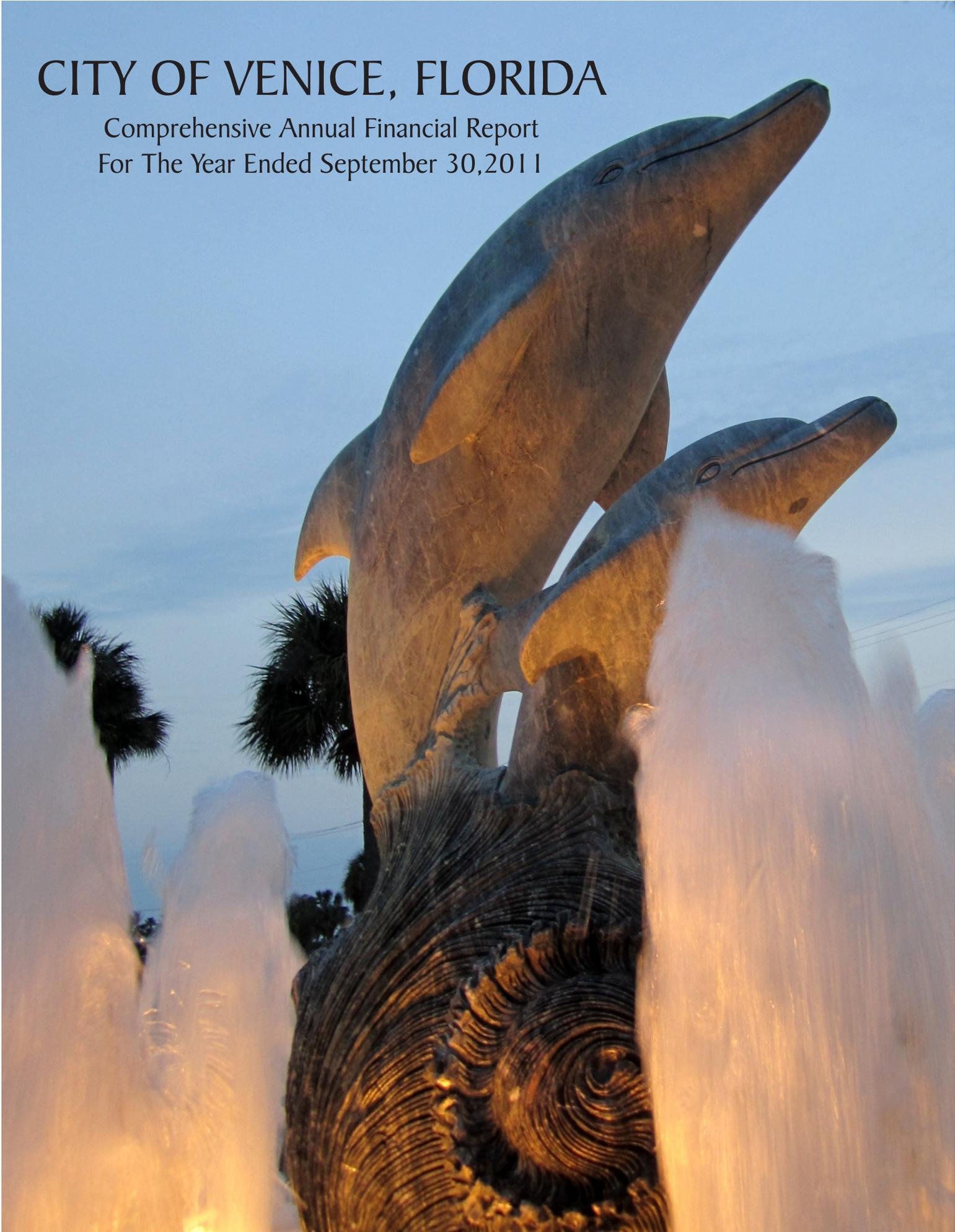


CITY OF VENICE, FLORIDA

Comprehensive Annual Financial Report
For The Year Ended September 30, 2011



Graser Park Fountain

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF VENICE, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2011**

**PREPARED BY THE
OFFICE OF THE FINANCE DIRECTOR
Jeff L. Snyder, CPA
FINANCE DIRECTOR**

INTRODUCTORY SECTION

- ◆ **TABLE OF CONTENTS**

- ◆ **LETTER OF TRANSMITTAL**

- ◆ **CERTIFICATE OF ACHIEVEMENT FOR
EXCELLENCE IN FINANCIAL REPORTING**

- ◆ **PRINCIPAL OFFICIALS**

- ◆ **CITY OF VENICE
ORGANIZATIONAL CHART**

City of Venice, Florida
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2011

Reference

INTRODUCTORY SECTION

Letter of Transmittal.....	I
Certificate of Achievement for Excellence in Financial Reporting.....	VI
List of Principal Officials.....	VII
Organizational Chart	VIII

FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	19
Statement of Activities.....	20
Fund Financial Statements:	
Balance Sheet – Governmental Funds	22
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	24
Budget Comparison Statement	26
Statement of Net Assets – Proprietary Funds	28
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds.....	34
Statement of Cash Flows – Proprietary Funds.....	38
Statement of Fiduciary Net Assets – Fiduciary Funds.....	40
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds.....	41
Notes to the Basic Financial Statements.....	42

Combining and Individual Fund Statements and Schedules:

Fund Descriptions – Nonmajor Governmental Funds	78
Combining Balance Sheet – Nonmajor Governmental Funds	80
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	86
Budget Comparison Schedules	91
Fund Description – Internal Service Funds	101
Combining Statement of Net Assets – Internal Service Funds	102
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Internal Service Funds	104
Combining Statement of Cash Flows – Internal Service Funds	106
Fund Description – Trust and Agency Funds	108
Combining Statement of Fiduciary Net Assets – Pension Trust Funds	109
Combining Statement of Changes in Fiduciary Net Assets – Pension Trust Funds	110

STATISTICAL SECTION (UNAUDITED)

Government-Wide Information:

Net Assets by Component	113
Changes in Net Assets	114
Fund Balances of Governmental Funds	116
Changes in Fund Balances of Governmental Funds	118
Assessed Value and Estimated Actual Value of Taxable Property	120
Property Tax Rates-Direct & Overlapping Governments	121
Property Tax Levies and Collections	122
Pledged Revenue Coverage	123
Governmental Activities Tax Revenues by Source	124
Ratios of Outstanding Debt by Type	126
Ratios of General Bonded Debt Outstanding	128
Direct and Overlapping Governmental Activities Debt	129
Demographic and Economic Statistics	130
Principal Property Taxpayers	131
Principal Employers	132
Full-Time Equivalent City Government Employees by Function	134
Operating Indicators by Function/Program	136
Capital Asset Statistics by Function/Program	138



March 30, 2012

Honorable Mayor, City Council, and Citizens of the City of Venice, Florida:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Venice, Florida (City) for the fiscal year ended September 30, 2011. The purpose of this report is to provide the City Council, citizens, representatives of financial institutions and others with detailed information concerning the financial condition and performance of the City of Venice. In addition, the report provides assurance that the City presents fairly, in all material respects, its financial position as verified by independent auditors.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Moore Stephens Lovelace, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended September 30, 2011, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

March 30, 2012

PROFILE OF THE GOVERNMENT

The City, incorporated during 1927, is located in Sarasota County, the southwestern part of the state. Venice, well known for its beautiful beaches, enjoys a semi-tropical climate with an average summer temperature of 83.5 degrees, and an average winter temperature of 63.6 degrees. The City currently occupies a land area of 16.73 square miles and serves a population of 21,165. The City is empowered to levy a property tax on real property and personal property located within its boundaries. The City is also empowered by state statutes to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City has operated under the council-manager form of government since 1927. Policy-making and legislative authority are vested in a city council consisting of the mayor and six other members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Attorney, and City Clerk. The City Manager is responsible for carrying out the policies and ordinances of the city council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve three-year staggered terms, with two council members elected every year. The mayor is elected to serve a three-year term. The mayor and the council members are elected at large.

The City provides a full range of services that include public safety, the construction and maintenance of streets and other infrastructure, solid waste services and recreational activities and cultural events. The City also provides utilities for water, wastewater, and storm water.

Public safety includes police protection and fire protection. Police protection is provided through the Police Department, which includes 45 authorized police officers. The City's Fire Department operates 3 fire stations and has 41 firefighters and officers.

The annual budget serves as the foundation for the City's financial planning and control. All agencies of the City are required to submit requests for appropriation to the City Manager in April of each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the council for review prior to July 31. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The City Manager may make transfers of appropriations within a fund. Transfers of appropriations between funds, however, require the approval of the City Council. Budget-to-actual comparisons are provided in this report for the general fund as part of the basic financial statements.

LOCAL ECONOMY

The City currently faces the same economic environment as the rest of the nation. The slow down in the economy and local indicators point to a significant slow down in new housing construction while home sales have plummeted. The economy of the City and Sarasota County is a blend of tourist and retirement industries, related service industries, light manufacturing and construction. The number of tourists visiting the County exceeds one million annually.

March 30, 2012

The combination of cultural and recreational facilities, together with the continuing expansion of programs and facilities makes Venice and Sarasota County an ideal retirement area. Retirees contribute an important stabilizing effect on the City's economy since their incomes are affected very little by the cyclical nature of the economy and by unemployment levels.

The population of Venice has steadily increased over the past ten years from 18,151 in 2002 to 21,165 as of January 1, 2012 (estimated). The population increase is due primarily to net migration versus natural increases. The taxable value on real property decreased 5.3% during the year. This trend continues as the nation struggles through the great recession. In Sarasota County housing prices have continued to fall and are estimated to be at 2002 prices or less. This will continue to impact the fiscal year 2011-2012 operations as well as our future fiscal years.

LONG-TERM FINANCIAL PLANNING

The City uses a five-year model for long-range planning in the general fund and all enterprise funds. The plans, including a five-year capital improvement plan, are updated annually. The City Council's main objectives are: A) To preserve the quality of life by providing and maintaining adequate financial resources necessary to sustain a sufficient level of municipal services, B) To respond to changes in the economy, the priorities of governmental and non-governmental organizations, and other changes that may affect the City's financial well being, C) To protect the City from emergency fiscal crisis by ensuring the maintenance of service even in the event of an unforeseen occurrence, and D) To maintain a strong credit rating in the financial community through sound, conservative financial decision-making.

Additionally the City Council has established a preference for pay-as-you-go financing as a significant capital financing source, but will ultimately determine the most appropriate financing structure for each capital project on an individual basis after examining all relevant factors of the project. Fund balances in excess of required debt and other continuing obligations may be used as a capital source for pay-as-you-go financing.

RELEVANT FINANCIAL POLICIES

The annual budget should be maintained in such a manner as to avoid an operating fund deficit. The annual budget should show fiscal restraint. Expenditures should be managed to create a positive cash balance (surplus) in each fund at the end of the fiscal year.

The City maintains a prudent cash management and investment program in order to meet daily cash requirements and earn the maximum rate of return on invested funds commensurate with appropriate security.

The City should maintain sufficient reserves of no less than 3 months of general fund expenditures.

Accounting systems are maintained in order to facilitate financial reporting in conformance with Generally Accepted Accounting Principles.

An annual financial audit is prepared in conformance with Florida state law.

March 30, 2012

MAJOR INITIATIVES

Due to the challenging economic times the City's revenues have been declining. Through staff's initiatives, General Fund expenditures were reduced in the past several years and by approximately \$438,000 in the current year. Overall, 9 positions were eliminated in fiscal year 2011. City staff continues to look for ways to do more with less to get through the economic downturn and minimize the impact on services provided to the citizens.

Venice City Council approved a new fee schedule for building permits and land development fees that went into effect in fiscal year 2011. The new fee schedule is part of the Development Services Partnering 4 Success Program, which includes enhanced customer service training, streamlining processes, and initiating advanced technology to make doing business with the City an easier and more pleasant experience. Also, the Building Department has the ability to waive permit fees related to defective drywall remediation, including demolition of the tainted product and installation of the replacement product. Improved customer service initiatives through implementation of various permit process features such as plan tracking, inspection scheduling, online payment and application submittal with Click2Gov online services module.

City Council approved and implemented a utility rate increase that went into effect July 1, 2010 with a scheduled rate increase effective October 1, 2011. However, City Council suspended the October 1, 2011 rate increase to obtain a water and sewer utility rate study to determine the best way to satisfy the annual operating and capital cost requirements, to ensure compliance with terms of existing indebtedness, to establish and maintain adequate operating reserves, and create incentives for water conservation. This rate study resulted in a 3% increase to go into effect April 2012 and then again every October for the next five years.

Initiated a Water Master Plan effort that will provide a comprehensive evaluation of our water supply, water treatment, and water distribution system. Also, initiated a Wastewater Master Plan effort that will provide a comprehensive evaluation of our wastewater collection, transmission, treatment, and disposal systems. Information resulting from these two studies will be critical in the future operation and improvements of our drinking water and wastewater systems.

On December 21, 2010 the City's Comprehensive Plan was found in compliance by the Florida Department of Community Affairs. The Adopted Comprehensive Plan provides the direction and guidance enabling Venice to maintain and enhance those attributes that make the City a desirable place to live, work, learn and play. The Comprehensive Plan, which is updated every 7 years, is designed to preserve and enhance the public health, safety and welfare through the management of growth, provision of adequate public services and the protection of natural resources. The Comprehensive Plan includes goals, objectives and policies for each of the State required elements including, land use, housing, transportation, utilities, and environmental issues for a 20 year planning horizon. Some of the elements contain level of service standards requiring that development be managed to maintain the adopted standard (concurrency). The Comprehensive Plan also plays a significant role within Florida's growth management system. It is required to be consistent with the State Comprehensive Plan (Chapter 187, Florida Statutes), and to be consistent with the Regional and Sarasota County Comprehensive Plans.

Honorable Mayor, City Council
And Citizens of the City of Venice, Florida
March 30, 2012

Venice Municipal Airport (VNC) was home to approximately 220 aircraft and 60,000 takeoffs and landings in fiscal year 2011. The airport is financially self-sufficient, has a significant impact on the local economy and provides convenient access to the community for residents, businesses and visitors from anywhere in the U.S. In 2011, VNC commissioned a new Automated Weather Observation System so that pilots can obtain the most current weather information. The Airport Layout Plan (ALP) was also approved in 2011. The ALP features future improvements which include the reconstruction of Runway 4-22, VNC's noise mitigation runway, and shifting Runway 13-31 southeast to enhance safety and preserve a neighboring residential community.

FDOT widening of Interstate 75, between State Road 681 and River Road. Construction of an additional lane in each direction began in June 2010 and is expected to be complete in 2013.

With the cost of healthcare trending upward at a rate of 12% annually, the city implemented some health care initiatives including increasing healthcare contribution rates for retirees effective January 1, 2012 with the objective of a 50/50 contribution split between the City and retiree in the retiree health insurance rates within a five (5) year period.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Venice for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2010. This was the twenty fifth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the City's departments who assisted with and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their support for maintaining the highest standards of professionalism in the management of the City of Venice's finances.

Respectfully submitted,



Edward F. Lavalley, MPA
City Manager



Jeff L. Snyder, CPA
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Venice
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2010

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.



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

CITY OF VENICE, FLORIDA
COUNCIL-MANAGER FORM OF GOVERNMENT

CITY COUNCIL

John Holic, Mayor

Thomas “Kit” McKeon-Vice Mayor

James Bennett

Emilio Carlesimo

Bob Daniels

Jeanette Gates

Dave Sherman

CITY MANAGER

Edward F. Lavalley, MPA

FINANCE DIRECTOR

Jeff Snyder, CPA

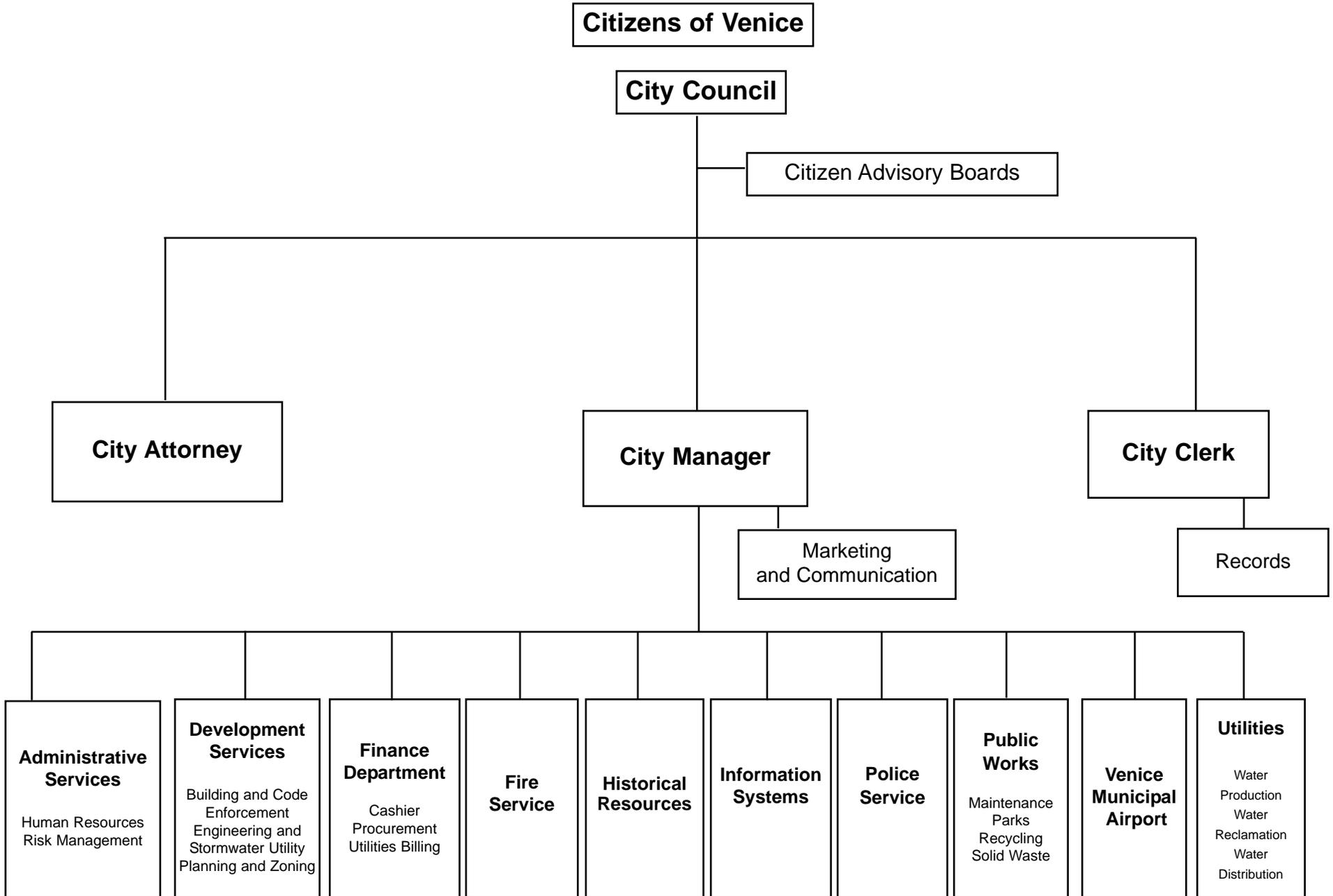
CITY CLERK

Lori Stelzer, MMC

CITY ATTORNEY

Hall & Anderson

CITY OF VENICE ORGANIZATIONAL CHART



FINANCIAL SECTION

◆ **INDEPENDENT AUDITOR'S REPORT**

◆ **MANAGEMENT'S DISCUSSION AND ANALYSIS**

◆ **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

◆ **FUND FINANCIAL STATEMENTS**

◆ **NOTES TO BASIC FINANCIAL STATEMENTS**

◆ **COMBINING FUND STATEMENTS AND SCHEDULES**



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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
City of Venice, Florida

We have audited the accompanying financial statements of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Venice, Florida (the "City"), as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We 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 our audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2011, and the respective changes in financial position, and cash flows, where applicable, and the budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2012 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Honorable Mayor and City Council
City of Venice, Florida

INDEPENDENT AUDITOR'S REPORT
(Concluded)

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

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

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 30, 2012

Management's Discussion and Analysis For the Year Ended September 30, 2011 (unaudited)

As management of the City of Venice, Florida (City), we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2011.

