965,541	1,973,570
Community services	187,182	227,512	671,809	944,724	1,805,425	1,993,719	3,505,392
Operating grants and contributions	164,260	4,099,084	5,212,020	7,302,460	8,298,050	8,379,687	7,726,423
Capital grants and contributions	14,523	401,076	8,987	420,493	40,340	-	2,359,690
Total governmental activities program revenues	3,768,253	8,187,554	10,017,209	13,548,089	13,632,995	13,338,947	15,565,075
Business-type activities:							
Charges for services:							
Stormwater utility	820,926	826,199	820,554	815,454	889,178	882,429	801,532
Operating grants and contributions	650,000	-	-	415,000	580,759	-	-
Capital grants and contributions	-	-	-	-	-	-	107,364
Total business-type activities program revenues	1,470,926	826,199	820,554	1,230,454	1,469,937	882,429	908,896
Total primary government program revenues	\$ 5,239,179	\$ 9,013,753	\$ 10,837,763	\$ 14,778,543	\$ 15,102,932	\$ 14,221,376	\$ 16,473,971

Change in Net Assets (Continued)
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended September 30,						
	2003	2004	2005	2006	2007	2008	2009
Net (expense)/revenue							
Governmental activities	\$ (17,002,644)	\$ (17,965,091)	\$ (18,995,882)	\$ (21,408,133)	\$ (22,735,614)	\$ (23,659,742)	\$ (21,643,921)
Business-type activities	1,345,199	678,957	570,607	869,742	912,302	211,827	257,721
Total primary government net expense	<u>\$ (15,657,445)</u>	<u>\$ (17,286,134)</u>	<u>\$ (18,425,275)</u>	<u>\$ (20,538,391)</u>	<u>\$ (21,823,312)</u>	<u>\$ (23,447,915)</u>	<u>\$ (21,386,200)</u>
General Revenues and Other							
Changes in Net Assets							
Governmental activities:							
Taxes							
Ad-valorem taxes	\$ 9,075,096	\$ 10,143,246	\$ 11,842,689	\$ 14,089,388	\$ 17,127,913	\$ 15,942,020	\$ 15,189,005
Utility service taxes	5,397,011	5,460,119	5,719,554	6,015,016	6,269,809	6,741,903	7,451,872
Franchise fees on gross receipts	1,875,199	2,185,155	2,330,809	3,359,261	4,234,574	4,270,671	3,644,177
Intergovernmental revenue - unrestricted	2,861,600	3,203,912	3,427,647	3,003,546	4,041,947	4,799,706	3,577,758
Impact fees	56,609	754,954	959,264	-	-	-	15,581
Investment earnings not restricted	246,216	174,983	553,135	1,159,778	1,580,978	1,035,457	292,180
Miscellaneous revenues	104,436	107,193	298,875	365,705	92,987	748,831	438,421
Transfers	567,037	402,282	103,210	50,742	-	-	-
Total governmental activities	<u>20,183,204</u>	<u>22,431,844</u>	<u>25,235,183</u>	<u>28,043,436</u>	<u>33,348,208</u>	<u>33,538,588</u>	<u>30,608,994</u>
Business-type activities:							
Investment earnings not restricted	3,262	2,555	2,258	3,202	3,335	17,528	2,567
Transfers	(567,037)	(396,904)	(103,210)	(50,742)	-	-	-
Total business-type activities	<u>(563,775)</u>	<u>(394,349)</u>	<u>(100,952)</u>	<u>(47,540)</u>	<u>3,335</u>	<u>17,528</u>	<u>2,567</u>
Total primary government	<u>\$ 19,619,429</u>	<u>\$ 22,037,495</u>	<u>\$ 25,134,231</u>	<u>\$ 27,995,896</u>	<u>\$ 33,351,543</u>	<u>\$ 33,556,116</u>	<u>\$ 30,611,561</u>
Change in Net Assets							
Governmental activities	\$ 3,180,560	\$ 4,466,753	\$ 6,239,301	\$ 6,635,303	\$ 10,612,594	\$ 9,878,846	\$ 8,965,073
Business-type activities	781,424	284,608	469,655	822,202	915,637	229,355	260,288
Total primary government	<u>\$ 3,961,984</u>	<u>\$ 4,751,361</u>	<u>\$ 6,708,956</u>	<u>\$ 7,457,505</u>	<u>\$ 11,528,231</u>	<u>\$ 10,108,201</u>	<u>\$ 9,225,361</u>

