

# City of Bradenton, Florida

*Comprehensive Annual Financial Report*

Fiscal Year Ending September 30th, 2006



*Carl Callahan*

City Clerk & Treasurer

CITY OF BRADENTON, FLORIDA  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended September 30, 2006

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# 2005 – 06 Comprehensive Annual Financial Report



## Introductory Section



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City of Bradenton, Florida

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Office of the City Clerk & Treasurer

February 1, 2007

The Honorable Mayor, City Council,  
and Citizens of the City of Bradenton, Florida

Dear Mayor, Council and Citizens:

I am pleased to present the City of Bradenton Comprehensive Annual Financial Report (CAFR). This report addresses the city's finances for the fiscal year ended September 30, 2006. The accuracy of the data, the completeness and fairness of the presentation and the disclosures are the responsibility of the City Clerk & Treasurer, the chief financial officer of the City. The data presented is believed to be accurate in all material respects and is presented to fairly reflect the financial position of the city. All disclosures necessary for a comprehensive understanding of the city's financial activity are included within this financial report.

The City Clerk & Treasurer, through the city's accounting system, is responsible for establishing and maintaining internal controls to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, along with the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. We believe that the city's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Chapter 11.45 of the Florida Statutes requires an independent Certified Public Accountant's financial audit of all Florida municipalities. This requirement has been met for the fiscal year ended September 30, 2006 and the report of the independent auditors has been included in this document. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the federal Single Audit Act of 1996, the Florida Single Audit Act and the related OMB Circular A-133. The independent auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the Financial Section of this report. The independent auditors' reports related specifically to the single audit are included in a separately issued Single Audit Report.

The City of Bradenton operates under a charter adopted on May 19, 1903. The City Council is the legislative body for the City of Bradenton and is made up of five residents elected by the city voters. Each

councilperson represents an individual ward, but all are elected at large. In addition to the City Council, the voters elect a mayor that serves as the Chief Elected Official.

Governmental accounting and auditing principles require that management provides a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment the MD&A and should be read in conjunction with it. The City of Bradenton's MD&A begins on page 3, immediately following the Independent Auditors' Report.

**City Organization.** The City of Bradenton is located on the west coast of Florida, approximately forty miles south of Tampa on the southern reaches of Tampa Bay. Bradenton encompasses 14.82 square miles and has a population of 54,911. The City of Bradenton provides a full range of services including police, fire, planning and development, water, sewer, solid waste and recycling services, as well as cultural and recreational facilities. Bradenton serves as the southern home of Major League Baseball's Pittsburgh Pirates.

Formal budgetary integration is employed as a management control device throughout the year. All city departments submit their budget requests to the City Clerk & Treasurer by June 1 of each year. After various work sessions are completed at the department level, the tentative budget is submitted to the public by the City Council, and public hearings are held to obtain taxpayers' comments. A final public hearing is then held and the final budget is adopted. Budget changes of less than \$10,000 are approved by the City Clerk & Treasurer; budget adjustments greater than \$10,000 go to City Council for approval.

Budget-to-actual comparisons are presented in this report for each individual fund for which the annual budget has been adopted. For the general fund and the major governmental funds, these comparisons are included in the Basic Financial Statements section. The nonmajor special revenue and debt service are included in the Combining and Individual Fund Statements and Schedules section of this report.

**Local economy.** Located on Florida's central west coast, the City of Bradenton and surrounding Manatee County are in one of the fastest growing regions in the nation. Historically, the area's economy has been based on agriculture and a thriving tourist trade. Recent influxes of light industry and manufacturing, coupled with our retail and services base, contribute to a stable and diverse economy.

**Goals and Objectives.** Management's goals and objectives are to continue to provide infrastructure for future growth and to practice sound fiscal responsibility with the city's resources to continue to enhance the quality of life in Bradenton. Meeting the needs of the citizens of Bradenton is a challenging and metamorphic process. The City of Bradenton, through sound and prudent budgeting, has been able to provide programs, infrastructure and facilities to meet the current and emerging needs of the community.

The City of Bradenton, through its Downtown Development Authority and in partnership with Manatee County, is committed to the redevelopment of our central business district. After years of planning, construction of Manatee County's new Judicial Center is well underway. In conjunction with the Judicial Center, the City has completed construction of a 518-space parking garage that will not only provide parking for the judicial center, but offers over 200 additional spaces for the general public to use while visiting downtown Bradenton.

Much of the new growth projected for Bradenton will be attributed to new development outside of Bradenton's historic boundaries. Annexation has allowed the City to grow in ways that was not previously deemed possible. Over the next several years, considerable efforts and financial assets will be devoted to ensuring that our citizens' quality of life is not only maintained, but enhanced. Projects moving forward from the drawing board toward reality include the Tamiami Trail (14<sup>th</sup> Street West) revitalization strategy, Evers' Reservoir expansion, Manatee Avenue roadway improvements, and several other projects that will ensure that our infrastructure keeps pace with the growth that the city is currently experiencing.

**Cash Management.** The City Clerk & Treasurer's office, along with the city's Finance Department, monitors the daily cash needs of the city. The City Clerk, in concert with the city's professional investment managers, invests the city's portfolio, maximizing investment returns in accordance with the city's investment policy.

**Risk Management.** The city has an aggressive safety program to train employees in preventative measures. The program assists with cost containment by moderating rising workers' compensation claims and by decreasing possible loss of time from the job.

**Awards.** The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bradenton for its Comprehensive Annual Financial Report for fiscal year ended September 30, 2005. This was the thirty-first consecutive year that the City of Bradenton received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement of Excellence in Financial Reporting is valid for a period of one year only. We believe our 2006 report continues to conform to the Certificate of Achievement program requirements, and we are submitting this report to the GFOA to determine its eligibility for another certificate for the fiscal year ended September 30, 2006.

**Acknowledgments.** This report was completed through the dedication of the City of Bradenton's Finance Manager and the fine staff of professionals in the Finance Department. I would like to express my appreciation and thanks to the firm of CPA Associates who helped us with their comments and advice. Finally, I thank the Mayor and City Council for their guidance and support in planning and conducting the financial operations of the City of Bradenton in a responsible and progressive manner.

Sincerely,



Carl Callahan  
City Clerk and Treasurer

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bradenton  
Florida

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2005

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



President

Executive Director

# City of Bradenton Principal City Officials

## Elected Officials

Mayor	<i>Wayne Poston</i>
Council - Ward 1	<i>Gene Gallo</i>
Council - Ward 2	<i>Marianne Barnebey</i>
Council - Ward 3	<i>Patrick Roff</i>
Council - Ward 4	<i>Bemis Smith</i>
Council - Ward 5	<i>James Golden</i>

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## Department Heads

City Clerk & Treasurer	<i>Carl Callahan</i>
Planning & Community Development	<i>Timothy Polk</i>
Fire Control	<i>Mark Souders</i>
Human Resources	<i>Carolyn Moore</i>
Information Technology	<i>Staci Cross</i>
Law Enforcement	<i>Michael Radzilowski</i>
Public Works	<i>John Cumming</i>

**Citizens  
of the  
City of Bradenton**

**Mayor and City Council**

*Wayne Poston      Patrick Roff*  
*Gene Gallo        Bemis Smith*  
*Marianne Barnebey   James Golden*

**City Attorney**

*William Lisch*

**City Clerk  
& Treasurer**

*Carl Callahan*

Accounting  
Archives  
Auditorium  
Cashiering  
Facilities  
Golf Course  
Business Taxes  
Purchasing  
Risk/Safety  
Utility Billing

**Planning &  
Community  
Development**

*Timothy Polk*

Code Enforcement  
Grants &  
Assistance  
Planning/Zoning  
Protective  
Inspection

**Law  
Enforcement**

*Michael Radzilowski*

Administration  
Crime Prevention  
Criminal  
Investigations  
Community  
Policing  
Enforcement  
Explorer Program  
Professional  
Standards

**Public  
Works**

*John Cumming*

Carpentry  
Electrical  
Engineering  
Garage  
Lift Stations  
Parks  
Sanitation  
Sewer Collection  
Sign Shop  
Streets  
Water Distribution  
Water Reclamation  
Water Treatment

**Fire  
Control**

*Mark Souders*

Administration  
Prevention  
Suppression  
Training

**Human  
Resources**

*Carolyn Moore*

Hiring  
Benefits  
Compensation

**Information  
Technology**

*Staci Cross*

Desktop  
Standardization  
Network / System  
Administration  
Technology  
Support / Training  
Website

# 2005 – 06 Comprehensive Annual Financial Report



## Financial Section



## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council  
City of Bradenton, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bradenton, Florida, as of and for the year ended September 30, 2006, 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 of Bradenton's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Bradenton Firemen's Pension Fund, which represent 30.4 percent and 11.8 percent, respectively, of the assets and revenues of the other opinion units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the other opinion units, is based on the report of the other auditors.

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

In our opinion, based on our audit and the report of the 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bradenton, Florida, as of September 30, 2006, and the respective changes in financial position and cash flows, where applicable, 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 November 22, 2006 on our consideration of the City of Bradenton's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 15 and 62 through 65 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The supplementary information required by Governmental Accounting Standards Board Statements Number 25 and 27 on pages 68 and 69 is not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we and the other auditors express no opinion on it.

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

*CPA Associates*

Bradenton, Florida  
November 22, 2006

## Management's Discussion and Analysis

As City Clerk and Treasurer of the City of Bradenton, I offer readers of our financial statements this narrative overview and analysis of our financial activities for the 2005-06 fiscal year. I encourage readers to consider the information presented here in conjunction with additional information I have furnished in my letter of transmittal on pages i-iii of this report, and the city's financial statements beginning on page 17.

### **FINANCIAL HIGHLIGHTS**

- The assets of the city exceeded its liabilities at the close of the most recent fiscal year by \$135,583,538 (net assets). Of this amount, \$36,710,829 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$7,559,485, or 5.9% in comparison to the prior year.
- As of the close of the current fiscal year, the city's governmental funds reported combined ending fund balances of \$45,276,271, an increase of \$2,343,524 in comparison with the prior year. Approximately 88% of this total amount, or \$39,748,031, is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current fiscal year, the unreserved fund balance for the general fund was \$18,546,496, or 53.7% of total general fund expenditures.
- Total governmental revenues increased \$7,844,665, or 19.6% in comparison to the prior year.
- Total governmental expenses increased \$9,551,212, or 24.5% in comparison to the prior year.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

#### **Government-wide Financial Statements**

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

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

The Statement of Activities presents *revenues* and *expenses*, and shows how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported in a manner similar to the approach used by a private-sector business in that revenues are recognized when earned, or established criteria are satisfied and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period, and expenses are recorded even though they may not have used cash during the current period.

Both of the government-wide financial statements distinguish functions of the city that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the city include general government, public safety, transportation, culture and recreation, and economic environment. The business-type activities of the city include the water and sewer utility, sanitation, the parking system and the golf course (River Run Golf Links).

The financial statements also reflect the presentation of the city's *component units*, the Community Redevelopment Agencies (CRAs). The Bradenton Downtown Development Authority currently serves as the CRA Board for the Bradenton and the 14<sup>th</sup> Street CRAs. Recently a third CRA, the Central Community Redevelopment Agency, was established with its own board of directors. The CRAs were created with a stated purpose to revitalize a specific area within the central core of Bradenton.

The city's government-wide financial statements can be found on pages 17-19 of this report.

### **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, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements. The city's fund financial statements are divided into three categories: (a) governmental funds, (b) proprietary funds, and (c) fiduciary funds.

### **Governmental Funds**

Governmental fund financial statements consist of a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances. These statements are prepared using 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 collectible within a short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a short period after the end of the fiscal year. The difference between a fund's total assets and total liabilities is labeled as the *fund balance*, and generally indicates the amount that can be used to finance the next fiscal year's activities. The Statement of Revenues, Expenditures and Changes in Fund Balances for governmental funds reports only those revenues and expenditures that were collected or paid during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in the governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, because of the difference in the accounting basis used to prepare 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 Balance Sheet that reconciles the total fund balances 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 Revenues, 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.

The city presents, in separate columns, funds that are most significant to the city (*major funds*) and all other governmental funds are aggregated and reported in a single column (*nonmajor funds*).

The city's governmental fund financial statements are presented on pages 20-23 of this report.

### **Proprietary Funds**

Proprietary fund financial statements consist of a Statement of Net Assets; Statement of Revenues, Expenses and Changes in Fund Net Assets; and Statement of Cash Flows. These statements are prepared using 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*.

*Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The city uses enterprise funds to account for its water and sewer utility, sanitation, golf course and parking system functions. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the city's various functions. The city uses separate internal service funds to account for its self-insurance programs. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the major enterprise funds, which are water and sewer and sanitation. The remaining nonmajor enterprise funds are combined and presented as other funds on the proprietary funds financial statements. All internal service funds are considered to be nonmajor funds and are combined into a single, aggregated presentation in the proprietary fund financial statements.

The proprietary fund financial statements can be found on pages 24-27 of this report.

### **Fiduciary Funds**

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Assets and a Statement of Changes in Fiduciary Net Assets. Assets held by the city for other parties, either as a trustee or as an agent, and that cannot be used to finance the city's own operating programs are reported in the *fiduciary funds*. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the city's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The city reports pension trust funds that present the results of two defined benefit pension plans.

The fiduciary fund financial statements can be found on pages 28-29 of this report.

CITY OF BRADENTON, FLORIDA  
Management's Discussion and Analysis

**Notes to the Financial Statements**

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-60 of this report.

**Other Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This information concerns the city's progress in funding its obligation to provide pension benefits to its employees. It also includes budget-to-actual information regarding the general fund, and major special revenue funds. Required supplementary information can be found on pages 61-69 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time to be an indicator of a government's financial position. The City of Bradenton's assets exceeded liabilities by \$135,583,538 at the close of the 2006 fiscal year.

The following schedule is a summary of the Statement of Net Assets found on page 17 of this report.

**Net Assets at September 30, 2006**

	Governmental Activities		Business-type Activities		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
<b>Assets:</b>						
Current and other assets	\$ 57,159,367	55,322,996	17,810,523	15,877,476	74,969,890	71,200,472
Internal balances	5,464,315	5,168,772	(5,464,315)	(5,168,772)	--	--
Capital assets, net of depreciation	<u>28,427,961</u>	<u>30,364,291</u>	<u>76,089,661</u>	<u>68,643,518</u>	<u>104,517,622</u>	<u>99,007,809</u>
Total assets	91,051,643	90,856,059	88,435,869	79,352,222	179,487,512	170,208,281
<b>Liabilities:</b>						
Current and other liabilities	2,845,952	2,575,910	1,131,617	1,178,885	3,977,569	3,754,795
Long-term debt outstanding	<u>13,640,903</u>	<u>19,455,956</u>	<u>26,285,502</u>	<u>18,973,477</u>	<u>39,926,405</u>	<u>38,429,433</u>
Total liabilities	16,486,855	22,031,866	27,417,119	20,152,362	43,903,974	42,184,228
<b>Net assets:</b>						
Investment in capital assets, net of related debt	17,729,130	12,887,064	52,193,816	51,528,628	69,922,946	64,415,692
Restricted	25,729,021	30,138,835	3,220,742	3,143,434	28,949,763	33,282,269
Unrestricted	<u>31,106,637</u>	<u>25,798,294</u>	<u>5,604,192</u>	<u>4,527,798</u>	<u>36,710,829</u>	<u>30,326,092</u>
<b>Total net assets</b>	<u>\$ 74,564,788</u>	<u>68,824,193</u>	<u>61,018,750</u>	<u>59,199,860</u>	<u>135,583,538</u>	<u>128,024,053</u>

The overall financial position of the city improved in both fiscal years 2006 and 2005. The \$7,559,485 increase in net assets is reflective of the continued growth in the City of Bradenton during the fiscal year 2006. The city has a fairly conservative fiscal approach that stresses a pay-as-you-go strategy and understands that non-recurring sources of revenues need to be poured back into the city assets. The conservative strategies as well as continued positive economic indicators such as low unemployment and an increasing tax base bode well for a positive fiscal outlook for Bradenton.

A significant portion of the city's net assets (54.2%) reflect its investment in *capital assets* (i.e., land, buildings, improvements, infrastructure and equipment) less any related debt used to acquire those assets that is still outstanding. The city uses these capital assets to provide services to citizens; consequently, these

CITY OF BRADENTON, FLORIDA  
Management's Discussion and Analysis

assets are not available to use for future spending. Although the city's investment in its capital assets is reported net of related debt, it should still be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the city's net assets (21.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$36,710,829) may be used to meet the government's ongoing obligations to citizens and creditors.

A review of the comparative ratios of current unrestricted assets to current liabilities for the fiscal years 2006 and 2005 reveals that the city continues to maintain healthy ratios for both the governmental and business-type activities. The City Council understands that there are inherent risks of its close proximity to the Gulf of Mexico, and that the need for unrestricted funds should be reflective of that potential risk.

**Governmental Activities**

The following is a summary of the Statement of Activities found on pages 18 and 19 of this report.

**Statement of Activities**

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
<b>Revenues</b>						
Program Revenues:						
Charges for services	\$ 5,612,466	5,936,719	25,651,362	23,391,566	31,263,828	29,328,285
Operating grants and contributions	5,272,394	4,574,255	--	--	5,272,394	4,574,255
Capital grants and contributions	100,376	571,248	--	--	100,376	571,248
General Revenues:						
Property taxes	12,597,102	11,206,029	--	--	12,597,102	11,206,029
Other taxes	15,183,678	14,194,966	--	--	15,183,678	14,194,966
Other	<u>8,073,973</u>	<u>2,975,446</u>	<u>649,636</u>	<u>145,720</u>	<u>8,723,609</u>	<u>3,121,166</u>
<b>Total Revenues</b>	<u>46,839,989</u>	<u>39,458,663</u>	<u>26,300,998</u>	<u>23,537,286</u>	<u>73,140,987</u>	<u>62,995,949</u>
<b>Expenses</b>						
Governmental Activities:						
General government	10,362,642	8,815,241	--	--	10,362,642	8,815,241
Public safety	18,631,835	16,856,411	--	--	18,631,835	16,856,411
Transportation	3,903,857	3,407,812	--	--	3,903,857	3,407,812
Community Development Program	594,060	496,035	--	--	594,060	496,035
Housing Assistance Program	2,807,645	2,990,960	--	--	2,807,645	2,990,960
State Housing Initiatives Program	1,141,220	255,586	--	--	1,141,220	255,586
Economic environment	26,880	631	--	--	26,880	631
Culture and recreation	3,028,399	2,870,695	--	--	3,028,399	2,870,695
Interest on long-term debt	873,798	821,891	--	--	873,798	821,891
Business-Type Activities:						
Water-sewer	--	--	16,471,733	15,465,554	16,471,733	15,465,554
Sanitation	--	--	6,208,743	5,972,705	6,208,743	5,972,705
Other	--	--	<u>1,530,690</u>	<u>1,459,044</u>	<u>1,530,690</u>	<u>1,459,044</u>
<b>Total Expenses</b>	<u>41,370,336</u>	<u>36,515,262</u>	<u>24,211,166</u>	<u>22,897,303</u>	<u>65,581,502</u>	<u>59,412,565</u>
Increase in net assets before other items	5,469,653	2,943,401	2,089,832	639,983	7,559,485	3,583,384
Transfers	<u>270,942</u>	<u>(17,600)</u>	<u>(270,942)</u>	<u>17,600</u>	--	--
Increase in net assets	5,740,595	2,925,801	1,818,890	657,583	7,559,485	3,583,384
Net assets – beginning of year	<u>68,824,193</u>	<u>65,898,392</u>	<u>59,199,860</u>	<u>58,542,277</u>	<u>128,024,053</u>	<u>124,440,669</u>
Net assets – end of year	<u>\$ 74,564,788</u>	<u>68,824,193</u>	<u>61,018,750</u>	<u>59,199,860</u>	<u>135,583,538</u>	<u>128,024,053</u>

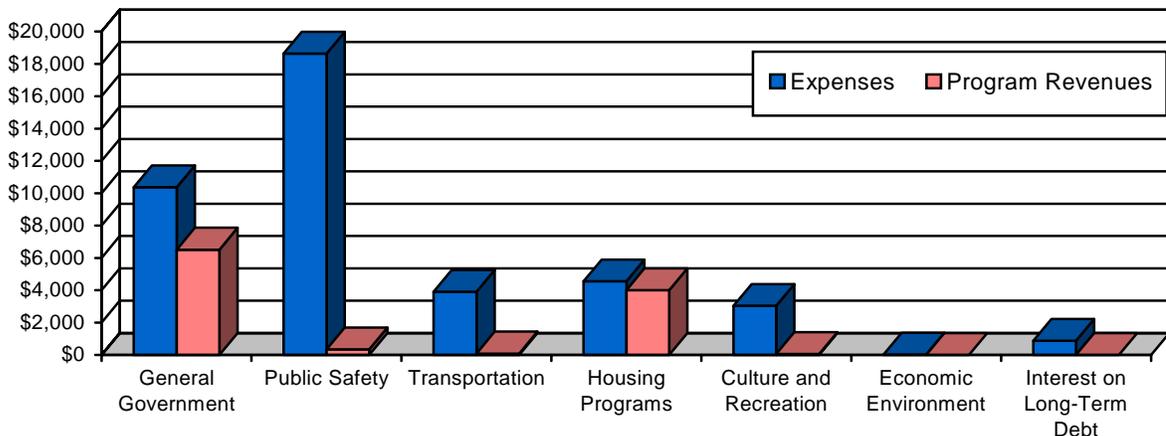
CITY OF BRADENTON, FLORIDA  
Management's Discussion and Analysis

Governmental activities reported a net increase in city assets of \$5,740,595. Overall governmental revenues were up \$7,381,326. Contributing factors to the increase in revenues included the following:

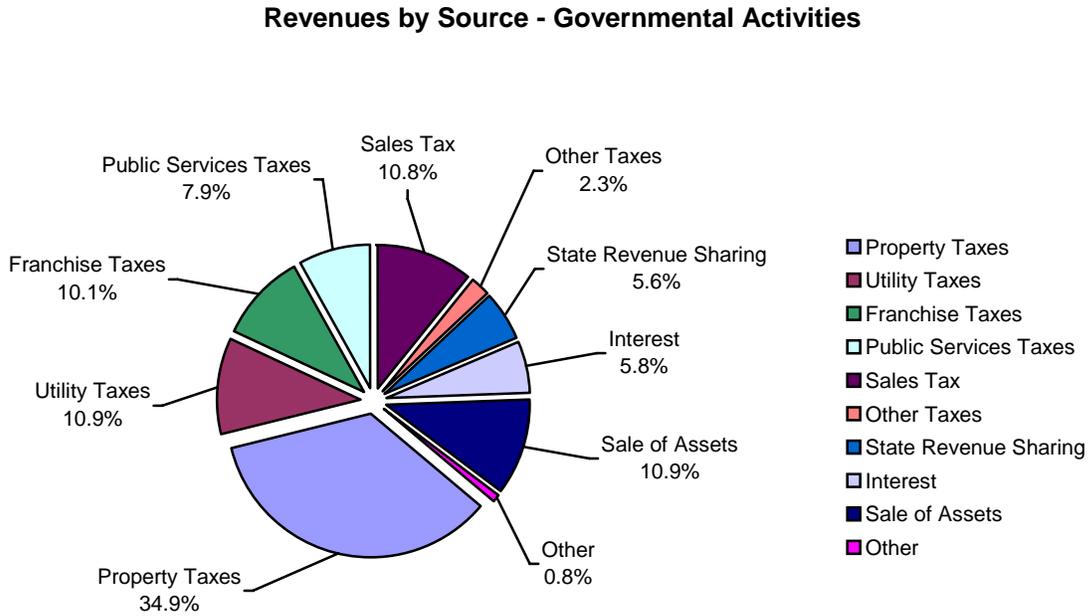
- There was an 18% increase in the total property values within the city. Approximately 5% of this increase was attributed to new construction and annexations. The increase in valuations accounted for an additional \$1,406,407 in ad valorem taxes.
- \$4,853,057 can be attributed to the sale of surplus city land. The City Council action not only brought in additional funds that will ultimately be reinvested in the city, it also added significant new valuations to the tax rolls.
- Higher energy costs helped to increase the revenues associated with utility taxes and franchise fees. Nearly \$1,500,000 of additional revenues were received through our Special Revenue funds; almost all of those revenues may be attributed to the increased cost of electricity associated with the Florida Power & Light Company.
- Other sources of revenues such as sales taxes and intergovernmental revenues were flat or saw slight decreases. The cleanup associated with multiple hurricanes in 2005 significantly inflated the 2005 numbers.
- While the additional revenues more than covered the increase in expenditures, spending for general governmental services and public safety were up by \$4,855,074. The increase in costs across most all governmental and business-type functions are reflective of the pressures that many municipalities are facing. The salaries and benefits for our public safety employees continue to increase at an alarming rate. The costs associated with providing quality health and retirement plans for all of our valued employees have continued unabated. The city is working on all fronts to provide for our employees, while balancing that with the services our taxpayers expect at a price they can afford.

The following chart compares expenses with program revenues for the city's governmental activities.

**Expenses and Program Revenues - Governmental Activities**  
(in thousands)



The following graph shows the composition of revenues for the city's governmental activities.



**Business-Type Activities**

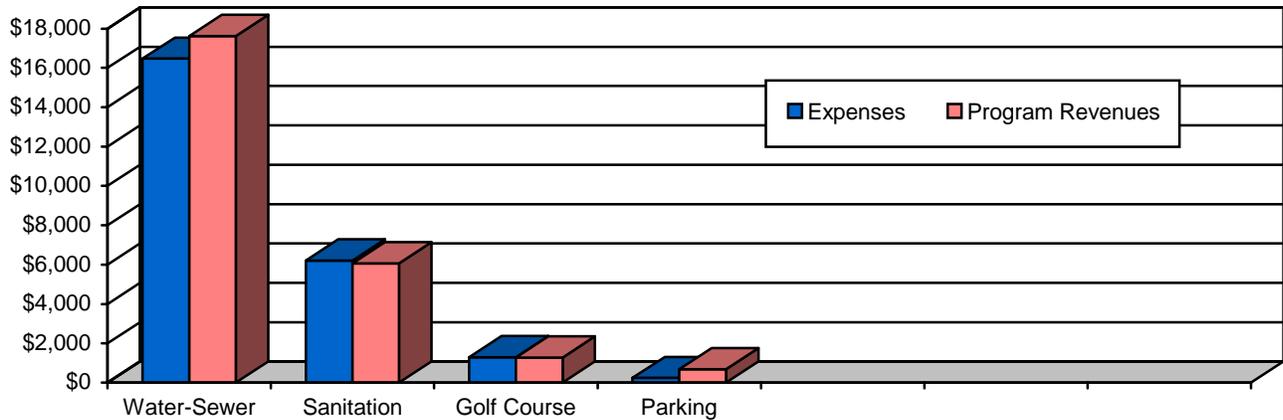
The increase in net assets for business-type activities totaled \$1,818,890 and \$657,583 for the fiscal years 2006 and 2005 respectively, representing a 3.07% and 1.12% increase over the previous fiscal years. The water-sewer operations posted modest increases primarily related to Consumer Price Index increases in revenues and relatively stable operating expenditures. High costs for electricity and fuel had a negative impact on operating costs for the water-sewer operations, but were offset by higher interest earnings coupled with a reduced amount of interest expenses for debt.

Sanitation operations stabilized in 2006, operating at a near break-even point (loss of \$67,475) after posting a \$929,858 reduction of net assets in 2005. Rate changes that took effect during 2006 resulted in a \$1,014,430 increase in revenues with expenditures remaining mostly unchanged.

River Run Golf Links, which was closed due to renovations for most of 2005, experienced a decrease in net assets of \$240,498. The golf course rebounded well, showing an increase in net assets of \$2,792 for 2006, despite being closed for the first two months of the year.

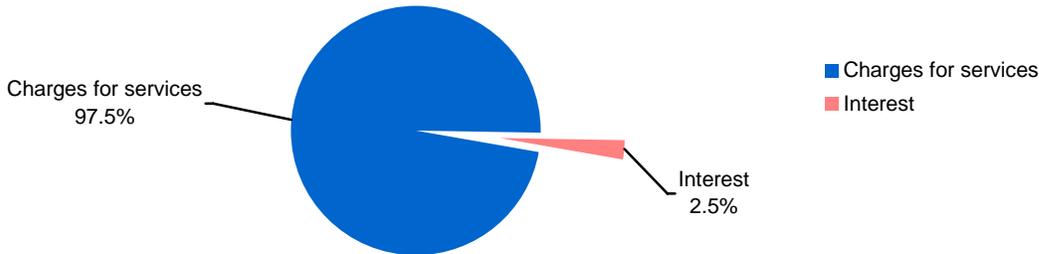
The following chart compares expenses with program revenues for the city's business-type activities.

**Expenses and Program Revenues - Business-Type Activities**  
 (in thousands)



The following graph shows the composition of revenues for the city's business-type activities.

**Revenues by Source - Business-Type Activities**



**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

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

**Governmental Funds**

The fund financial statements for the governmental funds are provided on pages 20-23. The focus of the city's governmental funds is to provide information on near-term inflows, outflows and balances of the 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.

At the end of the current fiscal year, the city's governmental funds reported combined ending fund balances of \$45,276,271, an increase of \$2,343,524 in comparison with the prior year. Approximately 87.8% of this ending fund balance (\$39,748,031) constitutes unreserved fund balance which is available for spending at the city's discretion, subject to budgetary constraints. The remainder of the fund balance is

reserved to indicate that it is not available for new spending because it has previously been committed (1) for advances due from other funds (\$4,827,673), (2) for bond retirement (\$279,221), or (3) for inventories and prepaid items.