We encourage readers of these financial statements to consider the information included in the transmittal letter and in the other sections of the Comprehensive Annual Financial Report (CAFR) (e.g., combining statements and the statistical section) in conjunction with this discussion and analysis.

Financial Highlights

These financial highlights summarize the City's financial position and operations as presented in more detail in the Basic Financial Statements (BFS), as listed in the accompanying Table of Contents.

- At the close of fiscal year 2011, the City's assets exceeded liabilities by \$160.1 million (net assets). Of this amount, \$24.8 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets decreased by \$2.1 million, or 1.3%, in comparison to the prior year. Net assets of the business-type activities increased by \$4.5 million, and net assets of the governmental activities decreased by \$6.6 million.
- All of the City's business-type activities reported combined ending net assets of \$88.8 million. Of this amount \$11.6 million is available for spending at the City's discretion.
- The General Fund's fund balance decreased by \$1.8 million for the year ended September 30, 2011.
- At the end of the current year, fund balance for the General Fund was \$13.0 million, or 58.6% of total general fund expenditures and transfers. Of this amount, the reserved fund balances of \$5.2 million are for nonspendable inventories and prepayments, advances to other funds, and amounts committed or restricted for capital improvements. \$7.8 million is unassigned; of this amount \$5.5 million is for disaster reserve and \$2.3 million is available for any purpose.
- The City's total debt decreased by \$2.5 million during the fiscal year.

Overview of the Financial Statements

Basic Financial Statements. Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the City's BFS. The BFS are comprised of three components: 1) Government-Wide Financial Statements (GWFS), 2) Fund Financial Statements (FFS),

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

and 3) Notes to Basic Financial Statements (Notes). This CAFR also contains other supplementary information in addition to the BFS.

Government-Wide Financial Statements. The GWFS, shown on pages 19-21 of this report, contain the *statement of net assets* and the *statement of activities*, described below:

The *statement of net assets* presents information on all of the City's assets and liabilities (including capital assets and short and long-term liabilities), with the difference between the two reported as *net assets* using the accrual basis. Over time, increases or decreases in net assets serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents a comparison between direct expenses and program revenues for each of the City's functions or programs (referred to as "activities"). Direct expenses are those that are specifically associated with an activity and are therefore clearly identifiable with that activity. Program revenues include charges paid by the recipient of the goods or services offered by the program, in addition to grants and contributions that are restricted to meeting the operational or capital requirements of a particular activity. Revenues that are not directly related to a specific activity are presented as general revenues. The comparison of direct expenses with revenues from activities identifies the extent to which each activity is self-financing, or alternatively, draws from any City generated general revenues. The governmental activities (activities that are principally supported by taxes and intergovernmental revenues) of the City include administration of general government, public safety, culture and recreation, physical environment, transportation, and economic environment. The business-type activities (activities intended to recover all of their costs through user fees and charges) of the City include water and sewer utilities, solid waste, storm water, and airport. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs (accrual basis), regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as uncollected taxes and earned but unused vacation leave.

Fund Financial Statements. A *fund* is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The principal role of funds in the new financial reporting model is to demonstrate fiscal accountability. The City, as with other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

The focus of the FFS is on major funds. Major funds are those that meet minimum criteria (a percentage of assets, liabilities, revenue, or expenditures/expenses of fund category and of the governmental and enterprise funds combined), or those that the City chooses to report as major funds given their qualitative significance. Nonmajor funds are aggregated and shown in a single column in the appropriate financial statements. Combining schedules of nonmajor funds are included in the CAFR following the BFS. All of the funds of the City can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental FFS. Governmental funds are used to account for essentially the same functions reported as governmental activities in the GWFS. However, unlike the GWFS, governmental FFS focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the City's fiscal year. Such information is useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the GWFS (modified accrual versus accrual basis of accounting, and current financial resources versus economic resources), it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the GWFS. By doing so, readers may better understand the long-term impact of the near-term financing decisions. Reconciliations are provided for both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances to facilitate the comparison between governmental funds and governmental activities.

The City maintains 19 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The General Fund is considered a major fund. Data from the other governmental funds are combined into a single aggregated presentation. Budgetary comparisons have been presented for the general fund and each non-major governmental fund to demonstrate compliance with the budget. The General Fund comparison is presented in the FFS on page 26 of this report. The nonmajor governmental fund comparisons can be found on pages 91-99 of this report.

Proprietary FFS. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the GWFS. Enterprise FFS provide the same type of information as the GWFS, only in more detail. The City uses enterprise funds to account for its Water and Sewer Utility, Solid Waste, Storm Water, and Airport activities, of which all of these activities are considered to be major funds by the City and are presented separately.

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its employees' group health and life insurance, workers' compensation self insurance, employee flexible spending, and property and liability insurance. The services provided by the internal service funds benefit both governmental and business-type activities, and accordingly, they have been included within governmental activities and business-type activities, as appropriate, in the GWFS. All internal service funds are combined into a single aggregated presentation in the proprietary FFS. Reconciliations are provided for both the proprietary fund statement of net assets and the proprietary fund statement of revenues, expenses, and changes in fund net assets to facilitate the comparison between enterprise funds and business-type activities. The proprietary FFS can be found on pages 28-39 of this report.

Fiduciary FFS. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the GWFS because the resources of those funds are not available to support the City's own programs. The City presents pension trust funds that represent the results of two defined benefit pension plans as fiduciary funds in the FFS. The fiduciary FFS can be found on pages 40-41 of this report.

Notes to Basic Financial Statements. The Notes provide additional information that is essential to a full understanding of the data provided in the GWFS and FFS. The Notes can be found on pages 42-76 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets serve as a useful indicator of the City's financial position. For the City, assets exceeded liabilities by \$160.1 million (*net assets*) at the close of the fiscal year.

By far the largest portion of the City's net assets, 78.9%, reflects its investment in capital assets, e.g., land, buildings, infrastructure, machinery, and equipment, less any related debt used to acquire those assets that is still outstanding at the close of the fiscal year. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

City of Venice Net Assets
Summary of Net Assets
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 29,298	\$ 33,403	\$ 22,613	\$ 17,789	\$ 51,911	\$ 51,192
Capital assets	61,704	64,559	89,569	91,773	151,273	156,332
Total assets	<u>91,002</u>	<u>97,962</u>	<u>112,182</u>	<u>109,562</u>	<u>203,184</u>	<u>207,524</u>
Current liabilities	2,185	3,731	2,356	2,657	4,541	6,388
Noncurrent liabilities	17,530	16,275	21,060	22,666	38,590	38,941
Total liabilities	<u>19,715</u>	<u>20,006</u>	<u>23,416</u>	<u>25,323</u>	<u>43,131</u>	<u>45,329</u>
Net assets:						
Invested in capital assets, net of related debt	53,789	56,255	72,481	72,578	126,270	128,833
Restricted	4,332	457	4,699	3,534	9,031	3,991
Unrestricted	13,165	21,244	11,586	8,127	24,751	29,371
Total net assets	<u>\$ 71,286</u>	<u>\$ 77,956</u>	<u>\$ 88,766</u>	<u>\$ 84,239</u>	<u>\$ 160,052</u>	<u>\$ 162,195</u>

An additional portion of the City's net assets, 5.6%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of \$24.8 million or 15.5%, may be used to meet the City's ongoing obligations to citizens and creditors.

The City also reports positive balances in all three categories of net assets for the City as a whole, as well as for its separate governmental activities and business-type activities.

The City's governmental activities net asset balance of \$71.3 million decreased \$6.7 million, or 8.6%, in comparison to the prior year. This is primarily a result of the capital improvements completed towards the end of fiscal year 2010 that were capitalized and started depreciation expense in fiscal year 2011, a decrease in capital asset additions in fiscal year 2011, an increase in police and fire pension contributions, and a decrease in property and excise tax revenues, and a decrease in grant revenues. There is a concentrated effort by City management to contain expenditures in light of the declining economy affecting the current fiscal year.

The City's business-type activities experienced an increase in net assets of \$4.5 million during the current fiscal year as compared to an increase of nearly \$3.7 million during the prior fiscal year. This is primarily due to a concentrated effort by City management to contain expenditures in light of the declining economy affecting the current fiscal year.

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

Changes in Net Assets

Details of the following summarized information can be found on pages 20-21 of this report.

**City of Venice Changes in Net Assets
For the Year Ended September 30
(in 000's)**

	Governmental Activities		Business- Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for services	\$ 1,801	\$ 1,902	\$ 26,507	\$ 26,275	\$ 28,308	\$ 28,177
Operating grants and contributions	714	826	71	14	785	840
Capital grants and contributions	208	980	359	891	567	1,871
General Revenues:						
Property taxes	8,288	9,217	-	-	8,288	9,217
Sales taxes	4,988	4,403	-	-	4,988	4,403
Excise taxes	1,810	1,980	-	-	1,810	1,980
Franchise fees	1,912	1,788	-	-	1,912	1,788
Intergovernmental	1,759	2,058	-	-	1,759	2,058
Interest earnings	442	404	234	127	676	531
Other	549	925	-	-	549	925
Total revenues	<u>22,471</u>	<u>24,483</u>	<u>27,171</u>	<u>27,307</u>	<u>49,642</u>	<u>51,790</u>
Expenses						
General government	5,199	5,921	-	-	5,199	5,921
Finance	1,356	1,432	-	-	1,356	1,432
Information services	813	781	-	-	813	781
Parks and recreation	4,026	3,729	-	-	4,026	3,729
Police	8,722	9,261	-	-	8,722	9,261
Fire	6,948	7,023	-	-	6,948	7,023
Public works	3,964	2,352	-	-	3,964	2,352
Interest on long-term debt	359	372	-	-	359	372
Water and sewer utility	-	-	13,946	13,659	13,946	13,659
Solid waste	-	-	3,726	4,038	3,726	4,038
Airport	-	-	1,911	2,278	1,911	2,278
Storm water drainage	-	-	815	867	815	867
Total Expenses	<u>31,387</u>	<u>30,871</u>	<u>20,398</u>	<u>20,842</u>	<u>51,785</u>	<u>51,713</u>
Change in net assets before special items and transfers	(8,916)	(6,388)	6,773	6,465	(2,143)	77
Transfers	2,246	2,809	(2,246)	(2,809)	-	-
Change in net assets	<u>(6,670)</u>	<u>(3,579)</u>	<u>4,527</u>	<u>3,656</u>	<u>(2,143)</u>	<u>77</u>
Net assets - beginning of year	<u>77,956</u>	<u>81,535</u>	<u>84,239</u>	<u>80,583</u>	<u>162,195</u>	<u>162,118</u>
Net assets - end of year	<u><u>71,286</u></u>	<u><u>77,956</u></u>	<u><u>88,766</u></u>	<u><u>84,239</u></u>	<u><u>160,052</u></u>	<u><u>162,195</u></u>

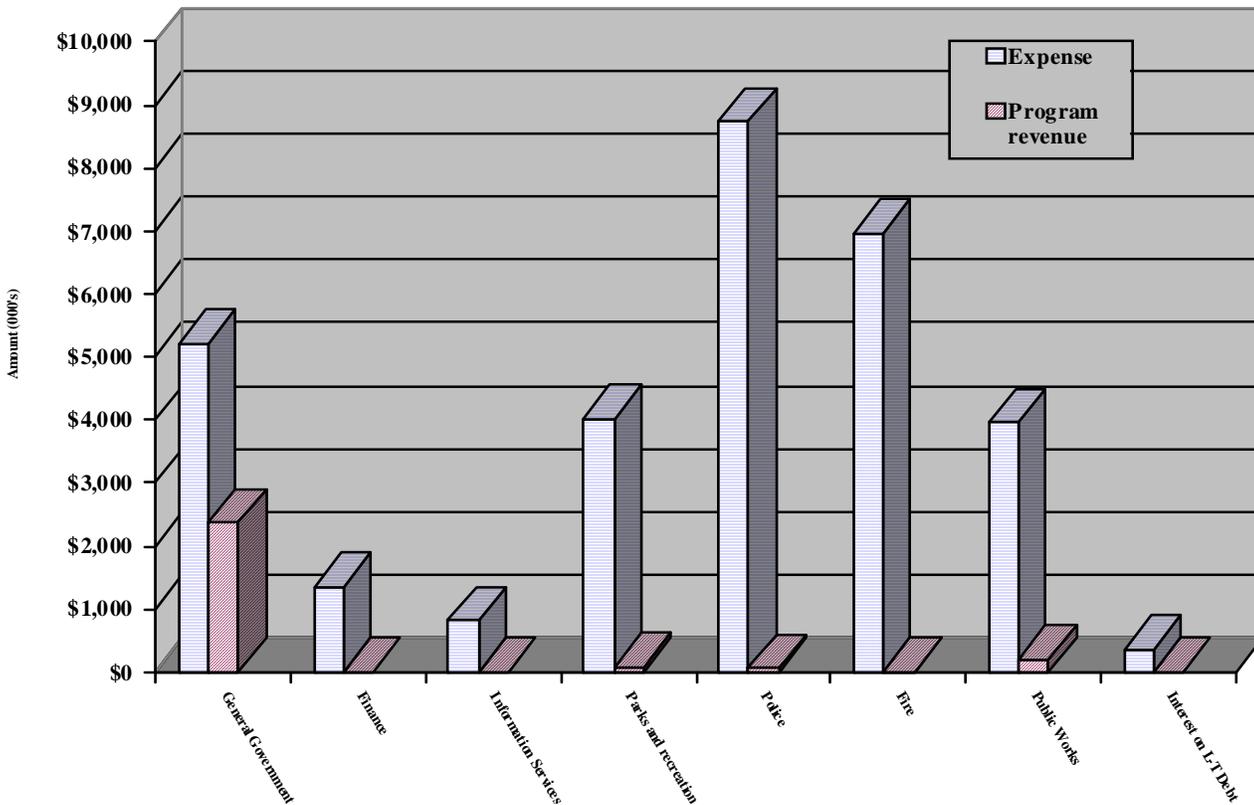
Management's Discussion and Analysis
 For the Year Ended September 30, 2011
 (unaudited)

Governmental activities. The net assets of the City's governmental activities decreased by \$6.7 million. Key elements of the operations follow:

- Total expenses increased by \$515,520, or 1.7% from the prior year. This is a result of an increase in police and fire pension contributions and \$1.8 million to Sarasota County School Board for the Performing Arts Center. Offsetting these increases were cost cutting measures which included eliminating nine positions, evaluating services provided and streamlining operations.
- Revenues decreased by approximately \$2.0 million, or 8.2% in comparison to the prior year. The key factors impacting this decrease include the housing market melt down which reduced property values and ad valorem taxes by \$929,000. Additionally, our excise taxes and grants/intergovernmental revenue were \$1.1 million less than the prior fiscal year.

This graph depicts the expenses and program revenues generated through the City's various governmental activities.

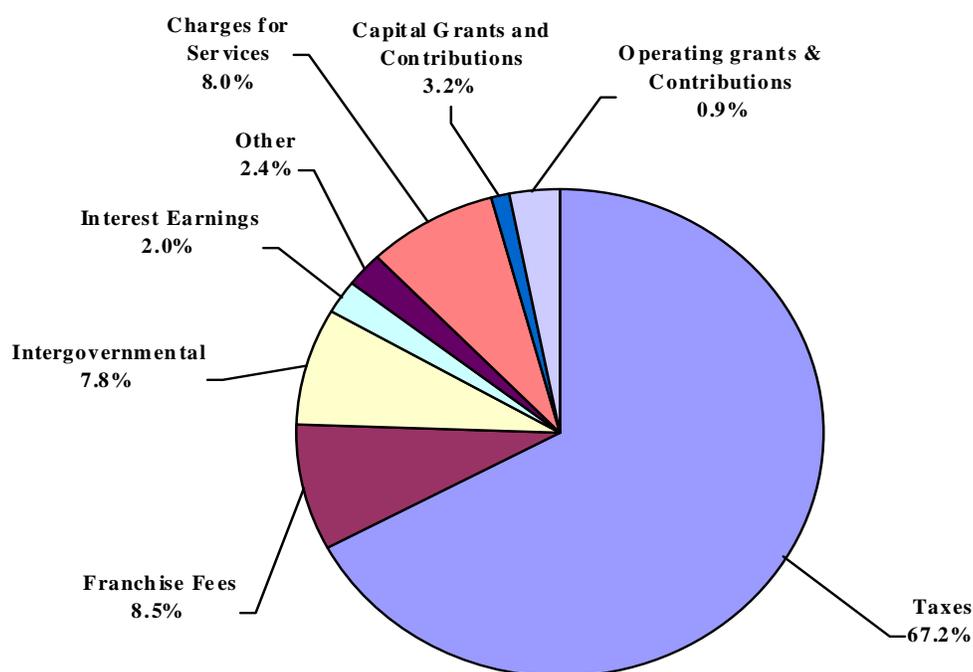
Expenses and Program Revenues - Governmental Activities



Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

The following graph reflects the source of the revenue and the percentage each source represents of the total.