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

**Governmental Activities Tax Revenues By Source
Last Seven Fiscal Years
(accrual basis of accounting)**

Fiscal Year Ended September 30,	Tax Roll Year	Ad valorem Taxes	Utility Taxes	Franchise Fees	Total
2003	2002	\$ 9,075,096	\$ 5,397,011	\$ 1,875,199	\$ 16,347,306
2004	2003	10,143,246	5,460,119	2,185,155	17,788,520
2005	2004	11,842,689	5,719,554	2,330,809	19,893,052
2006	2005	14,089,388	6,015,016	3,359,261	23,463,665
2007	2006	17,127,913	6,269,809	4,234,574	27,632,296
2008	2007	15,942,020	6,741,903	4,270,671	26,954,594
2009	2008	15,189,005	7,451,872	3,644,177	26,285,054

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

**Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	Fiscal Year Ended September 30,									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 1,711,004	\$ 1,192,372	\$ 312,274	\$ 1,111,025	\$ 4,560,475	\$ 1,358,556	\$ 3,799,001	\$ 1,523,001	\$ 439,385	\$ 215,174
Unreserved	8,830,571	7,788,780	9,520,388	10,488,460	8,089,508	9,975,843	12,635,078	21,765,557	29,087,603	34,184,317
Total General Fund	<u>\$10,541,575</u>	<u>\$ 8,981,152</u>	<u>\$ 9,832,662</u>	<u>\$11,599,485</u>	<u>\$12,649,983</u>	<u>\$11,334,399</u>	<u>\$16,434,079</u>	<u>\$ 23,288,558</u>	<u>\$ 29,526,988</u>	<u>\$ 34,399,491</u>
All other governmental funds										
Reserved	\$ 4,046,885	\$ 866,449	\$ 1,318,680	\$ 18,485	\$ 34,811	\$ 44,124	\$ 1,206,173	\$ 186,560	\$ 170,219	\$ 1,067,451
Unreserved, reported in:										
Special revenue funds	1,692,901	2,223,375	1,630,915	1,116,361	2,267,113	3,245,826	2,746,804	3,950,116	3,676,879	2,439,375
Debt service funds	-	-	-	-	-	(3,441)	(4,525)	133,053	136,790	137,175
Capital projects funds	-	6,027,675	11,632,527	4,079,711	4,089,706	4,310,386	3,963,362	1,823,597	99,664	811,979
Total all other governmental funds	<u>\$ 5,739,786</u>	<u>\$ 9,117,499</u>	<u>\$14,582,122</u>	<u>\$ 5,214,557</u>	<u>\$ 6,391,630</u>	<u>\$ 7,596,895</u>	<u>\$ 7,911,814</u>	<u>\$ 6,093,326</u>	<u>\$ 4,083,552</u>	<u>\$ 4,455,980</u>

City of Aventura, Florida

**Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	Fiscal Year Ended September 30,			
	2000	2001	2002	2003
Revenues				
Ad valorem taxes	\$ 7,140,655	\$ 7,440,398	\$ 8,428,698	\$ 9,075,096
Utility service taxes	4,346,175	4,413,388	3,316,474	5,397,011
Franchise fees	2,230,486	2,317,645	3,849,676	1,875,199
Intergovernmental	2,836,374	2,688,105	3,091,728	2,965,158
Licenses and permits	1,886,777	2,624,459	3,360,172	2,185,654
Charges for services	797,774	647,410	722,125	965,067
Fines and forfeitures	441,717	491,688	386,758	399,899
Impact fees	439,512	799,766	599,244	56,609
Interest income	1,059,418	1,115,650	310,096	246,216
Developer contributions	242,915	221,894	152,385	30,000
Miscellaneous	153,959	143,734	119,347	74,436
Total revenues	<u>21,575,762</u>	<u>22,904,137</u>	<u>24,336,703</u>	<u>23,270,345</u>
Expenditures				
General government	1,526,679	1,831,007	2,015,866	2,163,885
Public safety	7,804,469	8,607,783	9,333,199	9,438,156
Community services	2,717,728	3,102,494	3,600,234	4,226,979
Nondepartmental	529,737	725,434	1,163,975	1,040,052
Capital outlay	11,850,784	11,652,841	12,409,178	12,153,846
Debt service:				
Principal	355,000	590,000	570,000	595,000
Interest	982,410	1,260,248	1,276,224	1,746,446
Trustee fees and other	-	52,582	20,214	73,760
Total expenditures	<u>25,766,807</u>	<u>27,822,389</u>	<u>30,388,890</u>	<u>31,438,124</u>
Excess (deficiency) of revenues over expenditures	(4,191,045)	(4,918,252)	(6,052,187)	(8,167,779)
Other financing sources (uses)				
Transfers in	2,504,084	2,583,136	2,709,879	2,379,299
Transfers out	(1,755,488)	(2,402,595)	(2,524,839)	(1,812,262)
Bonds issued	-	6,555,000	12,610,623	-
Discount on bonds	-	-	(427,343)	-
Bond issuance costs	(525,000)	-	-	-
Total other financing sources	<u>223,596</u>	<u>6,735,541</u>	<u>12,368,320</u>	<u>567,037</u>
Net change in fund balances	<u>\$ (3,967,449)</u>	<u>\$ 1,817,289</u>	<u>\$ 6,316,133</u>	<u>\$ (7,600,742)</u>
Debt service as a percentage of noncapital expenditures	9.61%	11.44%	10.27%	12.14%