### **General Fund**

The general fund is the chief operating fund of the city. At the end of the current fiscal year, the unreserved fund balance of the general fund was \$18,546,496, while the total fund balance was \$19,503,230. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 53.6% of the total general fund expenditures.

The general fund revenues increased \$5,667,614, with the increases being attributed to a \$1,406,407 or a 12.3% increase in tax revenue and a \$4,144,791 increase in gain on sale of property.

Overall expenditures increased \$2,959,466, or 9.4% of the general fund operating expenditures. The city's Information Technology Department was responsible for \$1,438,096 of the expenditure increase. The city completely upgraded its computer-aided dispatch and reporting functions for public safety. This public safety system upgrade should serve the citizens well for many years and will be well worth the investment.

For years the City of Bradenton's police officers and firefighters were among the lowest paid in the region. Recently the city has made a concerted effort to boost the salaries for our public safety professionals. In 2006 we saw an increase of \$1,194,642 related to increased salaries and benefits. It is anticipated that similar increases will be necessary in the near future.

### **General Fund - Budgetary Highlights**

Operating a government the size of the City of Bradenton is a dynamic process and budget amendments are approved throughout the year. Budget-to-actual statements and schedules are provided in the financial statements for the general fund on pages 73-77. Budget columns are provided for both the original adopted budget and the final budget for the fiscal year 2006.

Budgeted Revenues: A comparison of original budget to final budget for general fund revenues reveals two significant adjustments. The city will generally take a conservative approach when it comes to estimating revenues. That was the case with licenses and permits. The construction market remained solid longer than expected, resulting in an additional \$324,000 in revenues, a 36.7% increase over the original budget.

The second significant adjustment resulted from the sale of two parcels of land. Sale of property netted \$4,852,057 when only a minor amount had been originally budgeted. This transaction is reflected in other sections of this discussion when referring to the significant increase in unreserved net assets of the governmental funds.

Overall, final budgeted revenues exceeded actual revenues by \$22,521 or 0.1%.

Budgeted Expenditures: General fund budget changes, followed by a brief description of the reason for the changes, are shown below:

CITY OF BRADENTON, FLORIDA  
Management's Discussion and Analysis

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**General Fund Budget Changes**

General Fund Department	Budget Increase	Reason for Increase
Information Technology	\$ 576,000	Implementation of OSSI and FireHouse software, licensing and training. Originally budgeted as potential grant that the city did not receive.
Law Enforcement	\$ 276,900	Operating expenditures associated with salaries, benefits and impacts of increased fuel costs.
Fire Department	\$ 448,161	Operating expenditures associated with salaries, benefits and impacts of increased fuel costs. Exaggerated by understatement of salaries in original budget.

Overall, the expenditures for the general fund were under the final budget by \$43,858 or 0.1%.

Our review of the other governmental funds did not reveal any significant changes from the prior year.

**Proprietary Funds**

The fund financial statements for the city's proprietary funds provide essentially the same information found in the government-wide financial statements, but in greater detail.

Enterprise Funds: The various funds that make up the Enterprise fund are the water-sewer fund, the sanitation fund, the golf course fund and the parking fund. These funds are defined as business-type activities because these items most resemble a business operation. Revenues are generated primarily through charges for services and will closely follow what it costs to provide that service to the citizens.

At September 30, 2006, total net assets amounted to \$61,655,392 for the enterprise funds, compared to \$59,676,348 at the end of 2005. Net asset changes are a result of operations, non-operating revenues and expenditures, capital contributions as well as denoted assets.

Income from operations is a result of operating revenues less operating expenses. The water-sewer fund continues to show operational gains despite a significant increase in chemicals used for water treatment and over \$245,000 in increased electrical costs. A solvent water-sewer fund also allows the city to continue to reinvest in the infrastructure associated with the delivery systems.

The sanitation fund accounts for the results of operations from the collection of solid waste for both residential and commercial customers. The city also provides for curbside recycling. The city has successfully held the line or even reduced the operating costs of sanitation with the exception of the county-owned landfill rate increases and fuel costs. In 2006, the city's rate increases generated \$849,384 in additional revenues and were able to nearly break even after a \$929,858 loss in 2005.

CITY OF BRADENTON, FLORIDA  
Management's Discussion and Analysis

**Internal Service Funds:** Internal service funds are designed to recover the costs of general services provided to the other funds groups. The city uses the internal service funds primarily to account for the self-insurance programs for property, medical and workers' compensation.

The workers' compensation fund had a reduction in net assets of \$45,415 as a result of the settlement or closing of several accounts. Overall the workers' compensation mod levels continue well below average.

Since the city is self-insured and responsible for the long-term financial viability of the funds, a \$1,400,000 transfer of funds was made to the medical fund to maintain a positive asset balance.

Overall, the net assets of the internal service funds increased from \$7,920,188 in 2005 to \$8,402,400 for 2006.

**CAPITAL ASSETS**

The city's investment in capital assets for its governmental and business-type activities as of September 30, 2006, amounts to \$104,517,622 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and construction in progress.

Major capital asset activity during the fiscal year included the following:

- Completion of the \$8.5 million Judicial Center parking garage. The award-winning garage provides an additional 518 parking spaces in the downtown area.
- The city is committed to providing for future water supply needs through the completion of the Aquifer Storage Recovery (ASR) test wells.
- The city completed the four-block extension of 8<sup>th</sup> Avenue West to allow for alternate routes away from the congested downtown area.
- Several projects were in various stages of planning, including the following:
  - 10<sup>th</sup> Avenue East stormwater drainage
  - Eastside water storage facility
  - Wares Creek bridge replacements
  - Evers Reservoir water supply expansion
  - Manatee Avenue streetscape and resurfacing

**Capital Assets  
(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Land	\$ 2,257,715	3,016,957	6,093,727	5,336,748	8,351,442	8,353,705
Building	14,399,850	14,719,622	18,016,864	9,366,523	32,416,714	24,086,145
Infrastructure	3,632,657	3,708,337	1,633,767	--	5,266,424	3,708,337
Improvements	3,600,017	3,529,161	44,582,569	48,615,529	48,182,586	52,144,690
Machinery and equipment	4,444,662	3,591,874	3,753,892	3,263,304	8,198,554	6,855,178
Construction in progress	<u>93,060</u>	<u>1,798,340</u>	<u>2,008,842</u>	<u>2,061,414</u>	<u>2,101,902</u>	<u>3,859,754</u>
Totals	<u>\$ 28,427,961</u>	<u>30,364,291</u>	<u>76,089,661</u>	<u>68,643,518</u>	<u>104,517,622</u>	<u>99,007,809</u>

For additional information regarding capital assets, please see Note G on pages 42-43 of this report.

**DEBT ADMINISTRATION**

At the end of the current fiscal year, the city had total bonded debt outstanding of \$34,369,323. The city had no general obligation debt outstanding. All of the city's debt represents bonds secured solely by specified revenue sources.

**Bonded Debt and Loans Payable**

	Governmental Activities		Business-Type Activities		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
General obligation bonds	\$ --	--	--	--	--	--
Special obligation bonds	8,229,618	14,770,580	--	--	8,229,618	14,770,580
Revenue bonds	<u>2,141,625</u>	<u>2,301,225</u>	<u>23,998,080</u>	<u>17,213,436</u>	<u>26,139,705</u>	<u>19,514,661</u>
Total bonds	<u>\$ 10,371,243</u>	<u>17,071,805</u>	<u>23,998,080</u>	<u>17,213,436</u>	<u>34,369,323</u>	<u>34,285,241</u>

The city's total debt increased by a net \$84,082. Key factors for this increase were:

- Governmental debt was decreased by \$6,700,562 which was a result of annual principal paydown and a transfer of the \$5,637,623 Judicial Center Parking Garage note to Due Parking fund – a business-type activity.
- An additional \$3,000,000 was added to the business-type activities for the final construction of the above-mentioned parking garage. Annual principal payments of \$2,030,634 helped to offset this additional debt.
- The city continues to maintain a relatively low percentage of debt-to-assets ratio and far exceeds all required debt service coverage ratios.

Additional information concerning the city's long-term debt can be found in Note J on pages 45-48 of this report.

**ECONOMIC FACTORS AND YEAR 2007 BUDGET AND RATES**

Factors considered in preparing Bradenton's budget for the 2007 fiscal year included the following:

- A stable Consumer Price Index provided some moderation of the costs necessary to provide essential services to the citizens of Bradenton.
- The city's population grew by 1%, from 54,303 in 2005 to 54,911 in 2006.
- The ad valorem tax rate remained the same at \$4.75 per \$1,000.

As previously noted in this discussion, the consistent growth rate and increase in assessed property values have allowed the city to retain its current tax millage rate while maintaining healthy governmental fund balances.

In order to ensure the long-term viability of its infrastructure, the city continues to monitor the appropriateness of its utility rates. As of the date of this report the Bradenton City Council has enacted new customer service rates to cover day-to-day operating costs, and increased the utility impact fees to ensure that new development pays for itself.

The hyper increase in property values throughout the State of Florida has forced the Florida Legislature to examine means of reducing the property tax burden on the average taxpayer. Although Bradenton has not seen the values climb nearly as high and as fast as elsewhere in the state, any proposed relief could have a significant impact on our ad valorem revenues. The city will continue to monitor the Florida Legislature's actions and react as necessary to maintain the city's favorable financial position.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide users with a general overview of the City of Bradenton's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Clerk & Treasurer, 101 Old Main Street, Bradenton, Florida 34205-7865; or through the city's website at [www.cityofbradenton.com](http://www.cityofbradenton.com).



City of Bradenton, Florida

# 2005 – 06 Comprehensive Annual Financial Report



## Basic Financial Statements Section

CITY OF BRADENTON, FLORIDA  
STATEMENT OF NET ASSETS  
September 30, 2006

	Primary Governmen			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and cash equivalents	\$ 50,372,096	8,068,250	58,440,346	5,991,510
Investments	653,178	--	653,178	--
Receivables (net of allowance for uncollectibles)	2,731,699	2,248,274	4,979,973	--
Prepays	44,642	--	44,642	9,170
Due from other governments	1,847,163	21,194	1,868,357	--
Inventory	421,346	55,542	476,888	--
Internal balances	5,464,315	(5,464,315)	--	--
Restricted assets				
Temporarily restricted:				
Investments	--	7,328,468	7,328,468	--
Deferred charges	--	88,795	88,795	4,444
Net pension asset	1,089,243	--	1,089,243	--
Capital assets (net of accumulated depreciation)				
Land	2,257,715	6,093,727	8,351,442	--
Buildings	14,399,850	18,016,864	32,416,714	--
Infrastructure	3,632,657	1,633,767	5,266,424	--
Improvements other than buildings	3,600,017	44,582,569	48,182,586	--
Machinery and equipment	4,444,662	3,753,892	8,198,554	5,482,970
Construction in progress	93,060	2,008,842	2,101,902	--
Total assets	<u>\$ 91,051,643</u>	<u>88,435,869</u>	<u>179,487,512</u>	<u>11,488,094</u>
<b>Liabilities</b>				
Accounts payable and other current liabilities	\$ 1,949,521	877,263	2,826,784	1,251,458
Accrued interest payable	44,020	211,696	255,716	40,844
Retainage payable	--	42,030	42,030	--
Due to other governments	39,849	--	39,849	--
Unearned revenue	812,562	628	813,190	--
Noncurrent liabilities			-	
Due within one year	1,823,258	2,819,510	4,642,768	2,688,300
Due in more than one year:				
Revenue bonds payable	1,970,625	5,319,067	7,289,692	--
Notes payable	7,657,463	15,736,656	23,394,119	4,935,904
Capital leases	261,151	--	261,151	--
Compensated absences	1,928,406	312,024	2,240,430	--
Customer deposits	--	2,098,245	2,098,245	--
Total liabilities	<u>16,486,855</u>	<u>27,417,119</u>	<u>43,903,974</u>	<u>8,916,506</u>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	17,729,130	52,193,816	69,922,946	1,061,705
Restricted for:				
Debt service	2,297,866	2,970,742	5,268,608	--
Utility tax	6,729,910	--	6,729,910	--
Franchise tax	8,953,149	--	8,953,149	--
Local half-cent tax	2,929,324	--	2,929,324	--
Special revenue funds	3,461,279	--	3,461,279	--
Capital projects	189,789	--	189,789	--
Other purposes	1,167,704	250,000	1,417,704	--
Unrestricted	<u>31,106,637</u>	<u>5,604,192</u>	<u>36,710,829</u>	<u>1,509,883</u>
Total net assets	<u>74,564,788</u>	<u>61,018,750</u>	<u>135,583,538</u>	<u>2,571,588</u>
Total liabilities and net assets	<u>\$ 91,051,643</u>	<u>88,435,869</u>	<u>179,487,512</u>	<u>11,488,094</u>

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

CITY OF BRADENTON, FLORIDA  
STATEMENT OF ACTIVITIES  
For the Year Ending September 30, 2006

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government</b>				
Governmental activities				
General government	\$ 10,362,642	5,438,417	1,074,823	--
Public safety	18,631,835	--	327,705	15,643
Transportation	3,903,857	--	--	84,733
Community Development Program	594,060	48,675	635,315	--
Housing Assistance Program	2,807,645	--	2,791,175	--
State Housing Initiatives Program	1,141,220	125,374	384,182	--
Shelter Plus Care Program	9,255	--	9,204	--
Economic environment	17,625	--	--	--
Culture and recreation	3,028,399	--	49,990	--
Interest on long-term debt	873,798	--	--	--
Total governmental activities	<u>41,370,336</u>	<u>5,612,466</u>	<u>5,272,394</u>	<u>100,376</u>
Business-type activities				
Water-sewer	16,471,733	17,626,662	--	--
Sanitation	6,208,743	6,067,606	--	--
Parking	236,507	680,324	--	--
Golf course - nonmajor	1,294,183	1,276,770	--	--
Total business-type activities	<u>24,211,166</u>	<u>25,651,362</u>	<u>--</u>	<u>--</u>
Total primary government	<u>\$ 65,581,502</u>	<u>31,263,828</u>	<u>5,272,394</u>	<u>100,376</u>
<b>Component units</b>				
DDA/CRA/CCRA	<u>\$ 4,201,047</u>	<u>163,499</u>	<u>--</u>	<u>--</u>
<b>General revenues</b>				
Property taxes				
Utility taxes				
Franchise taxes				
Public service taxes				
Local government half-cent sales taxes				
Other taxes				
State revenue sharing				
Unrestricted investment earnings				
Gain (loss) on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets - beginning				
Net assets - ending				

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

Net (Expenses) Revenue and  
Changes in Net Assets

Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
(3,849,402)	--	(3,849,402)	
(18,288,487)	--	(18,288,487)	
(3,819,124)	--	(3,819,124)	
89,930	--	89,930	
(16,470)	--	(16,470)	
(631,664)	--	(631,664)	
(51)	--	(51)	
(17,625)	--	(17,625)	
(2,978,409)	--	(2,978,409)	
(873,798)	--	(873,798)	
<u>(30,385,100)</u>	<u>--</u>	<u>(30,385,100)</u>	
--	1,154,929	1,154,929	
--	(141,137)	(141,137)	
--	443,817	443,817	
--	(17,413)	(17,413)	
<u>--</u>	<u>1,440,196</u>	<u>1,440,196</u>	
<u>(30,385,100)</u>	<u>1,440,196</u>	<u>(28,944,904)</u>	
			<u>(4,037,548)</u>
\$ 12,597,102	--	12,597,102	3,992,524
3,923,729	--	3,923,729	--
3,647,783	--	3,647,783	--
2,870,757	--	2,870,757	--
3,915,794	--	3,915,794	--
825,615	--	825,615	--
2,035,592	--	2,035,592	--
2,103,118	654,731	2,757,849	214,624
3,935,263	(5,095)	3,930,168	--
<u>270,942</u>	<u>(270,942)</u>	<u>--</u>	<u>--</u>
<u>36,125,695</u>	<u>378,694</u>	<u>36,504,389</u>	<u>4,207,148</u>
<u>5,740,595</u>	<u>1,818,890</u>	<u>7,559,485</u>	<u>169,600</u>
<u>68,824,193</u>	<u>59,199,860</u>	<u>128,024,053</u>	<u>2,401,988</u>
<u>\$ 74,564,788</u>	<u>61,018,750</u>	<u>135,583,538</u>	<u>2,571,588</u>

CITY OF BRADENTON, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2006

	<u>Special Revenue Funds</u>				<u>Capital Projects Funds</u>
	<u>General Fund</u>	<u>Utility Tax</u>	<u>Franchise Tax</u>	<u>Local Gov't Half-Cent Sales Tax</u>	<u>Parking Garage Construction</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 19,698,359	2,126,992	8,597,311	2,637,147	--
Investments	--	--	--	--	--
Receivables (net of allowance for uncollectibles)	114,603	310,633	--	--	--
Due from other funds	95	--	--	--	--
Due from other governments	896,811	--	355,838	292,177	--
Inventory	421,346	--	--	--	--
Advances to other funds	535,388	4,292,285	--	--	--
<b>Total assets</b>	<b>\$ 21,666,602</b>	<b>6,729,910</b>	<b>8,953,149</b>	<b>2,929,324</b>	<b>--</b>
<b>Liabilities and fund balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 1,475,124	--	--	--	--
Accrued salaries, wages and benefits	304,550	--	--	--	--
Due to other funds	34,024	--	--	--	--
Due to other governments	39,849	--	--	--	--
Unearned revenue	309,825	--	--	--	--
<b>Total liabilities</b>	<b>2,163,372</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund balances</b>					
Reserved for:					
Advances to other funds	535,388	4,292,285	--	--	--
Retirement of bonds	--	--	--	--	--
Inventory	421,346	--	--	--	--
Unreserved, report in:					
General fund	18,546,496	--	--	--	--
Special revenue funds	--	2,437,625	8,953,149	2,929,324	--
Capital projects funds	--	--	--	--	--
Debt service funds	--	--	--	--	--
<b>Total fund balances</b>	<b>19,503,230</b>	<b>6,729,910</b>	<b>8,953,149</b>	<b>2,929,324</b>	<b>--</b>
<b>Total liabilities and fund balances</b>	<b>\$ 21,666,602</b>	<b>6,729,910</b>	<b>8,953,149</b>	<b>2,929,324</b>	<b>--</b>

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

Other Governmental Funds	Total Governmental Funds	<u>Reconciliation of Fund Balance to Net Assets</u>	
6,786,040	39,845,849	Fund Balance - page 21	\$ 45,276,271
653,178	653,178		
--	425,236	Amounts reported for governmental activities in the Statement of	
42,680	42,775	Net Assets (page 17) are different because:	
302,337	1,847,163		
--	421,346	Capital assets are used in governmental activities but are not financial	28,427,961
--	4,827,673	resources and, therefore, are not reported in the funds.	
<u>7,784,235</u>	<u>48,063,220</u>	Other long-term assets are not available to pay for current-period	2,282,334
		expenditures and, therefore, are deferred in the funds.	
		Internal service funds are used by management to charge the cost of	9,039,042
89,012	1,564,136	self-insurance property insurance, medical, and workers' compensation	
23,077	327,627	insurance funds. The assets and liabilities of the internal service	
8,751	42,775	funds are included in governmental activities in the Statement of Net	
--	39,849	Assets.	
502,737	812,562	Net pension assets are used in the governmental activities but are not	1,089,243
		financial resources and, therefore, are not reported in the funds.	
623,577	2,786,949	Long-term liabilities, including bonds payable, are not due and payable	(11,550,063)
		in the current period and, therefore, are not reported in the funds.	
--	4,827,673	Net assets of governmental activities - page 17.	<u>\$ 74,564,788</u>
279,221	279,221		
--	421,346		
--	18,546,496		
4,628,983	18,949,081		
189,789	189,789		
2,062,665	2,062,665		
<u>7,160,658</u>	<u>45,276,271</u>		
<u>7,784,235</u>	<u>48,063,220</u>		

CITY OF BRADENTON, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended September 30, 2006

	Special Revenue Funds			Capital Project Funds	
	General Fund	Utility Tax	Franchise Tax	Local Gov't Half-Cent Sales Tax	Parking Garage Construction
<b>Revenues</b>					
Taxes	\$ 12,851,008	3,923,729	3,647,783	--	--
Licenses and permits	1,209,567	--	--	--	--
Intergovernmental grants	306,421	--	--	--	--
Intergovernmental revenues	2,157,252	--	--	3,915,794	--
Payments in lieu of taxes	37,420	--	--	--	--
Shared revenues	1,074,823	--	--	--	--
Charges for services	1,991,797	--	--	--	--
Fines and forfeitures	443,675	--	--	--	--
Interest and investment earnings	960,535	137,453	478,203	136,611	9,811
Rents	632,094	--	--	--	--
Contributions	--	--	--	--	--
Sales of property	4,853,057	--	--	--	--
Miscellaneous	161,688	--	--	--	--
Special assessments - property owners	211,311	--	--	--	--
<b>Total revenues</b>	<b>26,890,648</b>	<b>4,061,182</b>	<b>4,125,986</b>	<b>4,052,405</b>	<b>9,811</b>
<b>Expenditures</b>					
Current					
General government services	9,685,207	--	--	--	--
Public safety	18,647,250	--	--	--	--
Transportation	3,796,308	--	--	--	--
Economic environment	--	--	--	--	--
Culture - recreation	2,413,482	--	--	--	--
Debt service					
Principal	--	--	--	--	--
Interest	--	--	--	--	--
Fees and expenditures	--	--	--	--	22,769
Capital outlay	--	--	--	--	7,099,253
<b>Total expenditures</b>	<b>34,542,247</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>7,122,022</b>
Excess (deficiency) of revenues over (under) expenditures	(7,651,599)	4,061,182	4,125,986	4,052,405	(7,112,211)
<b>Other Financing Sources (Uses)</b>					
Issuance of debt	--	--	--	--	3,000,000
Transfers from other funds	14,688,618	--	--	--	33,389
Transfers to other funds	(1,031,889)	(4,461,142)	(4,125,977)	(4,052,403)	--
<b>Total other financing sources (uses)</b>	<b>13,656,729</b>	<b>(4,461,142)</b>	<b>(4,125,977)</b>	<b>(4,052,403)</b>	<b>3,033,389</b>
Net change in fund balances	6,005,130	(399,960)	9	2	(4,078,822)
Fund balances - beginning as originally reported	12,728,122	7,129,870	8,953,140	2,929,322	4,078,822
Prior period adjustment	769,978	--	--	--	--
Fund balance - beginning as restated	13,498,100	7,129,870	8,953,140	2,929,322	4,078,822
Fund balances - ending	<b>\$ 19,503,230</b>	<b>6,729,910</b>	<b>8,953,149</b>	<b>2,929,324</b>	<b>--</b>

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

Other Governmental Funds	Total Governmental Funds	<u>Reconciliation of the Change in Fund Balances to the Change in Net Assets</u>	
3,442,466	23,864,986		
--	1,209,567	Amounts reported for governmental activities in the Statement of Activities (pages 18-19) are different because:	
3,869,866	4,176,287		
--	6,073,046	Net change in fund balances - total governmental funds - page 23	\$ 1,573,546
--	37,420		
--	1,074,823		
--	1,991,797		
--	443,675		
291,526	2,014,139	Governmental funds report capital outlays as expenditures.	7,558,842
196,207	828,301	However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
550,003	550,003		
--	4,853,057		
110,856	272,544		
174,049	385,360	The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations) is to decrease net assets.	(917,794)
<u>8,634,973</u>	<u>47,775,005</u>		
--	9,685,207		
--	18,647,250	The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal or long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(1,798,982)
--	3,796,308		
4,597,384	4,597,384		
--	2,413,482		
1,123,184	1,123,184		
870,080	870,080		
2,718	25,487	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 (future use).	(1,317,383)
264,766	7,364,019		
<u>6,858,132</u>	<u>48,522,401</u>		
1,776,841	(747,396)	Internal service funds are used by management to charge the cost of medical, property and workers' compensation insurance.	(396,613)
--	3,000,000		
1,474,521	16,196,528	The net revenue and transfers of certain activities of internal service funds are reported with governmental activities.	1,038,979
(3,204,175)	(16,875,586)	Change in net assets of governmental activities - page 19	<u>\$ 5,740,595</u>
<u>(1,729,654)</u>	<u>2,320,942</u>		
47,187	1,573,546		
7,113,471	42,932,747		
--	769,978		
<u>7,113,471</u>	<u>43,702,725</u>		
<u>7,160,658</u>	<u>45,276,271</u>		

CITY OF BRADENTON, FLORIDA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
September 30, 2006

	Business-type Activities - Enterprise Funds					Governmenta Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Parking Fund	Golf Course Fund (Nonmajor)	Total	
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ 6,317,547	48,500	1,037,093	665,110	8,068,250	10,526,247
Customer accounts receivable	2,398,274	--	--	--	2,398,274	24,129
Allowance for uncollectibles	(150,000)	--	--	--	(150,000)	--
Due from other governments	10,155	9,535	--	1,504	21,194	--
Prepaid items	--	--	--	--	--	44,642
Inventory	--	--	--	55,542	55,542	--
<b>Total current assets</b>	<b>8,575,976</b>	<b>58,035</b>	<b>1,037,093</b>	<b>722,156</b>	<b>10,393,260</b>	<b>10,595,018</b>
<b>Noncurrent assets</b>						
Restricted-sinking fund reserve-investments	2,763,075	--	--	207,667	2,970,742	--
Restricted-renewal and replacement-investments	250,000	--	--	--	250,000	--
Unrestricted investments	4,107,726	--	--	--	4,107,726	--
<b>Total restricted assets</b>	<b>7,120,801</b>	<b>--</b>	<b>--</b>	<b>207,667</b>	<b>7,328,468</b>	<b>--</b>
<b>Capital assets</b>						
Land	3,040,024	-	1,097,797	1,955,906	6,093,727	--
Buildings	16,969,292	597,881	8,912,862	216,363	26,696,398	--
Improvements	110,512,918	646,042	220,000	1,152,152	112,531,112	--
Machinery and equipment	4,508,983	4,427,852	49,522	785,730	9,772,087	--
Infrastructure	1,690,104	--	--	--	1,690,104	--
Construction work in progress	2,008,842	--	--	--	2,008,842	--
Less: accumulated depreciation	(77,690,609)	(3,404,852)	(217,669)	(1,389,479)	(82,702,609)	--
<b>Total capital assets</b>	<b>61,039,554</b>	<b>2,266,923</b>	<b>10,062,512</b>	<b>2,720,672</b>	<b>76,089,661</b>	<b>--</b>
Bond issue costs	82,569	--	--	6,226	88,795	--
<b>Total noncurrent assets</b>	<b>68,242,924</b>	<b>2,266,923</b>	<b>10,062,512</b>	<b>2,934,565</b>	<b>83,506,924</b>	<b>--</b>
<b>Total assets</b>	<b>\$ 76,818,900</b>	<b>2,324,958</b>	<b>11,099,605</b>	<b>3,656,721</b>	<b>93,900,184</b>	<b>10,595,018</b>

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

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Parking Fund	Golf Course Fund (Nonmajor)	Total	
<b>Liabilities and Net Assets</b>						
Current liabilities						
Accounts payable	\$ 707,540	9,433	26,001	14,265	757,239	57,758
Accrued payroll	76,572	33,131	1,642	8,679	120,024	--
Accrued interest payable	211,696	--	--	--	211,696	--
Retainage payable	42,030	--	--	--	42,030	--
Estimated payable for outstanding claims	--	--	--	--	--	521,688
Unearned revenue	--	--	628	--	628	--
Current portion of long-term debt	2,443,448	1,040	321,022	54,000	2,819,510	--
<b>Total current liabilities</b>	<b>3,481,286</b>	<b>43,604</b>	<b>349,293</b>	<b>76,944</b>	<b>3,951,127</b>	<b>579,446</b>
Non-current liabilities						
Long-term debt	12,295,225	--	8,256,356	614,375	21,165,956	--
Less unamortized bond discount	(69,657)	--	(15,200)	(25,376)	(110,233)	--
Estimated payable for outstanding claims	--	--	--	--	--	1,613,172
Customer deposits	2,098,245	--	--	--	2,098,245	--
Compensated absences	198,373	89,585	4,611	19,455	312,024	--
Advances from other funds	3,417,951	1,409,722	--	--	4,827,673	--
<b>Total long-term liabilities</b>	<b>17,940,137</b>	<b>1,499,307</b>	<b>8,245,767</b>	<b>608,454</b>	<b>28,293,665</b>	<b>1,613,172</b>
<b>Total liabilities</b>	<b>21,421,423</b>	<b>1,542,911</b>	<b>8,595,060</b>	<b>685,398</b>	<b>32,244,792</b>	<b>2,192,618</b>
Net Assets						
Invested in capital assets, net of related debt	46,349,926	2,265,883	1,500,334	2,077,673	52,193,816	--
Restricted for:						
Sinking fund	2,763,075	--	--	207,667	2,970,742	--
Renewal and replacement	250,000	--	--	--	250,000	--
Unrestricted	6,034,476	(1,483,836)	1,004,211	685,983	6,240,834	8,402,400
<b>Total net assets</b>	<b>55,397,477</b>	<b>782,047</b>	<b>2,504,545</b>	<b>2,971,323</b>	<b>61,655,392</b>	<b>8,402,400</b>
<b>Total liabilities and net assets</b>	<b>\$ 76,818,900</b>	<b>2,324,958</b>	<b>11,099,605</b>	<b>3,656,721</b>	<b>93,900,184</b>	<b>10,595,018</b>
Net assets - above					\$ 61,655,392	
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds					(636,642)	
Net assets of business-type activities - page 19					\$ 61,018,750	