Revenues by Source – Governmental Activities



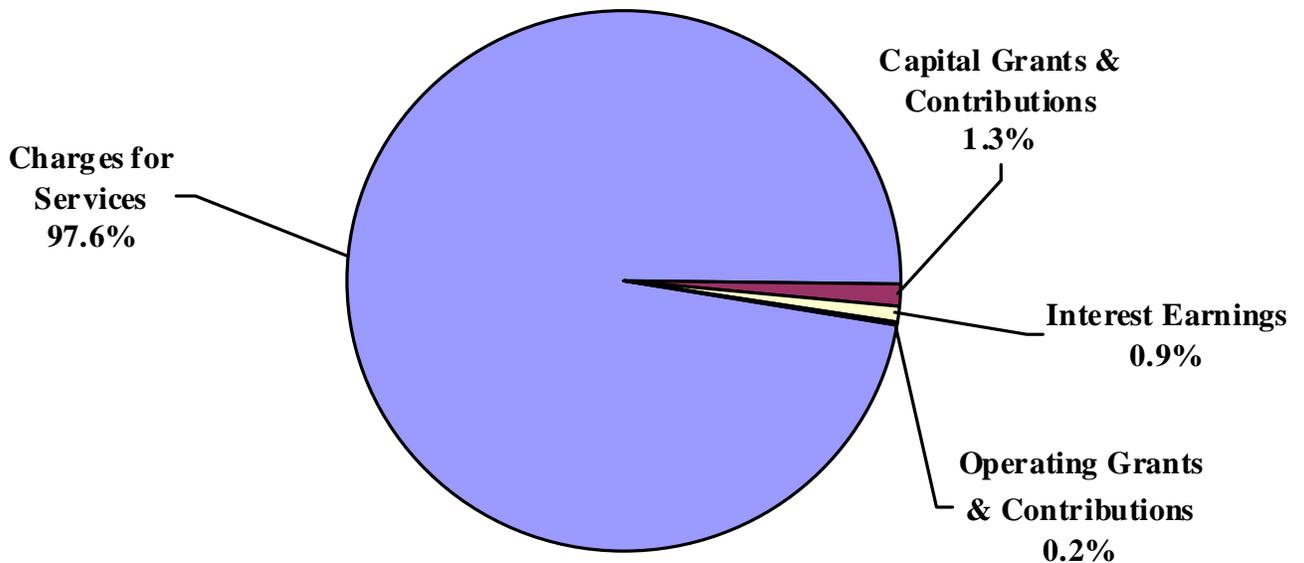
Business-type activities. Business-type activities increased the City's net assets by \$4.5 million as a result of operations. Key elements of this increase follow:

- Charges for services for business-type activities increased by \$232,000. A water and sewer utility rate increase went into effect July 2010; the effect of this increase is the primary reason for the increase in charges for services. Interest earnings increased \$107,000. Offsetting these increases was a decrease in operating and capital grants and contributions by \$475,000.
- Expenses decreased by \$.4 million as a result of cost cutting measures which included eliminating open positions, evaluating services provided and streamlining operations.
- Transfers out to the general fund decreased by \$.6 million, or 20.0%, due to a decrease in the central services cost allocation resulting from the methodology and process established in the full cost allocation plan.

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

The following graph reflects the revenue sources generated by the business-type activities. As noted earlier, these activities include Water and Sewer, Solid Waste, Airport, and Storm Water Drainage.

Revenues by Source – Business-type Activities



Financial Analysis of the City's Funds

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance serves as a useful measure of the City's resources available for any purpose that is not included in other spendable classifications at the end of the fiscal year.

- At the end of the fiscal year, the City's governmental funds reported combined ending fund balances of \$23.7 million. This compared to \$25.8 million at the end of the prior fiscal year. This decrease is primarily the result of the City's decision to use fund balance due to the economy downturn and declining property values. Of the ending governmental fund balance \$16.1 million are nonspendable inventories and prepayments, advances to other funds, and amounts committed or restricted for capital improvements and debt

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

service. \$7.6 million is *unassigned*; of this amount \$5.5 million is for disaster reserve and \$2.1 million is available for any purpose.

The General Fund is the chief operating fund of the City. At the end of the fiscal year, the unassigned fund balance in the General Fund was \$7.8 million, compared to nearly \$9.8 million unreserved fund balance in the previous fiscal year, representing a decrease of approximately \$2.0 million due primarily to a decrease in the taxable assessed property valuation with the millage rate remaining constant, an increase in police and fire pension contributions, and \$1.8 million paid for the Performing Arts Center. The fund balance includes a reduction of \$0.4 million in advances to other funds as a result of a scheduled repayment of an interfund advance. Total fund balance approximated \$13.0 million at the end of the fiscal year compared to \$14.8 million at the end of the prior fiscal year. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represented 35.7% of total General Fund expenditures compared to Unreserved fund balance representing 44.7% in the prior year. Total fund balance represented 59.8% of total General Fund expenditures compared to 68.0% in the prior year.

Proprietary funds. The City's proprietary funds are comprised of the enterprise funds and internal service funds. An enterprise fund is used to account for activities for which a fee is charged to external users for goods and services. These funds provide essentially the same type of information found in the GWFS, but in more detail.

Unrestricted net assets of the major proprietary funds at the end of September 30 are shown next with amounts presented in 000s:

	<u>2011</u>	<u>2010</u>
Water and Sewer Utility Fund	\$ 3,182	\$ 196
Solid Waste Fund	2,942	2,460
Airport Fund	3,436	3,162
Storm Water Drainage Fund	1,185	989
	<u>\$ 10,745</u>	<u>\$ 6,807</u>

The Water and Sewer Utility Fund reflected a current year increase in unrestricted net assets of nearly \$3.0 million compared to an increase of \$4.0 million during the prior year. This is due to City Council adopted increases in the utility fees effective July 2010 and a concentrated effort by City Management to contain costs. City Management continues to monitor this fund.

The Solid Waste Fund reflected a current year increase in unrestricted net assets of nearly \$0.5 million compared to a \$0.3 million decrease during the prior year. The increase was due primarily to a decrease in expenses by \$.4 million as a result of cost cutting measures,

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

evaluating services provided and streamlining operations. This includes a decrease in administrative charges through the full cost allocation plan.

The Airport Fund increased \$0.3 million compared to the prior year's unrestricted net assets which decreased \$0.1 million. The increase was primarily due to a decrease in operating expenses of \$0.4 million resulting from cost cutting measures and streamlining operations. This includes a decrease in administrative charges through the full cost allocation plan.

The Storm Water Drainage Fund reflected an increase in unrestricted net assets of \$0.2 million during the current year compared to a \$0.1 million decrease during the prior year. The increase was primarily due to a decrease in operating expenses of \$0.4 million resulting from cost cutting measures and streamlining operations. This includes a decrease in administrative charges through the full cost allocation plan.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was \$1.8 million with an increase to expenditures. These changes can be briefly summarized as follows:

- \$657,230 increase for police pension funding and \$417,392 increase for fire pension funding, per actuary revised funding requirement.
- \$186,898 increase for police pension and \$262,095 increase for fire pension to adjust for on-behalf pension payments received from the State which are a pass through cost to the General Fund.
- \$505,000 increase in expenditures relating to the Florida Energy & Climate Commission grant.
- \$28,858 increase in marketing and promotional activities.
- (\$233,685) decrease in capital outlay expenditures.

The General Fund ended the fiscal year with expenditures being \$2.3 million less than budgeted. This was a result of a concentrated effort by management to control costs during the year including reductions in force, eliminating open positions and curtailing spending.

Actual total revenues were less than budgeted revenues by \$266,792 for the fiscal year. This is largely due to intergovernmental revenue being less than budgeted which includes sales taxes that were down due to a decrease in consumer spending and not all the energy grant funds were received during the fiscal year.

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

Capital Assets and Debt Administration

Capital assets. The City's invested in capital assets, net of related debt, for its governmental and business-type activities as of September 30, 2011 amounted to \$126.3 million (net of accumulated depreciation), or a 2% decrease, in comparison to the prior year. This invested in capital assets includes land, construction in progress, buildings, improvements, equipment, and infrastructure, net of accumulated depreciation, and the outstanding related debt used to acquire the assets.

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

- Completed construction of the Venice Avenue Drainage Project including construction of a stormwater pond to be a central feature of Ruscelletto Park.
- Completed construction on Ruscelletto Park.
- Completed installation of a new, state-of-the-art automated weather observation system (AWOS) at the Venice Municipal Airport.
- Installed and implemented Click2Gov on-line application services for various permit processing features and for on-line payments.
- Replaced the chiller in City Hall.
- Purchase of vehicles: side-load refuse truck and crane carrier truck for solid waste, stormwater sweeper truck, trucks for utilities.
- Road improvements on various City streets.

At the end of the fiscal year, the City has construction commitments of \$2.7 million.

**City of Venice Capital Assets
(Net of Accumulated Depreciation)
September 30
(in 000's)**

	Governmental Activities		Business- Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Land	\$ 11,038	\$ 11,035	\$ 1,838	\$ 1,838	\$ 12,876	\$ 12,873
Buildings	12,809	13,292	3,217	3,359	16,026	16,651
Improvements other than buildings	23,035	26,185	76,501	79,988	99,536	106,173
Machinery and equipment	2,236	2,372	5,072	4,852	7,308	7,224
Infrastructure	9,976	10,413	-	-	9,976	10,413
Construction in progress	2,610	1,262	2,941	1,736	5,551	2,998
Total	\$ 61,704	\$ 64,559	\$ 89,569	\$ 91,773	\$ 151,273	\$ 156,332

Additional information about the City's capital assets can be found on pages 55-57 of this report.

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

Long-term debt. A summary of the City's total outstanding debt follows:

**City of Venice Outstanding Debt
General Obligation and Revenue Bonds
September 30
(in 000's)**

	Governmental Activities		Business- Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
General obligation bonds	\$ 7,915	\$ 8,235	\$ -	\$ -	\$ 7,915	\$ 8,235
Revenue bonds & notes	-	69	17,088	19,194	17,088	19,263
Total	\$ 7,915	\$ 8,304	\$ 17,088	\$ 19,194	\$ 25,003	\$ 27,498

There is no direct debt limitation in the City Charter or under State law. Article VII, Section 9 of the Constitution of the State of Florida provides that, exclusive of taxes levied for the payment of voter-approved general obligation bonds, cities may levy up to ten mills for municipal services. Pursuant to the Florida Constitution, there is no limit on the amount of ad valorem taxes a city may levy for the payment of debt service on voter-approved general obligation bonds. The current voter approved debt service millage tax rate per \$1,000 of assessed valuation is \$0.225.

As of September 30, 2011, the City's total outstanding debt has decreased by \$2.5 million or 9.0% over the prior fiscal year end. The decrease in outstanding debt is attributed to the payment of scheduled debt service totaling \$2.5 million.

Three major rating institutions (Standard & Poor's, Moody's and Fitch) have evaluated the City's financial management, economic conditions and administrative practices. The bond ratings continue to reflect that the City's bonds have the characteristics of investment quality as shown below:

	Standard & Poor's	Moody's Investors Service	Fitch Ratings
General Obligation	AA-	Aa2	AA

In March 2011, Standard & Poor's upgraded the rating from A+ to AA-. In November 2011, Moody's affirmed the current rating of Aa2. These ratings reflect the general credit characteristics of the City, sound management, and moderate debt levels.

Additional information on the City's long-term debt can be found on pages 59-61 of this report.

Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

Economic Factors and the Next Fiscal Year's Budget and Rates

- At the end of the City's fiscal year the unemployment rate for Sarasota County (Venice area) was 11.0%. This is a decrease from a rate of 12.5% one year earlier. This compares unfavorably to the state's average unemployment rate of 10.6% and the national average of 9.5% at September 2011.
- The City's population is estimated to have slightly decreased, 21,165 for 2011 and 22,176 just one year earlier, 2010.
- Building permits issued increased from 4,476 during 2010 to 5,017 in fiscal year 2011, or about a 12.0% increase. This compares to a 21% increase from fiscal year 2009 to 2010, and a 7.8% decrease from fiscal year 2008 to 2009.
- The assessed valuation of commercial and residential property decreased to \$2,861 billion in 2011 from \$3,173 billion in 2010. This is a 9.8% decrease during 2011 compared to a 13.1% decrease during the prior year. In developing the fiscal year 2012 budget, the assessed values decreased to \$2,708 billion from \$2,861 billion in 2011. This is a 5.0% decrease for 2012.
- After 4 years of no millage increase, the General Fund property tax millage rate for fiscal year 2012 was slightly increased from \$2.779 per thousand to \$2.935 per thousand. The meltdown of the real estate market will continue to result in a decline in the revenue received from ad valorem taxes. The voter approved debt service property tax millage rate was also slightly increased from \$0.225 in fiscal year 2011 to \$0.260 for fiscal year 2012.
- The economic meltdown is anticipated to impact sales tax, gas tax and other tourism related revenues.

All of these factors were considered in preparing the City of Venice's budget for the 2011-2012 fiscal year.

At the end of the fiscal year, the unassigned fund balance in the General Fund was \$7.8 million, compared to nearly \$9.8 million unreserved fund balance in the previous fiscal year, representing a decrease of approximately \$2.0 million. It is intended that the unassigned (unreserved) fund balance be equal to 25% of annual General Fund expenditures, which equates to approximately \$5.4 million. The City Council authorized a millage rate increase for fiscal year 2012 to ensure delivery of city services without using General Fund reserves. We anticipate fiscal year 2013 will find the city still operating with restricted revenue streams and have identified some future operation areas for cost cutting. It is imperative that the budget process continues to weigh long term alternatives for meeting the city's obligations within the constraints of projected revenue streams.

City of Venice, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2011
(unaudited)

City Council approved and implemented a utility rate increase that went into effect July 1, 2010. This enables the Utility Enterprise Fund to support improvements to the infrastructure, while providing regular operations and repaying loans from the General Fund.

The fiscal year 2012 Utility Fund budget includes \$10 million for capital projects, including the replacement of membrane systems at the water plant, odor control, forcemain improvements, inflow and infiltration of the wastewater collection system, and various sewer replacements. Some of the planned funding will come from revenue bonds.

The fiscal year 2012 airport budget includes \$9.2 million for capital items, including Runway 4-22 improvements, T-Hangar improvements, vehicles, and an environmental assessment to identify and mitigate any environmental impacts of the proposed improvements to Runway 13-31.

The Storm Water utility rates increased by 1.1%, the CPI for all urban consumers southern region, effective October 1, 2010, this rate along with the Solid Waste rates remained unchanged for the 2011-2012 fiscal year. In addition, for solid waste the City is evaluating the pros and cons of changing from our twice a week pickup to a once a week pickup during the 2011-2012 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of Venice's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to the Finance Director, 401 West Venice Avenue, Venice, Florida, 34285.



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City of Venice, Florida
Statement of Net Assets
September 30, 2011

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and cash equivalents	\$ 13,991,615	\$ 11,122,547	\$ 25,114,162
Investments	9,722,989	7,729,227	17,452,216
Interest receivable	-	39,144	39,144
Accounts receivables (net of allowance for uncollectibles)	397,107	2,416,438	2,813,545
Internal balances	3,446,237	(3,446,237)	-
Due from other governments	833,075	125,513	958,588
Inventories	42,939	467,533	510,472
Prepaid expenses	460,822	-	460,822
Unamortized bond issue costs	89,286	234,924	324,210
Net pension asset	314,221	-	314,221
Restricted assets:			
Cash and cash equivalents	-	2,178,062	2,178,062
Investments	-	1,745,833	1,745,833
Capital assets (net of accumulated depreciation):			
Non-depreciable	13,648,203	4,779,082	18,427,285
Depreciable	48,055,482	84,789,556	132,845,038
Total assets	<u>91,001,976</u>	<u>112,181,622</u>	<u>203,183,598</u>
LIABILITIES			
Accounts payable	994,371	548,276	1,542,647
Accrued liabilities	901,086	303,260	1,204,346
Due to other governments	232,244	48,017	280,261
Accrued interest payable	57,693	287,573	345,266
Customer deposits	-	1,169,020	1,169,020
Noncurrent liabilities:			
Due within one year:			
Bonds payable	330,000	1,842,579	2,172,579
Compensated absences	724,854	223,467	948,321
Notes payable	-	474,839	474,839
Due in more than one year:			
Bonds payable	7,585,000	9,882,735	17,467,735
Compensated absences	763,552	232,587	996,139
OPEB payable	8,126,568	3,516,125	11,642,693
Notes payable	-	4,887,372	4,887,372
Total liabilities	<u>19,715,368</u>	<u>23,415,850</u>	<u>43,131,218</u>
NET ASSETS			
Invested in capital assets, net of related debt	53,788,685	72,481,113	126,269,798
Restricted for:			
Public safety	46,779	-	46,779
Capital improvements	3,065,333	4,408,040	7,473,373
Debt service	1,200,630	290,548	1,491,178
Energy Initiatives	19,576	-	19,576
Unrestricted	13,165,605	11,586,071	24,751,676
Total net assets	<u>\$ 71,286,608</u>	<u>\$ 88,765,772</u>	<u>\$ 160,052,380</u>

See accompanying Notes to Basic Financial Statements.