Table 5

Fiscal Year Ended September 30,						
	2004	2005	2006	2007	2008	2009
\$	10,143,246	\$ 11,842,689	\$ 14,089,388	\$ 17,127,913	\$ 15,942,020	\$ 15,189,005
	5,460,119	5,719,554	6,015,016	6,269,809	6,741,903	7,451,872
	2,185,155	2,330,809	3,359,261	4,234,574	4,270,671	3,644,177
	7,663,308	7,263,468	10,905,885	11,586,872	11,762,763	13,273,593
	2,146,913	3,335,034	3,277,960	3,229,778	2,808,112	1,892,862
	1,099,321	1,598,230	1,904,741	2,194,596	2,313,107	2,078,224
	351,698	472,465	601,339	577,148	652,747	2,275,882
	754,954	959,264	398,436	40,340	-	15,581
	174,983	553,135	1,159,778	1,580,978	1,035,457	292,180
	85,842	-	-	-	-	-
	134,768	298,875	610,584	234,544	748,831	438,421
	30,200,307	34,373,523	42,322,388	47,076,552	46,275,611	46,551,797
	2,371,236	2,580,989	2,668,284	4,884,708	4,561,020	4,639,737
	10,594,453	12,256,346	13,781,535	14,360,873	14,727,849	15,625,029
	7,495,145	7,997,769	9,019,229	10,817,310	10,798,272	11,057,179
	1,292,580	1,623,794	2,978,900	-	-	-
	3,905,875	7,416,346	5,800,374	9,265,681	9,256,902	7,278,743
	900,000	930,000	965,000	1,005,000	1,035,000	1,080,000
	1,786,797	1,753,446	1,719,392	1,682,298	1,642,606	1,607,984
	28,932	28,363	25,817	24,691	25,306	18,194
	28,375,018	34,587,053	36,958,531	42,040,561	42,046,955	41,306,866
	1,825,289	(213,530)	5,363,857	5,035,991	4,228,656	5,244,931
	3,687,963	2,821,795	2,740,850	2,898,498	2,907,111	5,254,251
	(3,285,681)	(2,718,585)	(2,690,108)	(2,898,498)	(2,907,111)	(5,254,251)
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	402,282	103,210	50,742	-	-	-
\$	2,227,571	\$ (110,320)	\$ 5,414,599	\$ 5,035,991	\$ 4,228,656	\$ 5,244,931
	10.98%	9.88%	8.62%	8.20%	8.17%	7.90%

**General Governmental Tax Revenues By Source
Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Taxes	Inter- Governmental	Licenses and Permits	Charges for Services	Fines and Forfeitures	Interest	Other	Total
2000	\$ 13,717,316	\$ 2,836,374	\$ 1,886,777	\$ 797,774	\$ 441,717	\$ 1,059,418	\$ 836,386	\$ 21,575,762
2001	14,171,431	2,688,105	2,624,459	647,410	491,688	1,115,650	1,165,394	22,904,137
2002	15,594,848	3,091,728	3,360,172	722,125	386,758	310,096	870,976	24,336,703
2003	16,347,306	2,965,158	2,185,654	965,067	399,899	246,216	161,045	23,270,345
2004	17,788,520	7,663,308	2,146,913	1,099,321	351,698	174,983	975,564	30,200,307
2005	19,893,052	7,263,468	3,335,034	1,598,230	472,465	553,135	1,258,139	34,373,523
2006	23,463,665	10,905,885	3,277,960	1,904,741	601,339	1,159,778	1,009,020	42,322,388
2007	27,632,296	11,586,872	3,229,778	2,194,596	577,148	1,580,978	274,884	47,076,552
2008	26,954,594	11,762,763	2,808,112	2,313,107	652,747	1,035,457	748,831	46,275,611
2009	26,285,054	13,273,593	1,892,862	2,078,224	2,275,882	292,180	454,002	46,551,797