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

For the Fiscal Year Ended September 30, 2006

	Business-type Activities - Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Parking Fund	Golf Course Fund (Nonmajor)		
Operating revenues						
Charges for services	\$ 17,626,662	6,067,606	322,980	1,276,770	25,294,018	7,721,349
Operating expenses						
Personal services	5,815,176	2,950,580	99,992	809,547	9,675,295	--
Contractual services	962,389	--	34,712	10,074	1,007,175	1,602,587
Supplies and materials	2,781,954	1,101,195	83,201	186,195	4,152,545	5,491
Repairs and maintenance	460,431	159,709	2,129	42,479	664,748	--
Utilities	1,116,155	1,556,852	--	16,651	2,689,658	--
Claims	--	--	--	--	--	6,670,038
Depreciation	4,464,268	391,520	14,818	180,628	5,051,234	--
Total operating expenses	<u>15,600,373</u>	<u>6,159,856</u>	<u>234,852</u>	<u>1,245,574</u>	<u>23,240,655</u>	<u>8,278,116</u>
Operating income (loss)	2,026,289	(92,250)	88,128	31,196	2,053,363	(556,767)
Non-operating revenues (expenses)						
Interest and investment earnings	567,340	--	55,586	31,805	654,731	88,979
Gain (loss) on disposition of assets	4,843	(9,938)	--	--	(5,095)	--
Interest expenses and fiscal charges	<u>(775,102)</u>	<u>(46)</u>	<u>--</u>	<u>(35,209)</u>	<u>(810,357)</u>	<u>--</u>
Total non-operating revenues (expenses)	<u>(202,919)</u>	<u>(9,984)</u>	<u>55,586</u>	<u>(3,404)</u>	<u>(160,721)</u>	<u>88,979</u>
Net income (loss) before transfers	1,823,370	(102,234)	143,714	27,792	1,892,642	(467,788)
Capital contributions from:						
Governmental activities	--	--	357,344	--	357,344	--
Transfers:						
In	--	34,759	--	--	34,759	1,400,000
Out	<u>(250,000)</u>	<u>--</u>	<u>(30,701)</u>	<u>(25,000)</u>	<u>(305,701)</u>	<u>(450,000)</u>
Total transfers	<u>(250,000)</u>	<u>34,759</u>	<u>(30,701)</u>	<u>(25,000)</u>	<u>(270,942)</u>	<u>950,000</u>
Change in net assets	1,573,370	(67,475)	470,357	2,792	1,979,044	482,212
Total net assets - beginning	<u>53,824,107</u>	<u>849,522</u>	<u>2,034,188</u>	<u>2,968,531</u>	<u>7,920,188</u>	<u>7,920,188</u>
Total net assets - ending	<u>\$ 55,397,477</u>	<u>782,047</u>	<u>2,504,545</u>	<u>2,971,323</u>	<u>8,402,400</u>	<u>8,402,400</u>
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds					(160,154)	
Change in net assets of business-type activities - page 19					<u>\$ 1,818,890</u>	

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

CITY OF BRADENTON, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended September 30, 2006

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Parking Fund	Golf Course Fund (Nonmajor)	Total	
Cash flows from operating activities						
Receipts from charges for services	\$ 17,701,746	6,048,134	314,529	1,275,375	25,339,784	7,697,457
Payments to suppliers	(4,927,052)	(3,133,059)	(94,294)	(363,975)	(8,518,380)	(1,773,806)
Payments for employees	(5,772,877)	(2,932,701)	(93,227)	(804,635)	(9,603,440)	(5,939,723)
Net cash provided (used) by operating activities	7,001,817	(17,626)	127,008	106,765	7,217,964	(16,072)
Cash flows from non-capital financing activities						
Advances from other funds	--	535,388	--	--	535,388	--
Advances to other funds	(400,000)	--	--	--	(400,000)	--
Transfers from other funds	--	34,759	--	--	34,759	1,400,000
Transfers to other funds	(250,000)	--	(30,701)	(25,000)	(305,701)	(450,000)
Net cash provided (used) by non-capital and related financing activities	(650,000)	570,147	(30,701)	(25,000)	(135,554)	950,000
Cash flows from capital and related financing activities						
Repayment of capital leases	(3,720)	(437)	--	--	(4,157)	--
Principal paid on capital debt	(2,340,000)	--	--	(50,400)	(2,390,400)	--
Issuance of new debt	237,900	--	8,562,178	--	8,800,078	--
Interest paid on capital debt	(161,495)	(46)	--	(33,069)	(194,610)	--
Capital contributions from governmental funds	--	--	357,344	--	357,344	--
Acquisition and construction of capital assets	(2,131,965)	(650,780)	(9,663,965)	(55,761)	(12,502,471)	--
Transfers	(2,528,863)	--	--	(77,308)	(2,606,171)	--
Net cash provided (used) by capital and related financing activities	(6,928,143)	(651,263)	(744,443)	(216,538)	(8,540,387)	--
Cash flows from investing activities						
Interest and investment earnings	567,340	--	55,586	31,805	654,731	88,979
Net increase (decrease) in cash and equivalents	(8,986)	(98,742)	(592,550)	(102,968)	(803,246)	1,022,907
Cash and cash equivalents, October 1, 2005	6,326,533	147,242	1,629,643	768,078	8,871,496	9,503,340
Cash and cash equivalents, September 30, 2006	\$ 6,317,547	48,500	1,037,093	665,110	8,068,250	10,526,247
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ 2,026,289	(92,250)	88,128	31,196	2,053,363	(556,767)
Adjustments to reconcile operating income to cash provided (used) by operating activities						
Depreciation expense	4,464,268	391,520	14,818	180,628	5,051,234	--
(Increase) decrease in accounts receivable	(156,883)	--	--	--	(156,883)	--
(Increase) decrease in inventories	--	--	--	(9,722)	(9,722)	--
(Increase) decrease in due from other funds	--	--	1,425	--	1,425	--
(Increase) decrease in due from other governments	12,922	(9,535)	4,449	(1,395)	6,441	(23,892)
Increase (decrease) in accounts and retainage payable	393,875	(325,239)	25,749	(98,854)	(4,469)	46,428
Increase (decrease) in accrued payroll	48,715	19,805	1,173	5,954	75,647	--
Increase (decrease) in accrued vacation	(6,416)	(1,927)	4,167	(1,042)	(5,218)	--
Increase (decrease) in deposits	219,047	--	--	--	219,047	--
Increase (decrease) in unearned revenues	--	--	(12,901)	--	(12,901)	--
Increase (decrease) in prepaid items	--	--	--	--	--	--
Increase (decrease) in claims payable	--	--	--	--	--	518,159
Total adjustments	4,975,528	74,624	38,880	75,569	5,164,601	540,695
Net cash provided (used) by operating activities	\$ 7,001,817	(17,626)	127,008	106,765	7,217,964	(16,072)
Noncash investing, capital and financing activities						
Amortization of bond issue costs	\$ 27,931	--	--	686	28,617	--
Amortization of underwriters' discount	\$ 14,214	--	--	1,454	15,668	--
Appreciation of capital bonds	\$ 359,766	--	--	--	359,766	--

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

CITY OF BRADENTON, FLORIDA  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
September 30, 2006

**Assets**

Cash and cash equivalents	\$ 1,351,278
Due from other governmental units	945,752
Interest receivable	204,645
Contributions receivable	157,934
Investments, at fair value	
U.S. Government obligations	13,097,593
Domestic corporate bonds	7,250,160
Domestic stocks	31,125,841
International funds	<u>12,210,036</u>
Total investments	<u>63,683,630</u>
Total assets	66,343,239

**Liabilities**

Accounts payable	<u>287,130</u>
Total liabilities	<u>287,130</u>

**Net Assets**

Held in trust for pension benefits	<u><u>\$ 66,056,109</u></u>
------------------------------------	-----------------------------

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

CITY OF BRADENTON, FLORIDA  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
For the Year Ended September 30, 2006

**Additions**

Contributions	
Employer	\$ 1,860,260
Plan members	619,917
State of Florida (from city's general fund)	<u>971,202</u>
Total contributions	3,451,379
Investment earnings	
Interest	1,010,628
Dividends	465,015
Miscellaneous	45,093
Net increase in the fair value of investments	<u>2,895,953</u>
Total investment earnings	4,416,689
Less investment expenses	<u>349,007</u>
Net investment earnings	<u>4,067,682</u>
Total additions	7,519,061

**Deductions**

Benefits	2,325,453
Refunds of contributions	20,451
Administrative expenses	<u>114,781</u>
Total deductions	<u>2,460,685</u>
Change in net assets	5,058,376
Net assets - beginning	<u>60,997,733</u>
Net assets - ending	<u><u>\$ 66,056,109</u></u>

The Notes to the financial statements are an intergral part of this statement.



**City of Bradenton, Florida**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Bradenton, Florida (City) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles.

**Reporting Entity**

The City of Bradenton, Florida was incorporated in 1903. It is located on the west coast of Florida, approximately midway down the state, and is comprised of 14.82 square miles with a population of 54,911. The current charter was authorized under Chapter 22219, Laws of Florida, Special Acts of 1943. The city is a municipal corporation and operates under a mayor-council form of government. It provides services to its residents in the form of law enforcement, public safety, street maintenance, code enforcement, culture and recreation, water and sewer, sanitation, planning and zoning, human resources, and general administrative services.

The accompanying financial statements present the government and its component units (entities for which the government is considered to be financially accountable). This component unit information is presented in a separate column in the government-wide financial statements, to emphasize that they are legally separate from the government.

The city has two component units: (1) the Bradenton Downtown Development Authority/Community Redevelopment Agencies (DDA/CRAs), and (2) the Central Community Redevelopment Agency (CCRA), as described below.

**Bradenton Downtown Development Authority/Community Redevelopment Agencies**

There are three separate entities included under the Bradenton Downtown Development Authority / Community Redevelopment Agencies. The purpose of these three entities is to revitalize targeted areas in downtown City of Bradenton:

a) **Bradenton Downtown Development Authority**

The Bradenton DDA is a dependent special district created by the Laws of Florida, Chapter 74-245, Special Legislative Acts of 1974.

b) **Bradenton Community Redevelopment Agency**

The Bradenton CRA is a dependent special district created pursuant to Florida Statute 163 and City of Bradenton Ordinance 2219 passed by the Bradenton City Council on May 28, 1980.

c) **14<sup>th</sup> Street Community Redevelopment Agency**

The 14<sup>th</sup> Street CRA is a dependent special district created pursuant to Florida Statute 163 and City of Bradenton Ordinance 2504 passed by the Bradenton City Council on November 24, 1993.

The Bradenton City Council, through Ordinance 2468 passed in September, 1991, has appointed the Bradenton Downtown Development Authority as the respective Community Redevelopment Agencies of the city. Therefore, all three entities have the same Board of Directors. The Bradenton City Council places the following restrictions on the three dependent special districts:

- a) Any agreement to fund a grant or request for funds, or approval of any projects by the DDA acting as the DDA/CRAs may be rescinded within thirty (30) days by a four/fifths (4/5) vote of the City Council. The Mayor may veto any rescinding action by the City Council. This veto, however, may be overridden by a four/fifths (4/5) vote of the City Council.
- b) No formal action taken by the DDA/CRAs' Board shall be considered final, nor shall any party have any right to rely on such act or acts or grants, until the period of time for the rescinding action by the City Council has passed (30 days) or until the City Council has firmly expressed its approval of the action of the DDA/CRAs.
- c) The annual budget of the DDA/CRAs shall be considered final after approval by the City Council, or after thirty (30) days have elapsed from the period of time said budget is passed by the DDA/CRAs' Board.

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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In addition to the above, upon ratification by the City Council, the Mayor appoints members to the DDA/CRAs. The city provides funding on an annual basis to the DDA/CRAs via ad valorem tax related to the 1980 base year (Bradenton) and the 1993 base year (14<sup>th</sup> Street).

Based on the above factors, the City of Bradenton exercised financial accountability over the DDA/CRAs and therefore they are considered a component unit of the city as defined by GAAP. The financial statements of the DDA/CRAs are also included as a part of the city's Comprehensive Annual Financial Report.

The Bradenton Downtown Development Authority is an administrative unit only, with no assets, liabilities, equity, revenues or expenses/expenditures as of and for the year ended September 30, 2006. There were no component units for which the DDA/CRAs were financially accountable.

Central Community Redevelopment Agency

The Central Community Redevelopment Agency (CCRA) is a dependent special district created by the Community Redevelopment Act of 1969, Chapter 163 Part III, Florida Statutes, and City of Bradenton Ordinance 2628 passed by the Bradenton City Council on July 12, 2000. The Community Redevelopment Plan provides a framework for coordinating and facilitating public and private redevelopment of the Central Redevelopment District and adjacent areas. A board of seven commissioners administers the actions of the CCRA.

Per City of Bradenton Ordinance 2628, the Bradenton City Council controls all expenditure of funds and the budget of the CCRA. Therefore, the City of Bradenton exercises financial accountability over the CCRA, making the CCRA a component unit of the city as defined by GAAP.

Copies of the audited financial statements of the DDA/CRAs and CCRA may be obtained at the City of Bradenton's City Clerk & Treasurer's Office, 101 Old Main Street, Bradenton, Florida 34205-7865.

The Mayor and City Council are also responsible for appointing members to the boards of the following organizations. The city's accountability for these organizations does not extend beyond making the appointments, except as noted above.

- |                                                                 |                             |
|-----------------------------------------------------------------|-----------------------------|
| Architectural Review Board                                      | Construction Trade Board    |
| Grants and Assistance Board                                     | Code Enforcement Board      |
| Planning Commission                                             | Bradenton Housing Authority |
| Enterprise Board                                                | Merit Board                 |
| Nuisance Board                                                  | Police Pension Board        |
| Tree Board                                                      | Fire Pension Board          |
| Construction Board of Rules and Appeals                         | Grievance Board             |
| Central Community Redevelopment Agency                          |                             |
| Downtown Development Authority/Community Redevelopment Agencies |                             |

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Changes in Net Assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from the legally separate *component units* for which the primary government is financially accountable.

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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

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

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund, internal service fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flow. Property taxes, grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The City of Bradenton reports the following major governmental funds:

- a) The *General Fund* is the city's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- b) The *Utility Tax Special Revenue Fund* is used to account for the sources and uses of the utility tax revenues. These monies are pledged to the debt service requirements of the Utility System Revenue Bonds, Series 1988A and 1995A.
- c) The *Franchise Tax Special Revenue Fund* is used to account for the sources and uses of the franchise tax revenues.
- d) The *Local Government Half-Cent Sales Tax Special Revenues Fund* is used to account for the sources and uses of the sales taxes received from the State of Florida. These monies are pledged to the debt service requirements of the Utility System Revenue Bonds, Series 1988A and 1995A.
- e) The *Judicial Parking Garage Capital Project Fund* is used to account for the sources and uses of the construction of the Judicial Parking Garage.

The City of Bradenton reports the following major proprietary funds:

- a) The *Water and Sewer Fund* is used to account for the activities of the city's water and wastewater utility. The city operates the water and sewer treatment plants, sewage pumping stations and collection system, the storm water runoff system, and the water distribution system.

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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- b) The *Sanitation Fund* is used to account for the activities of the city's solid waste collection.
- c) The *Parking Fund* is used to account for the activities of the city's parking activities.
- d) The *Golf Course Fund* does not meet the criteria for major funds and is presented as a nonmajor fund.

Additionally, the City of Bradenton reports the following fund types:

- a) *Internal service funds* account for the property insurance, medical self-insurance, and workers' compensation self-insurance provided to other departments on a cost reimbursement basis.
- b) The *pension trust funds* account for the activities of the city's fire and police pension trust funds, which accumulate resources for pension benefit payments to qualified fire and police pension employees.

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

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water/sewer and sanitation enterprise funds and of the city's internal service funds are charges to customers for sales and services. The water/sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

**Assets, Liabilities and Net Assets or Equity**

- a) Deposits and investments

The City of Bradenton's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The city maintains a pool of cash and investments in which each fund participates on a dollar equivalent and transaction basis. The balance of the pooled cash is reflected in the balance sheets or Statement of Net Assets, and each fund's portion of the pooled investments is reflected in the balance sheets or Statement of Net Assets as "Equity in Pooled Investments." Interest is distributed monthly based upon an average monthly balance. The investments of the police and fire pension trust funds are held by an investment banker selected by the respective individual pension board's Investment Committee.

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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State statutes authorize the city to invest its surplus public funds in the local Government Surplus Fund's trust fund, obligations of the U.S. Treasury, agencies and instrumentalities of the U.S. Government and interest-bearing time deposits with banks and/or savings and loans who qualify as authorized depositories under Florida law. The pension trust funds are also authorized to invest in corporate stocks, bonds and commercial paper subject to certain restrictions.

Investments for the City of Bradenton, as well as for its component units, are reported at fair value. The State Board of Administration Pooled Trust Fund operates in accordance with appropriate state laws and regulations. Securities traded on a national or international exchange are valued at the last reported sales quote at current exchange rates. Investments that do not have an established market are reported at estimated fair value, based on market indicators regarded as measures of equity or fixed income performance results. The city does not have a significant amount of investments valued at other-than-quoted market prices. Except in the pension trust funds, amortization of premium and accretion of discount on investments purchased are not recorded over the term of the investment. The effect of this policy on the financial statements of the various funds is not significant. The reported value of the pool is the same as the fair value of the pool shares.

b) Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade receivables are shown net of an allowance for uncollectibles.

c) Inventories and prepaid items

All inventories are valued at cost (using average cost) in governmental-type funds and the lower of cost (average cost) or market in business-type funds. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

d) Restricted assets

Certain proceeds of the city's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

e) Capital assets

Capital assets, which include property, buildings, improvements, equipment, and infrastructure assets (i.e. roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the city as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and an estimated useful life in excess of two (2) years. Such assets are recorded at historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

Capital assets do not include the infrastructure assets (i.e., roads, bridges, sidewalks, and similar items) of the city prior to October 1, 2003. The city will provide this information in future reporting periods as allowed by the Governmental Accounting Standards Board Statement No. 34.

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

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

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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Property, plants and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated lives:

Buildings and improvements	20 - 50 years
Improvements other than buildings	20 - 50 years
Equipment	2 - 35 years
Infrastructure	50 - 75 years

f) Compensated absences

Accumulated unpaid vacation pay and the benefits associated with it are accrued when incurred in all proprietary fund types and in the component unit. In governmental fund types, the cost of vacation pay is recognized when payments are made to employees or when matured, as a result of employee resignation or retirement. The general fund is the primary fund utilized to liquidate the liability for compensated absences.

All vacation pay is accrued when incurred in the government-wide financial statements.

Sick leave is not recorded in the financial statements because sick leave is not vested.

g) 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 and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

h) Fund equity

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

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

**NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary Information**

The appropriated budget is the expenditure authority created by the Appropriation Ordinance, which is signed into law along with related estimated revenues for all funds.

Each fund's appropriated budget is prepared on a detailed line-item basis. Revenues are budgeted by source. Expenditures are budgeted by fund, by department, and by character (personal services, operation expenditures, capital outlay, debt service, and grants and aid). The legal level of control is the total fund appropriation. Expenditures may not exceed appropriations at this level. All budgetary revisions at this level are subject to final review by Bradenton's City Council. Within the control levels, and with the approval of the supervising councilperson of the fund, management may transfer appropriations without formal council approval. Revisions to the budget are made throughout the year.

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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

- a) Prior to October 1 the City Clerk & Treasurer submits a proposed operating budget for fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them, by fund.
- b) Public hearings are conducted by the city to obtain taxpayer comments.
- c) Prior to October 1 a budget is legally enacted through passage of an ordinance which restricts total expenditures by fund.

Budgets for governmental and fiduciary funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America, either modified accrual or accrual. The budgets for proprietary fund operations are adopted on a basis consistent with accounting principles generally accepted in the United States of America except that they exclude depreciation and the results of capitalizing interest income and expense relative to construction projects on tax-exempt borrowings. Separate budgets are also adopted to control payment of revenue bond principal and interest and capital outlay for proprietary funds on a non-GAAP basis.

Appropriations lapse at year end.

Formal budgetary integration is employed as a management control device during the year for all funds.

The presented budgetary information has been amended in a legally permissible manner.

**Excess of Expenditures Over Appropriations**

For the year ending September 30, 2006, expenditures exceeded appropriations in the Parking Garage Construction fund by \$8,941. The overexpenditures in the Parking Garage Construction Fund were funded by general fund and the parking fund.

**NOTE C – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**1. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Assets**

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide Statement of Net Assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The detail of this \$11,550,063 difference is as follows:

Bonds and notes payable	\$ 10,371,243
Accrued interest payable	44,020
Capital lease payable	327,588
Compensated absences	<u>807,212</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u>\$ 11,550,063</u>

**2. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities**

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The detail of this \$7,558,842 difference is as follows:

Capital outlay	\$ 9,882,541
Less depreciation expense	<u>( 2,323,699)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 7,558,842</u>

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

Another element of that reconciliation states that “the issuance of long-term debt (i.e., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.” The detail of this \$1,798,982 difference is as follows:

Issuance of debt	\$ 3,000,000
Principal repayments:	
General obligation debt or loans	(1,123,184)
Capital leases	<u>(77,834)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 1,798,982</u>

**NOTE D – PRIOR-PERIOD ADJUSTMENT**

In the Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds, the opening fund balance of net assets has been increased by \$769,978 to restate the October 1, 2005 balance for compensated absences that were previously reported as current liabilities.

**NOTE E – DEPOSITS AND INVESTMENTS**

**Deposits**

At September 30, 2006, the city’s cash-in-bank was fully insured by Federal Depository Insurance and the multiple financial collateral pool required by Sections 280.07 and 280.08, Florida Statutes. Hence, there is no custodial credit risk for the deposits of the city and/or its component units.

**City Pooled Investments**

As of September 30, 2006, the city (excluding the police and fire pension funds) had the following investments:

Investment Type	Fair Value	Less than 1 year	Years 1-5	Years 6-10	Years More than 10
U.S. Government securities	\$ 15,610,856	59,981	728,994	1,710,230	13,111,651
Corporate bonds	16,403,661	1,758,346	10,588,489	2,466,334	1,590,492
State investment pool	<u>4,662,807</u>	<u>4,662,807</u>	--	--	--
Total fair value	<u>\$ 36,677,324</u>	<u>6,481,134</u>	<u>11,317,483</u>	<u>4,176,564</u>	<u>14,702,143</u>

*Interest rate risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. The city’s investment performance is measured and compared to the Lehman Aggregate Bond Index and ranked against an appropriate peer group of fixed-income managers over rolling three- to five-year periods. By mirroring the Lehman Aggregate Bond Index the portfolio is being measured against a relatively short-term conservative index.

*Concentration of credit risk* is the risk of loss attributable to the quality of the government’s investment in a single issuer. The city investment pools have no concentration of credit risk.

*Credit risk* results from potential default of investments that are not financially sound. The city invests funds throughout the year with Local Government Surplus Funds Trust Fund (SBA), an investment pool administered by the State Board of Administration under regulatory oversight of the State of Florida. Throughout the year and as of September 30, 2006, the SBA contained certain floating and adjustable-rate securities which were indexed based on the prime rate and/or one- and three-month LIBOR rates. These investments represented 49% of the SBA’s portfolio at September 30, 2006. The SBA met the criteria to be “2A-7Like” as defined in GASB 31 and the city held \$4,662,807 in the SBA at September 30, 2006. Furthermore, the city’s investment policy limits its domestic corporate bond issues with an investment grade rating (within top 4 rating classifications with the lowest rating not below Baa3/BBB- by Moody’s or Standard & Poor’s), obligations of the United States Government or any agency or instrument thereof and to repurchase agreements fully collateralized by such United States Government obligations, and provided that such investment company or investment

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trust takes delivery of such collateral either directly or through an authorized custodian. Of the investments that the city holds, \$15,610,856 is in U.S. Government securities with an AAA rating with Standard and Poor's; \$16,403,661 is in corporate bonds ranging from AAA to BBB ratings with Standard and Poor's; \$950,441 is in the money market with a rating of AAAM; and \$3,429,393 is in mutual funds, of which \$2,417,365 is rated AAA/V3 and the balance not rated.

*Custodial credit risk – investments* is the risk that, in the event of the failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The city investment pool does not hold investments or collateral securities that have a custodial credit risk exposure.

**Police Pension Fund**

The police pension fund has an established investment policy under which the general investment objective is to obtain a reasonable total rate of return – defined as interest and dividend income plus realized and unrealized capital gains or losses – that is greater than the actuarial interest rate assumption on an annual basis and over rolling three-year periods. Additionally the trustees, in performing their investment duties, shall comply with fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 19 U.S.C. s 1104 (a) (1) (A)-(C).

<u>Investment Type</u>	<u>Fair Market</u>	<u>Less than 1 year</u>	<u>Years 1-5</u>	<u>Years 6-10</u>	<u>Years More than 10</u>
U.S. Government securities	\$ 6,624,812	--	533,930	842,929	5,247,953
Corporate bonds	6,544,513	539,210	4,415,052	689,375	900,876
International	8,390,150	8,390,150	--	--	--
Total fair value	<u>\$ 21,559,475</u>	<u>8,929,360</u>	<u>4,948,982</u>	<u>1,532,304</u>	<u>6,148,829</u>

*Interest rate risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. The police pension fund realizes that reasonable consistency of return and protection of assets against the inroads of inflation are paramount. However, the volatility of interest rates and securities markets make it necessary to judge results within the context of several years rather than over short periods of one or two years or less.

*Concentration of credit risk* is the risk of loss attributable to the quality of the government's investment in a single issuer. The police pension fund has no concentration of credit risk.

*Credit risk.* The investments held by the police pension fund shall be diversified to the extent practical to control the risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank in which financial instruments are bought and sold. The fixed income securities are limited to those traded on a recognized national exchange or OTC, and the fixed income investments must be rated within the top four ratings (Standard and Poor's AAA, AA, A, BBB or Moody's Aaa, Aa, A, Baa). However, at least 80% of the fixed income must be rated within the top three ratings. Of the investments the police pension fund holds, \$6,624,812 is in U.S. Government securities with a rating of AAA with Standard and Poor's; and \$6,544,513 is in corporate bonds with a rating ranging from AAA to BBB with Standard and Poor's. The fund also has \$3,931,271 in international funds and \$2,534,860 in Real Estate Investment Trusts (REITs) which are not rated.

*Custodial credit risk – investments* is the risk that, in the event of the failure of the counterparty, the police pension fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The police pension fund does not hold investments or collateral securities that have a custodial credit risk exposure.

*Other limitations.* The police pension fund limits its investments as follows: Not more than 5% of the fund's assets at cost shall be invested in the common stock or capital stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company. The REITs that trade on a major exchange shall not exceed 15% of the fund's assets at cost.

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**Firefighters' Pension Fund**

The firefighters' pension fund has an established investment policy under which the primary objective is to earn a total rate of return of a target index. The target index for the Bradenton Firefighters' Retirement System is defined as a 50% investment in the Russell 3000 Stock Index; a 10% investment in the MSCI Europe, Australasia and Far East (EAFE) Stock Index; and a 40% investment in the Merrill Lynch Domestic Master Bond Index. In addition, it is expected that the rate of return earned by the fund will rank above average when compared to a representative universe of other, similarly managed portfolios.

The secondary objective of the investment policy is to achieve an average annual rate of return greater than 8.0% over the longer term. This absolute return objective is evaluated in the context of the prevailing investment market conditions. The volatility of the firefighters' pension fund's total returns is expected to be similar to that of the target index and will be evaluated accordingly.

The firefighters' pension plan investment policy further limits its risk by (1) investing in equity securities that shall not exceed 70% at market of the fund's total market value, (2) requiring no more than 5% at market value of the equity and fixed income portfolio total value be invested in shares of a single corporate issuer, (3) requiring no more than 15% at market value of the equity portfolio total value be invested in the shares of companies that have been publicly traded for less than one year, (4) requiring all equity investments be limited to fully and easily negotiable equity securities, (5) limiting investment in stock of foreign companies to 10% at cost of the total investment portfolio, and (6) limiting investments in equity securities with market capitalization of less than \$3 billion to 20% at market of the total equities portfolio.

The firefighters' pension plan further limits its risk by investing in fixed income securities that are rated "BAA" or higher by Moody's or Standard and Poor's rating services. Securities which are downgraded below the minimum rating by both entities must be sold at the earliest beneficial opportunity. The average credit quality of the bond portfolio must be rated "A" or higher, and investment in fixed income securities issued by foreign governments or corporations domiciled outside the United States are prohibited.

The investment policy limits the cash equivalent securities to (1) investing in money market or STIF provided by the fund's custodian, (2) direct obligations of the United States Government with a maturity of one year or less, (3) investments in commercial paper with a maturity of 270 days or less that is rated A-1 or higher by Standard & Poor's or higher by Moody's, and (4) Bankers Acceptances issued by the largest 50 banks in the United States (in terms of total assets).

	Target Allocation	Target Index
Domestic equity securities	50%	Russell 3000
Fixed income securities	40%	Merrill Lynch Master Bond Index
Foreign equity securities	10%	EAFE

Investment Type	Fair Value	Less Than 1 year	Years 1-5	Years 6-10	Years More Than 10
U.S. Government securities	\$ 6,472,780	--	1,886,997	913,116	3,672,667
Corporate bonds	705,647	--	119,131	471,805	114,711
International	3,819,886	3,819,886	--	--	--
Total fair value	\$ 10,998,313	3,819,886	2,006,128	1,384,921	3,787,378

*Interest rate risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. The objective of the firefighters' pension fund is to preserve the purchasing power of the fund's assets and earn a reasonable rate of return (after inflation) over the long term while minimizing the short-term volatility of results.