City of Venice, Florida
Statement of Activities
For the Year Ended September 30, 2011

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues</u> <u>Operating Grants and Contributions</u>
Primary government:			
Governmental activities:			
General government	\$ 5,198,807	\$ 1,800,769	\$ 573,026
Finance	1,356,326	-	-
Information services	812,838	-	-
Parks and recreation	4,025,781	-	-
Police	8,721,527	-	63,891
Fire	6,947,947	-	12,534
Public works	3,964,456	-	64,299
Interest on long-term debt	358,664	-	-
Total governmental activities	<u>31,386,346</u>	<u>1,800,769</u>	<u>713,750</u>
Business-type activities:			
Water and sewer utilities	13,946,052	18,330,838	71,658
Solid waste	3,726,327	4,883,706	-
Airport	1,911,288	1,935,056	-
Storm water drainage	815,119	1,357,669	-
Total business-type activities	<u>20,398,786</u>	<u>26,507,269</u>	<u>71,658</u>
Total primary government	<u>\$ 51,785,132</u>	<u>\$ 28,308,038</u>	<u>\$ 785,408</u>
General revenues:			
Property taxes			
Sales taxes			
Excise taxes			
Franchise fees			
Intergovernmental - unrestricted			
Investment earnings			
Miscellaneous			
Transfers, net			
Total general revenues and transfers			
Change in net assets			
Net assets - beginning			
Net assets - ending			

See accompanying Notes to Basic Financial Statements.

Net (Expenses) Revenues and

Changes in Net Assets

Capital Grants and Contributions	Primary Government		
	Governmental Activities	Business-type Activities	Total
\$ -	\$ (2,825,012)	\$ -	\$ (2,825,012)
-	(1,356,326)	-	(1,356,326)
-	(812,838)	-	(812,838)
79,194	(3,946,587)	-	(3,946,587)
-	(8,657,636)	-	(8,657,636)
-	(6,935,413)	-	(6,935,413)
128,843	(3,771,314)	-	(3,771,314)
-	(358,664)	-	(358,664)
<u>208,037</u>	<u>(28,663,790)</u>	<u>-</u>	<u>(28,663,790)</u>
-	-	4,456,444	4,456,444
-	-	1,157,379	1,157,379
123,750	-	147,518	147,518
235,391	-	777,941	777,941
<u>359,141</u>	<u>-</u>	<u>6,539,282</u>	<u>6,539,282</u>
<u>\$ 567,178</u>	<u>(28,663,790)</u>	<u>6,539,282</u>	<u>(22,124,508)</u>
	8,288,532	-	8,288,532
	4,987,554	-	4,987,554
	1,809,671	-	1,809,671
	1,912,512	-	1,912,512
	1,758,590	-	1,758,590
	442,335	234,146	676,481
	548,717	-	548,717
	<u>2,246,378</u>	<u>(2,246,378)</u>	<u>-</u>
	<u>21,994,289</u>	<u>(2,012,232)</u>	<u>19,982,057</u>
	(6,669,501)	4,527,050	(2,142,451)
	<u>77,956,109</u>	<u>84,238,722</u>	<u>162,194,831</u>
	<u>\$ 71,286,608</u>	<u>\$ 88,765,772</u>	<u>\$ 160,052,380</u>

City of Venice, Florida
Balance Sheet
Governmental Funds
September 30, 2011

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 4,898,195	\$ 6,320,100	\$ 11,218,295
Investments	3,403,831	4,391,935	7,795,766
Accounts receivable	354,060	3,138	357,198
Interest receivable	13,315	17,946	31,261
Due from other funds	175,000	-	175,000
Due from other governments	444,697	388,378	833,075
Prepaid assets	460,822	-	460,822
Inventory	42,939	-	42,939
Advances to other funds	4,287,276	-	4,287,276
Total assets	<u>\$ 14,080,135</u>	<u>\$ 11,121,497</u>	<u>\$ 25,201,632</u>
LIABILITIES			
Accounts payable	\$ 575,503	\$ 73,253	\$ 648,756
Accrued payroll payable	348,095	-	348,095
Due to other funds	-	175,000	175,000
Due to other governments	67,268	164,976	232,244
Deposits and other liabilities	76,378	-	76,378
Total liabilities	<u>1,067,244</u>	<u>413,229</u>	<u>1,480,473</u>
FUND BALANCES			
Nonspendable:			
Inventory, Prepayments and Advances to Other Funds	4,791,037	-	4,791,037
Restricted for:			
Public safety	-	46,779	46,779
Boating and waterway improvements	-	29,750	29,750
Street improvements	-	1,619,512	1,619,512
Capital improvements	225,100	2,687,994	2,913,094
Debt Service	-	1,200,630	1,200,630
Beach Renourishment	-	250,000	250,000
Energy Initiatives	19,576	-	19,576
Committed to:			
Training and education	-	59,126	59,126
Equipment	104,128	-	104,128
Street improvements	11,037	-	11,037
Capital improvements	64,550	1,776,836	1,841,386
Recreational facility capital improvements	-	1,315,147	1,315,147
Beach renourishment	-	1,827,874	1,827,874
Historic preservation	-	71,933	71,933
General Government	25,427	-	25,427
Unassigned (Deficits):			
General fund	7,772,036	-	7,772,036
Other funds	-	(177,313)	(177,313)
Total fund balances	<u>13,012,891</u>	<u>10,708,268</u>	<u>23,721,159</u>
Total liabilities and fund balances	<u>\$ 14,080,135</u>	<u>\$ 11,121,497</u>	<u>\$ 25,201,632</u>

See accompanying Notes to Basic Financial Statements.

City of Venice, Florida
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Assets
September 30, 2011

Total fund balance - governmental funds \$ 23,721,159

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 61,703,685

Internal service funds (ISF's) are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The portion of the assets and liabilities of the ISF's primarily serving governmental funds are included in governmental activities in the statement of net assets as follows:

Net assets 3,886,963
Amounts due from business-type ISFs for amounts overcharged (841,039)

Net pension asset resulting from the effect of contributing more than the annual required contribution 314,221

Certain liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities are as follows:

Bonds payable (7,915,000)
Unamortized issue costs 89,286
Compensated absences (1,488,406)
OPEB Payable (8,126,568)
Accrued interest on general obligation bonds (57,693)

Net assets of governmental activities \$ 71,286,608

See accompanying Notes to Basic Financial Statements.

City of Venice, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2011

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES			
Property tax	\$ 7,667,748	\$ 620,784	\$ 8,288,532
Sales taxes	1,611,277	3,376,277	4,987,554
Other taxes	1,809,671	-	1,809,671
Franchise fees	1,912,512	-	1,912,512
Fees and fines	31,071	12,667	43,738
Licenses and permits	244,420	1,080,613	1,325,033
Intergovernmental	2,280,467	399,910	2,680,377
Charges for services	53,014	378,984	431,998
Interest	257,697	127,180	384,877
Miscellaneous	489,945	58,772	548,717
Total revenues	<u>16,357,822</u>	<u>6,055,187</u>	<u>22,413,009</u>
EXPENDITURES			
Current:			
General government	3,549,353	538,891	4,088,244
Finance	1,194,440	-	1,194,440
Information services	697,922	-	697,922
Parks and recreation	822,780	484,019	1,306,799
Police	7,659,873	8,312	7,668,185
Fire	5,979,211	-	5,979,211
Public works	1,322,057	1,844,345	3,166,402
Debt service:			
Principal	63,572	321,277	384,849
Interest and fiscal charges	6,512	351,991	358,503
Capital outlay	452,376	1,424,779	1,877,155
Total expenditures	<u>21,748,096</u>	<u>4,973,614</u>	<u>26,721,710</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,390,274)</u>	<u>1,081,573</u>	<u>(4,308,701)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,013,023	2,372,639	6,385,662
Transfers out	(458,645)	(3,680,639)	(4,139,284)
Net other financing sources (uses)	<u>3,554,378</u>	<u>(1,308,000)</u>	<u>2,246,378</u>
Net change in fund balances	(1,835,896)	(226,427)	(2,062,323)
Fund balances at beginning of year	<u>14,848,787</u>	<u>10,934,695</u>	<u>25,783,482</u>
Fund balances at end of year	<u>\$ 13,012,891</u>	<u>\$ 10,708,268</u>	<u>\$ 23,721,159</u>

See accompanying Notes to Basic Financial Statements.

City of Venice
Reconciliation of the Statement of Revenues, Expenditures and Changes
In Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended September 30, 2011

Net change in fund balances - total governmental funds \$ (2,062,323)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation of \$4,716,775 exceeded capital outlays of \$1,877,155 in the current period. (2,839,620)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount by which repayments and debt defeasance of \$320,000 exceeded proceeds of \$-0-. 320,000

Notes payable transactions provide current financial resources to governmental funds and repayment of principal is an expenditure. This is the amount by which repayments and debt defeasance of \$69,442 exceeded proceeds of \$-0-. 69,442

Bond premiums are recognized as an other financing source in the governmental funds, but are considered deferred assets on the Statement of Net Assets. Premiums are amortized over the life of the bonds. This is the amount by which amortization of \$8,117 exceeded bond premium issued of \$-0-. (8,117)

Estimated long-term liabilities for compensated absences are recognized as expenses in the Statement of Activities as earned, but are recognized when current financial resources are used in the governmental funds. This amount is the net change in the estimated long-term liability for compensated absences during the year. 62,229

Other post employment benefits are recognized as expense in the Statement of Activities as earned, but are recognized when current financial resources are used in the governmental funds. This amount is the net change in the estimated long-term liability for OPEB payables during the year. (1,707,039)

Pension contributions less than the annual pension cost decreases the net pension asset on the statement of net assets. (13,775)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and worker's compensation, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. (477,562)

Accrued interest is recognized as expenses in the Statement of Activities as incurred, but is recognized when current financial resources are used in the governmental funds. This amount is the net change in the accrued interest this year. 3,363

The net effect of various miscellaneous transactions involving capital assets (e.g., sales and trade-ins) is to increase (decrease) net assets. (16,099)

Change in net assets of governmental activities \$ (6,669,501)

City of Venice, Florida
Budget Comparison Statement
General Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Taxes	\$ 7,590,758	\$ 7,590,758	\$ 7,667,748	\$ 76,990
Sales taxes	1,164,986	1,613,979	1,611,277	(2,702)
Other taxes	1,796,498	1,796,498	1,809,671	13,173
Franchise fees	1,908,315	1,908,315	1,912,512	4,197
Fees and fines	51,732	51,732	31,071	(20,661)
Licenses and permits	231,013	231,013	244,420	13,407
Intergovernmental	2,254,128	2,759,128	2,280,467	(478,661)
Charges for services	80,788	80,788	53,014	(27,774)
Interest	247,984	247,984	257,697	9,713
Miscellaneous	344,419	344,419	489,945	145,526
Total revenues	<u>15,670,621</u>	<u>16,624,614</u>	<u>16,357,822</u>	<u>(266,792)</u>
EXPENDITURES				
Current:				
General government	3,872,166	4,271,691	3,549,353	722,338
Finance	1,193,329	1,242,054	1,194,440	47,614
Information services	752,020	759,023	697,922	61,101
Parks and recreation	990,148	994,458	822,780	171,678
Police	7,434,756	8,284,116	7,659,873	624,243
Fire	5,302,434	5,981,921	5,979,211	2,710
Public works	1,461,031	1,471,489	1,322,057	149,432
Debt Service:				
Principal	39,170	63,574	63,572	2
Interest and fiscal charges	3,025	6,515	6,512	3
Capital outlay	1,218,780	985,095	452,376	532,719
Total expenditures	<u>22,266,859</u>	<u>24,059,936</u>	<u>21,748,096</u>	<u>2,311,840</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,596,238)</u>	<u>(7,435,322)</u>	<u>(5,390,274)</u>	<u>2,045,048</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,035,363	4,035,363	4,013,023	(22,340)
Transfers out	<u>(458,645)</u>	<u>(458,645)</u>	<u>(458,645)</u>	<u>-</u>
Net other financing sources (uses)	<u>3,576,718</u>	<u>3,576,718</u>	<u>3,554,378</u>	<u>(22,340)</u>
Net change in fund balances	(3,019,520)	(3,858,604)	(1,835,896)	2,022,708
Fund balances at beginning of year	<u>14,848,787</u>	<u>14,848,787</u>	<u>14,848,787</u>	<u>-</u>
Fund balances at end of year	<u>\$ 11,829,267</u>	<u>\$ 10,990,183</u>	<u>\$ 13,012,891</u>	<u>\$ 2,022,708</u>



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City of Venice, Florida
Statement of Net Assets
Proprietary Funds
September 30, 2011

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 5,546,385	\$ 2,143,056	\$ 2,740,209
Investments	3,854,268	1,489,242	1,904,213
Accounts receivable	1,775,775	531,493	4,651
Interest receivable	23,220	6,142	7,806
Due from other governments	71,658	-	9,647
Inventories	467,533	-	-
Total current assets	<u>11,738,839</u>	<u>4,169,933</u>	<u>4,666,526</u>
Noncurrent assets:			
Restricted cash and cash equivalents	2,178,062	-	-
Restricted investments	1,745,833	-	-
Deferred charges	234,924	-	-
Capital assets:			
Land	165,783	220,000	-
Construction in progress	487,163	-	965,328
Buildings	4,078,314	12,500	4,298,724
Improvements other than buildings	107,349,504	6,802	8,058,805
Machinery and equipment	6,579,945	5,231,014	566,118
Less accumulated depreciation	<u>(44,641,248)</u>	<u>(3,251,537)</u>	<u>(6,653,562)</u>
Total capital assets	<u>74,019,461</u>	<u>2,218,779</u>	<u>7,235,413</u>
Total noncurrent assets	<u>78,178,280</u>	<u>2,218,779</u>	<u>7,235,413</u>
Total Assets	<u>\$ 89,917,119</u>	<u>\$ 6,388,712</u>	<u>\$ 11,901,939</u>

See accompanying Notes to Basic Financial Statements

Business-Type Activities		Governmental
Storm Water Drainage	Total Enterprise Funds	Activities Internal Service Funds
\$ 692,897	\$ 11,122,547	\$ 2,773,320
481,504	7,729,227	1,927,223
104,519	2,416,438	760
1,976	39,144	7,888
44,208	125,513	-
-	467,533	-
<u>1,325,104</u>	<u>21,900,402</u>	<u>4,709,191</u>
-	2,178,062	-
-	1,745,833	-
-	234,924	-
1,451,835	1,837,618	-
1,488,973	2,941,464	-
-	8,389,538	-
4,682,156	120,097,267	-
871,863	13,248,940	-
(2,399,842)	(56,946,189)	-
<u>6,094,985</u>	<u>89,568,638</u>	<u>-</u>
<u>6,094,985</u>	<u>93,727,457</u>	<u>-</u>
\$ 7,420,089	\$ 115,627,859	\$ 4,709,191

City of Venice, Florida
Statement of Net Assets
Proprietary Funds
September 30, 2011

Business-Type Activities

	<u>Water and Sewer Utility</u>	<u>Solid Waste</u>	<u>Airport</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 398,572	\$ 99,127	\$ 22,565
Accrued liabilities	130,930	29,241	138,875
Accrued interest payable	280,365	-	-
Accrued insurance claims	-	-	-
Due to other governments	42,593	-	5,424
Customer deposits	1,058,513	110,507	-
Compensated absences	133,362	85,271	4,331
Notes payable	318,839	-	-
Bonds payable	1,842,579	-	-
Total current liabilities	<u>4,205,753</u>	<u>324,146</u>	<u>171,195</u>
Noncurrent liabilities:			
Compensated absences	138,805	88,751	4,507
OPEB Payable	2,320,838	815,143	280,359
Advances from other funds	4,287,276	-	-
Notes payable	4,237,372	-	-
Bonds payable	9,882,735	-	-
Total noncurrent liabilities	<u>20,867,026</u>	<u>903,894</u>	<u>284,866</u>
Total Liabilities	<u>25,072,779</u>	<u>1,228,040</u>	<u>456,061</u>
NET ASSETS			
Invested in capital assets, net of related debt	57,737,936	2,218,779	7,235,413
Restricted for:			
Capital projects	3,633,347	-	774,693
Debt service	290,548	-	-
Unrestricted	3,182,509	2,941,893	3,435,772
Total Net Assets	<u>\$ 64,844,340</u>	<u>\$ 5,160,672</u>	<u>\$ 11,445,878</u>

See accompanying Notes to Basic Financial Statements

Business-Type Activities		Governmental
Storm Water Drainage	Total Enterprise Funds	Activities Internal Service Funds
\$ 28,012	\$ 548,276	\$ 345,615
4,214	303,260	2,175
7,208	287,573	-
-	-	474,438
-	48,017	-
-	1,169,020	-
503	223,467	-
156,000	474,839	-
-	1,842,579	-
<u>195,937</u>	<u>4,897,031</u>	<u>822,228</u>
524	232,587	-
99,785	3,516,125	-
-	4,287,276	-
650,000	4,887,372	-
-	9,882,735	-
<u>750,309</u>	<u>22,806,095</u>	<u>-</u>
<u>946,246</u>	<u>27,703,126</u>	<u>822,228</u>
5,288,985	72,481,113	-
-	4,408,040	-
-	290,548	-
<u>1,184,858</u>	<u>10,745,032</u>	<u>3,886,963</u>
<u>\$ 6,473,843</u>	<u>\$ 87,924,733</u>	<u>\$ 3,886,963</u>

City of Venice, Florida
Reconciliation of the Statement of Net Assets - Proprietary Funds
To the Statement of Net Assets
September 30, 2011

Total net assets - proprietary funds \$ 87,924,733

Amounts reported for business-type activities in the Statement of Net Assets are different because:

Internal service funds (ISFs) are used by management to charge the costs of certain activities, such as insurance and employee flexible spending, to individual funds. The portion of assets and liabilities of the ISFs primarily serving enterprise funds are included in business-type activities in the Statement of Net Assets as follows:

Amounts due from governmental ISFs for amounts overcharged 841,039

Net assets of business-type activities \$ 88,765,772



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City of Venice, Florida
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For Fiscal Year Ended September 30, 2011

	Business Type Activities		
	Water and Sewer Utilities	Solid Waste	Airport
OPERATING REVENUES			
Charges for services	\$ 17,883,672	\$ 4,765,288	\$ -
Provision for bad debts	(29,611)	(15,517)	-
Charges for services (net)	17,854,061	4,749,771	-
Rentals	-	-	1,885,198
Miscellaneous	476,777	133,935	49,858
Total operating revenues	<u>18,330,838</u>	<u>4,883,706</u>	<u>1,935,056</u>
OPERATING EXPENSES			
Personal services	4,169,230	1,551,917	455,350
Insurance	391,812	230,820	89,244
Supplies and materials	-	1,099,474	-
Professional services	979,178	21,549	166,488
Maintenance	1,620,858	367,989	36,523
Utilities	968,619	10,252	95,972
Other services and charges	958,468	11,654	103,417
Depreciation and amortization	3,340,314	339,564	916,522
Total operating expenses	<u>12,428,479</u>	<u>3,633,219</u>	<u>1,863,516</u>
Operating income (loss)	<u>5,902,359</u>	<u>1,250,487</u>	<u>71,540</u>
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	92,114	42,646	54,937
Federal and state grants	71,658	-	-
Disposition of assets	16,188	-	-
Interest expense	(1,215,283)	-	-
Net non-operating revenues (expenses)	<u>(1,035,323)</u>	<u>42,646</u>	<u>54,937</u>
Income (loss) before contributions and transfers	4,867,036	1,293,133	126,477
Capital contributions: capital grants	-	-	123,750
Transfers out	(1,150,288)	(750,858)	(180,645)
Change in net assets	<u>3,716,748</u>	<u>542,275</u>	<u>69,582</u>
Total net assets - beginning	<u>61,127,592</u>	<u>4,618,397</u>	<u>11,376,296</u>
Total net assets - ending	<u>\$ 64,844,340</u>	<u>\$ 5,160,672</u>	<u>\$ 11,445,878</u>

See accompanying Notes to Basic Financial Statements.