**Assessed Value and Estimated Actual Assessed Value of Taxable Property
Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Tax Roll Year	Real Property	Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value (1)	Assessed Value as a Percentage of Actual Value
2000	1999	\$ 3,238,050,389	\$ 142,847,663	N/A	\$ 3,380,898,052	2.2270	N/A	N/A
2001	2000	3,349,591,933	160,779,980	N/A	3,510,371,913	2.2270	N/A	N/A
2002	2001	3,752,226,238	162,055,639	N/A	3,914,281,877	2.2270	N/A	N/A
2003	2002	4,007,501,399	160,384,595	N/A	4,167,885,994	2.2270	N/A	N/A
2004	2003	4,569,228,195	161,725,854	N/A	4,730,954,049	2.2270	N/A	N/A
2005	2004	5,378,718,735	178,342,801	N/A	5,557,061,536	2.2270	N/A	N/A
2006	2005	6,780,880,599	187,347,215	(351,806,315)	6,616,421,499	2.2270	7,576,931,843	87.323%
2007	2006	8,331,742,670	201,721,611	(372,540,477)	8,160,923,804	2.2270	9,597,268,019	85.034%
2008	2007	9,774,193,983	227,245,274	(391,557,538)	9,609,881,719	1.7261	11,419,378,837	84.154%
2009	2008	9,860,466,135	209,118,365	(629,776,968)	9,439,807,532	1.7261	10,972,855,584	86.029%

Note: (1) Florida Law requires that all property be assessed at current fair market value.

City of Aventura, Florida

**Property Tax Rates
Direct and Overlapping Governments
(Per \$1,000 of Taxable Value)
Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Tax Roll Year	City Operating & Total Millage	Overlapping Rates						
			School District			State			
			Operating Millage	Debt Service Millage	Total School Millage	Everglades Project	South Florida Water Management District	Florida Inland Navigational District	Total State Millage
2000	1999	2.2270	8.6540	0.9900	9.6440	0.1000	0.5970	0.0440	0.7410
2001	2000	2.2270	8.7020	0.9150	9.6170	0.1000	0.5970	0.0410	0.7380
2002	2001	2.2270	8.5280	0.8480	9.3760	0.1000	0.5970	0.0385	0.7355
2003	2002	2.2270	8.4820	0.7700	9.2520	0.1000	0.5970	0.0385	0.7355
2004	2003	2.2270	8.4180	0.6820	9.1000	0.1000	0.5970	0.0385	0.7355
2005	2004	2.2270	8.0900	0.5970	8.6870	0.1000	0.5970	0.0385	0.7355
2006	2005	2.2270	7.9470	0.4910	8.4380	0.1000	0.5970	0.0385	0.7355
2007	2006	2.2270	7.6910	0.4140	8.1050	0.1000	0.5970	0.0385	0.7355
2008	2007	1.7261	7.5700	0.3780	7.9480	0.0894	0.5346	0.0345	0.6585
2009	2008	1.7261	7.5330	0.2640	7.7970	0.0894	0.5346	0.0345	0.6585

Source: Miami-Dade County Appraiser's Office.

Table 8

Overlapping Rates								
Miami-Dade County			Special Districts					
Operating Millage	Debt Service Millage	Total County Millage	Children's Trust	Fire & Rescue	Fire Debt	Library	Total District's Millage	Total Direct & Overlapping Rates
5.8090	0.8160	6.6250	-	2.6830	0.0690	0.3210	3.0730	22.3100
5.7510	0.6520	6.4030	-	2.6830	0.0690	0.3510	3.1030	22.0880
5.7130	0.5520	6.2650	-	2.6830	0.0690	0.4510	3.2030	21.8065
5.8890	0.3900	6.2790	-	2.5820	0.0790	0.4860	3.1470	21.6405
5.9690	0.2850	6.2540	0.5000	2.5820	0.0790	0.4860	3.6470	21.9635
5.9350	0.2850	6.2200	0.4442	2.5920	0.0690	0.4860	3.5912	21.4607
5.8350	0.2850	6.1200	0.4288	2.6090	0.0520	0.4860	3.5758	21.0963
5.6150	0.2850	5.9000	0.4223	2.6090	0.0420	0.4860	3.5593	20.5268
4.5796	0.2850	4.8646	0.4223	2.2067	0.0420	0.3842	3.0552	18.2524
4.8379	0.2850	5.1229	0.4212	2.1851	0.0420	0.3822	3.0305	18.3350

**Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	Type of Use	Fiscal Year Ended September 30,					
		2009			2000		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Aventura Mall Ventures	Shopping Center	\$ 325,902,842	1	3.45%	\$ 251,490,000	1	7.44%
Miami Beach Health Care Group, LTD	Hospital & Health Care Facility	136,701,637	2	1.45%	-	-	-
Peninsula II Dev., Inc.	Condominium Developer	112,554,900	3	1.19%	-	-	-
CC-Aventura, Inc.	Condominium & Assisted Living Facility	88,335,113	4	0.94%	-	-	-
Turnberry Isle Resort, LP	Golf Course, Hotel & Marina	82,498,018	5	0.87%	40,063,000	5	1.18%
Aventura Mall Venture	Shopping Center	65,150,000	6	0.69%	-	-	-
Summit Properties Partnership, LP	Rental Apartment Complex	61,081,983	7	0.65%	26,706,000	8	0.79%
NNN Aventura Harbour Centre, LLC	Mixed Use Zones & Offices	61,000,000	8	0.65%	-	-	-
Bruce Strohm and D. Neithercut TRS	Rental Apartment Complex	58,000,000	9	0.61%	-	-	-
D. Soffer and B. Redich TRS	Commercial Developer	54,258,098	10	0.57%	-	-	-
Coscan of Florida	Condominium Developer	-	-	-	63,287,000	2	1.87%
The Bay Club of Aventura	Rental Apartment Complex	-	-	-	58,000,000	3	1.72%
The Prudential Insurance	Shopping Center	-	-	-	57,842,000	4	1.71%
Finvest Ltd, Partnership	Rental Apartment Complex	-	-	-	37,547,000	6	1.11%
Yacht Club of Aventura	Condominium Hotel	-	-	-	31,607,000	7	0.93%
2600 Island Blvd., Inc.	Developer	-	-	-	25,437,000	9	0.75%
S. J. Fornary & C. Grossman & John A. Weitz, Trustees	Shopping Center	-	-	-	23,489,000	10	0.69%
Totals		\$ 1,045,482,591		11.07%	\$ 615,468,000		18.19%

**Property Tax Levies and Collections
Last Ten Fiscal Years
(\$ in 000's)**

Fiscal Year Ended September 30,	Tax Roll Year	Property Tax Levy	(1) Property Tax Discount	Net Tax Levy	Current Tax Collection	Percentage of Current Tax Collections to Net Tax Levy	(2) Delinquent Tax Collection	Total Tax Collection	Percentage of Total Tax Collections to Net Tax Levy
2000	1999	\$ 7,529,260	\$ 301,170	\$ 7,228,090	\$ 7,114,602	98.43%	\$ 26,052	\$ 7,140,654	98.79%
2001	2000	7,817,598	312,704	7,504,894	7,397,312	98.57%	43,086	7,440,398	99.14%
2002	2001	8,717,106	348,684	8,368,422	8,227,629	98.32%	201,069	8,428,698	100.72%
2003	2002	9,281,882	371,275	8,910,607	9,013,384	101.15%	61,712	9,075,096	101.85%
2004	2003	10,535,835	421,433	10,114,402	10,054,175	99.40%	89,071	10,143,246	100.29%
2005	2004	12,375,576	495,023	11,880,553	11,804,181	99.36%	38,508	11,842,689	99.68%
2006	2005	14,734,771	589,391	14,145,380	14,023,963	99.14%	65,424	14,089,387	99.60%
2007	2006	18,174,377	726,975	17,447,402	16,997,222	97.42%	130,691	17,127,913	98.17%
2008	2007	16,587,617	663,505	15,924,112	15,719,769	98.72%	222,251	15,942,020	100.11%
2009	2008	16,294,052	651,762	15,642,290	15,062,722	96.29%	126,283	15,189,005	97.10%

Source: Miami-Dade County, Florida, Tax Collector.

Notes: (1) Florida Law allows up to a 4% discount for timely payment of property taxes.
(2) Includes corrections and penalties.

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Governmental Activities			Business-Type Activities	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Line of Credit	Outstanding Bonds			
2000	\$ -	\$ 20,645,000	\$ -	\$ -	\$ 20,645,000	3.19%	\$ 817
2001	-	26,610,000	-	-	26,610,000	3.91%	1,032.68
2002	-	38,650,000	-	-	38,650,000	5.46%	1,478.46
2003	-	38,055,000	-	-	38,055,000	5.05%	1,396.98
2004	-	37,155,000	-	-	37,155,000	4.53%	1,317.23
2005	-	36,225,000	-	-	36,225,000	*	1,271.05
2006	-	35,260,000	-	-	35,260,000	*	1,197.24
2007	-	34,255,000	-	-	34,255,000	*	1,127.44
2008	-	33,220,000	-	-	33,220,000	*	1,070.09
2009	-	32,140,000	-	-	32,140,000	*	1,032.58