*Concentration of credit risk* is the risk of loss attributable to the quality of the government's investment in a single issuer. The firefighters' pension fund has no concentration of credit risk.

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*Credit risk.* The firefighters' pension fund investment guidelines are in accordance with Section 112.661, Florida Statutes. The following is the target asset allocation for the entire Bradenton Firefighters' Retirement System (based on the market value of invested assets). Of the investments the firefighters' pension fund holds, \$6,472,780 is in U.S. Government securities with a Standard and Poor's rating range from AAA to BBB-; \$705,647 is in corporate bonds rated by Standard and Poor's with a range of A to BBB-; \$14,196,947 is in common stock with a Standard and Poor's rating ranging from A to B-; and \$3,819,886 is in international funds which are not rated.

*Custodial credit risk - investments* is the risk that, in the event of the failure of the counterparty, the firefighters' pension fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The firefighters' pension fund does not hold investments or collateral securities that have a custodial credit risk exposure.

*Other limitations.* The firefighters' pension fund investments in Collateralized Mortgage Obligations (CMOs) shall be limited to 15% of the market value of the total fixed income portfolio and shall be restricted to those issues backed by securities issued by the Government National Mortgage Association (GNMA), the Federal Home Loan Mortgage Corporation (FHLMC), or the Federal National Mortgage Association (FNMA). Also, the investments must pass the FFIEC High Risk Security Test on an annual basis. Any security in the portfolio that fails the FFIEC test shall be sold at the earliest beneficial opportunity.

**NOTE F – PROPERTY TAX**

Property taxes are levied on November 1 of each year and are payable upon receipt of the Notice of Tax Levy. The Manatee County, Florida, Tax Collector's Office bills and collects property taxes on behalf of the city.

The tax rate to finance general governmental services and general obligation debt service for the fiscal year ended September 30, 2006 was \$4.75 per \$1,000 of assessed taxable property value. Property tax revenues are currently recognized in the fiscal year for which the taxes are levied. On May 1 of each year, unpaid taxes become a lien on the property. The past-due tax certificates are sold at public auction and the proceeds thus collected are remitted to the city.

No accrual for the property tax levy becoming due in November 2007 is included in the accompanying financial statements since such taxes do not meet the necessary criteria.

The City of Bradenton / Manatee County property tax calendar is as follows:

July 1	Assessment roll validated
September 30	Millage resolution approved
October 1	Beginning of fiscal year for which tax is to be levied
November 1	Tax bills rendered
November 1 – March 31	Property taxes due with various discount rates
April 1	Taxes delinquent
May 31	Tax certificates sold by Manatee County

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**NOTE G – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2006, was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
<b>Governmental activities</b>				
Capital assets not being depreciated				
Land	\$ 3,016,957	75,590	834,832	2,257,715
Construction in progress	1,798,340	93,060	1,798,340	93,060
Total capital assets not being depreciated	4,815,297	168,650	2,633,172	2,350,775
Other capital assets				
Buildings	18,908,413	113,978	--	19,022,391
Other improvements	7,582,668	472,801	11,220	8,044,249
Machinery and equipment	12,562,279	2,446,730	602,463	14,406,546
Infrastructure	3,784,017	--	--	3,784,017
Total other capital assets at historical cost	42,837,377	3,033,509	613,683	45,257,203
Less accumulated depreciation for				
Buildings	4,188,790	433,751	--	4,622,541
Other improvements	4,053,508	394,090	3,366	4,444,232
Machinery and equipment	8,970,405	1,420,178	428,699	9,961,884
Infrastructure	75,680	75,680	--	151,360
Total accumulated depreciation	17,288,383	2,323,699	432,065	19,180,017
Governmental activities capital assets, net	<u>\$ 30,364,291</u>	<u>878,460</u>	<u>2,814,790</u>	<u>28,427,961</u>
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$ 5,336,748	756,979	--	6,093,727
Construction in progress	2,061,414	896,889	949,461	2,008,842
Total capital assets not being depreciated	7,398,162	1,653,868	949,461	8,102,569
Other capital assets				
Buildings	17,732,218	8,964,180	--	26,696,398
Other improvements	112,804,138	1,417,078	1,690,104	112,531,112
Machinery and equipment	8,879,889	1,612,482	720,284	9,772,087
Infrastructure	--	1,690,104	--	1,690,104
Total other capital assets at historical cost	139,416,245	13,683,844	2,410,388	150,689,701
Less accumulated depreciation for				
Buildings	8,365,695	313,839	--	8,679,534
Other improvements	64,188,609	3,788,102	28,168	67,948,543
Machinery and equipment	5,616,585	1,059,650	658,040	6,018,195
Infrastructure	--	56,337	--	56,337
Total accumulated depreciation	78,170,889	5,217,928	686,208	82,702,609
Business-type activities capital assets, net	<u>\$ 68,643,518</u>	<u>10,119,784</u>	<u>2,673,641</u>	<u>76,089,661</u>

CITY OF BRADENTON, FLORIDA  
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Depreciation expense was charged to functions as follows:

	Depreciation Expense
Governmental activities	
General government	\$ 590,783
Public safety	871,737
Transportation	167,525
Community development	18,616
Housing assistance	27,386
Culture and recreation	647,652
Total governmental activities - depreciation expense	\$ 2,323,699
Business-type activities	
Water-sewer utility	\$ 4,492,436
Sanitation	530,046
Parking	14,818
Golf course	180,628
Total business-type activities - depreciation expense	\$ 5,217,928

Commitments

Commitments under uncompleted construction projects at September 30, 2006 consist of the following:

	Amounts Authorized	Expended to Date	Committed
Capital project funds			
Manatee Avenue W. (1 <sup>st</sup> to 15 <sup>th</sup> Streets)	\$ 3,300,000	378,902	2,921,098
Enterprise funds			
Watershed study	145,299	26,231	119,068
10 <sup>th</sup> Avenue East drainage	1,177,822	166,181	1,011,641
Elevated storage tank	1,667,974	100,021	1,567,953
Lift station improvements	2,188,153	267,324	1,920,829
Total	\$ 8,479,248	938,659	7,540,589

**NOTE H – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund balances at September 30, 2006 consisted of:

		Due from / advances from:			
		General Fund	Utility Tax Fund	Nonmajor Governmental	Total
Due to / advances to:	General fund	\$ --	--	34,024	34,024
	Other governmental funds	95	--	8,656	8,751
	Water-Sewer	--	3,417,951	--	3,417,951
	Sanitation	535,388	874,334	--	1,409,722
	Total	\$ 535,483	4,292,285	42,680	4,870,448

All advances resulted from loans made to establish working capital; there are budgeted collections for the subsequent year.

CITY OF BRADENTON, FLORIDA  
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All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers for the year ended September 30, 2006 consisted of:

	<b>Transfers To:</b>					
	General Fund	Parking Garage Fund	Nonmajor Governmental	Sanitation	Internal Service Fund	Total
<b>Transfers From:</b>						
General Fund	\$ --	13,271	318,618	--	700,000	1,031,889
Utility Tax	4,086,337	--	374,805	--	--	4,461,142
Franchise Tax	3,573,026	--	518,192	34,759	--	4,125,977
Half-Cent Sales Tax	4,052,403	--	--	--	--	4,052,403
Nonmajor Governmental	2,951,852	--	252,323	--	--	3,204,175
Water-Sewer Utility	--	--	--	--	250,000	250,000
Parking Garage Fund	--	20,118	10,583	--	--	30,701
Nonmajor Enterprise	25,000	--	--	--	--	25,000
Internal Service Funds	--	--	--	--	450,000	450,000
<b>Total</b>	<b>\$ 14,688,618</b>	<b>33,389</b>	<b>1,474,521</b>	<b>34,759</b>	<b>1,400,000</b>	<b>17,631,287</b>

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; (2) move receipts restricted to debt service *from* the funds collecting the receipts *to* the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budget authorizations.

**NOTE I – CAPITAL LEASES**

The city has entered into lease agreements as lessee for financing the acquisition of copiers and two fire trucks. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	Governmental Activities	Enterprise (Business-like) Activities
Machinery and equipment	\$ 1,785,948	204,769
Less accumulated depreciation	(1,313,794)	(203,181)
<b>Total</b>	<b>\$ 472,154</b>	<b>1,588</b>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2006, were as follows:

Year Ended September 30:	Governmental Activities	Enterprise (Business-like) Activities
2007	\$ 78,002	9,688
2008	73,970	--
2009	73,970	--
2010	73,970	--
2011	55,477	--
Less interest	(27,801)	(1,690)
<b>Present value of minimum lease payments</b>	<b>\$ 327,588</b>	<b>7,998</b>

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**NOTE J – LONG-TERM LIABILITIES**

**Long-Term Liability Activity**

Long-term liability activity for the year ended September 30, 2006, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Transfers</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental activities</b>						
Bonds / notes payable						
Revenue bonds - subordinate lien	\$ 2,301,225	--	(159,600)	--	2,141,625	171,000
Promissory note - capital improvements	1,059,294	--	(350,000)	--	709,294	350,000
Promissory note - franchise fees	5,073,643	--	(233,319)	--	4,840,324	245,989
Promissory note - Parking Garage Loan I	5,847,643	--	(210,020)	(5,637,623)	--	--
Promissory note - Florida Municipal	2,790,000	--	(110,000)	--	2,680,000	115,000
Promissory notes – Parking Garage Loan II	--	1,200,000	(30,054)	(1,169,946)	--	--
Parking Garage Loan III	--	1,800,000	(30,191)	(1,769,809)	--	--
Total bonds/ notes payable	17,071,805	3,000,000	(1,123,184)	(8,577,378)	10,371,243	881,989
Estimated claims payable for internal service funds	1,616,702	819,331	(301,173)	--	2,134,860	874,832
Capital leases – fire trucks	379,580	--	(60,110)	--	319,470	62,476
Capital leases - copiers	25,842	--	(17,724)	--	8,118	3,961
Compensated absences	769,978	786,795	(749,561)	--	807,212	--
Governmental activities long-term liabilities	<u>\$ 19,863,907</u>	<u>4,606,126</u>	<u>(2,251,752)</u>	<u>(8,577,378)</u>	<u>13,640,903</u>	<u>1,823,258</u>
<b>Business-type activities</b>						
Bonds / notes payable						
Utility System Refunding Revenue 1995A	\$ 8,622,605	359,766	(2,340,000)	--	6,642,371	2,340,000
Subordinate Lien Refunding 1995	718,775	--	(50,400)	--	668,375	54,000
Promissory Note: Utility Refunding 2005	7,669,413	--	--	--	7,669,413	58,268
State Revolving Loan - Wastewater	89,213	237,900	--	--	327,113	16,877
State Revolving Loan - Stormwater	113,430	--	--	--	113,430	21,345
Promissory Notes - Parking Garage Loan I	--	--	--	5,637,623	5,637,623	218,159
Parking Garage Loan II	--	--	--	1,169,946	1,169,946	41,271
Parking Garage Loan III	--	--	--	1,769,809	1,769,809	61,592
Total bonds/notes payable	17,213,436	597,666	(2,390,400)	8,577,378	23,998,080	2,811,512
Capital lease	12,155	--	(4,157)	--	7,998	7,998
Customer deposits	1,858,587	591,329	(351,671)	--	2,098,245	--
Compensated absences	323,171	21,084	(32,231)	--	312,024	--
Total long-term liabilities	19,407,349	1,210,079	(2,778,459)	8,577,378	26,416,347	2,819,510
Less deferred amount on refunding	98,533	47,980	(15,668)	--	130,845	--
Business-type activities long-term liabilities	<u>\$ 19,308,816</u>	<u>1,162,099</u>	<u>(2,762,791)</u>	<u>8,577,378</u>	<u>26,285,502</u>	<u>2,819,510</u>

Payments on bonds and notes that pertain to the city's governmental activities are made by the debt service fund.

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**Description of Debt**

	<u>Governmental</u>	<u>Business-type</u>
<b>\$4,575,000</b> Subordinate Lien Special Revenue Refunding Bonds – Series 1995 were issued for the purpose of providing funds to refund the Golf Course Revenue Bonds – Series 1985 and the Florida League of Cities loan. The principal is being repaid through 2015 with interest at 3.7% to 5.25%. They are secured by various special revenue sources. The debt is allocated between governmental and business-type activities.	\$ 2,141,625	668,375
<b>\$3,150,000</b> Capital Improvement Revenue Bonds Series 1998 were issued for the purpose of providing funds to finance the acquisition and construction of certain capital improvements to Pirate City, the city-owned sports complex. The principal of the bonds is being repaid quarterly at \$87,500 with a final payment of \$87,500 due June 1, 2008. Interest is paid at a variable rate, currently 4.35%.	709,294	--
<b>\$6,113,889</b> The Franchise Fees Promissory Note, Series 2000 was issued for the purpose of financing the cost of constructing the new City Centre. The bonds are payable from and secured by a lien on certain franchise fees received by the city. The principal of the bonds is being repaid quarterly at \$124,683 with a final payment of \$124,683 due May 1, 2020. Interest is paid at a variable rate, currently 3.6091%.	4,840,324	--
<b>\$3,100,000</b> The Florida Municipal Loan 2001A was issued for the purpose of financing the cost of constructing 3 <sup>rd</sup> Avenue West improvements, Rossi Waterfront Park improvements and further extension of 3 <sup>rd</sup> Avenue East to U.S. 41. The principal of the loan is being repaid annually with a final payment of \$235,000 due November 1, 2021. Interest is paid at a variable rate, currently 4.05%.	2,680,000	--
<b>\$15,605,705</b> The city issued Utility System Refunding Revenue Bonds, Series 1995 to advance refund that portion of the city's outstanding Utility System Refunding Revenue Bonds, Series 1988A maturing in the years 2003 through 2011 inclusive, and all of the city's outstanding Utility System Revenue Bonds, Series 1988B. The Series 1995A bonds are being issued as additional parity bonds under the bond resolution on a parity with the city's Utility System Refunding Revenue Bonds, Series 1988A maturing in the years 1995 through 2002 consisting of \$4,231,764 in aggregated accreted value of capital appreciation bonds as of March 1, 1995 and \$7,930,000 in aggregate principal amount of current interest bonds which are currently outstanding and yielding at 5.40% to 5.75% from 2003 to 2008.	--	6,642,371
<b>\$6,000,000</b> Promissory Note - Judicial Center Parking Garage Loan I was issued for the purpose of financing the cost of construction of the Judicial Center Parking Garage. The principal of the loan is being repaid quarterly with a final payment of \$106,585.94 due December 16, 2024. Interest is paid at a variable rate, currently 4.02209%.	--	5,637,623
<b>\$7,669,413</b> Promissory Note was issued to redeem the city's Utility System Refunding Revenue Bonds, Series 1995A, which mature in the years of 2009, 2010, and 2011. The Series 1995A was called for optional redemption on October 1, 2005. The principal of the note is being repaid annually with a final payment of \$2,587,805 due October 1, 2011. Interest is paid at a variable rate, currently 3.73%.	--	7,669,413
<b>\$494,600</b> Clean Water State Revolving Fund - Wastewater was issued to complete preconstruction activities for various identified wastewater projects. The loan principal is to be repaid in semiannual payments with a final payment of \$7,504 due March 15, 2010.	--	327,113
<b>\$601,860</b> Clean Water State Revolving Fund - Stormwater was issued to complete preconstruction activities for various identified stormwater projects. The loan principal is to be repaid in semiannual payments with a final payment of \$10,108 due March 15, 2010.	--	113,430
<b>\$1,200,000</b> Promissory Note – Judicial Center Parking Garage Loan II was issued for the purpose of financing the cost of construction of the Judicial Center Parking Garage. The principal of the loan is being repaid quarterly with a final payment of \$21,549 due December 15, 2025. Interest is paid at a variable rate, currently 3.4015%.	--	1,169,946
<b>\$1,800,000</b> Promissory Note - Judicial Center Parking Garage Loan III was issued for the purpose of financing the cost of construction of the Judicial Center Parking Garage. The principal of the loan is being repaid quarterly with a final payment of \$32,335 due February 14, 2026. Interest is paid at a variable rate, currently 3.28%.	--	1,769,809
<b>Total bonds and notes</b>	<u>\$ 10,371,243</u>	<u>23,998,080</u>

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**Debt Maturity**

Debt service requirements at September 30, 2006 were as follows:

<b>Governmental Activities – Revenue Bonds and Notes</b>				
Year Ended September 30	Revenue Bonds		Promissory Notes	
	Principal	Interest	Principal	Interest
2007	\$ 710,989	403,998	171,000	111,494
2008	728,667	373,084	178,600	103,514
2009	407,686	345,517	186,200	94,859
2010	418,237	324,298	197,600	85,646
2011	438,889	302,022	205,200	75,761
2012 – 2016	2,579,441	1,129,817	1,203,025	207,984
2017 – 2021	2,710,709	371,766	--	--
2022 – 2026	235,000	5,581	--	--
Total	<u>\$ 8,229,618</u>	<u>3,256,083</u>	<u>2,141,625</u>	<u>679,258</u>

<b>Business-type Activities – Revenue Bonds</b>		
Year Ended September 30	Water and Sewer Utility	
	Principal	Interest
2007	\$ 2,683,987	639,060
2008	2,739,582	629,069
2009	2,756,632	610,785
2010	2,868,533	542,650
2011	2,967,616	426,999
2012 – 2016	5,239,288	1,187,466
2017 - 2021	2,557,446	648,060
2022 - 2026	2,184,996	158,667
Total	<u>\$ 23,998,080</u>	<u>4,842,756</u>

**Other Long-Term Debt Information**

Subordinate Lien Special Revenue Refunding Bonds, Series 1995

These bonds are payable from and secured by a lien on the local government half-cent sales taxes, utility taxes, and the guaranteed entitlement portion of the state revenue-sharing funds. This lien is subordinate and inferior to the lien attached to certain outstanding utility revenue bonds of the city.

Utility System Refunding Revenue Bonds, Series 1988A and 1995A

Revenues of the utility tax and local government half-cent sales tax funds together with the net revenues of the utility system are pledged to the debt service requirements of the Utility System Refunding Revenue Bonds, Series 1988A and the Utility System Refunding Revenue Bonds, Series 1995A. After the water and sewer utility has provided for current debt service requirements, these revenues become available to finance general governmental operations.

Utility System Bonds, series 1954, 1961, 1964, 1968 and 1974 were fully defeased by the issuance of the 1977 bonds. Utility System Bonds series 1977 were fully defeased by the issuance of the 1984 bonds. Utility System Bonds series 1984 and 1985 were fully defeased by the issuance of the 1988A bonds. The 1995A bonds partially defeased the 1988A bonds. Following is a schedule of the outstanding portions of those issues.

Balances at September 30, 2006 were as follows:

Utility System Bonds, Series 1988A\*                      \$ 11,722,371

\* Partial in-substance defeasance in 1995

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

In accordance with bond covenants and Section 148 of the Internal Revenue Code, the city is required to rebate to the U.S. Treasury every five years, earnings on bond proceeds in excess of the bond yield. For the year ended September 30, 2006, no amounts were earned that will have to be rebated to the U.S. Treasury for 2006.

From time to time, the city has issued Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the city, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2006, there were four series of Industrial Revenue Bonds outstanding with an aggregate principal amount payable of \$8,376,181.

**NOTE K – SEGMENT INFORMATION**

The city issued separate revenue bonds to finance its golf course. Investors in these bonds rely solely on the revenue generated by the golf course for repayment. Summary financial information is presented below.

<b>CONDENSED STATEMENT OF NET ASSETS</b>	<b>Golf Course</b>
Assets	
Current assets	\$ 722,156
Restricted investments	207,667
Capital assets	2,720,672
Other assets	6,226
Total assets	3,656,721
Liabilities	
Accounts payable	14,265
Other current liabilities	28,134
Noncurrent liabilities	642,999
Total liabilities	685,398
Net assets	
Invested in capital assets, net of related debt	2,077,673
Restricted	207,667
Unrestricted	685,983
Total net assets	\$ 2,971,323
<b>CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET ASSETS</b>	
Operating revenues (pledged against bonds)	\$ 1,276,770
Depreciation expense	(180,628)
Other operating expenses	(1,064,946)
Operating income	31,196
Non-operating revenues (expenses):	
Interest income	31,805
Interest expense	(35,209)
Transfer	(25,000)
Change in net assets	2,792
Beginning net assets	2,968,531
Ending net assets	\$ 2,971,323

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

<b>CONDENSED STATEMENT OF CASH FLOW</b>	<u>Golf Course</u>
Net cash provided by:	
Operating activities	\$ 106,765
Non-capital and related financing activities	(25,000)
Capital and related financing activities	(216,538)
Investing activities	31,805
Net increase (decrease)	<u>(102,968)</u>
Beginning cash and cash equivalents	768,078
Ending cash and cash equivalents	<u>\$ 665,110</u>

**NOTE L – EMPLOYEE RETIREMENT SYSTEMS**

**City-Maintained Plans**

The city maintains single-employer, defined benefit pension plans for the fire and police departments, while all other employees participate in the Florida State Retirement System, a multiple-employer, cost-sharing public employee pension plan. For the city-maintained plans, assets are held separately and may be used only for the payment of benefits to the members of the respective plans.

Each plan's financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due pursuant to formal commitments and statutory requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. The firefighters' pension plan issues a financial report that includes financial statements and required supplementary information. The report may be obtained from the City of Bradenton City Clerk & Treasurer's office. No separate report is issued for the police officers' pension plan.

The plans have adopted Governmental Accounting Standards Board (GASB) Statement No. 25, Financial Reporting for Defined Benefit Pension Plans; and Statement No. 27, Accounting for Pensions by State and Local Governmental Employers. In addition to other disclosures GASB requires, for the current year and each of the two preceding years, annual pension cost, percentage of annual pension cost contributed, and the net pension obligation at the end of the year. This information is presented later in this note. A schedule of funding progress and a schedule of employer contributions that include historical trend information about the annual required contributions of the employer are included for the police officers' pension plan as required supplementary information to the financial statements.

The administrative costs for both the firefighters' pension plan and the police officers' pension plan are financed through the plan contributions and investment earnings.

**Plan Descriptions**

**FIREFIGHTERS' PENSION PLAN**

The City of Bradenton Firefighters' Retirement System (the "plan"), a defined benefit single-employer public employee retirement plan, is administered in accordance with City of Bradenton Ordinance No. 2706 as approved April 23, 2003, along with subsequent amendments. The plan is subject to the provisions of Chapter 175 of the Florida Statutes. The city's total payroll for fire personnel at the year ended September 30, 2006 was \$5,985,642, compared to \$23,729,359 for the city's entire payroll. At September 30, 2006, membership consisted of:

	<u>2006</u>
Retirees and beneficiaries:	
Currently receiving benefits	40
Terminated with vested benefits	2
Current employees:	
Vested	29
Non-vested	<u>40</u>
Total	<u>111</u>

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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The plan covers permanent and probationary City of Bradenton employees who are classified as uniform fire personnel. Any participant who has creditable service of ten years and has attained age 55, or has creditable service of 25 years is eligible for normal retirement. Such a retiree would receive a normal retirement benefit of three percent (3%) of average final compensation (average of the employee's salary for the two best years of the last ten years of credited service, or the career average, whichever is greater) multiplied by years of credited service.

Any participant who has creditable service of ten years and has attained age 50 or has creditable service of 20 years is eligible for early retirement and may elect a deferred or immediate benefit. A deferred benefit is calculated and commences in accordance with the normal retirement formula except that credited service and average final compensation are determined as of the early retirement date. An immediate benefit commences on the early retirement date and is determined in accordance with an actuarially adjusted early retirement formula.

The plan provides for pre-retirement death benefits for both vested and nonvested members. If a member was vested, the beneficiary may elect to receive a refund of the member's accumulated benefits or a computed benefit payable over ten years. The beneficiary can make an election to receive a ten-year benefit immediately, or at the retiree's scheduled early or normal retirement date. The ten-year benefit is calculated as for normal retirement based on the deceased member's credited service and average final compensation as of the date of death and reduced as for early retirement, if applicable. The beneficiary of a deceased nonvested member shall receive a refund of the member's accumulated contributions.

An annual three percent (3%) cost-of-living adjustment is added to normal and early retirement benefits and pre-retirement death benefits effective every October 1<sup>st</sup> following the date the retiree attains, or would have attained, age 55. These increases cease when the retiree attains, or would have attained, age 64. The monthly benefit for every retiree or their beneficiary who was receiving a normal, early, or disability retirement benefit or pre-retirement benefit or pre-retirement death benefit on or before October 1, 1999, is increased by \$10 for each year of full retirement up to a maximum of \$100.

The plan provides disability benefits for both duty-related and non-duty-related disabilities. Disability caused by performance of duties is computed at three percent (3%) of average final compensation multiplied by years of credited service. Duty-related disability benefits cannot be less than 42 percent of the average final compensation of the member.

Upon the death of a line-of-duty or non-line-of-duty disabled member, the surviving spouse receives a monthly benefit equal to two-thirds (2/3) of the member's monthly pension.

Every plan participant with ten years or more of credited service is eligible to receive non-line-of-duty disability benefits. A non-line-of-duty disability is computed at two percent (2%) of the average final compensation multiplied by the total years of credited service. Non-line-of-duty disability benefits cannot be less than 25 percent of the average final compensation of the member.

Participants are required to contribute seven percent (7%) of their annual salary to the plan. If an employee separates from service before achieving ten years of credited service, the employee may either request a refund of their accumulated contribution or they may leave it deposited with the plan. If an employee has more than ten years of credited service upon termination the member, upon reaching normal retirement, is entitled to a monthly retirement benefit equal to three percent (3%) of their average final compensation multiplied by years of credited service, provided the member does not elect to withdraw their accumulated contributions and they survive to the normal retirement date.

Other contributions are received from the State of Florida and the City of Bradenton. The State of Florida contribution results from the city's share of insurance tax. The city contributes an amount to make the fund actuarially sound, but not less than eight percent (8%) of payroll.

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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**POLICE OFFICERS' PENSION PLAN**

The City of Bradenton police officers' pension plan, a defined benefit single-employer public employee retirement plan, is administered in accordance with city charter and Florida Statute 185. The city's total current year payroll for police personnel at the year ended September 30, 2006 was \$9,625,587, compared to \$23,729,359 for the entire city's payroll. At October 1, 2006 membership consisted of:

	<u>2006</u>
Retirees, disabled participants, and beneficiaries:	
Currently receiving benefits	45
Terminated (not receiving benefits)	2
Members in DROP	3
Current employees:	
Vested	33
Non-vested	<u>84</u>
Total	<u>167</u>

The plan covers permanent City of Bradenton police officers. Normal retirement is based on 20 years of creditable service and the attainment of age 45. Such a retiree would receive a normal retirement benefit of three percent (3%) of average final compensation times credited service, plus \$10 per month for each year of service.

The plan provides disability benefits for both duty-related and non-duty-related disabilities. All members are eligible for on-duty benefits; ten years of service is needed for non-duty benefits. The benefit is equal to the accrued pension with a minimum equal to 60% of average final compensation for on-duty disability. Pre-retirement death benefits while on duty is the accrued pension with a minimum of 60% of average final compensation payable to spouse and \$20 per month payable on behalf of each child. For non-duty death benefits if vested but not eligible to retire, a spouse receives accrued pension for ten years starting when the member would have reached age 47. If eligible to retire, a spouse receives accrued pension for life. Unvested employees receive a refund of member contributions.

Participants are required to contribute six percent (6%) of their annual salary to the plan. If an employee separates service from the city before achieving ten years of credited service, the employee will receive 100% of their contributions.

Other contributions are received from the State of Florida and the City of Bradenton. The State of Florida contribution results from the city's share of insurance tax. The City of Bradenton is required to fund any deficiencies between the total actuarial contribution requirement, the State Casualty Insurance Premium Tax and the employee contributions. The city's minimum contribution is eight percent (8%) of annual compensation.

**Funding Status and Progress**

The amount shown below as the actuarial accrued liability is a measure intended to help users assess (i) a pension fund's funded status on an ongoing concern basis, and (ii) progress being made toward accumulating the assets needed to pay benefits as due. Allocation of the actuarial present value of projected benefits between past and future service was based on service using the individual entry-age actuarial cost method. Assumptions, including projected pay increases, were the same as used to determine the fund's level dollar of payroll annual required contribution between entry-age and assumed exit age. Entry-age was established by subtracting credited service from current age on the valuation date.

**FIREFIGHTERS' PENSION PLAN**

As of October 1, 2005, the actuarial accrued liability in excess of assets was \$5,757,701 determined as follows:

Actuarial accrued liability	\$ 29,584,872
Actuarial value of assets	<u>23,827,171</u>
Actuarial accrued liability in excess of assets	<u>\$ 5,757,701</u>

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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For the actuarial report dated October 1, 2005, the plan experienced a net change of (\$120,768) in the actuarial accrued liability. The unfavorable experience included a 5.9% investment return (Actuarial Asset basis) that was less than the 8.0% assumption, and average salary increases that exceeded the assumed rate. These losses were partially offset by the effects of favorable turnover and the death of one disability retiree.

**POLICE OFFICERS' PENSION PLAN**

As of October 1, 2005, the actuarial accrued liability in excess of assets was \$2,994,645 determined as follows:

Actuarial accrued liability	\$ 38,321,211
Actuarial value of assets	<u>35,326,566</u>
Actuarial accrued liability in excess of assets	<u>\$ 2,994,645</u>

For the actuarial report dated October 1, 2005, the plan experienced a net change of \$1,587,286 in the actuarial accrued liability. The gain is due in part to lower than expected salary increase, higher than expected turnover, and higher than expected investment return. The net gain has decreased the required employer contribution by 1.54% of covered payroll.