Business Type Activities		
Storm Water Drainage	Total Enterprise Funds	Internal Service Funds
\$ 1,371,930	\$ 24,020,890	\$ 4,693,102
(15,867)	(60,995)	-
<u>1,356,063</u>	<u>23,959,895</u>	<u>4,693,102</u>
-	1,885,198	-
1,606	662,176	164,632
<u>1,357,669</u>	<u>26,507,269</u>	<u>4,857,734</u>
224,489	6,400,986	142,329
11,844	723,720	5,121,806
-	1,099,474	-
139,992	1,307,207	500,518
92,948	2,118,318	-
90	1,074,933	-
95,721	1,169,260	107,338
210,594	4,806,994	-
<u>775,678</u>	<u>18,700,892</u>	<u>5,871,991</u>
581,991	7,806,377	(1,014,257)
44,449	234,146	57,458
-	71,658	-
-	16,188	-
(19,562)	(1,234,845)	-
<u>24,887</u>	<u>(912,853)</u>	<u>57,458</u>
606,878	6,893,524	(956,799)
235,391	359,141	-
(164,587)	(2,246,378)	-
<u>677,682</u>	<u>5,006,287</u>	<u>(956,799)</u>
5,796,161	82,918,446	4,843,762
<u>\$ 6,473,843</u>	<u>\$ 87,924,733</u>	<u>\$ 3,886,963</u>

City of Venice, Florida
Reconciliation of the Statement of Revenues, Expenses, and Changes in
Fund Net Assets - Proprietary Funds
To the Statement of Activities
For the Year Ended September 30, 2011

Net change in fund net assets - total enterprise funds \$ 5,006,287

Amounts reported for business-type activities in the statement of activities are different because:

Internal service funds (ISFs) are used by management to charge the costs of certain activities such as employees' health and life insurance, workers' compensation self insurance, employee flexible spending, etc. to individual funds. The net revenue (expense) of certain ISFs is reported with business-type activities.

(479,237)

Change in net assets of business-type activities

\$ 4,527,050



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City of Venice, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2011

	Business-type Activities - Enterprise Funds		
	Water and Sewer		
	Utility	Solid Waste	Airport
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 18,274,994	\$ 4,882,618	\$ 1,932,120
Payments to suppliers	(4,995,525)	(1,775,634)	(509,425)
Payments to employees	(3,808,505)	(1,416,107)	(409,324)
Net cash provided (used) by operating activities	<u>9,470,964</u>	<u>1,690,877</u>	<u>1,013,371</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers out to other funds	(1,150,288)	(750,858)	(180,645)
Payments received/(made) on advances (to)/from other funds	<u>(363,089)</u>	<u>-</u>	<u>(6,000)</u>
Net cash provided (used) by noncapital and related financing activities	<u>(1,513,377)</u>	<u>(750,858)</u>	<u>(186,645)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(888,416)	(400,372)	(712,360)
Sale of capital assets	16,188	-	-
Receipts(payments) on leases and notes	(309,189)	-	-
Principal paid on revenue bonds	(1,418,562)	-	-
Interest paid on revenue bonds	(1,191,691)	-	-
Capital grants	-	-	114,103
Net cash provided (used) for capital and related financing activities	<u>(3,791,670)</u>	<u>(400,372)</u>	<u>(598,257)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	6,411,379	1,733,798	2,335,128
Purchase of investments	(9,135,700)	(2,430,400)	(3,106,200)
Interest earnings on cash and investments	80,090	44,036	57,717
Net cash provided by (used for) investing activities	<u>(2,644,231)</u>	<u>(652,566)</u>	<u>(713,355)</u>
Net increase (decrease) in cash and cash equivalents	1,521,686	(112,919)	(484,886)
Cash and cash equivalents - beginning of year	6,202,761	2,255,975	3,225,095
Cash and cash equivalents - end of year	<u>\$ 7,724,447</u>	<u>\$ 2,143,056</u>	<u>\$ 2,740,209</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 5,902,360	\$ 1,250,487	\$ 71,540
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	3,340,314	339,564	916,522
Change in assets and liabilities:			
Accounts receivable	(55,265)	(554)	718
Inventory	9,717	-	-
Prepaid expenses	333	-	-
Accounts payable	125,320	18,002	3,951
Other accrued liabilities	(110,423)	(32,586)	(18,276)
Compensated absences	(6,079)	(27,206)	(7,004)
Due to/from other governments	(175,843)	-	(106)
Customer deposits	79,805	7,360	-
OPEB payable	360,725	135,810	46,026
Net cash provided (used) by operating activities	<u>\$ 9,470,964</u>	<u>\$ 1,690,877</u>	<u>\$ 1,013,371</u>

<u>Business-type Activities</u>		<u>Governmental Activities</u>	
<u>Storm Water</u>		<u>Internal Service</u>	
<u>Drainage</u>	<u>Totals</u>	<u>Funds</u>	
\$ 1,358,532	\$ 26,448,264	\$ 4,857,723	
(501,796)	(7,782,380)	(6,221,923)	
(206,804)	(5,840,740)	(60,089)	
<u>649,932</u>	<u>12,825,144</u>	<u>(1,424,289)</u>	
(164,587)	(2,246,378)	-	
-	(369,089)	-	
<u>(164,587)</u>	<u>(2,615,467)</u>	<u>-</u>	
(601,833)	(2,602,981)	-	
-	16,188	-	
806,000	496,811	-	
(1,185,000)	(2,603,562)	-	
(40,216)	(1,231,907)	-	
<u>1,028,374</u>	<u>1,142,477</u>	<u>-</u>	
7,325	(4,782,974)	-	
468,569	10,948,874	2,792,932	
(784,300)	(15,456,600)	(3,144,416)	
44,142	225,985	64,295	
<u>(271,589)</u>	<u>(4,281,741)</u>	<u>(287,189)</u>	
221,081	1,144,962	(1,711,478)	
471,816	12,155,647	4,484,798	
<u>\$ 692,897</u>	<u>\$ 13,300,609</u>	<u>\$ 2,773,320</u>	
\$ 581,991	\$ 7,806,378	\$ (1,014,257)	
210,594	4,806,994	-	
905	(54,196)	(11)	
-	9,717	-	
-	333	-	
(59,658)	87,615	(395,625)	
(82,541)	(243,826)	(14,396)	
(19,044)	(59,333)	-	
-	(175,949)	-	
-	87,165	-	
17,685	560,246	-	
<u>\$ 649,932</u>	<u>\$ 12,825,144</u>	<u>\$ (1,424,289)</u>	

City of Venice, Florida
Statement of Fiduciary Net Assets
Pension Trust Funds
September 30, 2011

	Total Pension Funds
	<hr/>
ASSETS	
Cash and cash equivalents	\$ 3,200,319
Contributions receivable	53,561
Interest and dividends receivable	100,236
Prepaid expenses	751
Investments, at fair value:	
U.S. Government and agency obligations	3,013,765
Mortgage-backed obligations	2,163,159
Domestic corporate bonds	5,501,692
Foreign corporate bonds	321,854
Domestic equities	17,412,167
Foreign equities	4,549,998
Pooled real estate investment fund	865,740
Temporary investment funds	34,977
Total investments	<hr/> 33,863,352 <hr/>
Total Assets	<hr/> 37,218,219 <hr/>
LIABILITIES	
Accounts payable	23,821
Accrued Liabilities	460,507
Total Liabilities	<hr/> 484,328 <hr/>
NET ASSETS	
Held in trust for pension benefits	<hr/> <hr/> \$ 36,733,891 <hr/> <hr/>

See accompanying Notes to Basic Financial Statements.

City of Venice, Florida
Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
For the Year Ended September 30, 2011

	Total Pension Funds
	<hr/>
ADDITIONS	
Contributions:	
Employer	\$ 2,637,867
Plan members	546,802
State of Florida (passed through general fund)	436,538
Total contributions	<hr/> 3,621,207 <hr/>
Investment income:	
Net appreciation (depreciation) in fair value of investments	(575,115)
Interest and dividends	927,861
Investment income (loss)	<hr/> 352,746
Less investment expenses	<hr/> (225,288)
Net investment income (loss)	<hr/> 127,458 <hr/>
Total additions	<hr/> 3,748,665 <hr/>
DEDUCTIONS	
Benefits	3,853,248
Administrative expense	108,606
Total deductions	<hr/> 3,961,854 <hr/>
Change in net assets	<hr/> (213,189)
Net assets held in trust for pension benefits - beginning of year	35,568,167
Prior Year Restatement	1,378,913
Beginning of Year (Adjusted)	<hr/> 36,947,080 <hr/>
Net assets held in trust for pension benefits - end of year	<hr/> \$ 36,733,891 <hr/>

See accompanying Notes to Basic Financial Statements.

Notes to Financial Statements

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. The financial reporting entity

The City of Venice, Florida, was established in 1927 as a municipality in the County of Sarasota, Florida, by Chapter 11776, Special Acts of 1925, Extraordinary Session, as amended. The City is functionally organized under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, water and sewer utilities, solid waste collection, public improvements, municipal airport administration, culture-recreation, building and zoning, storm water drainage, and general administrative services.

As required by GAAP, these financial statements present the activities of the City of Venice, Florida. No component units are included in these financial statements, as no entity meets the criteria for inclusion as a component unit.

The Mayor and/or City Council are responsible for appointing members of the Venice Housing Authority. However, the City's accountability for these organizations does not extend beyond these appointments.

2. Government-wide and fund financial statements

The City's financial statements are prepared using the reporting model specified in GASB Statement No. 34 – *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. As specified by Statement No. 34, the Basic Financial Statements (BFS) include both Government-Wide and Fund Financial Statements.

The Government-Wide Financial Statements (GWFS) (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the City. The effect of interfund activity has been removed from these statements by allocation of the activities of the various internal service funds to the governmental and business-type activities on a fund basis based on the predominant users of the services. Governmental activities, which are primarily 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. All activities, both governmental and business-type, are reported in the GWFS using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The GWFS focus more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The Government-Wide Statement of Net Assets reports all financial and capital resources of the City, excluding those reported in the fiduciary funds. It is displayed in the format of assets less liabilities equals net assets, with the assets and liabilities shown in order of their relative liquidity. Net assets are

Notes to Financial Statements

required to be displayed in three components: (1) invested in capital assets net of related debt, (2) restricted, and (3) unrestricted. Invested in capital assets net of related debt equals capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net assets are those with constraints placed on their use that are either: (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. All net assets not otherwise classified as invested in capital assets net of related debt or restricted, are shown as unrestricted. Reservations or designations of net assets imposed by the City, whether by administrative policy or legislative actions of the City Council that does not otherwise meet the definition of restricted net assets, are not shown in the GWFS.

The Government-Wide Statement of Activities demonstrates the degree to which the direct expenses for 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. The general revenues support the net costs of the functions and segments not covered by program revenues.

Also part of the BFS are Fund Financial Statements (FFS) for governmental funds, proprietary funds, and the fiduciary pension funds, even though the latter is excluded from the GWFS. The focus of the FFS is on major funds, as defined by GASB Statement No. 34. Although GASB Statement No. 34 sets forth minimum criteria for determination of major funds, i.e., a percentage of assets, liabilities, revenue, or expenditures/expenses of a fund category and of the governmental and enterprise funds combined, it also gives governments the option of displaying other funds as major funds. The City can elect to add some funds as major funds because of outstanding debt or community focus. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the FFS. Other non-major funds are combined in a single column in the appropriate FFS.

3. Measurement focus, basis of accounting, and financial statement presentation

Fund Financial Statements

The GWFS are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary FFS. The City's fiduciary FFS includes two pension trust funds that use the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Because the enterprise funds are combined into a single business-type activities column on the GWFS, certain interfund activities between these funds are eliminated in the consolidation for the GWFS, but are included in the fund columns in the proprietary FFS. The effect of inter-fund activity has been eliminated from the GWFS. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer functions and various other functions of the government.

Notes to Financial Statements

Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental FFS are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the traditional basis of accounting for governmental funds. This presentation is necessary: (1) to demonstrate legal and covenant compliance, (2) to demonstrate the sources and uses of liquid resources, and (3) to demonstrate how the City's actual revenues and expenditures conform to the annual budget. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available, generally, if they are collected within 45 days of the end of the current fiscal period, with the exception of sales taxes which are considered to be available if they are collected within 60 days of year end. The City considers the grant availability period to be 60 days for revenue recognition. 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 the liability has matured. Because the governmental FFS are presented on a different basis of accounting than the GWFS, a reconciliation is provided immediately following each fund statement. These reconciliations explain the adjustments necessary to convert the FFS into the governmental activities column of the GWFS.

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

Fund Accounting

The City uses funds to report its financial position and the results of its operations. Fund accounting segregates funds according to their intended purpose and is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts, which includes assets, liabilities, fund balance/net assets, revenues and expenditures/expenses.

Governmental funds are those through which most of the governmental functions of the City are financed. The City reports one major governmental fund:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Enterprise funds are used to account for operations: (1) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City reports the following major enterprise funds:

Notes to Financial Statements

The water and sewer utility fund accounts for the activities associated with providing water and sewer services to the residents of the City. The City operates a sewage treatment plant, sewage pumping stations and collection systems, and a water distribution system.

The solid waste fund accounts for the activities associated with providing waste removal services to the residents of the City.

The airport fund accounts for the activities associated with the operations of the City's municipal airport.

The storm water drainage fund accounts for the activities of the storm water utility, which provides storm water drainage for the City. While this fund does not meet the threshold to require inclusion as a major fund, the City believes that the information presented is of significant importance to the public to report as a major fund.

Additionally, the government reports the following non-major fund types:

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

The debt service funds account for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

The capital project funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items.

The internal service funds account for group health and life, workers' compensation, property and liability self-insurance, and employee flexible spending accounts. These funds provide insurance and other services to other departments on a cost reimbursement basis.

The pension trust funds account for the activities of the City's fire and police employees' pension trust funds, which accumulate resources for pension benefit payments to qualified pension employees.

Private-sector standards 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 government has elected to follow subsequent private-sector guidance.

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.

Notes to Financial Statements

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer enterprise fund, storm water drainage, the solid waste enterprise fund, and the government's internal service funds are charges to customers for sales and services. The water and 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 expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources, as they are needed. For unrestricted resources, the City considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

4. Assets, liabilities, and net assets or equity

a) Deposits and investments

The government'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 statements of net assets, and each fund's portion of the pooled investments is reflected in the balance sheets or statements of net assets as "Cash and cash equivalents." Interest is distributed monthly based upon an average monthly balance. The investments of the pension trust funds are held by an investment banker selected by the respective individual pension board's investment committee.

State statutes and local ordinances authorize the government 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, commercial paper, and other investments subject to certain restrictions.

Investments for the government 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

Notes to Financial Statements

performance results. The City does not have a significant amount of investments valued at other than quoted market prices. 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 noncurrent 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."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles.

c) Inventories and prepaid expenses/assets

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 expenses/assets 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, plant, 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 government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two 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 donation.

Notes to Financial Statements

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

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.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Building improvements	10-20
Water and sewer systems	10-50
Public domain infrastructure	50
Equipment	3-10

f) Compensated absences and other post employment benefits (OPEB)

It is the government's policy to permit employees to accumulate earned but unused vacation, sick pay, and other employee benefit amounts. These amounts are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

OPEB refers to postemployment benefits other than pension benefits and includes postemployment healthcare benefits and life insurance. Like pensions, OPEB arises from an exchange of salaries and benefits for employee services rendered and constitute part of compensation for those services. These amounts are accrued when incurred in the government-wide and proprietary fund financial statements.

g) Long-term obligations

In the government-wide financial statements and propriety 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

Notes to Financial Statements

other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

h) New Accounting Standard

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54; *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints.

- **Nonspendable fund balance** – amounts that cannot be spent either because they are not in spendable form (such as inventory and prepaid items) or because they are legally or contractually required to be maintained intact.
- **Restricted fund balance** – amounts constrained to specific purposes by their providers (such as grantors, bondholders, City Code, and higher levels of government), through constitutional provisions, or by enabling legislation.
- **Committed fund balance** – amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e. City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint. This classification includes City ordinances and resolutions.
- **Assigned fund balance** – Amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council, or by an official (city manager or financial services director) or body to which the City Council delegates the authority.
- **Unassigned fund balance** – amounts that are available for any purpose which are not included in other spendable classifications. \$5,437,024 of the unassigned fund balance is reserved for disaster.

In the general fund, the City strives to maintain an unassigned fund balance of three months operating expenditures (25%) of the general fund. This is the target that the unassigned fund balance should not fall below without establishing a replenishment plan.

5. 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

1. Budgetary information

Notes to Financial Statements

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end.

Not later than two months prior to the end of the fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them, by fund. The Council holds public hearings to obtain taxpayer comments and a final budget must be prepared and adopted by October 1, thru the passage of an ordinance.

The appropriated budget is prepared by fund, function, and department. The City Manager has the authority to make line item transfers within fund budgets. Transfers of appropriations between funds require the approval of Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The Council made two supplementary budgetary appropriations throughout the year. These supplemental budgetary appropriations made in the general fund were not material.