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

*Information not available

**Ratios of Bonded Debt Outstanding
Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Gross Bonded Debt	Less: Amounts Available in Debt Service Funds	Net Bonded Debt	Assessed Value of Taxable Property	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita (1)
2000	\$ 20,645,000	\$ 356,000	\$ 20,289,000	\$ 3,380,898,052	0.60%	\$ 802.98
2001	26,610,000	866,000	25,744,000	3,510,371,913	0.73%	999.07
2002	38,650,000	1,668,000	36,982,000	3,914,281,877	0.94%	1,414.66
2003	38,055,000	529,000	37,526,000	4,167,885,994	0.90%	1,377.56
2004	37,155,000	31,000	37,124,000	4,730,954,049	0.78%	1,316.13
2005	36,225,000	42,000	36,183,000	5,557,061,536	0.65%	1,269.58
2006	35,260,000	24,278	35,235,722	6,616,421,499	0.53%	1,196.42
2007	34,255,000	133,053	34,121,947	8,160,923,804	0.42%	1,123.06
2008	33,220,000	136,790	33,083,210	9,609,881,719	0.34%	1,065.69
2009	32,140,000	137,175	32,002,825	9,439,807,532	0.34%	1,028.17

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

(1) See the Schedule of Demographic and Economic Statistics for population data.

**Direct and Overlapping Governmental Activity Debt
September 30, 2009**

Jurisdiction	Debt Outstanding	Estimated Percentage Applicable to City of Aventura (1)	Estimated Share of Overlapping Debt
Direct:			
City of Aventura	\$ 32,140,000	100.000%	\$ 32,140,000
Overlapping:			
Miami-Dade Board of County Commissioners (2)	3,165,510,885	3.931%	124,436,233
Miami-Dade County School Board (2)	<u>3,359,865,000</u>	3.931%	<u>132,076,293</u>
Total direct and overlapping	<u>\$ 6,557,515,885</u>		<u>\$ 288,652,526</u>

Notes: (1) Based on ratio of assessed taxable values obtained from the Miami-Dade County, Florida Tax Collector.

(2) Source: Miami-Dade County, Florida, Finance Department.

**Legal Debt Margin Information
Last Ten Fiscal Years**

	Fiscal Year Ended September 30,									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$ 338,089,800	\$351,037,200	\$391,428,200	\$416,788,600	\$ 473,095,400	\$555,706,154	\$661,642,150	\$ 816,092,380	\$ 960,988,172	\$ 943,980,753
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 338,089,800	\$351,037,200	\$391,428,200	\$416,788,600	\$ 473,095,400	\$555,706,154	\$661,642,150	\$ 816,092,380	\$ 960,988,172	\$ 943,980,753
Total net debt applicable to the limit as a percentage of debt limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed valuation of taxable real and personal property	\$	9,439,807,532
Bonded debt Limit - 10% of above (1)	\$	943,980,753
Amount of debt applicable to debt limit:		
Total bonded debt	\$	32,140,000
Less: debt to be repaid from specified revenue sources:		
Covenant to budget and appropriate	(32,140,000)	
Total net debt applicable to limit	\$	-
Legal debt Margin (1)	\$	943,980,753

Note:

(1) The City Charter allows revenue bonds to be issued when authorized by the City Commission as long as five (5) of the seven (7) Commission members approve the debt. Ad Valorem (general obligation bonds) must be approved by referendum of the electorate. The Charter provides no limit on the amount of the general obligation debt; however, the adopted Capital Improvement Program provides that general obligation bonds shall not exceed 10% of the City's total assessed value.

**Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Population (1)	Personal Income (amounts expressed in thousands)	Per Capita Personal Income (2)	Unemployment Rate (3)
2000	25,267	\$ 647,618	\$ 25,631	3.0%
2001	25,768	681,435	26,445	3.6%
2002	26,142	709,677	27,147	3.9%
2003	27,241	759,779	27,891	3.5%
2004	28,207	841,048	29,817	3.2%
2005	28,500	912,713	32,025	3.7%
2006	29,451	992,852	33,712	3.3%
2007	30,383	*	*	3.1%
2008	31,044	*	*	3.7%
2009	31,126	*	*	7.1%

Data sources:

- (1) Year 2000 is from the U.S. Census. All other years are as of April 1 of each year per the University of Florida Bureau of Economic & Business Research.
 - (2) Represents income per capita for Miami-Dade County as provided by the U.S. Department of Commerce, Bureau of Economic Analysis.
 - (3) Florida Department of Labor, Bureau of Labor Market Information.
- * Information not available.