**Contributions**

**FIREFIGHTERS' PENSION PLAN**

The plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due.

The annual required contribution for the current year was determined as part of the October 1, 2005, actuarial valuation using the entry-age normal actuarial cost method. The actuarial assumptions included both (a) an 8% investment rate of return (net of administrative expenses) and (b) projected salary increases of 6% per year. Both (a) and (b) included an inflation component of 5%. The assumptions did not include post-retirement benefit increases, which are funded by state appropriation when granted. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The unfunded actuarial accrued liability is being amortized as a level dollar amount over the remaining 28 years of the amortization period, originally 30 years.

During the year ended September 30, 2006 contributions totaling \$1,106,356 were made in accordance with contribution requirements determined by an actuarial valuation of the plan as of October 1, 2005. The city contributed \$565,181, members contributed \$274,523, and the state contributed \$266,652. The state contributions were deposited into the city's account; the city then issued a check to the plan.

<b>Three-Year Trend Information</b>			
<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage Of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2004	\$ 252,323	100%	0
September 30, 2005	335,392	100%	0
September 30, 2006	501,837	110%	0

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

**Schedule of Funding Progress**  
(in thousands of dollars)

Actuarial Valuation Date October 1	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2003	\$ 21,708	23,391	92.8	1,683	3,064	54.9
2004	22,460	27,856	80.6	5,396	3,425	157.5
2005	23,827	29,585	80.5	5,758	3,677	156.8

Analysis of the dollar amounts of actuarial value of assets, or actuarial accrued liability, in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the firefighters' retirement system's funding status on an ongoing-concern basis. Analysis of this percentage over time indicates whether the plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan.

Valuation Date: October 1, 2005

Actuarial cost method	Frozen Entry Age
Amortization method	Level % of Pay Closed
Remaining amortization period	26 years
Asset valuation method	4-Year Smoothing
Actuarial assumptions:	
Investment rate of return	8.0% per year
Projected salary increases	6.0%
Inflation	3.0%
Post-retirement COLA (age 55 to 64)	3.0%

**POLICE OFFICERS' PENSION PLAN**

The plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The plan uses the Aggregate Actuarial Cost Method to determine funding requirements. This method does not identify or separately amortize unfunded actuarial liabilities. During the year ended September 30, 2006, contributions totaling \$2,181,155 were to be made in accordance with contribution requirements determined by an actuarial valuation of the plan as of October 1, 2005. The city's actual contribution was \$1,250,564, the state's was \$591,986, and members contributed \$338,605. The state contributions were deposited into the city's account; the city then issued a check to the plan. The expenses associated with the plan were \$1,306,754.

**Three-Year Trend Information**

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage Of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2003	\$ 1,096,111	96.5%	\$ (1,079,565)
September 30, 2004	1,368,207	104.0%	(1,134,224)
September 30, 2005	1,441,508	96.9%	(1,089,243)

The plan has reflected the negative net pension obligation in the current financial statements.

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

**Schedule of Funding Progress**  
(in thousands of dollars)

Actuarial Valuation Date October 1	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) – (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2003	\$ 29,280	32,043	91.4	2,763	5,147	53.7
2004	32,233	36,476	88.4	4,242	5,872	72.2
2005	35,327	38,321	92.2	2,994	5,909	50.7

Analysis of the dollar amounts of actuarial value of assets, or actuarial accrued liability, in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the police pension plan's funding status on an ongoing-concern basis. Analysis of this percentage over time indicates whether the plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation.

Expressing the unfunded actuarial accrued liability as a percentage of covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan.

Additional information as of the latest actuarial valuation follows:

Valuation Date: October 1, 2005	
Actuarial cost method	Entry age
Amortization method	Level percent, closed
Remaining amortization period	30 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	9.1% to 7.0% depending on service
Inflation	4.0%
Cost-of-living adjustments	2.0% (one-half assumed rate of inflation)

Employer Fiscal Year Ending September 30:	2006	2005	2004
A. Annual Required Contribution (ARC) *	\$ 1,681,366	1,396,527	1,327,257
B. Interest on Net Pension Obligation (NPO)	(87,139)	(90,738)	(86,365)
C. Adjustment to ARC	(130,275)	(135,719)	(127,315)
D. Annual pension cost (A + B – C)	1,724,502	1,441,508	1,368,207
E. Actual contributions	1,250,564	1,396,527	1,422,866
F. NPO at beginning of year	(1,089,243)	(1,134,224)	(1,079,565)
G. Increase (decrease) in NPO (D – E)	473,938	44,981	(54,659)
H. NPO at end of year (F + G)	(615,305)	(1,089,243)	(1,134,224)

\* Includes expected state contribution

\*\* Not determined at time of actuarial study

Although the actuarial study does not reflect actual city contributions of \$1,250,564, based on our calculations the NPO at year end will be (\$615,305).

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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CITY OF BRADENTON  
STATEMENT OF NET ASSETS  
POLICE PENSION FUND  
September 30, 2006

<b>Assets</b>	
Cash and cash equivalents	\$ 330,747
Due from city	498,643
Interest receivable	125,369
Investments, at fair market	
U.S. Government obligations	6,624,813
Domestic corporate bonds	6,544,513
Domestic stock	16,928,894
International funds	8,390,150
Total investments	<u>38,488,370</u>
Total assets	39,443,129
<b>Liabilities</b>	
Accounts payable	<u>34,412</u>
Total liabilities	<u>34,412</u>
Net Assets held in trust for pension benefits and other purposes	<u>\$ 39,408,717</u>

CITY OF BRADENTON  
STATEMENT OF CHANGES IN NET ASSETS  
POLICE PENSION FUND  
For the Year Ended September 30, 2006

<b>Additions</b>	
Contributions	
Employer	\$ 1,250,564
Plan members	338,605
State of Florida (from the city's general fund)	<u>591,986</u>
Total contributions	2,181,155
Investment earnings	
Interest	671,657
Dividends	112,556
Miscellaneous	2,657
Net increase in the fair value of investments	<u>1,791,363</u>
Total investment earnings	2,578,233
Less investment expenses	<u>209,245</u>
Net investment earnings	<u>2,368,988</u>
Total additions	4,550,143
<b>Deductions</b>	
Benefits	1,223,585
Refunds of contributions	20,451
Administrative expenses	<u>62,718</u>
Total deductions	<u>1,306,754</u>
Change in net assets	3,243,389
Net assets – beginning	<u>36,165,328</u>
Net assets – ending	<u>\$ 39,408,717</u>

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

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**Investments**

Investments are reported at fair value in accordance with GASB Statement No. 25. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value.

The fair value of the investments of each of the pension plans at September 30, 2006, is as follows. Investments that represent five percent (5%) or more of the plans' net assets are separately identified.

	<u>Fair Value</u>
<b>Firefighters' pension plan</b>	
U.S. Government securities	\$ 6,472,780
Common stock	14,196,947
Corporate bonds	705,647
International funds	3,819,886
Total	<u>\$ 25,195,260</u>

	<u>Fair Value</u>
<b>Police officers' pension plan</b>	
U.S. Government obligations	\$ 6,624,813
International funds	8,390,150
Common stock	16,928,894
Mutual funds	330,747
Corporate bonds	6,544,513
Total	<u>\$ 38,819,117</u>

**Other Employees' Pension Plans**

**FLORIDA RETIREMENT SYSTEM**

Substantially all full-time city employees (except police and fire) are participants in the Florida Retirement System (the "System"), a multiple-employer, cost-sharing public retirement system. The System, which is controlled by the state legislature and administered by the State of Florida's Department of Administration, Division of Retirement, covers approximately 650,000 full-time employees of various governmental units within the state of Florida.

The System provides for vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. Early retirement is available after six years of service with a five percent (5%) reduction of benefits for each year prior to the normal retirement age. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings. City employees are not required to contribute to this retirement plan.

The city has no responsibility to the System other than to make the periodic payments required by state statutes. The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Florida Division of Retirement, 2639 Monroe Street, Building C, Tallahassee, FL 32399-1560.

Participating employer contributions are based upon state-wide rates established by the State of Florida. These rates are applied to employee salaries as follows: regular employees, 9.85%; special risk employees, 18.53%, and elected officials, 15.23%. The city's contributions made during the years ended September 30, 2006, 2005, and 2004 were \$1,165,110, \$1,007,267, and \$970,076, respectively; equal to the actuarially determined contribution requirements for each year. The city has determined, in accordance with GASB Statement No. 27, that there was no pension liability before or at transition.

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

**NOTE M – WATER AND SEWER UTILITY RATE COVENANTS**

The city has agreed, in authorizing ordinances, that it will fix, establish and maintain such rates and collect such fees, rentals and other charges for the services and facilities of the water and sewer utility systems, and revise the same from time to time whenever necessary. The ordinances further establish that such rates, fees, rentals and charges will always provide "gross revenues" in each fiscal year sufficient to pay the cost of operation and maintenance of the system in such fiscal year, along with all reserve and other payments required to be made, and will further be sufficient to provide an amount equal to 110% of the bond service requirement becoming due in such fiscal year on all outstanding bonds. The city has complied with these ordinances for the year ended September 30, 2006 as follows:

**WATER AND SEWER UTILITY**

Revenues of the system		\$ 17,626,662
Interest earnings of the system		567,340
Guaranteed state revenue		376,545
Local half-cent tax revenue		3,915,794
Utility tax fund		<u>3,923,729</u>
Gross revenues of the system		26,410,070
Operations and maintenance of the system (excluding depreciation and amortization)		(11,136,105)
Bond service requirement:		
2005 Utility Systems Refunding Revenue Bonds	\$ 2,643,309	
	<u>        x 115%</u>	
	<u>\$ 3,039,805</u>	<u>(3,039,805)</u>
Excess rate coverage		<u>\$ 12,234,160</u>

**NOTE N – DEFERRED COMPENSATION PLAN**

The city offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan, available to all city employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Plan amendments have been made so that the plan is in compliance with IRC Section 457, as amended by the 1996 changes to the tax code. The assets are now held in various custodial accounts. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the various participants of the plan.

**NOTE O – RISK MANAGEMENT AND SELF-INSURANCE PROGRAMS**

Risk Management: The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance.

Medical Self-Insurance Program: The city maintains a self-insurance program with regard to medical benefits for employees and dependents. The city pays the entire cost of the program for active employees. Dependent and retiree coverage is optional and the cost is paid by employee contributions. Risks in excess of fixed individual limits of \$100,000 annually are co-insured with an outside insurance carrier.

Workers' Compensation Self-Insurance Program: The city maintains a self-insurance program with regard to workers' compensation benefits for employees. The city pays the entire cost of the program. Risks in excess of \$400,000 annually are co-insured with an outside insurance carrier.

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

Both the medical self-insurance and the workers' compensation plans are accounted for through separate internal service funds. Revenues for these funds consist of amounts contributed by employees and other city funds. Both revenues and the related charges are recorded as interfund services. Accordingly, the related charges are reflected as expenditures, or expense items, in the appropriate funds.

The plans are reviewed annually by an actuarial firm. These studies are used to determine the basis for premiums charged to various city departments for their workers' compensation insurance, and to city employee's dependents (medical insurance).

Estimated liabilities for claims incurred but not reported are accrued based on projections from historical data.

There have been no significant reductions in insurance coverage for the current fiscal year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The self-insurance funds establish a liability for both reported and unreported events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represents the changes in approximate aggregate liabilities for the city from October 1, 2004 to September 30, 2006:

	Medical Self-Insurance Program	Workers' Compensation Self-Insurance Program
Liability balance, September 30, 2004	\$ 301,173	1,340,044
Claims and changes in estimates	4,639,504	979,050
Claims payments	(4,639,504)	(1,003,565)
Liability balance, September 30, 2005	301,173	1,315,529
Claims and changes in estimates	4,593,400	2,388,026
Claims payments	(4,654,029)	(1,809,239)
Liability balance, September 30, 2006	\$ 240,544	1,894,316
Assets available to pay claims at September 30, 2006	\$ 1,688,541	7,275,006

**NOTE P – CONTINGENT LIABILITIES**

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

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the government.

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

**NOTE Q – COMPONENT UNITS**

The following is a schedule of financial information for the city's four component units (entities for which the city is considered to be financially accountable). The City of Bradenton's component units are the Bradenton Downtown Development Authority, the Bradenton Community Redevelopment Agency, the 14<sup>th</sup> Street Community Redevelopment Agency, and the Central Community Redevelopment Agency.

	Bradenton Downtown Development Authority				Totals
	Bradenton Downtown Development Authority	Bradenton Community Redevelopment Agency	14 <sup>th</sup> Street Community Redevelopment Agency	Central Community Redevelopment Agency	
<b>Assets</b>					
Current assets					
Cash and cash equivalents	\$ --	2,945,103	1,272,439	1,773,968	5,991,510
Prepaid insurance	--	--	--	1,890	1,890
Prepaid rent	--	--	--	7,280	7,280
Deferred charges	--	--	--	4,444	4,444
Total current assets	--	2,945,103	1,272,439	1,787,582	6,005,124
Noncurrent assets					
Capital assets (net of accumulated depreciation)	--	3,233	2,316,169	3,163,568	5,482,970
Total assets	--	2,948,336	3,588,608	4,951,150	11,488,094
<b>Liabilities</b>					
Current liabilities					
Accounts payable	--	744,117	34,073	473,268	1,251,458
Accrued interest payable	--	--	--	40,844	40,844
Total current liabilities	--	744,117	34,073	514,112	1,292,302
Noncurrent liabilities					
Due within in one year	--	210,445	2,247,007	230,848	2,688,300
Due in more than one year	--	398,673	419,664	4,117,567	4,935,904
Total noncurrent liabilities	--	609,118	2,666,671	4,348,415	7,624,204
Total liabilities	--	1,353,235	2,700,744	4,862,527	8,916,506
<b>Net Assets</b>					
Invested in capital assets, net of related debt	--	3,233	616,169	442,303	1,061,705
Unrestricted	--	1,591,868	271,695	(353,680)	1,509,883
Total net assets	\$ --	1,595,101	887,864	88,623	2,571,588

CITY OF BRADENTON, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

	Functions / Programs of Primary Government				Totals
	Bradenton Downtown Development Agency	Bradenton Community Redevelopment Agency	14 <sup>th</sup> Street Community Redevelopment Agency	Central Community Redevelopment Agency	
Expense	\$ --	(1,895,241)	(154,044)	(1,919,634)	(3,968,919)
Interest on long term debt	--	(52,392)	(37,155)	(142,581)	(232,128)
Charges for services	--	--	--	1,401	1,401
Net (expense) revenue and change in net assets of component unit	--	(1,947,633)	(191,199)	(2,060,814)	(4,199,646)
General revenues					
Tax increment revenues	--	2,224,471	619,268	1,148,785	3,992,524
Investment earnings	--	131,599	46,158	36,867	214,624
Rental income	--	--	--	162,098	162,098
Total general revenues	--	2,356,070	665,426	1,347,750	4,369,246
Change in net assets	--	408,437	474,227	(713,064)	169,600
Net assets – beginning	--	1,186,664	413,637	801,687	2,401,988
Net assets – ending	\$ --	1,595,101	887,864	88,623	2,571,588

**NOTE R – SUBSEQUENT EVENTS**

The City of Bradenton has entered into a tentative 30-year lease agreement with the Pittsburgh Pirates' Major League Baseball franchise. This lease agreement is contingent upon the city securing financing for the redevelopment of the Pittsburgh Pirates' spring training facilities. To assist with the payment of this debt, the city has obtained a Pro Sports Grant from the State of Florida and is due to receive \$500,000 annually for 30 years. These payments are matching funds and will begin in March 2007.

## **Required Supplementary Information**

In accordance with the Governmental Accounting Standards Board Statement Number 34, the following budgetary comparisons for the General Fund, the Utility Tax Special Revenue Fund, the Franchise Tax Special Revenue Fund, the Local Government Half-Cent Sales Tax Special Revenue Fund and Parking Garage Construction Capital Projects Fund are a required part of the basic financial statements.

CITY OF BRADENTON, FLORIDA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 12,640,310	12,850,910	12,851,008	98
License and permits	884,732	1,208,732	1,209,567	835
Intergovernmental grants	250,000	306,450	306,421	(29)
Intergovernmental revenues	1,797,619	2,156,928	2,157,252	324
Shared revenues	1,103,577	1,074,977	1,074,823	(154)
Payments in lieu of taxes	--	37,400	37,420	20
Charges for services	1,858,084	1,991,366	1,991,797	431
Fines and forfeitures	229,425	443,525	443,675	150
Interest and investment earnings	630,688	960,488	960,535	47
Rents	237,127	631,727	632,094	367
Sales of property	39,500	4,852,900	4,853,057	157
Miscellaneous	108,750	397,766	372,999	(24,767)
Cash carryforward	1,245,489	--	--	--
<b>Total revenues</b>	<b>21,025,301</b>	<b>26,913,169</b>	<b>26,890,648</b>	<b>(22,521)</b>
<b>Expenditures</b>				
General government services	9,474,248	9,712,898	9,685,207	27,691
Public safety	17,488,185	18,640,996	18,647,250	(6,254)
Transportation	3,811,066	3,813,616	3,796,308	17,308
Culture - recreation	2,609,075	2,418,595	2,413,482	5,113
<b>Total expenditures</b>	<b>33,382,574</b>	<b>34,586,105</b>	<b>34,542,247</b>	<b>43,858</b>
Excess (deficiency) of revenues over expenditures	(12,357,273)	(7,672,936)	(7,651,599)	21,337
<b>Other financing sources (uses)</b>				
Contingencies	(100,000)	(5,983,423)	--	5,983,423
Transfers from other funds	12,756,991	14,725,648	14,688,618	(37,030)
Transfers to other funds	(299,718)	(1,031,889)	(1,031,889)	--
<b>Total other financing sources (uses)</b>	<b>12,357,273</b>	<b>7,710,336</b>	<b>13,656,729</b>	<b>5,946,393</b>
Net change in fund balances	--	37,400	6,005,130	5,967,730
Fund balance - October 1, 2005 as previously stated	12,728,122	12,728,122	12,728,122	--
Prior period adjustment	769,978	769,978	769,978	--
Fund balance - October 1, 2005 as restated	13,498,100	13,498,100	13,498,100	--
Fund balance - September 30, 2006	<u>\$ 13,498,100</u>	<u>13,535,500</u>	<u>19,503,230</u>	<u>5,967,730</u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
UTILITY TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 3,338,000	3,923,705	3,923,729	24
Interest and investment earnings	<u>94,837</u>	<u>137,437</u>	<u>137,453</u>	<u>16</u>
Total revenues	3,432,837	4,061,142	4,061,182	40
<b>Other financing sources (uses)</b>				
Transfer from:				
Enterprise fund	400,000	400,000	--	(400,000)
Transfers to:				
General fund	(3,465,432)	(4,086,337)	(4,086,337)	--
Debt service fund	<u>(367,405)</u>	<u>(374,805)</u>	<u>(374,805)</u>	<u>--</u>
Total other financing sources (uses)	<u>(3,432,837)</u>	<u>(4,061,142)</u>	<u>(4,461,142)</u>	<u>(400,000)</u>
Excess of revenues over other financing sources (uses)	--	--	(399,960)	(399,960)
Fund balance - October 1, 2005	<u>7,129,870</u>	<u>7,129,870</u>	<u>7,129,870</u>	<u>--</u>
Fund balance - September 30, 2006	<u><u>\$ 7,129,870</u></u>	<u><u>7,129,870</u></u>	<u><u>6,729,910</u></u>	<u><u>(399,960)</u></u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
FRANCHISE TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 2,375,090	3,647,774	3,647,783	9
Interest and investment earnings	415,228	478,203	478,203	--
Total revenues	<u>2,790,318</u>	<u>4,125,977</u>	<u>4,125,986</u>	<u>9</u>
<b>Other financing uses</b>				
Operating transfers to:				
General fund	(2,288,103)	(3,573,026)	(3,573,026)	--
Sanitation fund	(20,000)	(34,759)	(34,759)	--
Debt service fund	(482,215)	(518,192)	(518,192)	--
Total other financing uses	<u>(2,790,318)</u>	<u>(4,125,977)</u>	<u>(4,125,977)</u>	<u>--</u>
Excess of revenues over other financing uses	--	--	9	9
Fund balance - October 1, 2005	<u>8,953,140</u>	<u>8,953,140</u>	<u>8,953,140</u>	<u>--</u>
Fund balance - September 30, 2006	<u><u>\$ 8,953,140</u></u>	<u><u>8,953,140</u></u>	<u><u>8,953,149</u></u>	<u><u>9</u></u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
LOCAL GOVERNMENT HALF-CENT SALES TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 3,885,692	3,915,794	3,915,794	--
Interest and investment earnings	<u>122,329</u>	<u>136,609</u>	<u>136,611</u>	<u>2</u>
Total revenues	4,008,021	4,052,403	4,052,405	2
<b>Other financing uses</b>				
Operating transfers to:				
General fund	<u>(4,008,021)</u>	<u>(4,052,403)</u>	<u>(4,052,403)</u>	<u>--</u>
Total other financing uses	<u>(4,008,021)</u>	<u>(4,052,403)</u>	<u>(4,052,403)</u>	<u>--</u>
Excess of revenues over other financing uses	--	--	2	2
Fund balance - October 1, 2005	<u>2,929,322</u>	<u>2,929,322</u>	<u>2,929,322</u>	<u>--</u>
Fund balance - September 30, 2006	<u><u>\$ 2,929,322</u></u>	<u><u>2,929,322</u></u>	<u><u>2,929,324</u></u>	<u><u>2</u></u>



City of Bradenton, Florida

## **Required Supplementary Information**

In accordance with the Governmental Accounting Standards Board Statements Number 25 and 27, the following historical trend information of the city's Police Pension Trust Fund is a required part of the basic financial statements.

CITY OF BRADENTON, FLORIDA  
POLICE OFFICERS' PENSION PLAN  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
(in millions of dollars)

Actuarial Valuation Date <u>October 1</u>	(1) Actuarial Value of <u>Assets</u>	(2) Actuarial Liability (AAL) <u>Entry Age</u>	(3) Funded Ratio <u>(1) / (2)</u>	(4) Unfunded AAL (UAAL) <u>(2) - (1)</u>	(5) Covered <u>Payroll</u>	(6) UAAL as a Percentage of Covered Payroll <u>(4) / (5)</u>
2001	28.38	26.08	108.8	(2.31)	4.58	(50.4)
2002	28.99	29.26	99.1	(2.31)	4.42	(6.2)
2003	29.28	32.04	91.4	2.76	5.15	53.7
2004	32.23	36.48	88.4	4.20	5.88	72.2
2005	35.33	38.32	92.2	2.90	5.91	50.7

Analysis of the dollar amounts of actuarial value of assets or actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the police officers' pension plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the plan. Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended <u>September 30</u>	Annual Required <u>Contribution</u>	Percentage <u>Contributed</u>
2000	\$ 501,920	100.0%
2001	515,165	145.7%
2002	684,809	112.0%
2003	1,052,774	100.4%
2004	1,327,257	107.2%
2005	1,247,288	100.0%
2006	1,178,944	100.0%

CITY OF BRADENTON, FLORIDA  
POLICE OFFICERS' PENSION PLAN  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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The information presented in the Required Supplementary Information schedule was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation Date	10/1/05
Contribution Rates	
Employer (and State)	26.25%
Plan members	6.00%
Actuarial cost method	Entry age
Amortization method	Level percent, closed
Remaining amortization period	30 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	9.1 to 7.0% (depending on service)
Includes inflation at	4.0%
Cost-of-living adjustments	2.0% (one-half of assumed rate of inflation)



City of Bradenton, Florida

# 2005 – 06 Comprehensive Annual Financial Report



## Combining & Individual Fund Statements and Schedules Section

## **Combining and Individual Fund Statements and Schedules**

These financial statements provide a more detailed view of the “Basic Financial Statements” presented in the preceding subsection.

Combining statements are presented when there is more than one fund of a given fund type. Individual fund statements are presented when there is only one fund of a given type. They are also necessary to present budgetary comparisons.

Financial schedules are presented to provide greater detailed information than reported in the financial statements. Schedules also present information that is spread throughout the statements that can be brought together and shown in greater detail.



CITY OF BRADENTON, FLORIDA  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Taxes</b>				
General property taxes	\$ 12,405,310	12,597,010	12,597,102	92
Other taxes	<u>235,000</u>	<u>253,900</u>	<u>253,906</u>	<u>6</u>
<b>Total taxes</b>	<b>12,640,310</b>	<b>12,850,910</b>	<b>12,851,008</b>	<b>98</b>
<b>Licenses and permits</b>				
Local business tax	268,150	255,650	255,610	(40)
Building permits	517,000	753,400	753,429	29
Electrical permits	83,257	177,757	177,790	33
Other taxes and permits	13,325	18,925	19,005	80
Penalties	<u>3,000</u>	<u>3,000</u>	<u>3,733</u>	<u>733</u>
<b>Total licenses and permits</b>	<b>884,732</b>	<b>1,208,732</b>	<b>1,209,567</b>	<b>835</b>
Intergovernmental grants	250,000	306,450	306,421	(29)
<b>Intergovernmental revenues</b>				
State revenue sharing	1,727,619	1,960,719	1,960,892	173
State mobile home licenses	31,000	36,400	36,446	46
State alcohol beverage licenses	29,500	38,200	38,254	54
Other grants	<u>9,500</u>	<u>121,609</u>	<u>121,660</u>	<u>51</u>
<b>Total intergovernmental revenues</b>	<b>1,797,619</b>	<b>2,156,928</b>	<b>2,157,252</b>	<b>324</b>
<b>Shared revenues</b>				
Ninth cent gas tax	298,735	294,135	294,054	(81)
Four cent gas tax	567,134	550,134	550,129	(5)
Two cent gas tax	<u>237,708</u>	<u>230,708</u>	<u>230,640</u>	<u>(68)</u>
<b>Total shared revenues</b>	<b>1,103,577</b>	<b>1,074,977</b>	<b>1,074,823</b>	<b>(154)</b>
<b>Charges for services</b>				
General government fees	1,653,889	1,741,241	1,741,667	426
Marina rental revenue	92,795	138,525	138,622	97
Culture and recreation	<u>111,400</u>	<u>111,600</u>	<u>111,508</u>	<u>(92)</u>
<b>Total charges for services</b>	<b>1,858,084</b>	<b>1,991,366</b>	<b>1,991,797</b>	<b>431</b>
Fines and forfeitures	229,425	443,525	443,675	150
Interest and investment earnings	630,688	960,488	960,535	47
Payments in lieu of taxes	--	37,400	37,420	20
Rents	237,127	631,727	632,094	367
Sales of property	39,500	4,852,900	4,853,057	157
Miscellaneous	108,750	397,766	372,999	(24,767)
Cash carryforward	<u>1,245,489</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total revenues</b>	<b>\$ 21,025,301</b>	<b>26,913,169</b>	<b>26,890,648</b>	<b>(22,521)</b>

CITY OF BRADENTON, FLORIDA  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
For the Fiscal Year Ended September 30, 2006

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
<b>General Government</b>				
Legislative:				
Personnel services	\$ 388,390	398,990	398,919	71
Operating expenditures	100,428	112,428	109,487	2,941
Capital outlay	--	3,900	3,931	(31)
Total Legislative	488,818	515,318	512,337	2,981
Executive - City Clerk:				
Personnel services	394,971	405,071	367,775	37,296
Operating expenditures	2,347,807	2,345,607	2,342,090	3,517
Capital outlay	--	4,300	43,612	(39,312)
Total Executive - City Clerk	2,742,778	2,754,978	2,753,477	1,501
Financial:				
Personnel services	308,991	305,091	303,821	1,270
Operating expenditures	28,365	35,765	35,017	748
Capital outlay	5,600	4,000	6,047	(2,047)
Total Financial	342,956	344,856	344,885	(29)
Human Resources:				
Personnel services	256,361	280,441	280,769	(328)
Operating expenditures	108,750	127,350	122,375	4,975
Total Human Resources	365,111	407,791	403,144	4,647
Administration:				
Personnel services	188,290	184,190	178,582	5,608
Operating expenditures	17,199	10,799	7,206	3,593
Capital outlay	--	--	936	(936)
Total Administration	205,489	194,989	186,724	8,265
Legal counsel:				
Operating expenditures	146,500	216,150	216,158	(8)
Purchasing:				
Personnel services	171,051	170,551	168,488	2,063
Operating expenditures	32,255	24,555	18,195	6,360
Capital outlay	14,800	14,800	14,558	242
Total Purchasing	218,106	209,906	201,241	8,665

(Continued)

CITY OF BRADENTON, FLORIDA  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND  
For the Fiscal Year Ended September 30, 2006