Encumbrance accounting is employed in governmental funds. Encumbrances (i.e., purchase orders, contracts) outstanding at year end are included in committed fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

2. Net asset/fund balance deficits

The deficit of \$172,462 in the Building Permit Fees Fund is the result of the housing market slump and the economic meltdown. City management continues to monitor this fund with the main focus being reducing expenditures. We anticipate this fund will recover when the economy turns around.

The deficit of \$4,851 in the Second Occupational License Fund is the result of a decrease in Sarasota County collected occupational license tax dollars which stems from the economic environment. We anticipate this fund will also recover as the economy improves.

No other funds of the City had deficits in either total fund balances or total net assets.

NOTE C – DEPOSITS AND INVESTMENTS

The City's investment policies are governed by state statute and City ordinances. State law requires collateralization of all deposits with federal depository insurance, eligible securities, or a surety bond having an aggregate value at least equal to the amount of the deposits. The City's Investment Policy requires the minimum collateral level to be 102% of market value of principal and accrued interest.

The City historically has invested surplus funds in an external investment pool, the Local Government Surplus Funds Trust Fund (State Pool). The State Pool is administered by the Florida State Board of Administration (SBA), who provides (questionable) regulatory oversight. The SBA reported that the State Pool was exposed to potential risks due to indirect exposure in the sub-prime mortgage financial market. Consequently, the SBA placed some restrictions on how participants could access portions of their surplus funds and ultimately restructured the State Pool into two separate pools (LGIP and Fund B).

Notes to Financial Statements

The Fund B is reported at fluctuating net asset value. The book value at September 30, 2011 was \$321,507.

Credit risk - This risk results from potential default of investments that are not financially sound. The City (excluding the pension trust funds and Fund B) invests funds throughout the year with several area banks, money market funds and government-sponsored agencies. There is risk of loss of interest on the investments if there are changes in the underlying indexed base. It is the City's policy to invest in securities with the highest credit ratings. The Fund B is not rated by a nationally recognized statistical rating agency.

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits investments to those that can be held to maturity and by limiting final maturity to no more than five (5) years. The money market mutual funds and investment pools are presented as an investment with a maturity of less than one year. As noted above the City was forced to become a participant in the SBA's Fund B. The weighted average life (WAL) of Fund B at September 30, 2011, was seven to nine years for complete liquidation which is significantly outside our investment policy. A portfolio's WAL is the dollar weighted average length of time until securities held reach maturity. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the weighted average life.

Custodial Credit Risk - For an investment, custodial credit risk 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 investment or collateral securities that are in the possession of an outside party. Investments are held in the city's name at the City's depository institution as evidenced by safekeeping receipts.

Concentration of Credit Risk - The City places limits on the amount that may be invested in any one issuer with the exception of United States Treasury obligations.

Foreign Currency Risk - This risk relates to adverse affects on the fair value of an investment from changes in exchange rates. The City has no foreign currency risk.

The City's policy allows investment in direct obligations of and other obligations guaranteed as to principal of the U.S. Treasury and U.S. agencies and instrumentalities with the exception of mortgage-backed securities. It may also invest in bank repurchase agreements, investment pools, and to a limited extent in certificates of deposit, commercial paper and bank acceptances.

All of the City's pooled investments (excluding the pension trust funds) were allocated as detailed below as of September 30, 2011. The City does have a formal comprehensive investment policy for the investment of surplus funds which guides the investment type, length of term, the investment goals, etc.

Notes to Financial Statements

Investment Type	Fair Market	Less than 1		
		year	Years 1-5	Years 6-10
Cash and cash equivalents	\$ 27,216,818	\$ 27,216,818	\$ -	\$ -
U.S. Government Securities	19,016,528	-	19,016,528	-
Florida PRIME (SBA Fund "B")	243,329	-	-	243,329
Total fair value	\$ 46,476,675	\$ 27,216,818	\$ 19,016,528	\$ 243,329

Police Pension Trust Fund

The Plan has established an investment policy where the general investment objective is to obtain a reasonable total rate of return. In order to obtain this objective, the Plan is authorized to invest the funds in certain types of investments. Authorization for investment type is determined by Ordinance 2000-27 and Florida Statutes Chapter 185.06.

Investment Type	Fair Market	Less than 1			Greater than
		year	Years 1-5	Years 6-10	10 years
Cash and cash equivalents	\$ 1,594,932	\$ 1,594,932	\$ -	\$ -	\$ -
U.S. Government & Agency Securities	1,943,327	-	771,031	131,366	1,040,930
Corporate bonds	4,318,414	676,140	2,072,573	1,189,143	380,558
Equities	15,458,305	15,458,305	-	-	-
Total fair value	\$ 23,314,978	\$ 17,729,377	\$ 2,843,604	\$ 1,320,509	\$ 1,421,488

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.

Credit risk – The investments held by the plan are in accordance with Venice City Ordinance 2000-27. Of the investments the Plan holds, \$1,310,309 of U.S. Government and agency securities are rated Aaa by Moody and AAA by Standard and Poor with the balance of U.S. Government and agency securities unrated; \$4,318,414 of corporate bonds are rated Aaa to Caa1 by Moody's and AAA to B- by Standard and Poor's; and \$15,458,305 of common and preferred stock is unrated.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan investments are held in the name of Salem Trust Company as Custodian for the City of Venice Police Officers' Pension Plan.

Other limitations – The Plan limits its investments as follows: No more than 5% of the Plan's assets can be invested in common or capital stock of any one issuing company nor should it exceed 5% of the

Notes to Financial Statements

outstanding capital stock of that company. The aggregate of its investments in common stock, capital stock, and convertible bonds cannot exceed 65% of the cost of the assets of the Plan. No more than 10% of the Plan's assets valued at cost may be invested in foreign securities. The Plan has complied with these limitations for the year ended September 30, 2011.

Fire Pension Trust Fund

The Fire Pension Board recognizes that the obligations of the Plan are long-term and that investment policy should be made with a view toward performance and return over a number of years. The general objective is to obtain a reasonable total rate of return defined as interest and dividend income plus realized and unrealized capital gains or losses commensurate with the Prudent Investor Rule and Chapter 175 of the Florida Statutes.

Permissible investments include obligations of the U. S. Treasury and U. S. agencies, annuities and life insurance contracts, time deposits insured by the FDIC, bonds issued by the State of Israel, real estate (limited to ten percent of Plan assets), common or preferred stocks, and high quality corporate bonds or notes. The Board may invest up to ten percent of the Plan's assets, at cost, in foreign securities.

The Fire Pension Plan held the following fixed income investments as of September 30, 2011:

Investment Type	Fair Value	Rating Moody's	Effective Duration (Years)
U. S. Government & agency obligations	\$ 1,070,438	AAA	5.53
Mortgage-backed obligations	2,163,159	A-AA	3.46
Corporate obligations	1,505,132	A-AA	5.96
Temporary investment funds	34,977	Not Rated	Daily
	\$ 4,773,706		

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. Through its investment policies the Plan manages its exposure to fair value losses arising from increasing interest rates. The Plan limits the effective duration of its fixed investment portfolio through the adoption of nationally accepted risk measure benchmarks.

The Plan invests in mortgage-backed securities representing interests in pools of mortgage loans as part of its interest rate risk management strategy. The mortgage-backed securities are not used to leverage investments in fixed income portfolios. The mortgage-backed securities held by the Plan were guaranteed by federally sponsored agencies such as (1) Government National Mortgage Association, (2) Federal National Mortgage Association, and (3) the Federal Home Loan Mortgage Corporation.

Concentration of credit risk is the risk of loss attributable to the quality of the government's investment in a single issuer. The Plan does not have more than 5% invested in any one investment.

Notes to Financial Statements

NOTE E – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2011, was as follows:

Primary Government:

Governmental activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 11,034,798	\$ 3,013	\$ -	\$ 11,037,811
Construction in progress	1,262,211	1,348,181	-	2,610,392
Total capital assets not being depreciated	12,297,009	1,351,194	-	13,648,203
Other capital assets:				
Buildings	17,920,985	-	-	17,920,985
Other improvements	39,366,777	75,030	-	39,441,807
Machinery and equipment	9,049,679	434,832	61,103	9,423,408
Infrastructure	21,848,701	-	-	21,848,701
Total other capital assets at historical cost	88,186,142	509,862	61,103	88,634,901
Less accumulated depreciation for:				
Buildings	4,629,407	483,109	-	5,112,516
Other improvements	13,181,481	3,225,873	-	16,407,354
Machinery and equipment	6,677,340	570,819	61,103	7,187,056
Infrastructure	11,435,519	436,974	-	11,872,493
Total accumulated depreciation	35,923,747	4,716,775	61,103	40,579,419
Governmental activities capital assets, net	\$ 64,559,404	\$ (2,855,719)	\$ -	\$ 61,703,685

Notes to Financial Statements

Credit risk results from potential default of investments that are not financially sound. Consistent with state law, the Plan guidelines limit its fixed income investments to a quality rating of "A" or equivalent as rated by one or more recognized bond rating service at the time of purchase.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan's investments are uninsured and unregistered and are held in a custodial account in the Plan's name.

Other limitations include (1) no more than 5% of the Plan's assets may be invested in the common or capital stock of any single corporation, (2) the Plan's investment in common stock of any single corporation shall not exceed 5% of such corporation's outstanding common or capital stock, and (3) no more than 65% of the Plan's assets (at cost) are to be invested in common or capital stock or convertible stock. The Plan has complied with these limitations for the year ended September 30, 2011.

NOTE D – PROPERTY TAX

Property taxes are levied on November 1 of each year and are due and payable upon receipt of the notice of levy. The Sarasota 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, 2011, was \$3.004 per \$1,000 of assessed taxable property value. Property tax revenues are recognized currently 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 2011 is included in the accompanying financial statements since such taxes do not meet the necessary criteria.

The 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 and due.
November 1 – March 31	Property taxes due with various discount rates.
April 1	Taxes delinquent.
May 31	Tax certificates sold by County.

Notes to Financial Statements

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

Governmental activities:

General government	\$ 673,451
Finance	8,494
Information services	52,951
Parks and recreation	2,643,377
Police	273,847
Fire	374,605
Public works	690,050
Total governmental activities depreciation expense	\$ 4,716,775

Business-type activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,837,618	\$ -	-	\$ 1,837,618
Construction in progress	1,735,907	1,250,418	44,861	2,941,464
Total capital assets not being depreciated	3,573,525	1,250,418	44,861	4,779,082
Other capital assets:				
Buildings	8,389,538	-	-	8,389,538
Other improvements	119,765,238	332,029	-	120,097,267
Machinery & equipment	12,336,938	1,006,302	94,300	13,248,940
Total other capital assets at historical cost	140,491,714	1,338,331	94,300	141,735,745
Less accumulated depreciation for:				
Buildings	5,030,711	142,013	-	5,172,724
Other improvements	39,776,875	3,819,871	-	43,596,746
Machinery & equipment	7,485,002	786,017	94,300	8,176,719
Total accumulated depreciation	52,292,588	4,747,901	94,300	56,946,189
Business-type activities capital assets, net	\$ 91,772,651	\$ (2,159,152)	\$ 44,861	\$ 89,568,638

Notes to Financial Statements

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Business-type activities:	
Water and sewer utility	\$ 3,281,221
Solid waste	339,564
Airport	916,522
Storm water drainage	210,594
Total business-type activities depreciation expense	\$ 4,747,901

Commitments

Commitments for uncompleted construction projects at September 30, 2011 consist of the following:

	Amounts Authorized	Expended to Date	Committed
General capital projects	1,056,948	26,667	1,030,281
Airport	1,591,044	293,778	1,297,266
Utilities	269,364	-	269,364
Stormwater Utility	143,037	40,210	102,827
Total	\$ 3,060,393	\$ 360,655	\$ 2,699,738

NOTE F – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances at September 30, 2011, is as follows:

Due to/from other funds:

	Due to other funds	
	Non-major Governmental Funds	Totals
Due from other funds:		
General Fund	\$ 175,000	\$ 175,000

Notes to Financial Statements

Interfund balances, specifically the due to and due from other funds, are short-term loans to cover temporary cash deficits in various funds. This occasionally occurs prior to bond sales or grant reimbursements. Net interfund receivables and payables amount to \$175,000. These outstanding balances are paid within the following year.

Advances from/to other funds:

	Advances to other funds:	
	General Fund	Totals
Advances from other funds:		
Water & Sewer Utility Fund	4,287,276	4,287,276
Totals	\$ 4,287,276	\$ 4,287,276

Interfund balances, specifically advances to and from other funds, are longer-term loans to cover City Council-directed internal financing of certain projects. At September 30, 2011 the City has \$4.3 million of this type of internal financing. These balances are assessed an interest charge and repaid over time through operations and transfers.

Interfund transfers:

	Transfers - In:		
	General Fund	Non-major Governmental Funds	Totals
Transfers - Out:			
General Fund	\$ -	\$ 458,645	\$ 458,645
Non-major Governmental Funds	1,766,645	1,913,994	3,680,639
Airport Fund	180,645	-	180,645
Water & Sewer Utility Fund	1,150,288	-	1,150,288
Solid Waste Fund	750,858	-	750,858
Storm Water Drainage Fund	164,587	-	164,587
Totals	\$ 4,013,023	\$ 2,372,639	\$ 6,385,662

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, (3) move indirect costs from the user departments to the general fund, and (4) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Notes to Financial Statements

NOTE G – LONG-TERM LIABILITIES

Long-Term Liability Activity

Long-term liability activity for the year ended September 30, 2011, was as follows:

	Beginning			Ending	Amounts
	Balance	Additions	Reductions	Balance	Due Within
					One Year
Governmental activities:					
General obligation bonds	\$ 8,235,000	\$ -	\$ 320,000	\$ 7,915,000	\$ 330,000
Notes payable	69,442	-	69,442	-	-
Compensated absences	1,550,635	663,957	726,186	1,488,406	724,854
OPEB payable	6,419,529	1,707,039	-	8,126,568	-
Totals	\$ 16,274,606	\$ 2,370,996	\$ 1,115,628	\$ 17,529,974	\$ 1,054,854
Business-type activities:					
Revenue bonds	\$ 14,490,983	\$ -	\$ 2,635,983	\$ 11,855,000	\$ 1,875,000
Notes payable	4,865,400	944,000	447,189	5,362,211	474,839
Compensated absences	515,386	184,022	243,354	456,054	223,467
OPEB payable	2,955,879	560,246	-	3,516,125	-
Bond discounts/(premiums)	(162,107)	-	(32,421)	(129,686)	(32,421)
Totals	\$ 22,665,541	\$ 1,688,268	\$ 3,294,105	\$ 21,059,704	\$ 2,540,885

Payments on bonds and notes that pertain to the City's governmental activities are made by the debt service fund and the general fund. The compensated absence liability and net other postemployment benefit obligation attributed to the governmental activities will be liquidated by the general fund.

Current Year Refunding

In December 2010, the City issued \$944,000 in Stormwater and Drainage Refunding Revenue Bond, Series 2010 for the purpose of refunding the Stormwater and Drainage Revenue Bonds, Series 1996 that were issued to finance and acquire equipment and make certain capital improvements to the City's stormwater management utility system. As a result, the liability for the redeemed bonds was removed from the Statement of Net Assets. The transaction resulted in an economic gain (at present value) of \$53,971 and a reduction in future debt service of \$379,509.

Notes to Financial Statements

Description of Debt	Governmental	Business-Type
\$10,000,000 2004 General Obligation Bonds, due in annual installments of \$280,000 - \$655,000 beginning February 1, 2005 through February 1, 2028; interest at 2.00% - 4.60%; payable from the full faith, credit and taxing authority of the City. Purpose: construct a park, beach renourishment, community center improvements, and fishing pier.	\$ 7,915,000	\$ -
\$944,000 Storm Water and Drainage promissory note, due in annual installments of \$138,000 - \$165,000 beginning May 1, 2011 through May 1, 2016; interest at 2.15%; payable solely from and secured by future revenues of the City's storm water management utility system. Purpose: Refund Storm Water and Drainage Revenue Bonds (originally issued for various drainage projects) to take advantage of favorable interest rates.	-	806,000
\$19,355,000 City of Gulf Breeze, Florida Local Government Loan Program Floating Rate Demand Revenue Bonds, Series 1985 E, due in installments of \$60,000 - \$2,680,000 through December 1, 2015; interest at 3.875% - 5.125%; secured by future water and sewer revenues. Purpose: Relocation of waste water plant.	-	11,855,000
\$683,392 Clean Water State Revolving Fund Loan Agreement CS12066115P, due in semi-annual installments of \$23,179 through August 15, 2023; interest at 1.58%; secured by future water and sewer revenues. Purpose: Utility upgrades and improvements.	-	459,995
\$6,035,500 Clean Water State Revolving Fund Loan Agreement WWG12066115L, due in semi-annual installments of \$205,570 over 20 years; interest at 1.545%; secured by future water and sewer revenues. Purpose: Project A waste water re-use.	-	4,096,216
Total bonds and notes	<u>\$ 7,915,000</u>	<u>\$ 17,217,211</u>

Debt Maturity

Debt service requirements at September 30, 2011 were as follows:

Year Ended September 30,	Governmental Activities	
	GO Bonds	
	Principal	Interest
2012	\$ 330,000	\$ 341,208
2013	340,000	330,733
2014	350,000	319,301
2015	365,000	307,008
2016	375,000	293,683
2017-21	2,140,000	1,211,710
2022-26	2,735,000	619,563
2027-28	1,280,000	58,273
Totals	<u>\$ 7,915,000</u>	<u>\$ 3,481,479</u>

Notes to Financial Statements

Year Ended September 30,	Business-type Activities			
	Revenue Bonds		Notes Payable	
	Principal	Interest	Principal	Interest
2012	\$ 1,875,000	\$ 538,313	\$ 474,839	\$ 155,730
2013	2,320,000	441,605	487,790	142,475
2014	2,425,000	327,066	501,052	128,846
2015	2,555,000	202,534	513,633	114,833
2016	2,680,000	69,010	525,546	100,447
2017-21	-	-	1,978,710	308,780
2022-26	-	-	880,641	34,355
	\$ 11,855,000	\$ 1,578,528	\$ 5,362,211	\$ 985,466

Other Long-Term Debt Information

In various years, the City has refinanced several bond issues. Under the terms of the refunding issues, sufficient assets to pay all principal and interest on the refunded issues have been put into special irrevocable escrow accounts at financial institutions. The financial transactions, assets, and liabilities of these special escrow agent accounts are not reflected in the financial statements of the City.