**Occupational Employment by Group – Miami-Dade County, Florida
Current Year and Nine Years Ago**

Occupational Groups	Fiscal Year Ended September 30,					
	2009			2000		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Office and administrative support	217,530	1	21.16%	N/A	N/A	N/A
Sales and related	136,390	2	13.27%	N/A	N/A	N/A
Food preparation and service related	79,700	3	7.75%	N/A	N/A	N/A
Transportation and material moving	71,300	4	6.94%	N/A	N/A	N/A
Business and financial operations	56,250	5	5.47%	N/A	N/A	N/A
Healthcare practitioner and technical	54,120	7	5.27%	N/A	N/A	N/A
Education, training and library	53,690	6	5.22%	N/A	N/A	N/A
Production	41,560	8	4.04%	N/A	N/A	N/A
Installation, maintenance and repair	40,410	9	3.93%	N/A	N/A	N/A
Construction and extraction	39,650	10	3.86%	N/A	N/A	N/A
Building and grounds cleaning and maintenance	37,350	11	3.63%	N/A	N/A	N/A
Protective service	36,990	12	3.60%	N/A	N/A	N/A
Management	30,670	13	2.98%	N/A	N/A	N/A
Personal care and service	28,490	14	2.77%	N/A	N/A	N/A
Healthcare support	26,580	15	2.59%	N/A	N/A	N/A
Computer and mathematical science	17,060	16	1.66%	N/A	N/A	N/A
Arts, design, entertainment, sports and media	16,250	17	1.58%	N/A	N/A	N/A
Legal	12,170	18	1.18%	N/A	N/A	N/A
Community and social services	12,120	19	1.18%	N/A	N/A	N/A
Architecture and engineering	11,600	20	1.13%	N/A	N/A	N/A
Life, physical and social sciences	5,530	21	0.54%	N/A	N/A	N/A
Farming, fishing and forestry	2,510	22	0.25%	N/A	N/A	N/A
Total	1,027,920		100.00%	N/A		N/A

Notes:

Source: Represents Metropolitan Area Occupational Employment for the entire Miami-Miami Beach-Kendall, Florida geographic region as provided by the U.S. Department of Labor, Bureau of Labor Statistics as of May 2007. Estimates do not include self-employed workers.

**Full-Time Equivalent Government Employees By Function
Last Ten Fiscal Years**

Function	Fiscal Year Ended September 30,									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government	22	23	24	24	26	25	26	23	23	19
Public Safety:										
Sworn	60	63	73	74	74	77	74	80	80	80
Civilians	28	32	34	34	34	33	37	34	35	37
Community Services	17	17	17	16	16	16	17	15	16	16
Community Development	11	12	12	12	11	11	10	10	9	9
Total	138	147	160	160	161	162	164	162	163	161

Source: Various City departments

**Operating Indicators by Function
Last Ten Fiscal Years**

Function/Program	Fiscal Year Ended September 30,									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety:										
Part 1 Crimes Reported*	3,600	3,101	2,644	2,636	1,851	1,646	1,797	2,045	2,363	2,302
Arrests	1,500	2,306	2,586	2,463	2,106	2,090	1,733	1,966	2,215	2,387
Traffic Citations and Warnings	5,000	5,581	11,028	9,714	12,820	13,942	14,431	16,848	16,987	20,026
Parking Citations Issued	1,500	1,114	1,444	1,452	1,619	2,328	4,816	4,750	4,049	3,639
Calls for Service	15,000	20,924	21,987	23,142	23,104	26,891	33,905	34,987	33,281	32,616
Accidents	1,700	1,885	1,749	1,614	1,903	1,939	1,816	2,222	2,087	1,961
Hours Assigned to Community Policing	N/A	8,320	8,320	6,240	6,240	8,320	8,320	8,320	8,320	N/A
Community Development:										
Building Permits Issued	4,415	5,290	3,397	17,365	2,475	3,528	5,242	6,161	4,112	3,377
Building Inspections Conducted	7,500	19,029	17,365	12,771	7,779	9,112	10,292	13,891	9,365	6,015
Code Notice of Violations Issued	404	672	317	283	312	152	170	199	118	122
Occupational Licenses Issued	1,916	2,195	2,738	2,523	3,107	3,035	2,966	2,978	2,875	2,817
Community Services:										
Recreation Center Memberships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,149	1,112
Special Event Attendance	N/A	N/A	14,300	16,100	33,500	34,728	36,365	38,714	22,242	23,068
Shuttle Bus Ridership	N/A	77,000	80,000	82,600	95,000	118,629	146,506	166,255	189,996	209,257
Charter School Enrollment	N/A	N/A	N/A	600	600	700	800	800	900	900

Notes:

Source: Various City departments.