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
Garage:				
Personnel services	\$ 680,389	565,182	559,578	5,604
Operating expenditures	403,125	499,425	497,566	1,859
Capital outlay	60,390	51,470	51,407	63
Total Garage	1,143,904	1,116,077	1,108,551	7,526
Facilities Maintenance:				
Personnel services	128,572	129,272	127,520	1,752
Operating expenditures	245,777	222,477	221,107	1,370
Capital outlay	33,500	14,000	13,942	58
Total Facilities Maintenance	407,849	365,749	362,569	3,180
Information Technology:				
Personnel services	570,565	588,265	587,662	603
Operating expenditures	267,486	806,086	805,307	779
Capital outlay	1,341,100	835,700	850,276	(14,576)
Total Information Technology	2,179,151	2,230,051	2,243,245	(13,194)
Electrical Maintenance:				
Personnel services	422,542	437,842	438,494	(652)
Operating expenditures	27,600	31,800	32,979	(1,179)
Capital outlay	217,500	327,719	327,709	10
Total Electrical Maintenance	667,642	797,361	799,182	(1,821)
Carpentry Maintenance:				
Personnel services	136,563	141,263	141,778	(515)
Operating expenditures	7,725	7,725	5,537	2,188
Capital outlay	3,500	1,100	1,040	60
Total Carpentry Maintenance	147,788	150,088	148,355	1,733
Code Enforcement:				
Personnel services	217,637	219,937	218,849	1,088
Operating expenditures	29,370	29,370	26,914	2,456
Capital outlay	30,500	16,200	18,343	(2,143)
Total Code Enforcement	277,507	265,507	264,106	1,401
Grants & Assistance:				
Personnel services	40,676	45,904	45,225	679
Operating expenditures	2,000	600	577	23
Total Grants & Assistance	42,676	46,504	45,802	702

(Continued)

CITY OF BRADENTON, FLORIDA  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND  
For the Fiscal Year Ended September 30, 2006

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
Risk Management:				
Personnel services	\$ 62,603	68,103	68,236	(133)
Operating expenditures	31,370	26,470	24,370	2,100
Capital outlay	4,000	3,000	2,825	175
Total Risk Management	<u>97,973</u>	<u>97,573</u>	<u>95,431</u>	<u>2,142</u>
Total General Government	<u>9,474,248</u>	<u>9,712,898</u>	<u>9,685,207</u>	<u>27,691</u>
<b>Public Safety</b>				
Law Enforcement:				
Personnel services	9,330,351	9,625,507	9,625,587	(80)
Operating expenditures	809,566	1,171,582	1,170,214	1,368
Capital outlay	380,472	288,772	298,808	(10,036)
Total Law Enforcement	<u>10,520,389</u>	<u>11,085,861</u>	<u>11,094,609</u>	<u>(8,748)</u>
Dispatching:				
Personnel services	603,067	597,167	596,846	321
Operating expenditures	38,452	24,752	22,227	2,525
Capital outlay	30,000	25,800	25,708	92
Total Dispatching	<u>671,519</u>	<u>647,719</u>	<u>644,781</u>	<u>2,938</u>
Fire Control:				
Personnel services	5,569,732	5,985,642	5,986,007	(365)
Operating expenditures	620,233	523,028	515,583	7,445
Capital outlay	106,312	398,746	406,270	(7,524)
Total Fire Control	<u>6,296,277</u>	<u>6,907,416</u>	<u>6,907,860</u>	<u>(444)</u>
Total Public Safety	<u>17,488,185</u>	<u>18,640,996</u>	<u>18,647,250</u>	<u>(6,254)</u>
<b>Transportation</b>				
Roads & Streets Facilities:				
Personnel services	842,434	803,334	793,371	9,963
Operating expenditures	965,551	1,018,451	1,014,815	3,636
Capital outlay	127,500	115,600	115,595	5
Total Roads & Streets Facilities	<u>1,935,485</u>	<u>1,937,385</u>	<u>1,923,781</u>	<u>13,604</u>
Engineering:				
Personnel services	359,652	387,952	388,484	(532)
Operating expenditures	24,500	40,150	39,725	425
Capital outlay	59,560	47,860	47,766	94
Total Engineering	<u>443,712</u>	<u>475,962</u>	<u>475,975</u>	<u>(13)</u>

(Continued)

CITY OF BRADENTON, FLORIDA  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)  
GENERAL FUND  
For the Fiscal Year Ended September 30, 2006

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
Planning & Community Development:				
Personnel services	\$ 913,531	933,831	933,658	173
Operating expenditures	424,038	414,438	410,281	4,157
Capital outlay	94,300	52,000	52,613	(613)
Total Planning & Community Development	<u>1,431,869</u>	<u>1,400,269</u>	<u>1,396,552</u>	<u>3,717</u>
Total Transportation	<u>3,811,066</u>	<u>3,813,616</u>	<u>3,796,308</u>	<u>17,308</u>
<b>Culture - Recreation</b>				
Parks and Recreation:				
Personnel services	1,288,159	1,330,659	1,331,169	(510)
Operating expenditures	234,100	196,900	194,602	2,298
Capital outlay	153,300	109,700	115,555	(5,855)
Total Parks and Recreation	<u>1,675,559</u>	<u>1,637,259</u>	<u>1,641,326</u>	<u>(4,067)</u>
Pirate City Complex:				
Personnel services	211,574	192,924	191,627	1,297
Operating expenditures	313,750	281,650	280,310	1,340
Capital outlay	113,000	69,300	68,657	643
Grants and aid	22,100	22,100	22,100	--
Total Pirate City Complex	<u>660,424</u>	<u>565,974</u>	<u>562,694</u>	<u>3,280</u>
Special Recreation Facilities:				
Personnel services	232,967	192,137	190,635	1,502
Operating expenditures	40,125	23,225	18,827	4,398
Total Special Recreation Facilities	<u>273,092</u>	<u>215,362</u>	<u>209,462</u>	<u>5,900</u>
Total Culture - Recreation	<u>2,609,075</u>	<u>2,418,595</u>	<u>2,413,482</u>	<u>5,113</u>
Total expenditures	<u>\$ 33,382,574</u>	<u>34,586,105</u>	<u>34,542,247</u>	<u>43,858</u>

## Nonmajor Governmental Funds

### Special Revenue Funds

Special revenues are used to account for the proceeds of specific revenue sources (other than special assessments) or to finance specified activities as required by law or administrative regulation.

**Parks & Recreation Impact Fee – District I Fund** – To account for the receipt, custody and expenditure (including operating transfers) of impact fee revenue.

**Parks & Recreation Impact Fee – District II Fund** - To account for the receipt, custody and expenditure (including operating transfers) of impact fee revenue.

**Public Safety Police Protection Fund** – To account for the receipt, custody and expenditure (including operating transfers) of impact fee revenue.

**Public Safety Fire Protection Fund** – To account for the receipt, custody and expenditure (including operating transfers) of impact fee revenue.

**Community Development Program Fund** – To account for the receipt, custody and expenditure of community development program grant funds.

**Housing Assistance Program Fund** – To account for the receipt, custody, and expenditure of housing assistance program grant funds.

**Shelter Plus Care** – To account for the receipt, custody, and expenditure of Shelter Plus Care grant funds.

**Fair Housing Grant** - To account for the receipt, custody, and expenditure of Fair Housing grant funds. This fund was closed out this fiscal year.

**Public Service Tax Fund** – To account for the receipt, custody, and expenditure (including operating transfers) of Public Service Tax received from the State of Florida.

**Municipal Waterfront Park Fund** – To account for the receipt, custody and expenditure (including operating transfers) of all revenues generated by waterfront park projects.

**State Housing Initiatives Partnership Program (S.H.I.P.P.)** – To account for the receipt, custody and expenditure of State Housing Initiatives Partnership Program grant funds.

**Local Law Enforcement Block Grant Fund** - To account for the receipt, custody, and expenditure of Local Law Enforcement Block Grant funds. This fund was closed out this fiscal year.

## **Nonmajor Governmental Funds**

### **Debt Service Funds**

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

**1995 Subordinate Lien Special Revenue Refunding Bonds** – 3.7% to 5.3% interest rates, payable in installments from \$145,000 to \$270,000, maturing in 2015.

**Franchise Fees Promissory Note 2000** - Variable interest rate, currently at 5.2500%, due in quarterly installments of principal and interest, maturing in 2020.

**1998 Capital Improvement Revenue Bonds** – Variable interest rate, currently at 1.31876%, due in quarterly installments of principal and interest, maturing in 2008.

**Florida Municipal Loan 2001A** – 3.25% to 5.25% interest rates, payable in installments from \$100,000 to \$235,000, maturing in 2021.

**Parking Garage Promissory Note** – Variable interest rate, currently at 3.8200%, due in quarterly installments of principal and interest, maturing in 2024. This note has been transferred to the Parking Fund.

### **Capital Projects Funds**

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

**General Projects Fund** – To account for general city construction projects that are financed by general government resources.

CITY OF BRADENTON, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 September 30, 2006

	Special Revenue Funds				
	Parks & Recreational Impact Fee - District I	Parks & Recreational Impact Fee - District II	Public Safety Police Protection	Public Safety Fire Protection	Community Development Program
<b>Assets</b>					
Cash and cash equivalents	\$ 263,205	103,447	473,975	555,344	135,327
Investments	--	--	--	--	--
Due from other funds	--	--	--	--	23,671
Due from other governments	--	--	--	--	--
Total assets	<u>\$ 263,205</u>	<u>103,447</u>	<u>473,975</u>	<u>555,344</u>	<u>158,998</u>
<b>Liabilities</b>					
Accounts payable	\$ --	--	--	--	--
Due to other funds	--	--	--	--	8,656
Unearned revenue	--	--	--	--	--
Accrued salaries, wages and benefits	--	--	--	--	2,189
Total liabilities	--	--	--	--	10,845
<b>Fund Balances</b>					
Reserved for retirement of bonds	--	--	--	--	--
Unreserved, undesignated	<u>263,205</u>	<u>103,447</u>	<u>473,975</u>	<u>555,344</u>	<u>148,153</u>
Total fund balances	<u>263,205</u>	<u>103,447</u>	<u>473,975</u>	<u>555,344</u>	<u>148,153</u>
Total liabilities and fund balances	<u>\$ 263,205</u>	<u>103,447</u>	<u>473,975</u>	<u>555,344</u>	<u>158,998</u>

Special Revenue Funds

Housing Assistance Program	Shelter Plus Care Grant	Fair Housing Grant	Public Service Tax	Municipal Waterfront Park	State Housing Initiatives Partnership Program	Local Law Enforcement Block Grant	Total
536,427	--	--	1,168,973	653,913	1,021,089	--	4,911,700
--	--	--	--	--	--	--	--
19,009	--	--	--	--	--	--	42,680
721	9,204	--	242,422	--	--	--	252,347
<u>556,157</u>	<u>9,204</u>	<u>--</u>	<u>1,411,395</u>	<u>653,913</u>	<u>1,021,089</u>	<u>--</u>	<u>5,206,727</u>
380	9,204	--	--	--	33,595	--	43,179
--	--	--	--	--	95	--	8,751
--	--	--	--	--	502,737	--	502,737
19,941	--	--	--	--	947	--	23,077
20,321	9,204	--	--	--	537,374	--	577,744
--	--	--	--	--	--	--	--
535,836	--	--	1,411,395	653,913	483,715	--	4,628,983
535,836	--	--	1,411,395	653,913	483,715	--	4,628,983
<u>556,157</u>	<u>9,204</u>	<u>--</u>	<u>1,411,395</u>	<u>653,913</u>	<u>1,021,089</u>	<u>--</u>	<u>5,206,727</u>

*(continued)*

CITY OF BRADENTON, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS (Continued)  
 September 30, 2006

	Debt Service Funds				
	1995 Subordinate Lien Special Revenue Refunding Bonds	Franchise Fees Promissory Note 2000	1998 Capital Improvement Revenue Bonds	Florida Municipal Loan 2001A	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 854,673	373,880	343,262	116,893	1,688,708
Investments	653,178	--	--	--	653,178
Due from other funds	--	--	--	--	--
Due from other governments	--	--	--	--	--
	<u>\$ 1,507,851</u>	<u>373,880</u>	<u>343,262</u>	<u>116,893</u>	<u>2,341,886</u>
<b>Liabilities</b>					
Accounts payable	\$ --	--	--	--	--
Due to other funds	--	--	--	--	--
Unearned revenue	--	--	--	--	--
Accrued salaries, wages and benefits	--	--	--	--	--
	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total liabilities	--	--	--	--	--
<b>Fund Balances</b>					
Reserved for retirement of bonds	279,221	--	--	--	279,221
Unreserved, undesignated	1,228,630	373,880	343,262	116,893	2,062,665
	<u>1,507,851</u>	<u>373,880</u>	<u>343,262</u>	<u>116,893</u>	<u>2,341,886</u>
Total fund balances	1,507,851	373,880	343,262	116,893	2,341,886
	<u>\$ 1,507,851</u>	<u>373,880</u>	<u>343,262</u>	<u>116,893</u>	<u>2,341,886</u>
Total liabilities and fund balances	\$ 1,507,851	373,880	343,262	116,893	2,341,886

<u>Capital Projects Funds</u>		
<u>General Projects</u>	<u>Total</u>	<u>Total Nonmajor Governmental Funds</u>
185,632	185,632	6,786,040
--	--	653,178
--	--	42,680
<u>49,990</u>	<u>49,990</u>	<u>302,337</u>
<u>235,622</u>	<u>235,622</u>	<u>7,784,235</u>
45,833	45,833	89,012
--	--	8,751
--	--	502,737
<u>--</u>	<u>--</u>	<u>23,077</u>
45,833	45,833	623,577
--	--	279,221
<u>189,789</u>	<u>189,789</u>	<u>6,881,437</u>
<u>189,789</u>	<u>189,789</u>	<u>7,160,658</u>
<u>235,622</u>	<u>235,622</u>	<u>7,784,235</u>

CITY OF BRADENTON, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended September 30, 2006

	Special Revenue Funds				
	Parks & Recreational Impact Fee - District I	Parks & Recreational Impact Fee - District II	Public Safety Police Protection	Public Safety Fire Protection	Community Development Program
<b>Revenues</b>					
Taxes	\$ 69,540	44,362	200,345	257,462	--
Intergovernmental grants	--	--	--	--	635,315
Interest and investment earnings	12,055	4,497	21,889	25,988	4,177
Rents	--	--	--	--	--
Contributions	--	--	--	--	--
Miscellaneous	--	--	--	--	11,919
Special assessments - property owners	--	--	--	--	48,675
<b>Total revenues</b>	<b>81,595</b>	<b>48,859</b>	<b>222,234</b>	<b>283,450</b>	<b>700,086</b>
<b>Expenditures</b>					
Current					
Economic environment	--	--	--	--	641,309
Debt service					
Principal	--	--	--	--	--
Interest	--	--	--	--	--
Fees and expenditures	--	--	--	--	--
Capital outlay	--	--	--	--	--
<b>Total expenditures</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>641,309</b>
Excess (deficit) of revenues over expenditures	81,595	48,859	222,234	283,450	58,777
<b>Other Financing Sources (Uses)</b>					
Transfers from other funds	--	--	--	--	--
Transfers to other funds	--	--	--	--	--
<b>Total other financing sources (uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net change in fund balances</b>	<b>81,595</b>	<b>48,859</b>	<b>222,234</b>	<b>283,450</b>	<b>58,777</b>
Fund balances - beginning	181,610	54,588	251,741	271,894	89,376
Fund balances - ending	<u>\$ 263,205</u>	<u>103,447</u>	<u>473,975</u>	<u>555,344</u>	<u>148,153</u>

Special Revenue Funds

Housing Assistance Program	Shelter Plus Care Grant	Fair Housing Grant	Public Service Tax	Municipal Waterfront Park	State Housing Initiatives Partnership Program	Local Law Enforcement Block Grant	Total
--	--	--	2,870,757	--	--	--	3,442,466
2,791,175	9,204	--	--	--	384,182	--	3,819,876
25,642	--	--	59,947	29,344	48,768	33	232,340
--	--	--	--	196,207	--	--	196,207
--	--	--	--	--	--	--	--
98,937	--	--	--	--	--	--	110,856
--	--	--	--	--	125,374	--	174,049
2,915,754	9,204	--	2,930,704	225,551	558,324	33	7,975,794
2,794,380	9,204	--	--	--	1,134,963	17,528	4,597,384
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
2,794,380	9,204	--	--	--	1,134,963	17,528	4,597,384
121,374	--	--	2,930,704	225,551	(576,639)	(17,495)	3,378,410
--	--	--	--	64,718	--	--	64,718
--	--	(370)	(2,930,704)	(273,101)	--	--	(3,204,175)
--	--	(370)	(2,930,704)	(208,383)	--	--	(3,139,457)
121,374	--	(370)	--	17,168	(576,639)	(17,495)	238,953
414,462	--	370	1,411,395	636,745	1,060,354	17,495	4,390,030
535,836	--	--	1,411,395	653,913	483,715	--	4,628,983

(continued)

CITY OF BRADENTON, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES (Continued)  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended September 30, 2006

Debt Service Funds

	1995 Subordinate Lien Special Revenue Refunding Bonds	Franchise Fees Promissory Note 2000	1998 Capital Improvement Revenue Bonds	Florida Municipal Loan 2001A	Parking Garage Promissory Note	Total
<b>Revenues</b>						
Taxes	--	--	--	--	--	--
Intergovernmental grants	--	--	--	--	--	--
Interest and investment earnings	38,729	7,148	6,273	712	--	52,862
Rents	--	--	--	--	--	--
Contributions	--	--	--	--	550,003	550,003
Miscellaneous	--	--	--	--	--	--
Special assessments - property owners	--	--	--	--	--	--
<b>Total revenues</b>	<b>38,729</b>	<b>7,148</b>	<b>6,273</b>	<b>712</b>	<b>550,003</b>	<b>602,865</b>
<b>Expenditures</b>						
<b>Current</b>						
Economic environment	--	--	--	--	--	--
<b>Debt Service</b>						
Principal	159,600	233,319	350,000	110,000	270,265	1,123,184
Interest	111,494	292,022	39,634	137,722	289,208	870,080
Fees and expenditures	--	--	--	1,605	1,113	2,718
Capital outlay	--	--	--	--	--	--
<b>Total expenditures</b>	<b>271,094</b>	<b>525,341</b>	<b>389,634</b>	<b>249,327</b>	<b>560,586</b>	<b>1,995,982</b>
Excess (deficit) of revenues over expenditures	(232,365)	(518,193)	(383,361)	(248,615)	(10,583)	(1,393,117)
<b>Other Financing Sources (Uses)</b>						
Transfers from other funds	253,900	518,192	374,805	250,540	10,583	1,408,020
Transfers to other funds	--	--	--	--	--	--
<b>Total other financing sources (uses)</b>	<b>253,900</b>	<b>518,192</b>	<b>374,805</b>	<b>250,540</b>	<b>10,583</b>	<b>1,408,020</b>
<b>Net change in fund balances</b>	<b>21,535</b>	<b>(1)</b>	<b>(8,556)</b>	<b>1,925</b>	<b>--</b>	<b>14,903</b>
Fund balances - beginning	1,486,316	373,881	351,818	114,968	--	2,326,983
Fund balances - ending	1,507,851	373,880	343,262	116,893	--	2,341,886

<u>Capital Projects Funds</u>		
<u>General Projects</u>	<u>Total</u>	<u>Total Nonmajor Governmental Funds</u>
--	--	3,442,466
49,990	49,990	3,869,866
6,324	6,324	291,526
--	--	196,207
--	--	550,003
--	--	110,856
--	--	174,049
<u>56,314</u>	<u>56,314</u>	<u>8,634,973</u>
--	--	4,597,384
--	--	1,123,184
--	--	870,080
--	--	2,718
<u>264,766</u>	<u>264,766</u>	<u>264,766</u>
<u>264,766</u>	<u>264,766</u>	<u>6,858,132</u>
(208,452)	(208,452)	1,776,841
1,783	1,783	1,474,521
--	--	(3,204,175)
<u>1,783</u>	<u>1,783</u>	<u>(1,729,654)</u>
(206,669)	(206,669)	47,187
<u>396,458</u>	<u>396,458</u>	<u>7,113,471</u>
<u>189,789</u>	<u>189,789</u>	<u>7,160,658</u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
PARKS & RECREATIONAL IMPACT FEE - DISTRICT I  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Impact fees	\$ 50,000	69,539	69,540	1
Interest and investment earnings	<u>3,720</u>	<u>12,055</u>	<u>12,055</u>	<u>--</u>
Total revenues	53,720	81,594	81,595	1
<b>Other financing uses</b>				
Reserve for contingencies	<u>(53,720)</u>	<u>(81,594)</u>	<u>--</u>	<u>81,594</u>
Excess of revenue over other financing uses	--	--	81,595	81,595
Fund balance - October 1, 2005	<u>181,610</u>	<u>181,610</u>	<u>181,610</u>	<u>--</u>
Fund balance - September 30, 2006	<u><u>\$ 181,610</u></u>	<u><u>181,610</u></u>	<u><u>263,205</u></u>	<u><u>81,595</u></u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
PARKS & RECREATIONAL IMPACT FEE - DISTRICT II  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Impact fees	\$ 15,000	44,360	44,362	2
Interest and investment earnings	<u>1,872</u>	<u>4,472</u>	<u>4,497</u>	<u>25</u>
Total revenues	16,872	48,832	48,859	27
<b>Other financing uses</b>				
Reserve for contingencies	<u>(16,872)</u>	<u>(48,832)</u>	<u>--</u>	<u>48,832</u>
Excess of revenues over other financing uses	--	--	48,859	48,859
Fund balance - October 1, 2005	<u>54,588</u>	<u>54,588</u>	<u>54,588</u>	<u>--</u>
Fund balance - September 30, 2006	<u><u>\$ 54,588</u></u>	<u><u>54,588</u></u>	<u><u>103,447</u></u>	<u><u>48,859</u></u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
PUBLIC SAFETY POLICE PROTECTION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Impact fees	\$ 35,000	200,345	200,345	--
Interest and investment earnings	<u>6,671</u>	<u>21,888</u>	<u>21,889</u>	<u>1</u>
Total revenues	41,671	222,233	222,234	1
<b>Other financing uses</b>				
Reserve for contingencies	<u>(41,671)</u>	<u>(222,233)</u>	<u>--</u>	<u>222,233</u>
Excess of revenues over other financing uses	--	--	222,234	222,234
Fund balance - October 1, 2005	<u>251,741</u>	<u>251,741</u>	<u>251,741</u>	<u>--</u>
Fund balance - September 30, 2006	<u>\$ 251,741</u>	<u>251,741</u>	<u>473,975</u>	<u>222,234</u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
PUBLIC SAFETY FIRE PROTECTION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Impact fees	\$ 40,000	257,400	257,462	62
Interest and investment earnings	<u>7,473</u>	<u>25,973</u>	<u>25,988</u>	<u>15</u>
Total revenues	47,473	283,373	283,450	77
<b>Other financing uses</b>				
Reserve for contingencies	<u>(47,473)</u>	<u>(283,373)</u>	<u>--</u>	<u>283,373</u>
Excess of revenues over other financing uses	--	--	283,450	283,450
Fund balance - October 1, 2005	<u>271,894</u>	<u>271,894</u>	<u>271,894</u>	<u>--</u>
Fund balance - September 30, 2006	<u><u>\$ 271,894</u></u>	<u><u>271,894</u></u>	<u><u>555,344</u></u>	<u><u>283,450</u></u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
COMMUNITY DEVELOPMENT PROGRAM FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Intergovernmental	\$ 552,863	635,315	635,315	--
Interest and investment earnings	--	4,177	4,177	--
Miscellaneous	1,500	25,904	11,919	(13,985)
Special assessments - property owners	--	48,674	48,675	1
Total revenues	<u>554,363</u>	<u>714,070</u>	<u>700,086</u>	<u>(13,984)</u>
<b>Expenditures</b>				
Economic environment				
Personal services	215,739	214,051	200,740	13,311
Operating expenditures	53,864	62,240	43,410	18,830
Capital outlay	25,000	50,908	50,784	124
Public assistance	254,363	377,474	346,375	31,099
Contingency	5,397	9,397	--	9,397
Total expenditures	<u>554,363</u>	<u>714,070</u>	<u>641,309</u>	<u>72,761</u>
Excess of revenues over expenditures	--	--	58,777	58,777
Fund balance - October 1, 2005	<u>89,376</u>	<u>89,376</u>	<u>89,376</u>	<u>--</u>
Fund balance - September 30, 2006	<u>\$ 89,376</u>	<u>89,376</u>	<u>148,153</u>	<u>58,777</u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
HOUSING ASSISTANCE PROGRAM FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Intergovernmental	\$ 2,794,608	2,791,175	2,791,175	--
Interest and investment earnings	--	25,641	25,642	1
Miscellaneous	--	98,453	98,937	484
Cash carryforward	<u>134,125</u>	<u>13,464</u>	<u>--</u>	<u>(13,464)</u>
Total revenues	2,928,733	2,928,733	2,915,754	(12,979)
<b>Expenditures</b>				
Economic environment:				
Personal services	414,973	416,573	401,212	15,361
Operating expenditures	61,440	59,840	52,266	7,574
Capital outlay	4,500	4,500	2,140	2,360
Public assistance	<u>2,447,820</u>	<u>2,447,820</u>	<u>2,338,762</u>	<u>109,058</u>
Total expenditures	2,928,733	2,928,733	2,794,380	134,353
Excess of revenues over expenditures	--	--	121,374	121,374
Fund balance - October 1, 2005	<u>414,462</u>	<u>414,462</u>	<u>414,462</u>	<u>--</u>
Fund balance - September 30, 2006	<u>\$ 414,462</u>	<u>414,462</u>	<u>535,836</u>	<u>121,374</u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
SHELTER PLUS CARE  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Intergovernmental	\$ --	9,204	9,204	--
Total revenues	--	9,204	9,204	--
<b>Expenditures</b>				
Economic environment				
Public assistance	--	9,204	9,204	--
Total expenditures	--	9,204	9,204	--
Excess of revenues over expenditures	--	--	--	--
Fund balance - October 1, 2005	--	--	--	--
Fund balance - September 30, 2006	<u>\$ --</u>	<u>--</u>	<u>--</u>	<u>--</u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
PUBLIC SERVICE TAX  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Taxes	\$ 2,895,243	2,870,757	2,870,757	--
Interest and investment earnings	<u>54,414</u>	<u>59,947</u>	<u>59,947</u>	<u>--</u>
Total revenues	2,949,657	2,930,704	2,930,704	--
<b>Other financing uses</b>				
Transfers to:				
General fund	<u>(2,949,657)</u>	<u>(2,930,704)</u>	<u>(2,930,704)</u>	<u>--</u>
Excess of revenues over other financing uses	--	--	--	--
Fund balance - October 1, 2005	<u>1,411,395</u>	<u>1,411,395</u>	<u>1,411,395</u>	<u>--</u>
Fund balance - September 30, 2006	<u><u>\$ 1,411,395</u></u>	<u><u>1,411,395</u></u>	<u><u>1,411,395</u></u>	<u><u>--</u></u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
MUNICIPAL WATERFRONT PARK FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Interest and investment earnings	\$ 30,473	29,345	29,344	(1)
Rents	<u>279,730</u>	<u>196,206</u>	<u>196,207</u>	<u>1</u>
Total revenues	310,203	225,551	225,551	--
<b>Other financing uses</b>				
Operating transfer from:				
General fund	64,718	64,718	64,718	
Operating transfers to:				
General fund	(20,778)	(20,778)	(20,778)	--
Debt service fund	(249,143)	(250,540)	(250,540)	--
Capital project fund	(105,000)	(1,783)	(1,783)	--
Reserve for contingencies	<u>--</u>	<u>(17,168)</u>	<u>--</u>	<u>17,168</u>
Total other financing uses	<u>(310,203)</u>	<u>(225,551)</u>	<u>(208,383)</u>	<u>17,168</u>
Excess of revenues over other financing uses	--	--	17,168	17,168
Fund balance - October 1, 2005	<u>636,745</u>	<u>636,745</u>	<u>636,745</u>	<u>--</u>
Fund balance - September 30, 2006	<u>\$ 636,745</u>	<u>636,745</u>	<u>653,913</u>	<u>17,168</u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM (S.H.I.P.P.) FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Intergovernmental	\$ 393,661	384,182	384,182	--
Interest and investment earnings	--	48,768	48,768	--
Special assessments - property owners	--	125,374	125,374	
Cash carryforward	--	577,206	--	<u>(577,206)</u>
Total revenues	393,661	1,135,530	558,324	(577,206)
<b>Expenditures</b>				
Economic environment				
Personal services	38,547	44,237	44,183	54
Operating expenditures	3,291	5,888	5,375	513
Public assistance	351,823	1,085,405	1,085,405	--
Total expenditures	<u>393,661</u>	<u>1,135,530</u>	<u>1,134,963</u>	<u>567</u>
(Deficit) of revenues over expenditures	--	--	(576,639)	(576,639)
Fund balance - October 1, 2005	<u>1,060,354</u>	<u>1,060,354</u>	<u>1,060,354</u>	--
Fund balance - September 30, 2006	<u>\$ 1,060,354</u>	<u>1,060,354</u>	<u>483,715</u>	<u>(576,639)</u>

CITY OF BRADENTON, FLORIDA  
SPECIAL REVENUE FUND  
LOCAL LAW ENFORCEMENT BLOCK GRANT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Interest and investment earnings	\$ --	--	33	33
Cash carryforward	--	<u>17,528</u>	--	<u>(17,528)</u>
Total revenues	--	17,528	33	(17,495)
<b>Expenditures</b>				
Economic environment				
Operating expenditures	--	94	94	--
Capital outlay	--	<u>17,434</u>	<u>17,434</u>	--
Total expenditures	--	<u>17,528</u>	<u>17,528</u>	--
(Deficit) of revenues over expenditures	--	--	(17,495)	(17,495)
Fund balance - October 1, 2005	<u>17,495</u>	<u>17,495</u>	<u>17,495</u>	--
Fund balance - September 30, 2006	<u><u>\$ 17,495</u></u>	<u><u>17,495</u></u>	<u><u>--</u></u>	<u><u>(17,495)</u></u>