Balances at September 30, 2011, are as follows:

General Government Debt

Capital Improvement Bonds, Series 1988 \$1,020,000

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.

No Industrial Revenue Bonds have been issued during this fiscal year.

As of September 30, 2011, there are two series of Industrial Revenue Bonds outstanding with principal amounts payable of \$4.25 million (hospital bonds) and \$2.82 million (charter school bonds).

NOTE H – EMPLOYEE RETIREMENT SYSTEMS

The City maintains two single-employer, public employee retirement systems. 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 in the period in which employee contributions are due and a

Notes to Financial Statements

formal commitment has been made by the employer. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. The Firefighters' and Police Officers' Pension Plans issue financial reports that include financial statements and required supplementary information. The reports may be obtained from the City of Venice Finance Director.

The plans have adopted Governmental Accounting Standards Board (GASB) Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans*, Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and Statement No. 50, *Pension Disclosures*. In addition to other disclosures, the 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.

1. Plan description

FIREFIGHTERS' PENSION PLAN

The City of Venice Firefighters' Pension Plan, a defined benefit single-employer public employee retirement plan, is administered in accordance with the City Charter and Florida Statute 175. The City's total current year payroll for fire personnel for the year ended September 30, 2011, was \$3,328,354 compared to total actual payroll for the entire City of \$16,336,894. At September 30, 2011, membership consisted of:

Retirees, disabled participants, and beneficiaries:	
Currently receiving benefits.	38
Terminated employees entitled to benefits but not yet receiving them.	1
Current employees:	
Vested	15
Nonvested	26
Total	<u>80</u>

The Plan covers permanent City of Venice firefighters. Any participant who has credited service of 10 years and has attained age 55, or 25 years of credited service is eligible to receive benefits. Such a retiree would receive a normal retirement benefit of 3.50% of average final compensation for each year of credited service, plus \$175 per month, provided however, in no event shall the monthly benefit exceed one hundred percent of the average final compensation. The Plan provides for early retirement upon obtaining age of 50 and 10 years of credited service, or the completion of 20 years of credited service regardless of age. Early retirement benefits are reduced 2% per year.

The Plan provides disability benefits for both duty related and off-duty related disabilities. The benefit for line of duty disabilities is computed at 50% of the average final salary at the time of disability. The benefit for off-duty disabilities is computed at 50% of the average final salary at the time of disability, provided there are five or more years of credited service. The Plan also provides death benefits for both duty related and off-duty related deaths. For non-service incurred deaths with less than five years of

Notes to Financial Statements

credited service, the benefit is equal to 100% of the participant's contributions. If the participant has five or more years of service, the benefit is computed at 50% of average final compensation.

Participants are required to contribute 9.75% 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 Venice. The State of Florida contribution results from the City's share of insurance tax. The City contributes an amount equal to the difference between the total aggregate employee and state contributions for the year and the total cost for the year as shown by the most recent actuarial valuation.

POLICE OFFICERS' PENSION PLAN

The City of Venice Police Officers' Pension Plan, a defined benefit single-employer public employee retirement plan, is administered in accordance with the City Charter and Florida Statute 185. The City's total current year payroll for police personnel for the year ended September 30, 2011 was \$4,454,595, compared to \$16,336,894 for the entire City's payroll. At September 30, 2011 membership consisted of:

Retirees, disabled participants, and beneficiaries:	
Currently receiving benefits.	40
Terminated employees entitled to benefits but not yet receiving them.	6
Members in DROP	5
Current employees:	
Vested	15
Nonvested	27
Total	<u>93</u>

The Plan covers permanent City of Venice police officers. Normal eligibility for retirement benefits is based on 10 years of credited service if the participant has attained age 50, or 25 years of credited service. Such a retiree would receive a normal retirement benefit of 3.50% of average monthly earnings times credited service, plus \$175 per month. Average (monthly) final compensation is one-twelfth (1/12) of the average salary of the highest five years of service during the last ten years of credited service prior to retirement, termination, or death, or the career average as a full-time police officer, whichever is greater.

The Plan provides disability benefits for both duty related and non-duty related disabilities. The benefit is computed at 62.5% (service incurred) or 50% (nonservice incurred) of salary at time of disability, plus \$175 per month, only after five years of credited service for a non-service incurred disability. The Plan also provides for early retirement upon obtaining the age of 50 and having 10 years of credited service or having 20 years of credited service with deferred benefits payable at the normal retirement date or an actuarially reduced benefit payable immediately. Death benefits are similar to disability benefits, with payments being made to the surviving spouse or dependent children.

Participants are required to contribute 7.25% 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 Venice.

Notes to Financial Statements

The State of Florida contribution results from the City's share of insurance tax. The City of Venice is required to fund any deficiencies between the total actuarial contribution requirement and the State Casualty Insurance premium tax and the employee contributions.

A deferred retirement option plan (DROP) is provided to members who are age 50 and have 10 years of credited service, or who have 25 years of credited service. To electing participants, the receipt of their service pension, calculated as of the DROP date, is deferred for up to 60 months. A cash lump sum payment (options available) is made at termination of employment.

2. Funding status and progress

The amount shown below as the actuarial accrued liability is a measure intended to help users assess (a) a pension fund's funded status on a going concern basis and (b) 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 normal actuarial cost method. Assumptions, including projected pay increases, were the same as used to determine the fund's level percent 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, 2011, the actuarial accrued liability in excess of assets was \$17,879,292 determined as follows:

Total Actuarial Accrued Liability	\$ 32,532,658
Actuarial Value of Assets (market value was \$13,573,304)	<u>14,653,366</u>
Actuarial Accrued Liability in Excess of Assets	<u>\$ 17,879,292</u>

For the Firefighters' actuarial report dated October 1, 2011, the Plan experienced a net change of \$1,684,132 in the actuarial accrued liability. There were no changes in benefits, methods or assumptions since the prior valuation.

POLICE OFFICERS' PENSION PLAN

As of October 1, 2011, the actuarial accrued liability in excess of assets was \$11,222,229, determined as follows:

Total Actuarial Accrued Liability	\$ 35,058,254
Actuarial Value of Assets (market value was \$21,945,403)	<u>23,836,025</u>
Actuarial Accrued Liability in Excess of Assets	<u>\$ 11,222,229</u>

Notes to Financial Statements

For the Police Officers' actuarial report dated October 1, 2011, the Plan experienced a net change of \$483,123 in the actuarial accrued liability. There were no changes in benefit provisions since the prior evaluation. A number of changes were made to the actuarial assumptions. These changes resulted from an Experience Study dated December 9, 2011. The assumption changes are as follows:

- 1) The investment return assumption has been reduced from 8.0% to 7.9% per year compounded annually, net of investment related expenses.
- 2) The salary increase assumption has been changed from a flat 7% increase for all years to a service based scale according to the following schedule:

<u>Credited Service</u>	<u>Assumption</u>
Less than 10 years	10%
10 or more years	5.50%

- 3) The rates of termination, represented by age, have been increased for each age.
- 4) The rates of retirement for both Early and Normal Retirement have been altered. Previously, it was assumed that Members who are eligible for Early Retirement do so 5% of the time. This assumption has been increased by 5% to 10% for each year of Early Retirement eligibility. Members who had attained Normal Retirement eligibility were previously assumed to continue employment for one additional year, and then retire 100% probability. The Normal Retirement rates assumption has been changed as follows:

<u>Number of Years after First Eligibility for Normal Retirement</u>	<u>Probability of Retirement</u>
0-2	25%
3	100%

Additionally, beginning with the October 1, 2011 valuation, all future UAAL bases will be amortized under the level dollar funding method. All existing prior bases will continue to be amortized as a level percentage of pay which is limited to the actual historical 10-year average payroll growth, or 2.8%. Please note that 2.8% was the payroll growth assumption used in the October 1, 2010 valuation.

Notes to Financial Statements

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, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses) and (b) projected salary increases based on years of service as follows:

<u>Years of Service</u>	<u>% Increase in Salary</u>
Less than 10	10.0%
10-15	6.5%
15-20	5.5%
20 and higher	5.0%

Both (a) and (b) included an inflation component of 3%. The assumptions included a cost-of-living adjustment of 3% per year from retirement through age 65. 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 percentage of projected payrolls on a closed basis. The remaining amortization period at October 1, 2010, was 30 years.

During the year ended September 30, 2011, contributions totaling \$1,933,491 were made in accordance with contribution requirements determined by an actuarial valuation of the Plan as of October 1, 2010. The City contributed \$1,366,349, members contributed \$315,925, and the State contributed \$251,217. Payments of fringe benefits and salaries on-behalf of the City's employees are recognized as revenues and expenditures/expenses during the period.

Notes to Financial Statements

Firefighters' Pension Plan Schedule of Funding Progress Current and Two Preceding Actuarial Valuations

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annualized Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
October 1, 2011	\$ 14,653,366	\$ 32,532,658	\$ 17,879,292	45.04%	\$ 2,948,616	606.36%
October 1, 2010	14,540,423	30,735,583	16,195,160	47.31%	3,124,463	518.33%
October 1, 2009	14,328,134	28,569,608	14,241,474	50.15%	3,016,684	472.09%

Schedule of Contributions

Fiscal Year Ended September 30,	Annual Required Contribution	City Contribution	State Contribution	Members Contribution	Percent Contribution
2011	\$ 1,617,566	\$ 1,366,349	\$ 251,217	\$ 315,925	100.00%
2010	1,249,740	987,645	262,095	302,409	100.00%
2009	1,079,189	845,727	233,462	305,300	100.00%

Three Year Trend Information

Fiscal Year Ended September 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
2011	\$ 1,633,263	99%	\$ 282,682
2010	1,264,084	99%	298,379
2009	1,092,824	99%	312,723

Notes to Financial Statements

Firefighters' Pension Plan Recent development of the Net Pension Asset

	9/30/2011	9/30/2010	9/30/2009
Actuarially Determined Contribution (A)	\$ 1,617,566	\$ 1,249,740	\$ 1,079,189
Interest on NPA	(23,124)	(25,018)	(26,109)
Adjustment to (A)	38,821	39,362	39,744
Annual Pension Cost	1,633,263	1,264,084	1,092,824
Contributions Made	1,617,566	1,249,740	1,079,189
Increase (decrease) in NPA	(15,697)	(14,344)	(13,635)
NPA Beginning of Year	298,379	312,723	326,358
NPA End of Year	\$ 282,682	\$ 298,379	\$ 312,723

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 annual required contribution for the current year was determined as part of the October 1, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 8% investment rate of return (net of administrative expenses) and (b) projected salary increases of 7.0% per year. Both (a) and (b) included an inflation component of 3%. The assumptions did not include postretirement 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 percentage of projected payrolls on a closed basis. The remaining amortization period at October 1, 2010, was 30 years.

During the year ended September 30, 2011, contributions totaling \$1,675,369 were made in accordance with contribution requirements determined by an actuarial valuation of the Plan as of October 1, 2010. The City's actual contribution was \$1,259,171, the State's was \$185,321, and members contributed \$230,877. Payments of fringe benefits and salaries on-behalf of the City's employees are recognized as revenues and expenditures/expenses during the period.

Notes to Financial Statements

Police Officers' Retirement Trust Fund Schedule of Funding Progress Current and Two Preceding Actuarial Valuations

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annualized Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
October 1, 2011	\$ 23,836,025	\$ 35,058,254	\$ 11,222,229	67.99%	\$ 3,208,345	349.78%
October 1, 2010	25,039,946	35,779,052	10,739,106	69.98%	3,125,995	343.54%
October 1, 2009	24,800,760	34,159,156	9,358,396	72.60%	3,109,302	300.98%

Schedule of Employer Contributions

Fiscal Year Ended September 30	Annual Required Contributions	City Contribution	State Contribution	Members Contributions	Percent Contribution
2011	\$ 1,444,492	\$ 1,259,171	\$ 185,321	\$ 230,877	100.00%
2010	1,154,509	967,612	186,898	242,296	100.00%
2009	767,694	562,333	208,681	224,635	100.43%

Three-Year Trend Information

Fiscal Year Ended September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
2011	\$ 1,445,748	100%	\$ 31,539
2010	1,155,952	100%	32,795
2009	768,037	100%	34,238

Police Officers' Retirement Trust Fund Recent Development of the Net Pension Asset (NPA)

	9/30/2011	9/30/2010	9/30/2009
Actuarially Determined Contribution (A)	\$ 1,444,492	\$ 1,154,509	\$ 767,694
Interest on NPA	(2,624)	(2,739)	(2,501)
Adjustment to (A)	3,880	4,182	2,844
Annual Pension Cost	1,445,748	1,155,952	768,037
Contributions Made	1,444,492	1,154,509	771,014
Increase (decrease) in NPA	(1,256)	(1,443)	2,977
NPA Beginning of Year	32,795	34,238	31,261
NPA End of Year	\$ 31,539	\$ 32,795	\$ 34,238

Notes to Financial Statements

3. 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, 2011 is as follows. Investments that represent five percent or more of the Plan's net assets are separately identified.

	Fair Value
Firefighters' Pension Plan:	
U.S. Government and agency obligations	\$ 1,070,438
Corporate bonds	1,505,132
Equities	5,688,459
Mortgaged-backed obligations	2,163,159
Pooled real estate investments	865,740
Foreign equities	815,401
Temporary investment funds	34,977
Totals	\$ 12,143,306
Police Officers' Pension Plan:	
U.S. Government and agency obligations	\$ 1,943,327
Corporate bonds	3,996,560
Foreign equities	3,734,597
Foreign corporate bonds	321,854
Equities	11,723,708
Totals	\$ 21,720,046

Other Employees' Pension Plans

FLORIDA RETIREMENT SYSTEM

All full-time City employees, with the exception of our public safety officers, 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, 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. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. Normal retirement benefits for members initially enrolled before July 1, 2011 are available to employees who retire at or after age 62 with six or more years of service. Normal Retirement benefits for members initially enrolled on or

Notes to Financial Statements

after July 1, 2011 are available to employees who retire at or after age 65 with eight or more years of service. Early retirement or reduced retirement may be taken after a member is vested and is within 20 years of his/her normal retirement age; however, there is a 5 percent benefit reduction for each year remaining from a member's retirement age to his/her normal retirement age.

Service retirement benefits are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

There is a deferred retirement option program (DROP) available to members when the member first reaches eligibility for normal retirement. The Deferred Retirement Option Program allows a member to retire while continuing employment for up to 60 months.

Participating employer and employee contributions are based upon state-wide rates established by the State of Florida. Effective July 1, 2010 the employer contribution rates are applied to regular employee salaries at a rate of 10.77%. Effective July 1, 2011, both employees and employers of the Florida Retirement System are required to make contributions to establish service credit for work performed in a regularly established position. The employer's contribution rate was 4.91% and the employee contribution rate was 3.0% for a total contribution rate of 7.91%. During the year ended September 30, 2011, employer contributions totaling \$919,958 and employee contributions totaling \$69,162 for a total contribution amount of \$989,120 were made in accordance with contribution requirements determined by the Florida Retirement System which is 100% of the required contribution. The prior two years' contributions equaled \$1,007,675 for the year ended September 30, 2010, and \$1,111,648 for the year ended September 30, 2009.

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 Florida Division of Retirement, 2639 North Monroe Street, Building C, Tallahassee, FL 32399-1560.

Notes to Financial Statements

NOTE I - OTHER POST EMPLOYMENT BENEFITS (OPEB)

1. Plan Description- The City administers a single-employer defined benefit healthcare plan (the "OPEB Plan"). The plan provides health insurance and prescription drug coverage for eligible retirees and their eligible dependants through the City's health insurance program, which covers both active and retired employees. Pursuant to Section 112.0801, Florida Statutes, the City is required to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. In addition, the City's program has elected to provide a substantial subsidy to its retirees to offset the cost of such health insurance. Substantial changes to the terms of the Post Retirement Health Plan were adopted in July of 2011 with an effective date of January 1, 2012. The City does not issue a stand alone financial report on the OPEB Plan.

2. Funding Policy - The contribution requirements of plan members and the City are established and may be amended by the City Council. These contributions are neither mandated nor guaranteed. The City has retained the right to unilaterally modify its payment for retiree health care benefits. As previously indicated, the State of Florida prohibits the City from separately rating retirees and active employees. The City therefore charges both groups an equal, blended premium. Although both groups are charged the same blended rate, GAAP requires the actuarial figures presented to be calculated using age-adjusted premiums approximating claim costs for retirees' separate from active employees. The use of age-adjusted premiums results in the addition of an implicit rate subsidy into the actuarial accrued liability. The City has elected to contribute to the OPEB Plan at a rate that is based on an actuarial valuation prepared using the blended rate premium that is actually charged to the OPEB Plan.

Effective January 1, 2012, the terms of the Post Retirement Health Plan were substantially changed. Effective January 1, 2012, Medicare eligible retirees have the option of switching to a Medicare Advantage plan with 70% paid by the City and 30% paid by the retiree. This cost sharing will be changed annually to attain a 50/50 split by January 1, 2016. Premiums paid by non-Medicare eligible retirees will increase to \$200 for individual coverage (\$400 one dependent, \$621 two or more) and will increase 20.5% per year through January 1, 2016 to achieve 50/50 split. Following January 1, 2016, all new retirees will be required to pay 100% of the health plan premium.

As these plan changes were communicated to plan members during the period December, 2010 through July, 2011, and the plan changes were adopted in July of 2011, they are to be considered in the OPEB actuarial valuation with an effective date of July 1, 2011. As a result of these changes, the actuary lowered the election rate to 20%, from 95%, and the family coverage election rate to 50%, from 90%. They also considered an increased retirement rate in 2015.

The schedule of funding progress presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits. (As an unfunded plan, there are no plan assets to report).