*Part 1 crimes include homicide, sex offenses, robbery, aggravated assault, burglary, larceny, arson and auto theft.

N/A = information not available.

**Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	Fiscal Year Ended September 30,									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	2	2	2	2	1	-	-	-	-	-
Fire Stations (1)	2	2	2	2	2	2	2	2	2	2
Parks and Recreation:										
Parks	2	2	2	3	4	4	4	5	5	5
Park Acreage	21.00	21.00	21.00	21.00	21.00	23.50	23.50	30.50	30.50	30.50
Baseball/Softball Diamonds	1	1	1	1	1	1	1	1	2	2
Soccer/Football Fields	3	3	3	3	3	3	3	3	3	3
Tennis Courts	2	2	2	2	2	2	2	2	2	2
Community Recreation Centers	-	-	-	1	1	1	1	1	1	1
Libraries (1)	1	1	1	1	1	1	1	1	1	1
Public Works:										
Streetlights	N/A	N/A	N/A	N/A	N/A	N/A	639	654	712	712
Miles of Roads	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.25	13.80	13.80
Charter Schools (K-8)	-	-	-	1	1	1	1	1	1	1
Transit Routes/Minibuses (2)	-	3	3	4	4	4	5	5	5	5

NOTES: (1) Owned and operated by Miami-Dade County, Florida
 (2) Operated under contractual agreement
 N/A = information not available

OTHER REPORTS SECTION

McGladrey & Pullen

Certified Public Accountants

**Independent Auditor's 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***

To the Honorable Mayor and
Members of the City Commission
City of Aventura, 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 Aventura, Florida (the "City") as of and for the year ended September 30, 2009, and have issued our report thereon dated March 12, 2010. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the City of Aventura Police Officers' Retirement Plan Pension Trust Fund which financial statements represent 85% of the total assets and 56% of the total revenues of the aggregate remaining fund information, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the City Commission, management, pass-through entities and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

Fort Lauderdale, Florida
March 12, 2010

McGladrey & Pullen

Certified Public Accountants

Management Letter Required By Chapter 10.550 of the Rules of the Auditor General of the State of Florida

To the Honorable Mayor, Members of the
City Commission and City Manager
City of Aventura, 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 Aventura, Florida (the "City") as of and for the fiscal year ended September 30, 2009 which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 12, 2010. We did not audit the City of Aventura Police Officers' Retirement Plan Pension Trust Fund which financial statements represent 85% of the total assets and 56% of the total revenues of the aggregate remaining fund information. The financial statements of the City of Aventura Police Officers' Retirement Plan Pension Trust Fund were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Aventura Police Officers' Retirement Plan Pension Trust Fund, is based on the report of the other auditors. Our reports do not address their respective internal control or compliance.

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*. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters. Disclosures in that report which is dated March 12, 2010, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local government entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.554(1)(i) 1.) require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

As required by the Rules of the Auditor General (Section 10.554(1)(i)2.), the scope of our audit included a review of the provisions of Section 218.415., Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the City complied with Section 218.415, Florida Statutes.

The Rules of the Auditor General (Section 10.554(1)(i)3.) require that we address in the management letter any recommendations to improve the City's financial management. There were no recommendations to improve the City's financial management, accounting procedures, and internal controls.

The Rules of the Auditor General (Section 10.554(1)(i)4.) require disclosure in the management letter of the following matters if not already addressed in the auditor's reports on compliance and internal controls or schedule of findings and Questioned costs whether there were any 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 did not have any such findings.

The Rules of the Auditor General (Section 10.554(1)(i)5.) 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) failure 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. No such conditions were noted during the audit.

The Rules of the Auditor General (Section 10.554(1)(i)6.) also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The information is disclosed in Note 1 to the financial statements.

As required by the Rules of the Auditor General (Section 10.554(1)(i)7.a.), a statement must be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

As required by the Rules of the Auditor General (Section 10.554(1)(i)7.b.), we determined that the annual financial report for the City 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 required by the Rules of the Auditor General (Sections 10.554(1)(i)7.c.), and 10.556(7), we applied financial assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

This management letter is intended solely for the information of the City Commission, and management, and the State of Florida Office of the Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

McGladrey & Pullen, LLP

Fort Lauderdale, Florida
March 12, 2010