CITY OF BRADENTON, FLORIDA  
DEBT SERVICE FUND  
1995 SUBORDINATE LIEN SPECIAL REVENUE REFUNDING BONDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Interest and investment earnings	\$ 43,585	38,729	38,729	--
Total revenues	43,585	38,729	38,729	--
<b>Expenditures</b>				
Loan principal repayments	171,000	159,600	159,600	--
Interest on bonds	103,514	111,493	111,494	(1)
Fiscal and service charges	4,071	4,071	--	4,071
Reserved for contingencies	--	17,465	--	(17,465)
Total expenditures	278,585	292,629	271,094	21,535
(Deficit) of revenues over expenditures	(235,000)	(253,900)	(232,365)	21,535
<b>Other financing sources</b>				
Transfers from local government:				
General fund	235,000	253,900	253,900	--
Total other financing sources	235,000	253,900	253,900	--
Excess of revenues and other financing sources over expenditures	--	--	21,535	21,535
Fund balance - October 1, 2005	1,486,316	1,486,316	1,486,316	--
Fund balance - September 30, 2006	<u>\$ 1,486,316</u>	<u>1,486,316</u>	<u>1,507,851</u>	<u>21,535</u>

CITY OF BRADENTON, FLORIDA  
DEBT SERVICE FUND  
FRANCHISE FEES PROMISSORY NOTE 2000  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Interest and investment earnings	\$ 16,540	7,149	7,148	(1)
Total revenues	16,540	7,149	7,148	(1)
<b>Expenditures</b>				
Loan principal repayments	233,319	233,319	233,319	--
Interest on note	265,436	292,022	292,022	--
Total expenditures	498,755	525,341	525,341	--
(Deficit) of revenues over expenditures	(482,215)	(518,192)	(518,193)	(1)
<b>Other financing sources</b>				
Transfers from franchise tax fund	482,215	518,192	518,192	--
Excess of revenues and other financing sources over expenditures	--	--	(1)	(1)
Fund balance - October 1, 2005	373,881	373,881	373,881	--
Fund balance - September 30, 2006	<u>\$ 373,881</u>	<u>373,881</u>	<u>373,880</u>	<u>(1)</u>

CITY OF BRADENTON, FLORIDA  
DEBT SERVICE FUND  
1998 CAPITAL IMPROVEMENT REVENUE BONDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Interest and investment earnings	\$ 14,849	14,849	6,273	(8,576)
Total revenues	14,849	14,849	6,273	(8,576)
<b>Expenditures</b>				
Loan principal repayments	350,000	350,000	350,000	--
Interest on bonds	32,254	39,654	39,634	20
Total expenditures	382,254	389,654	389,634	20
(Deficit) of revenues over expenditures	(367,405)	(374,805)	(383,361)	(8,556)
<b>Other financing sources</b>				
Transfer from utility tax fund	367,405	374,805	374,805	--
Excess of revenues and other financing sources over expenditures	--	--	(8,556)	(8,556)
Fund balance - October 1, 2005	351,818	351,818	351,818	--
Fund balance - September 30, 2006	<u>\$ 351,818</u>	<u>351,818</u>	<u>343,262</u>	<u>(8,556)</u>

CITY OF BRADENTON, FLORIDA  
DEBT SERVICE FUND  
FLORIDA MUNICIPAL LOAN 2001A  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Interest and investment earnings	\$ 682	682	712	30
Total revenues	682	682	712	30
<b>Expenditures</b>				
Loan principal repayments	110,000	110,000	110,000	--
Interest on bonds	136,325	137,722	137,722	--
Fees and expenses	3,500	3,500	1,605	1,895
Total expenditures	249,825	251,222	249,327	1,895
(Deficit) of revenues over expenditures	(249,143)	(250,540)	(248,615)	1,925
<b>Other financing sources</b>				
Transfer from municipal waterfront park	249,143	250,540	250,540	--
Excess of revenues and other financing sources over expenditures	--	--	1,925	1,925
Fund balance - October 1, 2005	114,968	114,968	114,968	--
Fund balance - September 30, 2006	<u>\$ 114,968</u>	<u>114,968</u>	<u>116,893</u>	<u>1,925</u>

CITY OF BRADENTON, FLORIDA  
DEBT SERVICE FUND  
PARKING GARAGE PROMISSORY NOTE  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
Contributions	\$ 540,844	540,844	550,003	9,159
Total revenues	540,844	540,844	550,003	9,159
<b>Expenditures</b>				
Loan principal repayments	282,543	282,543	270,265	12,278
Interest on bonds	258,301	258,301	289,208	(30,907)
Fees and expenses	--	--	1,114	(1,114)
Total expenditures	540,844	540,844	560,587	(19,743)
(Deficit) of revenues over expenditures	--	--	(10,584)	(10,584)
<b>Other financing sources</b>				
Transfers from local government:				
Parking fund	--	--	10,584	10,584
Total other financing sources	--	--	10,584	10,584
Excess (deficit) of revenues and other financing sources over expenditures	--	--	--	--
Fund balance - October 1, 2005	--	--	--	--
Fund balance - September 30, 2006	\$ --	--	--	--

CITY OF BRADENTON, FLORIDA  
CAPITAL PROJECTS FUND  
GENERAL PROJECTS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
<b>Revenues</b>				
Interest	\$ --	6,324	6,324	--
Intergovernmental grants	450,000	143,061	49,990	(93,071)
Cash carryforward	--	113,609	--	(113,609)
Total revenues	450,000	262,994	56,314	(206,680)
<b>Expenditures</b>				
Capital outlay	450,000	264,777	264,766	11
Total expenditures	450,000	264,777	264,766	11
(Deficit) of revenues over expenditures	--	(1,783)	(208,452)	(206,669)
<b>Other financing sources</b>				
Transfer from waterfront park fund	--	1,783	1,783	--
Total other financing sources	--	1,783	1,783	--
(Deficit) of revenues and other financing sources over expenditures	--	--	(206,669)	(206,669)
Fund balance - October 1, 2005	396,458	396,458	396,458	--
Fund balance - September 30, 2006	\$ 396,458	396,458	189,789	(206,669)

CITY OF BRADENTON, FLORIDA  
CAPITAL PROJECTS FUND  
PARKING GARAGE CONSTRUCTION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
For the Fiscal Year Ended September 30, 2006

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest and investment earnings	\$ --	9,810	9,811	1
Cash carryforward	<u>195,333</u>	<u>195,333</u>	<u>--</u>	<u>(195,333)</u>
Total revenues	195,333	205,143	9,811	(195,332)
<b>Expenditures</b>				
Debt service:				
Fees and expenditures	75,333	22,769	22,769	--
Capital outlay	<u>7,014,667</u>	<u>7,090,312</u>	<u>7,099,253</u>	<u>(8,941)</u>
Total expenditures	<u>7,090,000</u>	<u>7,113,081</u>	<u>7,122,022</u>	<u>(8,941)</u>
(Deficit) of revenues over expenditures	<u>(6,894,667)</u>	<u>(6,907,938)</u>	<u>(7,112,211)</u>	<u>(204,273)</u>
<b>Other financing sources</b>				
Issuance of debt	6,894,667	6,894,667	3,000,000	(3,894,667)
Operating transfers from:				
General fund	--	13,271	13,271	--
Parking fund	<u>--</u>	<u>--</u>	<u>20,118</u>	<u>20,118</u>
Total other financing uses	<u>6,894,667</u>	<u>6,907,938</u>	<u>3,033,389</u>	<u>(3,874,549)</u>
(Deficit) of revenues and other financing sources over expenditures	--	--	(4,078,822)	(4,078,822)
Fund balance - October 1, 2005	<u>4,078,822</u>	<u>4,078,822</u>	<u>4,078,822</u>	<u>--</u>
Fund balance - September 30, 2006	<u>\$ 4,078,822</u>	<u>4,078,822</u>	<u>--</u>	<u>(4,078,822)</u>



## **Internal Service Funds**

Internal service funds account for the cost of operating certain facilities used by other city departments. Actual costs include depreciation on the assets used to provide the services. The costs are billed to other departments based on the cost of providing units of service.

**Property Insurance** – To account for insurance of properties for all city departments.

**Medical Self-Insurance Program** – To account for the receipt, custody and expense of medical self-insurance program funds.

**Workers' Compensation Self-Insurance Program** – To account for the receipt, custody and expense of workers' compensation self-insurance program funds.

CITY OF BRADENTON, FLORIDA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
September 30, 2006

	<u>Property Insurance</u>	<u>Medical Self-Insurance Program</u>	<u>Workers' Compensation Self-Insurance Program</u>	<u>Total</u>
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 1,624,318	1,643,869	7,258,060	10,526,247
Receivables	7,153	30	16,946	24,129
Prepaid items	--	44,642	--	44,642
Total current assets	<u>\$ 1,631,471</u>	<u>1,688,541</u>	<u>7,275,006</u>	<u>10,595,018</u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	\$ 17,682	5,690	34,386	57,758
Estimated payable for outstanding claims	--	48,109	473,579	521,688
Total current liabilities	17,682	53,799	507,965	579,446
Noncurrent liabilities				
Estimated payable for outstanding claims	--	192,435	1,420,737	1,613,172
Total noncurrent liabilities	--	192,435	1,420,737	1,613,172
Total liabilities	17,682	246,234	1,928,702	2,192,618
Net assets				
Unrestricted	<u>1,613,789</u>	<u>1,442,307</u>	<u>5,346,304</u>	<u>8,402,400</u>
Total liabilities and net assets	<u>\$ 1,631,471</u>	<u>1,688,541</u>	<u>7,275,006</u>	<u>10,595,018</u>

CITY OF BRADENTON, FLORIDA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
For the Fiscal Year Ended September 30, 2006

	<u>Property Insurance</u>	<u>Medical Self-Insurance Program</u>	<u>Workers' Compensation Self-Insurance Program</u>	<u>Total</u>
Operating revenues				
Charges for services	\$ 744,814	4,875,549	2,100,986	7,721,349
Operating expenses				
Contractual services	620,369	700,547	281,671	1,602,587
Supplies and materials	--	--	5,491	5,491
Claims	<u>206,770</u>	<u>4,654,029</u>	<u>1,809,239</u>	<u>6,670,038</u>
Total operating expenses	<u>827,139</u>	<u>5,354,576</u>	<u>2,096,401</u>	<u>8,278,116</u>
Operating income (loss)	(82,325)	(479,027)	4,585	(556,767)
Non-operating revenues (expenses)				
Interest income and investment earnings	<u>74,761</u>	<u>14,218</u>	<u>--</u>	<u>88,979</u>
Income (loss) before transfers	(7,564)	(464,809)	4,585	(467,788)
Transfers				
In	--	1,400,000	--	1,400,000
Out	<u>--</u>	<u>--</u>	<u>(450,000)</u>	<u>(450,000)</u>
Net transfers	<u>--</u>	<u>1,400,000</u>	<u>(450,000)</u>	<u>950,000</u>
Change in net assets	(7,564)	935,191	(445,415)	482,212
Total net assets - beginning	<u>1,621,353</u>	<u>507,116</u>	<u>5,791,719</u>	<u>7,920,188</u>
Total net assets - ending	<u>\$ 1,613,789</u>	<u>1,442,307</u>	<u>5,346,304</u>	<u>8,402,400</u>

CITY OF BRADENTON, FLORIDA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
For the Fiscal Year Ended September 30, 2006

	Property Insurance	Medical Self-Insurance Program	Workers' Compensation Self-Insurance Program	Total
Cash flows from operating activities				
Receipts from charges for services	\$ 737,663	4,875,519	2,084,275	7,697,457
Payments to suppliers	(809,458)	(700,547)	(263,801)	(1,773,806)
Payments for employees	<u>--</u>	<u>(4,709,272)</u>	<u>(1,230,451)</u>	<u>(5,939,723)</u>
Net cash provided (used) by operating activities	<u>(71,795)</u>	<u>(534,300)</u>	<u>590,023</u>	<u>(16,072)</u>
Cash flows from noncapital financing activities				
Transfers in	--	1,400,000	--	1,400,000
Transfers out	<u>--</u>	<u>--</u>	<u>(450,000)</u>	<u>(450,000)</u>
Net cash provided (used) by capital and related financing activities	<u>--</u>	<u>1,400,000</u>	<u>(450,000)</u>	<u>950,000</u>
Cash flows from investing activities				
Interest and investment earnings received	<u>74,761</u>	<u>14,218</u>	<u>--</u>	<u>88,979</u>
Net increase (decrease) in cash and equivalents	2,966	879,918	140,023	1,022,907
Cash and cash equivalents, October 1, 2005	<u>1,621,352</u>	<u>763,951</u>	<u>7,118,037</u>	<u>9,503,340</u>
Cash and cash equivalents, September 30, 2006	<u>\$ 1,624,318</u>	<u>1,643,869</u>	<u>7,258,060</u>	<u>10,526,247</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (82,325)	(479,027)	4,585	(556,767)
Adjustments to reconcile operating income to cash provided (used) by operating activities:				
Decrease in due from other governments	(7,152)	(30)	(16,710)	(23,892)
Increase (decrease) in accounts payable	17,682	5,386	23,360	46,428
(Decrease) in claims payable	<u>--</u>	<u>(60,629)</u>	<u>578,788</u>	<u>518,159</u>
Total adjustments	<u>10,530</u>	<u>(55,273)</u>	<u>585,438</u>	<u>540,695</u>
Net cash provided (used) by operating activities	<u>\$ (71,795)</u>	<u>(534,300)</u>	<u>590,023</u>	<u>(16,072)</u>

## **Fiduciary Funds**

### **Trust Funds**

Trust funds are used to account for assets held by the government in a trustee capacity. They are accounted for in essentially the same manner as enterprise funds since capital maintenance is critical.

### **Pension Trust Funds**

**Firefighters' Pension Fund** – To account for the financial operation and condition of the firefighters' pension fund.

**Police Officers' Pension Fund** – To account for the financial operation and condition of the police officers' pension fund.

### **Agency Funds**

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. The city maintains no agency funds at this time.

CITY OF BRADENTON, FLORIDA  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 September 30, 2006

	Pension Trust Funds		
	Firefighters' Pension Fund	Police Officers' Pension Fund	Totals
<b>Assets</b>			
Cash and cash equivalents	\$ 1,020,531	330,747	1,351,278
Due from state	142,217	--	142,217
Due from city	304,892	498,643	803,535
Interest receivable	79,276	125,369	204,645
Contributions receivable	157,934	--	157,934
Investments, at fair value			
U.S. Government obligations	6,472,780	6,624,813	13,097,593
Domestic corporate bonds	705,647	6,544,513	7,250,160
Domestic stocks	14,196,947	16,928,894	31,125,841
International funds	3,819,886	8,390,150	12,210,036
Total investments	25,195,260	38,488,370	63,683,630
Total assets	26,900,110	39,443,129	66,343,239
<b>Liabilities</b>			
Accounts payable	252,718	34,412	287,130
Total liabilities	252,718	34,412	287,130
<b>Net Assets</b>			
Held in trust for pension benefits and other purposes	\$ 26,647,392	39,408,717	66,056,109

CITY OF BRADENTON, FLORIDA  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 For the Year Ended September 30, 2006

	Pension Trust Funds		Totals
	Firefighters' Pension Fund	Police Officers' Pension Fund	
<b>Additions</b>			
Contributions			
Employer	\$ 609,696	1,250,564	1,860,260
Plan members	281,312	338,605	619,917
State of Florida (from city's general fund)	379,216	591,986	971,202
Total contributions	1,270,224	2,181,155	3,451,379
Investment earnings			
Interest	338,971	671,657	1,010,628
Dividends	352,459	112,556	465,015
Miscellaneous	42,436	2,657	45,093
Net increase in the fair value of investments	1,104,590	1,791,363	2,895,953
Total investment earnings	1,838,456	2,578,233	4,416,689
Less investment expenses	139,762	209,245	349,007
Net investment earnings	1,698,694	2,368,988	4,067,682
Total additions	2,968,918	4,550,143	7,519,061
<b>Deductions</b>			
Benefits	1,101,868	1,223,585	2,325,453
Refunds of contributions	--	20,451	20,451
Administrative expenses	52,063	62,718	114,781
Total deductions	1,153,931	1,306,754	2,460,685
Change in net assets	1,814,987	3,243,389	5,058,376
Net assets - beginning	24,832,405	36,165,328	60,997,733
Net assets - ending	\$ 26,647,392	39,408,717	66,056,109



City of Bradenton, Florida

**Capital Assets Used in the Operation  
Of Governmental Funds**



City of Bradenton, Florida

CITY OF BRADENTON, FLORIDA  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
COMPARATIVE SCHEDULES BY SOURCE  
September 30, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Governmental funds capital assets		
Land	\$ 2,257,715	3,016,957
Buildings	19,022,391	18,908,413
Improvements other than buildings	8,044,249	7,582,668
Equipment	7,195,003	5,652,426
Automotive	7,211,543	6,909,853
Infrastructure	3,784,017	3,784,017
Construction in progress	<u>93,060</u>	<u>1,798,340</u>
Total governmental funds capital assets	<u>\$ 47,607,978</u>	<u>47,652,674</u>
 Investments in governmental funds capital assets by source		
General fund	\$ 26,038,374	24,462,780
Special revenue funds	1,040,334	1,042,564
Capital projects funds	14,212,578	15,830,638
General investment acquired prior to October 1, 1985	<u>6,316,692</u>	<u>6,316,692</u>
Total governmental funds capital assets	<u>\$ 47,607,978</u>	<u>47,652,674</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the Statement of Net Assets.

CITY OF BRADENTON, FLORIDA  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY  
September 30, 2006

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
General government				
Legislative	\$ 36,871	--	--	--
Executive - city clerk	10,519,768	1,647,958	8,642,415	43,692
Administration	76,395	--	--	--
Human resources	13,104	--	--	--
Finance	58,113	--	--	12,044
Purchasing	98,640	--	18,042	42,151
Garage	352,698	25,090	41,418	105,806
Facility maintenance	52,656	--	--	4,500
Electrical	743,212	--	--	458,152
Carpentry	9,614	--	--	3,831
Information technology	2,592,223	--	--	946,203
Code enforcement	29,681	--	--	--
Risk safety	20,404	--	--	--
Public safety				
Law enforcement	4,519,746	--	--	68,816
Dispatching	161,471	--	--	18,166
Fire control	6,052,098	119,829	1,859,855	255,797
Transportation				
Road & streets facilities	5,509,403	--	--	369,052
Engineering	129,319	--	--	5,629
Protection inspection	260,614	--	--	15,994
Culture and recreation				
Parks & recreation	6,848,542	395,943	685,303	4,759,145
Special recreation facility	1,164,861	--	955,988	79,080
Pirate City complex	7,747,231	--	6,795,875	595,445
Economic environment				
Community development	234,752	68,895	--	97,284
Housing assistance	283,502	--	23,495	163,462
Construction in progress	<u>93,060</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total governmental funds capital assets	<u>\$ 47,607,978</u>	<u>2,257,715</u>	<u>19,022,391</u>	<u>8,044,249</u>

<u>Automotive</u>	<u>Infrastructure</u>	<u>Equipment</u>
--	--	36,871
30,570	--	155,133
--	--	76,395
--	--	13,104
--	--	46,069
28,274	--	10,173
90,539	--	89,845
26,112	--	22,044
154,677	--	130,383
--	--	5,783
--	--	1,646,020
26,334	--	3,347
16,830	--	3,574
2,118,136	--	2,332,794
--	--	143,305
2,612,334	--	1,204,283
1,243,274	3,784,017	113,060
51,977	--	71,713
157,245	--	87,375
508,921	--	499,230
--	--	129,793
71,439	--	284,472
30,347	--	38,226
44,534	--	52,011
--	--	--
<u>7,211,543</u>	<u>3,784,017</u>	<u>7,195,003</u>

CITY OF BRADENTON, FLORIDA  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY  
For the Fiscal Year Ended September 30, 2006

<u>Function and Activity</u>	<u>Governmental Funds Capital Assets October 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>
<b>General government</b>			
Legislative	\$ 33,593	3,931	--
Executive - city clerk	11,081,183	121,003	724,582
Administration	77,883	--	--
Human resources	14,443	--	--
Finance	55,146	4,010	--
Purchasing	84,082	14,558	--
Garage	287,171	51,407	925
Facility maintenance	50,635	13,942	11,921
Electrical	415,504	327,708	--
Carpentry	8,574	1,040	--
Information technology	1,851,602	839,776	5,124
Code enforcement	15,651	13,990	796
Risk/safety	21,006	1,664	1,211
<b>Public safety</b>			
Law enforcement	4,104,909	514,788	156,543
Dispatching	150,099	25,707	4,464
Fire control	5,678,855	392,092	32,777
<b>Transportation</b>			
Road & streets facilities	5,459,608	116,980	22,589
Engineering	106,575	45,776	24,375
Protective inspection	253,162	52,082	22,397
<b>Culture and recreation</b>			
Parks & recreation	6,722,276	165,545	82,532
Special recreation facility	1,164,861	--	--
Pirate City complex	7,681,832	68,658	3,258
<b>Economic environment</b>			
Community development	239,364	4,400	11,220
Housing assistance	296,320	1,600	15,359
Construction in progress	<u>1,798,340</u>	<u>93,060</u>	<u>1,798,340</u>
Total governmental funds capital assets	<u>\$ 47,652,674</u>	<u>2,873,717</u>	<u>2,918,413</u>

Interdepartmental Transfers		Governmental Funds Capital Assets September 30, 2006
<u>In</u>	<u>Out</u>	
--	653	36,871
156,741	114,577	10,519,768
1,440	2,928	76,395
--	1,339	13,104
2,263	3,306	58,113
--	--	98,640
15,044	--	352,697
--	--	52,656
--	--	743,212
--	--	9,614
21,912	115,943	2,592,223
3,045	2,209	29,681
2,049	3,104	20,404
56,592	--	4,519,746
--	9,871	161,471
20,512	6,584	6,052,098
--	44,596	5,509,403
1,343	--	129,319
1,099	23,332	260,614
43,253	--	6,848,542
--	--	1,164,861
--	--	7,747,232
2,208	--	234,752
941	--	283,502
<u>--</u>	<u>--</u>	<u>93,060</u>
<u>328,442</u>	<u>328,442</u>	<u>47,607,978</u>



# 2005 – 06 Comprehensive Annual Financial Report



## Statistical Section

## Statistical Section

This part of the City of Bradenton's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
Financial Trends	125
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	131
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	136
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	141
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information	143
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

**Sources:**

Unless otherwise noted, the information in these schedules is derived from the City of Bradenton's Comprehensive Annual Financial Reports for the relevant year.



**City of Bradenton, Florida**

CITY OF BRADENTON  
NET ASSETS BY COMPONENT  
LAST FOUR FISCAL YEARS  
(Accrual Basis of Accounting)

	<u>Fiscal Year</u>			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Governmental activities</b>				
Invested in capital assets, net of related debt	\$ 15,997,339	16,777,759	12,887,064	17,729,130
Restricted	24,911,540	25,093,577	30,138,835	25,729,021
Unrestricted	<u>24,905,693</u>	<u>22,947,491</u>	<u>25,798,294</u>	<u>31,106,637</u>
Total governmental activities net assets	<u>\$ 65,814,572</u>	<u>64,818,827</u>	<u>68,824,193</u>	<u>74,564,788</u>
<b>Business-type activities</b>				
Invested in capital assets, net of related debt	\$ 53,383,080	53,237,950	51,528,628	52,193,816
Restricted	3,133,523	3,138,210	3,143,434	3,220,742
Unrestricted	<u>922,509</u>	<u>2,166,117</u>	<u>4,527,798</u>	<u>5,604,192</u>
Total business-type activities net assets	<u>\$ 57,439,112</u>	<u>58,542,277</u>	<u>59,199,860</u>	<u>61,018,750</u>
<b>Primary government</b>				
Invested in capital assets, net of related debt	\$ 69,380,419	70,015,709	64,415,692	69,922,946
Restricted	28,045,063	28,231,787	33,282,269	28,949,763
Unrestricted	<u>25,828,202</u>	<u>25,113,608</u>	<u>30,326,092</u>	<u>36,710,829</u>
Total primary government net assets	<u>\$ 123,253,684</u>	<u>123,361,104</u>	<u>128,024,053</u>	<u>135,583,538</u>

CITY OF BRADENTON  
 CHANGES IN NET ASSETS  
 LAST FOUR FISCAL YEARS  
 (Accrual Basis of Accounting)

	<b>Fiscal Year</b>			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Expenses</b>				
Governmental activities:				
General government	\$ 5,239,621	6,339,355	8,815,241	10,362,642 <sup>(1)</sup>
Public safety	13,805,051	16,922,308	16,856,411	18,631,835 <sup>(2)</sup>
Transportation	3,369,296	3,906,821	3,407,812	3,903,857
Community Development Program	547,530	602,914	496,035	594,060
Housing Assistance Program	2,776,016	2,982,473	2,990,960	2,807,645
State Housing Initiatives Program	570,666	414,634	255,586	1,141,220 <sup>(3)</sup>
Shelter Plus Care Program	--	--	--	9,255
Economic environment	26,192	34,147	631	17,625
Culture and recreation	2,288,519	2,924,364	2,870,695	3,028,399
Interest on long-term debt	590,203	641,624	821,891	873,798
Total governmental activities expenses	<u>29,213,094</u>	<u>34,768,640</u>	<u>36,515,262</u>	<u>41,370,336</u>
Business-type activities:				
Water and Sewer	15,315,953	15,174,383	15,465,554	16,471,733 <sup>(4)</sup>
Sanitation	4,878,955	5,477,523	5,972,705	6,208,743
Parking	--	--	--	236,507
Golf Course	1,497,296	1,509,224	1,459,044	1,294,183
Total business-type activities expenses	<u>21,692,204</u>	<u>22,161,130</u>	<u>22,897,303</u>	<u>24,211,166</u>
Total primary government expenses	<u>\$ 50,905,298</u>	<u>56,929,770</u>	<u>59,412,565</u>	<u>65,581,502</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services				
General government	\$ 2,765,081	2,724,673	5,713,910	5,438,417
Community Development Program	50,094	39,769	65,382	48,675
Housing Assistance Program	4,148	11,597	--	--
State Housing Initiatives Program	73,486	85,968	157,427	125,374
Culture and recreation	414,613	--	--	--
Operating grants and contributions	4,736,353	6,302,540	4,574,255	5,272,394
Capital grants and contributions	681,758	185,972	571,248	100,376
Total governmental activities program revenues	<u>8,725,533</u>	<u>9,350,519</u>	<u>11,082,222</u>	<u>10,985,236</u>
Business-type activities:				
Charges for services				
Water-Sewer	14,919,342	16,159,322	16,777,278	17,626,662
Sanitation	5,007,815	5,234,566	5,053,176	6,067,606
Other	1,381,126	1,600,339	1,561,112	1,957,094
Total business-type activities program revenues	<u>21,308,283</u>	<u>22,994,227</u>	<u>23,391,566</u>	<u>25,651,362</u>
Total primary government program revenues	<u>\$ 30,033,816</u>	<u>32,344,746</u>	<u>34,473,788</u>	<u>36,636,598</u>

**Fiscal Year**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Net (expense)/revenue				
Governmental activities	\$ (20,487,561)	(25,418,121)	(25,433,040)	(30,385,100)
Business-type activities	(383,921)	833,097	494,263	1,440,196
Total primary government net expense	<u>\$ (20,871,482)</u>	<u>(24,585,024)</u>	<u>(24,938,777)</u>	<u>(28,944,904)</u>
<b>General Revenues and</b>				
<b>Other Changes in Net Assets</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 8,299,374	9,323,620	11,206,029	12,597,102
Utility taxes	3,426,596	3,487,763	3,679,392	3,923,729
Franchise taxes	2,370,966	2,619,133	2,873,944	3,647,783
Public service taxes	3,055,549	2,575,777	2,927,551	2,870,757
Local-government half-cent sales taxes	3,338,260	3,264,405	4,006,309	3,915,794
Other taxes	327,913	370,580	707,770	825,615
State revenue sharing	1,368,709	1,438,399	2,005,629	2,035,592
Unrestricted investment earnings	1,670,473	899,642	316,499	2,103,118
Gain on sale of capital assets	137,923	7,499	653,318	3,935,263
Transfers	593	435,558	(17,600)	270,942
Total governmental activities	<u>23,996,356</u>	<u>24,422,376</u>	<u>28,358,841</u>	<u>36,125,695</u>
Business-type activities:				
Investment earnings	463,894	557,258	130,320	654,731
Gain (loss) on sale of capital assets	(13,434)	148,368	15,400	(5,095)
Transfers	(593)	(435,558)	17,600	(270,942)
Total business-type activities	<u>449,867</u>	<u>270,068</u>	<u>163,320</u>	<u>378,694</u>
Total primary government	<u>\$ 24,446,223</u>	<u>24,692,444</u>	<u>28,522,161</u>	<u>36,504,389</u>
<b>Change in Net Assets</b>				
Governmental activities	\$ 3,508,795	(995,745)	2,925,801	5,740,595
Business-type activities	65,946	1,103,165	657,583	1,818,890
Total primary government	<u>\$ 3,574,741</u>	<u>107,420</u>	<u>3,583,384</u>	<u>7,559,485</u>

(1) Increase is due to new technology for the Police and Fire Departments

(2) Increase is due to salary and benefit increases due to labor contracts

(3) Increase from the prior period was caused by an increase in sponsored program to meet clients' demands

(4) Increase from the prior period was due to increase in supplies and materials

CITY OF BRADENTON  
 GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE  
 LAST TEN FISCAL YEARS  
 (Accrual Basis of Accounting)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Utility Tax</u>	<u>Franchise Tax</u>	<u>Discretionary Sales Tax</u>	<u>Public Service Tax</u>	<u>Half-Cent Sales Tax</u>	<u>Total</u>
<b>1997</b>	\$ 3,026,767	4,175,882	2,486,995	3,908,245	--	2,389,999	15,987,888
<b>1998</b>	3,093,041	4,647,199	2,289,513	4,586,266	--	2,584,619	17,200,638
<b>1999</b>	4,446,506	4,987,468	2,275,897	3,894,869 <sup>(1)</sup>	--	2,647,051	18,251,791
<b>2000</b>	4,986,249	4,875,054	2,097,765	--	--	2,828,915	14,787,983
<b>2001</b>	6,588,163	4,959,578	2,558,124	--	--	3,065,040	17,170,905
<b>2002</b>	7,051,495	3,285,750	2,516,408	--	--	3,281,426	16,135,079
<b>2003</b>	8,299,374	3,426,596	2,370,966	--	3,055,549 <sup>(2)</sup>	3,338,259	20,490,744
<b>2004</b>	9,323,620	3,487,763	2,619,133	--	2,575,777	3,264,405	21,270,698
<b>2005</b>	11,206,029	3,679,392	2,873,944	--	2,927,551	4,006,309	24,693,225
<b>2006</b>	12,597,102	3,923,729	3,647,783	--	2,870,757	3,915,794	26,955,165

<sup>(1)</sup> Last year of tax

<sup>(2)</sup> First year of tax

CITY OF BRADENTON  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General fund										
Reserved	\$ 1,576,799	1,090,058	809,316	546,187	453,962	428,355	323,008	347,874	328,968	956,734
Unreserved	<u>4,845,292</u>	<u>7,260,747</u> <sup>(1)</sup>	<u>7,261,624</u>	<u>8,431,142</u>	<u>10,659,955</u>	<u>11,396,401</u>	<u>12,878,780</u>	<u>10,493,985</u>	<u>12,399,154</u>	<u>18,546,496</u>
Total general fund	<u>\$ 6,422,091</u>	<u>8,350,805</u>	<u>8,070,940</u>	<u>8,977,329</u>	<u>11,113,917</u>	<u>11,824,756</u>	<u>13,201,788</u>	<u>10,841,859</u>	<u>12,728,122</u>	<u>19,503,230</u>
All other governmental funds										
Reserved	\$ 13,402,389	8,836,901	8,957,936	8,304,488	7,258,172	6,210,868	5,396,506	5,396,506	4,971,505	4,571,506
Unreserved, reported in:										
Special revenue funds	12,439,485	15,705,136	13,692,127	15,404,427	14,991,501	17,156,532	17,364,099	17,521,568	18,710,078	18,949,081
Debt service funds	1,203,612	1,190,991	1,360,578	1,575,345	1,980,544 <sup>(1)</sup>	2,119,589	1,924,535	1,987,244	2,047,762	189,789
Capital projects funds	<u>5,575,936</u>	<u>1,921,655</u>	<u>2,444,765</u>	<u>653,012</u>	<u>166,211</u> <sup>(2)</sup>	<u>2,762,332</u> <sup>(3)</sup>	<u>254,050</u>	<u>244,020</u>	<u>4,475,280</u> <sup>(3)</sup>	<u>2,062,665</u>
Total all other governmental funds	<u>\$ 32,621,422</u>	<u>27,654,683</u>	<u>26,455,406</u>	<u>25,937,272</u>	<u>24,396,428</u>	<u>28,249,321</u>	<u>24,939,190</u>	<u>25,149,338</u>	<u>30,204,625</u>	<u>25,773,041</u>

<sup>(1)</sup> Increase is due to residual equity transfer

<sup>(2)</sup> Decrease is due to residual equity transfer

<sup>(3)</sup> Increase is due to unspent loan proceeds

CITY OF BRADENTON  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>Revenues</b>										
Taxes	\$ 13,750,386	14,744,813	15,781,349	12,146,115	14,765,003	16,971,802	17,480,398	18,376,873	21,394,686	23,864,986
Licenses and permits	419,684	539,172	506,585	703,928	987,560	1,420,782	784,674	1,084,355	1,242,053	1,209,567
Intergovernmental grants	5,000,789	5,288,654	5,899,397	2,616,563	3,275,503	4,213,131	4,410,438	5,245,351	4,165,673	4,176,287
Intergovernmental revenues	1,101,004	1,194,872	1,067,106	4,240,453	4,505,797	4,549,473	4,716,711	4,747,777	6,065,392	6,073,046
Shared revenues	1,108,266	1,141,349	815,786	836,818	846,792	920,596	997,931	984,863	1,199,883	1,074,823
Payments in lieu of taxes	4,196	9,229	5,251	--	9,950	4,576	367	--	--	37,420
Charges for services	174,076	601,424	683,678	758,762	856,800	1,097,402	1,275,207	1,437,295	1,680,424	1,991,797
Fines and forfeitures	159,860	201,492	204,590	195,662	277,804	237,750	239,663	218,286	344,499	443,675
Interest / investment earnings	1,653,636	2,255,049	1,169,239	1,881,360	2,308,186	1,541,004	1,594,855	860,813	310,320	2,014,139
Rents	188,183	201,053	268,117	221,003	226,823	277,460	519,377	517,679	772,487	828,301
Contributions	--	--	--	--	--	--	--	--	120,000	550,003
Sales of property	365,532	368,377	1,444,134	536,537	220,503	81,951	137,923	7,499	708,266	4,853,057
Miscellaneous	617,359	311,333	996,542	170,412	340,821	584,024	692,095	294,746	1,653,150	272,544
Special assessments - property owners		420,890	7,186	107,108	31,345	--	115,892	118,550	273,507	385,360
<b>Total revenues</b>	<b>24,542,971</b>	<b>27,277,707</b>	<b>28,848,960</b>	<b>24,414,721</b>	<b>28,652,887</b>	<b>31,899,951</b>	<b>32,965,531</b>	<b>33,894,087</b>	<b>39,930,340</b>	<b>47,775,005</b>
<b>Expenditures</b>										
General government services	2,327,770	2,948,818	4,287,680	3,627,696	5,621,677	6,347,278	6,311,801	6,982,206	8,773,246	9,685,207
Public safety	8,672,543	8,489,528	9,355,526	10,302,399	12,385,545	12,450,866	14,194,629	16,288,189	17,191,311	18,647,250
Transportation	1,653,651	2,239,655	2,436,014	2,549,167	2,684,227	3,208,134	3,468,400	3,626,071	3,239,374	3,796,308
Economic environment	2,352,157	2,761,172	2,909,744	2,581,123	3,261,031	3,462,585	3,992,006	4,062,277	3,883,555	4,597,384
Culture - recreation	1,724,272	1,678,192	1,837,988	1,933,266	2,087,401	2,393,128	2,252,437	2,275,590	2,378,850	2,413,482
Capital outlay	3,694,032	7,596,601	4,162,101	1,837,407	638,399	1,502,815	3,242,213	1,091,001	1,708,531	7,364,019
Debt service principal	368,730	640,667	988,267	870,842	655,656	675,677	794,733	807,330	984,459	1,123,184
Debt service interest	337,837	511,320	632,491	554,005	599,652	625,787	643,004	610,109	767,724	870,080
Debt service fees/expenditures	1,104	26,459	1,434	42,609	1,982	61,853	--	3,404	44,139	25,487
<b>Total expenditures</b>	<b>21,132,096</b>	<b>26,892,412</b>	<b>26,611,245</b>	<b>24,298,514</b>	<b>27,935,570</b>	<b>30,728,123</b>	<b>34,899,223</b>	<b>35,746,177</b>	<b>38,971,189</b>	<b>48,522,401</b>
Excess (deficiency) of revenues over (under) expenditures	3,410,875	385,295	2,237,715	116,207	717,317	1,171,828	(1,933,692)	(1,852,090)	959,151	(747,396)
<b>Other financing sources (uses)</b>										
Transfers from other funds	7,201,661	9,445,096	10,789,420	10,418,466	14,032,032	13,738,754	13,839,053	13,723,314	14,802,962	16,196,528
Transfers to other funds	(11,111,289)	(17,497,419)	(14,156,560)	(10,855,966)	(14,638,638)	(13,268,354)	(13,838,460)	(14,468,569)	(14,820,562)	(16,875,586)
Issuance of debt	7,750,000	3,500,000	--	--	--	3,248,883	--	--	6,000,000	3,000,000
Proceeds from capital lease	--	--	952,471	--	481,033	97,201	--	447,563	--	--
<b>Total other financing sources (uses)</b>	<b>3,840,372</b>	<b>(4,552,323)</b>	<b>(2,414,669)</b>	<b>(437,500)</b>	<b>(125,573)</b>	<b>3,816,484</b>	<b>593</b>	<b>(297,692)</b>	<b>5,982,400</b>	<b>2,320,942</b>
<b>Net change in fund balances</b>	<b>\$ 7,251,247</b>	<b>(4,167,028)</b>	<b>(176,954)</b>	<b>(321,293)</b>	<b>591,744</b>	<b>4,988,312</b>	<b>(1,933,099)</b>	<b>(2,149,782)</b>	<b>6,941,551</b>	<b>1,573,546</b>
Debt service as a percentage of noncapital expenditures	4.37%	6.56%	8.06%	6.88%	5.23%	5.31%	5.02%	4.38%	5.06%	4.91%

CITY OF BRADENTON  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Discretionary Sales Tax</b>	<b>Tourist Development Tax</b>	<b>Ninth Cent Gas Tax</b>	<b>Four Cent Gas Tax</b>	<b>Two Cent Gas Tax</b>	<b>Utility Tax</b>	<b>Franchise Tax</b>	<b>Public Service Tax</b>	<b>Half-Cent Sales Tax</b>	<b>Total</b>
<b>1997</b>	\$ 3,026,767	3,908,245 <sup>(1)</sup>	152,497	246,027	691,146	171,093	4,175,882	2,486,995	--	2,389,999	17,248,651
<b>1998</b>	3,093,041	--	158,794	250,250	714,279	176,820	4,647,199	2,289,513	--	2,584,619	13,914,515
<b>1999</b>	4,446,506	--	176,609	231,172	411,918	172,696	4,987,468	2,275,897	--	2,647,051	15,349,317
<b>2000</b>	4,986,249	--	187,047	245,949	412,572	178,297	4,875,054	2,097,765	--	2,828,915	15,811,848
<b>2001</b>	6,588,163	--	199,808	238,745	428,429	179,618	4,959,578	2,558,124	--	3,065,040	18,217,505
<b>2002</b>	7,051,495	--	200,467	254,264	476,318	190,014	3,285,750	2,516,408	--	3,281,426	17,256,142
<b>2003</b>	8,299,374	--	203,800	271,842	511,602	214,488	3,426,596	2,370,966	3,055,549	3,338,259	21,692,476
<b>2004</b>	9,323,620	--	216,064	270,871	503,078	210,914	3,487,763	2,619,133	2,575,777	3,264,405	22,471,625
<b>2005</b>	11,206,029	--	238,572	326,134	615,845	257,904	3,679,392	2,873,944	2,927,551	4,006,309	26,131,680
<b>2006</b>	12,597,102	--	253,906	294,054	550,129	230,640	3,923,729	3,647,783	2,870,757	3,915,794	28,283,894

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<sup>(1)</sup> Tax moved to Special Revenue Funds

CITY OF BRADENTON  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Personal Property</b>	<b>Centrally Assessed</b>	<b>Less Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
1997	\$ 1,282,374,819	204,271,903	841,542	(271,291,514)	1,487,488,264	2.16	NA	NA
1998	1,332,710,724	224,981,938	380,657	(274,863,381)	1,558,125,797	2.15	NA	NA
1999	1,369,497,297	244,535,775	403,829	(276,812,320)	1,614,511,661	2.95	NA	NA
2000	1,463,865,324	263,646,129	359,744	(276,078,318)	1,727,920,300	3.20	NA	NA
2001	1,586,912,538	266,605,333	316,984	(276,879,185)	1,813,517,871	3.95	NA	NA
2002	1,728,472,073	280,774,844	339,299	(276,460,811)	1,981,742,680	3.95	NA	NA
2003	1,954,926,925	349,723,273	553,747	(275,466,964)	2,305,203,945	4.30	NA	NA
2004	2,152,232,535	357,643,900	622,836	(273,424,037)	2,510,499,271	4.30	3,145,501,738	88.50%
2005	2,399,544,480	354,515,930	370,866	(271,457,491)	2,754,431,276	4.75	3,506,018,089	86.31%
2006	2,911,235,841	348,603,135	368,986	(270,662,136)	3,260,207,962	4.75	4,276,114,804	82.57%

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Source: Manatee County Property Appraiser

\* NA = (Not Available)

*Note:* Property tax levies, based on assessed values as of January 1, become due and payable on November 1 of each year. A four percent (4%) discount is allowed if the taxes are paid in November; the discount declines by one percent each month thereafter. Accordingly, taxes collected will never be 100% of the tax levy. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1 of each year.

CITY OF BRADENTON  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS

Fiscal Year	City of Bradenton			Overlapping Rates			Total Direct & Overlapping Rates			
	Operating Millage	Debt Service Millage	Total City Millage	Manatee County	School District					
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	
1997	2.1601	--	2.1601	7.3808	0.4006	7.7814	9.0290	0.0143	9.0433	18.9848
1998	2.1495	--	2.1495	7.3808	0.3796	7.7604	9.0360	--	9.0360	18.9459
1999	2.9500	--	2.9500	7.4594	0.3010	7.7604	8.6070	--	8.6070	19.3174
2000	3.2000	--	3.2000	7.4312	0.2492	7.6804	8.6820	--	8.6820	19.5624
2001	3.9500	--	3.9500	7.4560	0.2244	7.6804	8.3270	--	8.3270	19.9574
2002	3.9500	--	3.9500	7.7311	0.1993	7.9304	8.3470	--	8.3470	20.2274
2003	4.3000	--	4.3000	7.7089	0.1699	7.8788	8.2960	--	8.2960	20.4748
2004	4.3000	--	4.3000	7.7245	0.1543	7.8788	7.9990	--	7.9990	20.1778
2005	4.7500	--	4.7500	7.5719	0.1344	7.7063	7.9330	--	7.9330	20.3893
2006	4.7500	--	4.7500	7.5719	0.1344	7.7063	7.6140	--	7.6140	20.0703

Source: Manatee County Property Appraiser's Office and Manatee County Government offices

CITY OF BRADENTON  
 PRINCIPAL PROPERTY TAXPAYERS  
 September 30, 2006

<u>Taxpayer</u>	<u>2006</u>			<u>1997</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Manatee Memorial Hospital	\$ 48,261,466	3	1.48%	\$ 43,568,643	1	2.9290%
Freedom Village LTD	26,618,589	7	0.82%	29,740,458	2	1.9994%
HCA Health Services	66,373,963	2	2.04%	22,978,797	3	1.5448%
Carlton Arms of Bradenton	27,518,749	6	0.84%	21,990,862	4	1.4784%
EQR Sawgrass Cove Vistas	--	--	--	13,423,691	5	0.9024%
Hampton/McGuire, Ltd.	--	--	--	12,380,861	6	0.8323%
Wal-Mart Stores, Inc.	--	--	--	10,108,508	7	0.6796%
Summit Properties	--	--	--	9,188,435	8	0.6177%
Litchfield Asset Management	--	--	--	8,590,266	9	0.5775%
Ocean Properties Ltd.	--	--	--	<u>8,066,874</u>	10	<u>0.5423%</u>
Tropicana Products, Inc.	181,293,119	1	5.56%	<b>TOTAL</b> <u>\$ 180,037,395</u>		12.1034%
Presbyterian Retirement	38,584,025	4	1.18%			
Florida Power & Light	29,090,685	5	0.89%			
Palm Cove Development of Bradenton	18,390,505	8	0.56%			
Continental 117 Fund LLC	18,063,194	9	0.55%			
Continental 115 Fund LLC	<u>17,156,590</u>	10	<u>0.53%</u>			
<b>TOTAL</b>	<u>\$ 471,350,885</u>		14.45%			

CITY OF BRADENTON  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Total Tax Levy for Fiscal Year</u>	<u>Collection within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
<b>1997</b>	\$ 3,133,885	3,026,767	96.6%	--	\$ 3,026,767	96.6%
<b>1998</b>	3,218,236	3,093,042	96.1%	--	3,093,042	96.1%
<b>1999</b>	4,596,471	4,446,506	96.7%	--	4,446,506	96.7%
<b>2000</b>	5,166,437	4,986,249	96.5%	--	4,986,249	96.5%
<b>2001</b>	6,825,091	6,588,163	96.5%	--	6,588,163	96.5%
<b>2002</b>	7,322,648	7,051,495	96.3%	--	7,051,495	96.3%
<b>2003</b>	8,911,090	8,299,374	93.1%	48,014	8,347,388	93.7%
<b>2004</b>	9,912,217	9,323,619	94.1%	31,528	9,355,147	94.4%
<b>2005</b>	11,924,345	11,206,029	94.0%	8,585	11,214,614	94.0%
<b>2006</b>	13,058,221	12,565,367	96.2%	31,735	12,597,102	96.5%

Source: Manatee County Property Appraiser's Office

CITY OF BRADENTON  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income <sup>(1)</sup>	Per Capita <sup>(1)</sup>
	Subordinate Lien Bond	Promissory Notes/Bonds	Capital Leases	Utility Bonds	Subordinate Lien Bond	Promissory Notes/Loans	Capital Leases			
1997	\$ 3,372,825	9,386,397	--	27,647,468	1,652,068	--	--	42,058,758	30.856%	\$ 876.02
1998	3,258,825	10,431,944	--	26,629,544	1,021,175	--	--	41,341,488	28.491%	860.76
1999	6,415,277	6,287,225	719,167	25,533,617	982,775	--	5,160	39,943,221	26.263%	818.81
2000	3,011,825	8,868,541	566,073	32,659,500	1,312,104	--	202,951	46,620,994	28.790%	944.97
2001	2,882,625	8,351,379	802,684	22,929,010	902,375	--	141,889	36,009,962	21.045%	727.42
2002	2,745,825	10,912,502	622,734	21,379,577	859,175	--	95,614	36,615,427	21.186%	734.44
2003	2,605,225	10,258,369	61,629	19,685,484	814,775	--	56,508	33,481,990	18.496%	641.65
2004	2,457,025	9,599,239	482,218	17,906,864	767,975	--	13,902	31,227,223	16.417%	589.20
2005	2,301,225	14,770,580	405,422	8,622,605	718,775	7,872,056	12,155	34,702,818	18.767%	639.06
2006	2,141,625	8,229,618	327,588	6,642,371	668,375	16,687,334	7,998	34,704,909	17.898%	632.02

<sup>(1)</sup> See the Schedule of Demographic and Economic Statistics on page 141 for personal income and population data.

*Note:* Details regarding the city's outstanding debt can be found in the Notes to the financial statements.

CITY OF BRADENTON  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>General Bonds / Notes</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value <sup>(1)</sup> of Property</u>	<u>Per Capita <sup>(2)</sup></u>
1997	\$ 12,759,222	1,482,833	11,276,389	NA	NA
1998	13,690,769	1,484,557	12,206,212	NA	NA
1999	12,702,502	1,639,799	11,062,703	NA	NA
2000	11,880,366	1,854,566	10,025,800	NA	NA
2001	11,234,004	2,259,765	8,974,239	NA	NA
2002	13,658,327	2,398,810	11,259,517	NA	NA
2003	12,863,594	2,203,756	10,659,838	NA	NA
2004	12,056,264	2,266,465	9,789,799	0.3112%	\$ 184.72
2005	17,071,805	2,326,983	14,744,822	0.4206%	271.53
2006	10,371,243	1,192,599	9,178,644	0.2146%	167.15

\* NA = (Not Available)

<sup>(1)</sup> See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 132 for property value data

<sup>(2)</sup> Population data can be found in the Schedule of Demographic and Economic Statistics on page 141

CITY OF BRADENTON  
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
 As of September 30, 2006

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>(1)</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Manatee County	\$ 23,130,000	15.12%	\$ 3,497,256
Manatee County School Board	30,000,000	15.12%	<u>4,536,000</u>
Subtotal, overlapping debt			8,033,256
City of Bradenton direct debt	\$ 13,640,903	100.00%	<u>13,640,903</u>
Total direct and overlapping debt			<u><u>\$ 21,674,159</u></u>

Source: Manatee County Government

<sup>(1)</sup> The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the city's boundaries and dividing it by the county's total taxable assessed value.

*Note:* Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Bradenton. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF BRADENTON  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

**Computation of Legal Debt Margin**

There is no debt limit mandated by law.

CITY OF BRADENTON  
 PLEDGED-REVENUE COVERAGE  
 LAST TEN FISCAL YEARS

**Utility System Refunding Revenue Bond**

Fiscal Year	Water-Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
1997	\$ 8,915,432	6,500,861	2,414,571	1,814,603	438,767	1.07
1998	9,086,493	6,607,520	2,478,973	1,900,000	436,585	1.06
1999	11,295,768	6,833,692	4,462,076	2,073,400	434,135	1.78
2000	11,396,373	7,168,810	4,227,563	2,170,000	431,635	1.62
2001	12,941,444	7,793,854	5,147,590	2,330,000	428,885	1.86
2002	15,544,696	8,269,989	7,274,707	2,330,000	426,135	2.64
2003	14,164,067	8,680,050	5,484,017	2,346,883	423,135	1.98
2004	14,493,519	8,574,087	5,919,432	2,340,000	423,075	2.14
2005	14,482,551	9,494,616	4,987,935	2,340,000	423,075	1.81
2006	17,626,662	11,136,105	6,490,557	2,340,000	356,213	2.41

*Note:* Details regarding the city's outstanding debt can be found in the Notes to the financial statements.

"Water-Sewer Charges and Other" includes investment earnings but no tap fees.

Operating expenses do not include interest or depreciation.

CITY OF BRADENTON  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>Population <sup>(1)</sup></b>	<b>Personal Income <sup>(2)</sup> (in thousands)</b>	<b>Per Capita Personal Income <sup>(3)</sup></b>	<b>Unemployment Rate <sup>(4)</sup></b>
<b>1997</b>	48,011	\$ 1,363,080	\$ 28,391	3.1
<b>1998</b>	48,029	1,451,052	30,212	2.9
<b>1999</b>	48,782	1,520,876	31,177	2.8
<b>2000</b>	49,336	1,619,306	32,822	2.8
<b>2001</b>	49,504	1,711,056	34,564	2.8
<b>2002</b>	49,855	1,728,224	34,665	4.3
<b>2003</b>	52,181	1,810,211	34,691	4.1
<b>2004</b>	52,999	1,902,134	35,890	3.4
<b>2005</b>	54,303	1,849,126	34,052	3.2
<b>2006</b>	54,911	1,939,017	35,312	3.2

Sources:

- <sup>(1)</sup> Bureau of Economic and Business Research
- <sup>(2)</sup> Personal income is a calculated amount based on population and per capita personal income
- <sup>(3)</sup> U.S. Bureau of Economic Analysis from 1997 through 2004. Estimated through 2006 based upon historical growth.
- <sup>(4)</sup> Florida Department of Labor and Employment Security

CITY OF BRADENTON  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>2006</u>			<u>1997</u>		
	<u>Employees <sup>(1)</sup></u>	<u>Rank</u>	<u>Percentage of Total City Employment <sup>(2)</sup></u>	<u>Employees <sup>(1)</sup></u>	<u>Rank</u>	<u>Percentage of Total City Employment <sup>(2)</sup></u>
Manatee County School Board	5,000	1	3.25%	4,662	2	4.06%
Beall's, Inc.	2,100	2	1.37%	597	10	0.52%
Manatee County Government	1,730	3	1.13%	1,587	4	1.38%
Tropicana Products, Inc.	1,600	4	1.04%	3,500	3	3.05%
Manatee Memorial Hospital	1,500	5	0.98%	1,187	6	1.03%
Manatee County Sheriff's Dept.	1,115	6	0.73%	-	-	-
Blake Medical Center	1,100	7	0.72%	1,356	5	1.18%
Sysco Food	695	8	0.45%	-	-	-
Hoveround	637	9	0.41%	-	-	-
City of Bradenton	588	10	0.38%	-	-	-
Gevity HR	-	-	-	6,000	1	5.22%
Hi-Stat Manufacturing, Inc.	-	-	-	950	t 7	0.83%
Wellcraft Marine	-	-	-	950	t 7	0.83%
Freedom Village Group	-	-	-	810	9	0.71%
<b>Total</b>	<b>16,065</b>		<b>10.46%</b>	<b>21,599</b>		<b>18.81%</b>

Source:

<sup>(1)</sup> Data was unavailable specifically for the City of Bradenton. The above information is based on the county in which the city resides. Manatee County Chamber of Commerce: Economic Development Council

<sup>(2)</sup> This percentage is based on total number of individuals (153,696) employed within Manatee County.

CITY OF BRADENTON  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
 LAST TEN YEARS

	<u>Full-Time Equivalent Employees as of September 30</u>									
<b>Function</b>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Government										
Full-time	102	98	96	97	101	104	108	108	109	109
Part-time	1	14	14	14	14	14	22	22	24	24
Public Safety										
Police										
Officers	93	97	102	108	109	109	121	121	121	121
Civilians	23	20	23	24	22	34	29	29	29	29
Part-time civilians	15	16	16	17	17	11	20	20	20	20
Fire										
Firefighters and officers	72	73	73	71	71	71	71	71	71	71
Civilians	3	3	6	6	6	4	5	5	5	5
Part-time civilians	2	2	1	1	1	0	0	0	0	0
Highway and streets										
Engineering	7	7	6	6	6	6	5	5	5	5
Part-time Engineering	0	0	0	0	0	0	2	2	2	2
Maintenance	19	19	19	19	19	19	18	18	18	18
Sanitation	76	68	72	69	67	67	65	65	65	65
Culture and recreation										
Full-time	53	51	53	54	54	53	49	49	49	49
Part-time	42	42	42	39	37	39	37	37	37	37
Water	50	49	50	50	49	49	50	50	50	50
Sewer	58	59	60	59	59	59	58	58	58	58
Total										
Full-time	556	544	560	563	557	557	579	579	580	580
Part-time	60	74	73	71	69	71	81	81	83	83

Source: City of Bradenton annual budgets.

CITY OF BRADENTON  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS

Function	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Police										
Physical arrests	2,089	2,197	1,585	1,927	1,870	1,761	2,277	2,857	3,004	2,244
Parking violations	NA	NA	NA	NA	NA	NA	NA	8,140	8,037	6,942
Traffic violations	NA	NA	NA	NA	8,245	6,089	6,051	8,329	12,660	12,182
Fire										
Number of calls answered	NA	NA	NA	3,597	4,967	5,169	4,987	5,252	4,899	4,927
Inspections	NA	NA	NA	3,832	3,489	1,238	3,478	1,955	1,092	2,215
Highways and streets										
Street resurfacing (miles)	0.325	NA	NA	0.977	0.323	0.323	0.278	0.427	0.147	2,370
Potholes repaired	NA	NA	NA	NA	NA	NA	NA	NA	NA	2,276
Sanitation										
Refuse collected (tons/day)	169.15	158.83	189.81	185.17	173.01	215.07	207.04	197.29	181.93	118.68
Recyclables collected (tons/day)	3.60	25.63	2.43	9.37	33.30	25.99	114.58	234.50	22.06	139.55
Water										
New connections	532	593	713	783	904	967	1,394	1,991	2,606	2,458
Water mains breaks	179	113	144	127	141	162	105	119	168	160
Average daily consumption (million of gallons)	5.19	5.23	5.46	5.41	5.00	4.96	4.96	5.14	5.02	5.43
Wastewater										
Average daily sewage treatment (million of gallons)	5.91	5.81	5.36	4.98	5.15	5.45	5.98	5.54	5.74	5.73

Sources: various City of Bradenton departments

\* NA = (Not Available)

CITY OF BRADENTON  
 CAPITAL ASSET STATISTICS BY FUNCTION  
 LAST TEN FISCAL YEARS

<b>Function</b>	<b>Fiscal Year</b>									
	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	NA	NA	NA	NA	NA	NA	NA	NA	NA	125
Fire stations	3	3	3	3	3	3	3	3	3	3
Sanitation										
Collection trucks	18	18	18	18	18	18	18	18	18	18
Highways and streets										
Streets (miles)	140.64	140.64	140.64	140.64	139.00	139.00	139.00	139.00	142.00	142.00
Streetlights	NA	NA	NA	NA	NA	NA	NA	NA	NA	3,800
Traffic signals	NA	NA	NA	NA	NA	NA	NA	NA	NA	352
Culture and recreation										
Parks acreage	171.3	171.3	171.3	171.3	171.3	167.7	167.7	167.7	167.7	167.7
Parks	12	12	12	12	12	10	10	10	10	10
Tennis courts	8	8	8	8	8	5	5	5	5	5
Water										
Water mains (miles)	161.01	161.01	161.01	161.01	161.01	161.01	183.80	183.80	183.80	184.00
Fire hydrants	NA	NA	NA	NA	NA	NA	NA	NA	NA	1,728
Maximum daily capacity (millions of gallons)	5.70	6.95	6.95	6.95	6.95	6.95	6.95	6.95	6.95	6.95
Sewer										
Sanitary sewers (miles)	123.4	123.4	123.4	123.4	123.4	123.4	146.2	146.2	146.2	146.0
Storm sewers (miles)	73.6	73.6	73.6	73.6	73.6	73.6	75.0	75.0	75.0	75.0
Maximum daily capacity (million of gallons)	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0

Note: No capital asset indicators are available for the general government function

Sources: various City of Bradenton departments

\* NA = (Not Available)



**City of Bradenton, Florida**