Notes to Financial Statements

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age Normal (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annualized Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
October 1, 2011	\$ -	\$ 22,615,300	\$ 22,615,300	0.00%	\$ 14,913,794	151.64%
October 1, 2010	-	77,624,083	77,624,083	0.00%	15,255,027	508.84%
October 1, 2009	-	72,320,567	72,320,567	0.00%	14,412,465	501.79%

Schedule of Employer Contributions

Year Ended September 30	Annual Required Contribution	Amounts Contributed	Implicit Rate Subsidy	Percentage Contributed
2011	\$ 3,049,645	\$ 666,510	\$ 91,125	24.84%
2010	6,062,989	1,083,709	193,064	21.06%
2009	5,752,532	889,821	175,006	18.51%

3. Annual OPEB Cost And Net OPEB Obligation - The contribution required to support the OPEB Plan is calculated based on the annual required contribution (ARC), an amount determined in accordance with GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year, calculated using the pay-related, entry-age normal cost method, and to amortize the unfunded actuarial liability over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed, and the change in the City's net OPEB obligation:

	Fiscal Year Ending 2011	Fiscal Year Ending 2010	Fiscal Year Ending 2009
Annual Required Contribution (ARC)	\$ 3,049,645	\$ 6,062,989	\$ 5,752,532
Interest on Net OPEB Obligation	379,957	187,508	-
Adjustments to ARC	(404,682)	(286,021)	-
Annual OPEB Cost (Expense)	3,024,920	5,964,476	5,752,532
Employer Contributions	(666,510)	(1,083,709)	(889,821)
Implicit Rate Subsidy	(91,125)	(193,064)	(175,006)
Increase in Net OPEB Obligation	2,267,285	4,687,703	4,687,705
Net OPEB Obligation - Beginning of Year	9,375,408	4,687,705	-
Net OPEB Obligation - End of Year	<u>\$ 11,642,693</u>	<u>\$ 9,375,408</u>	<u>\$ 4,687,705</u>

Notes to Financial Statements

4. Funded Status And Funding Progress - As of September 30, 2011, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$22.6 million, at September 30, 2011 and the actuarial value of assets was \$0 resulting in an unfunded accrued liability (UAAL) of \$22.6 million. The covered payroll (annual payroll of active employees covered by the plan) was \$14.9 million, and the ratio of the UAAL to the covered payroll was 151.64%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates about the future.

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

In the September 30, 2011 actuarial valuation, the pay-related entry-age normal actuarial cost method was used. The actuarial assumptions included a 4.00% per annum investment rate of return and a general inflation assumption of 2.50% per year for medical claims and premium rates. Following the January 1, 2012 plan changes, it is assumed that the election rate for retiree medical coverage decreases annually and is 20% following 2015. Election of family coverage is assumed to decrease annually to 50% by 2016. Following January 1, 2012, two thirds of Medicare eligible retirees are assumed to elect the Medicare advantage plan in lieu of the current plan.

The UAAL is funded over a thirty year period which was restarted October 1, 2010 (30-year closed). Plan amendments are amortized over 30 years. Subsequent gains and losses are amortized over a fifteen year period. Amortization payments are level dollar amounts, rather than level percentage of salaries.

NOTE J – DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The 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.

Notes to Financial Statements

NOTE K – SELF-INSURANCE INTERNAL SERVICE FUNDS

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 \$80,000 annually are coinsured with an outside insurance carrier. The carrier is also responsible for excess costs over an aggregate limit.

The plan is accounted for through a separate internal service fund. Revenues for this fund consist of amounts contributed by employees and by other City funds. Both revenues and the related charges are recorded as quasi-external transactions. Accordingly, the related charges are reflected as expenditure, or expense items, in the appropriate General Fund department, or in the enterprise funds.

The plan is reviewed annually by an actuarial firm and the actuary's report is used to determine both the basis for premiums charged to other departments and for determining the liability for claims incurred but not reported.

The City also maintains self-insurance programs with regard to workers' compensation and property and general liability risks. The City carries stop loss coverage for workers' compensation, general liability, and insurance policies for property. These plans are also accounted for as separate internal service funds.

The plans are reviewed annually by management to determine the basis for premiums charged to all departments.

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.

City of Venice, Florida
Notes to Financial Statements

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 September 30, 2008, to September 30, 2011:

	Employees' Group Health Life Insurance Program	Workers' Compensation Self Insurance Program
Liability balance, September 30, 2008	\$ 352,000	\$ 195,565
Claims and changes in estimates	3,837,243	445,240
Claims payments	<u>(3,877,243)</u>	<u>(474,817)</u>
Liability balance, September 30, 2009	312,000	165,988
Claims and changes in estimates	4,084,577	405,865
Claims payments	<u>(4,111,577)</u>	<u>(379,498)</u>
Liability balance, September 30, 2010	285,000	192,355
Claims and changes in estimates	3,931,936	352,861
Claims payments	<u>(3,991,936)</u>	<u>(295,778)</u>
Liability balance, September 30, 2011	<u>\$ 225,000</u>	<u>\$ 249,438</u>
Assets available to pay claims at September 30, 2011	<u>\$ 2,164,722</u>	<u>\$ 1,746,146</u>

NOTE L – 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.

NOTE M – PRIOR PERIOD RESTATEMENT

Based on a review of the City of Venice, Florida, Police Officers' Pension Trust Fund Plan's DROP benefits, it was determined that the Plan's assets held for DROP benefits totaling \$1,378,913 at September 30, 2010 should be included in the Plan's total net assets held for pension benefits instead of reported as a liability of the Plan. This reclassification was due to the fact that DROP benefits do not become a liability of the Plan until the benefits become due and payable to the retiree. Under the Plan document, the point at which DROP benefits become due and payable to the retiree is upon termination of employment. As a result of this restatement, beginning net assets for the Plan were increased by \$1,378,913 and totaled \$23,898,006 at October 1, 2010.



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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Motor Fuel Tax Fund – Revenue sources for this fund are restricted for street improvement use only. Funds are generally used to reimburse the General Fund for street improvement expenditures made by the Public Works Department.

Contraband-Forfeiture Fund – To account for proceeds derived from the sale of confiscated property.

Police Training Fund – To account for the City's share of fine revenue designated for police related travel.

Boat Registration Fees Fund – To account for the City's portion of boat registration fees designated for boat related activities.

One-Cent Voted Sales Tax Fund – To account for the additional one-cent sales tax revenues designated for the planning, financing, and construction of infrastructure within the City.

Fishing Pier Fund – To account for ticket, concession, and rent revenue designated for fishing pier expenditures.

Second Occupational License Fund – To account for second occupational license revenue restricted for economic development purposes of the City.

Growth Management Training Fund – To account for building permit revenue restricted for travel related to growth management training.

Parking Fines Handicapped Access Improvement Fund – To account for funds from parking fines to be used for handicap accessible programs.

Building Permits Fund – To account for the activities in the building permit functions.

Centennial Community Fund – To account for the administration of the Centennial Community Trust resources, as authorized by City Council.

Historical Commission Fund – To account for donations from private sources specifically earmarked for the Venice Historical Commission.

DEBT SERVICE FUNDS

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest that are not included in proprietary funds (enterprise funds).

Recreation Capital Improvement General Obligation Revenue Bonds, Series 2004 – To account for the financing of certain recreational facilities, interest rates from 1.12% - 4.02%, payable in annual installments of \$280,000 - \$405,000, maturing in 2018, and term bonds of \$2,905,000 yielding 4.46% due in 2024 and \$2,455,000 yielding 4.60% due in 2028.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds (enterprise funds).

General Projects Fund - To account for the cost of major park projects and other capital improvement projects which are not street related projects or building and renovations to buildings.

Streets Fund - To account for the cost of major drainage and street improvement capital projects. The projects are generally financed by a combination of several revenue sources, including designated property taxes, road and bridge taxes, interest revenues, and contributions from other funds.

Beach Renourishment Fund - To account for the cost of beach renourishment.

Buildings and Renovations Fund– To account for the cost of constructing new City buildings and/or major renovations to existing City buildings.

2004 GO Bonds Construction Fund – To account for the cost of construction for Tramonto Vista Park on the beach. This is the last year this fund will be reported as the work has been completed.

**City of Venice, Florida
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2011**

	Special Revenue			
	Motor Fuel Tax	Contraband Forfeiture	Police Training	Boat Registration Fees
ASSETS				
Cash and cash equivalents	\$ 154,261	\$ 12,034	\$ 15,519	\$ 17,523
Investments	107,198	8,363	10,785	12,177
Accounts receivable (net)	-	-	-	-
Interest receivable	439	34	44	50
Due from other governments	85,691	-	-	-
	<u>347,589</u>	<u>20,431</u>	<u>26,348</u>	<u>29,750</u>
Total Assets	<u>\$ 347,589</u>	<u>\$ 20,431</u>	<u>\$ 26,348</u>	<u>\$ 29,750</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted for:				
Public safety	-	20,431	26,348	-
Boating and waterway improvements	-	-	-	29,750
Street improvements	347,589	-	-	-
Capital improvements	-	-	-	-
Debt Service	-	-	-	-
Beach Renourishment	-	-	-	-
Committed to:				
Training and education	-	-	-	-
Capital improvements	-	-	-	-
Recreational facility capital improvements	-	-	-	-
Beach Renourishment	-	-	-	-
Historic preservation	-	-	-	-
Unassigned (deficits):	-	-	-	-
	<u>347,589</u>	<u>20,431</u>	<u>26,348</u>	<u>29,750</u>
Total Fund Balances	<u>347,589</u>	<u>20,431</u>	<u>26,348</u>	<u>29,750</u>
Total Liabilities and Fund Balances	<u>\$ 347,589</u>	<u>\$ 20,431</u>	<u>\$ 26,348</u>	<u>\$ 29,750</u>

Special Revenue

One Cent Voted Sales Tax	Fishing Pier	Second Occupational License	Growth Management Training	Park Fines Handicapped Access Improvement
\$ 1,374,785	\$ 774,496	\$ 88	\$ 35,083	\$ 30,188
955,359	538,209	61	24,380	20,978
-	3,138	-	-	-
3,911	2,203	-	101	86
302,687	-	-	-	-
<u>\$ 2,636,742</u>	<u>\$ 1,318,046</u>	<u>\$ 149</u>	<u>\$ 59,564</u>	<u>\$ 51,252</u>
\$ -	\$ 2,899	\$ -	\$ 438	\$ -
-	-	-	-	-
-	-	5,000	-	-
-	-	-	-	-
<u>-</u>	<u>2,899</u>	<u>5,000</u>	<u>438</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,636,742	-	-	-	51,252
-	-	-	-	-
-	-	-	-	-
-	-	-	59,126	-
-	-	-	-	-
-	1,315,147	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	(4,851)	-	-
<u>2,636,742</u>	<u>1,315,147</u>	<u>(4,851)</u>	<u>59,126</u>	<u>51,252</u>
<u>\$ 2,636,742</u>	<u>\$ 1,318,046</u>	<u>\$ 149</u>	<u>\$ 59,564</u>	<u>\$ 51,252</u>

(Continued)

**City of Venice, Florida
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2011**

	Special Revenue			
	Building Permit Fees	Centennial Community	Historical Commission	Total Special Revenue Funds
ASSETS				
Cash and cash equivalents	\$ 3,020	\$ 33,521	\$ 9,017	\$ 2,459,535
Investments	2,099	23,294	6,266	1,709,169
Accounts receivable (net)	-	-	-	3,138
Interest receivable	-	94	-	6,962
Due from other governments	-	-	-	388,378
Total Assets	\$ 5,119	\$ 56,909	\$ 15,283	\$ 4,567,182
LIABILITIES				
Accounts payable	\$ 1,457	\$ -	\$ 223	\$ 5,017
Accrued liabilities	6,124	-	-	6,124
Due to other funds	170,000	-	-	175,000
Due to other governments	-	-	36	36
Total Liabilities	177,581	-	259	186,177
FUND BALANCES				
Restricted for:				
Public safety	-	-	-	46,779
Boating and waterway improvements	-	-	-	29,750
Street improvements	-	-	-	347,589
Capital improvements	-	-	-	2,687,994
Debt Service	-	-	-	-
Beach Renourishment	-	-	-	-
Committed to:				
Training and education	-	-	-	59,126
Capital improvements	-	-	-	-
Recreational facility capital improvements	-	-	-	1,315,147
Beach Renourishment	-	-	-	-
Historic preservation	-	56,909	15,024	71,933
Unassigned (deficits):	(172,462)	-	-	(177,313)
Total Fund Balances	(172,462)	56,909	15,024	4,381,005
Total Liabilities and Fund Balances	\$ 5,119	\$ 56,909	\$ 15,283	\$ 4,567,182

<u>Debt Service</u>	<u>Capital Projects</u>		
<u>2004 General Obligation Bonds</u>	<u>General</u>	<u>Streets</u>	<u>Beach Renourishment</u>
\$ 707,185	\$ 940,755	\$ 780,626	\$ 1,323,651
491,433	653,745	542,469	919,826
-	-	-	-
2,012	3,145	1,752	3,767
-	-	-	-
<u>\$ 1,200,630</u>	<u>\$ 1,597,645</u>	<u>\$ 1,324,847</u>	<u>\$ 2,247,244</u>
\$ -	\$ 4,758	\$ 52,924	\$ 4,430
-	-	-	-
-	-	-	-
-	-	-	164,940
-	4,758	52,924	169,370
-	-	-	-
-	-	-	-
-	-	1,271,923	-
-	-	-	-
1,200,630	-	-	-
-	-	-	250,000
-	-	-	-
-	1,592,887	-	-
-	-	-	-
-	-	-	1,827,874
-	-	-	-
-	-	-	-
<u>1,200,630</u>	<u>1,592,887</u>	<u>1,271,923</u>	<u>2,077,874</u>
<u>\$ 1,200,630</u>	<u>\$ 1,597,645</u>	<u>\$ 1,324,847</u>	<u>\$ 2,247,244</u>

(Continued)

**City of Venice, Florida
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2011**

	<u>Capital Projects</u>			
	<u>Buildings and Renovations</u>	<u>2004 GO Bonds Construction</u>	<u>Total Capital Project Funds</u>	<u>Total Non-Major Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 108,348	\$ -	\$ 3,153,380	\$ 6,320,100
Investments	75,293	-	2,191,333	4,391,935
Accounts receivable (net)	-	-	-	3,138
Interest receivable	308	-	8,972	17,946
Due from other governments	-	-	-	388,378
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 183,949</u>	<u>\$ -</u>	<u>\$ 5,353,685</u>	<u>\$ 11,121,497</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 62,112	\$ 67,129
Accrued liabilities	-	-	-	6,124
Due to other funds	-	-	-	175,000
Due to other governments	-	-	164,940	164,976
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>-</u>	<u>-</u>	<u>227,052</u>	<u>413,229</u>
FUND BALANCES				
Restricted for:				
Public safety	-	-	-	46,779
Boating and waterway improvements	-	-	-	29,750
Street improvements	-	-	1,271,923	1,619,512
Capital improvements	-	-	-	2,687,994
Debt Service	-	-	-	1,200,630
Beach Renourishment	-	-	250,000	250,000
Committed to:				
Training and education	-	-	-	59,126
Capital improvements	183,949	-	1,776,836	1,776,836
Recreational facility capital improvements	-	-	-	1,315,147
Beach Renourishment	-	-	1,827,874	1,827,874
Historic preservation	-	-	-	71,933
Unassigned:	-	-	-	(177,313)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>183,949</u>	<u>-</u>	<u>5,126,633</u>	<u>10,708,268</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 183,949</u>	<u>\$ -</u>	<u>\$ 5,353,685</u>	<u>\$ 11,121,497</u>



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City of Venice, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended September 30, 2011

	Special Revenues			
	Motor Fuel Tax	Contraband Forfeiture	Police Training	Boat Registration Fees
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	961,157	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue	191,605	-	-	17,008
Fines and forfeitures	-	50	4,067	-
Charges for services	-	-	-	-
Interest	8,949	237	303	-
Miscellaneous	-	100	-	-
Total Revenues	<u>1,161,711</u>	<u>387</u>	<u>4,370</u>	<u>17,008</u>
EXPENDITURES				
General government	-	-	-	-
Parks and recreation	-	-	-	-
Police	-	-	8,312	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	159
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>8,312</u>	<u>159</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,161,711</u>	<u>387</u>	<u>(3,942)</u>	<u>16,849</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,290,903)	-	-	(12,120)
Total other financing sources (uses)	<u>(1,290,903)</u>	<u>-</u>	<u>-</u>	<u>(12,120)</u>
Net change in fund balances	(129,192)	387	(3,942)	4,729
Fund balances (deficits) - beginning of year	476,781	20,044	30,290	25,021
Fund balances (deficits) - end of year	<u>\$ 347,589</u>	<u>\$ 20,431</u>	<u>\$ 26,348</u>	<u>\$ 29,750</u>

Special Revenue

One Cent Voted Sales Tax	Fishing Pier	Second Occupational License	Growth Management Training	Park Fines Handicapped Access Improvement
\$ -	\$ -	\$ -	\$ -	\$ -
2,415,120	-	-	-	-
-	-	5,583	-	-
-	-	-	-	-
-	-	-	-	8,550
-	378,984	-	-	-
22,111	14,220	40	-	411
-	47,417	-	7,163	-
<u>2,437,231</u>	<u>440,621</u>	<u>5,623</u>	<u>7,163</u>	<u>8,961</u>
-	-	-	6,749	-
-	176,752	-	-	-
-	-	-	-	-
1,822,500	-	21,845	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,822,500</u>	<u>176,752</u>	<u>21,845</u>	<u>6,749</u>	<u>-</u>
614,731	263,869	(16,222)	414	8,961
175,000	-	-	-	20,000
(729,579)	(6,252)	-	-	(4,330)
<u>(554,579)</u>	<u>(6,252)</u>	<u>-</u>	<u>-</u>	<u>15,670</u>
60,152	257,617	(16,222)	414	24,631
2,576,590	1,057,530	11,371	58,712	26,621
<u>\$ 2,636,742</u>	<u>\$ 1,315,147</u>	<u>\$ (4,851)</u>	<u>\$ 59,126</u>	<u>\$ 51,252</u>

(Continued)

City of Venice, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended September 30, 2011

	<u>Special Revenue</u>			
	<u>Building Permit Fees</u>	<u>Centennial Community</u>	<u>Historical Commission</u>	<u>Total Special Revenue Funds</u>
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	3,376,277
Licenses and permits	1,075,030	-	-	1,080,613
Intergovernmental revenue	-	-	-	208,613
Fines and forfeitures	-	-	-	12,667
Charges for services	-	-	-	378,984
Interest	1,555	672	155	48,653
Miscellaneous	35	352	3,179	58,246
Total Revenues	<u>1,076,620</u>	<u>1,024</u>	<u>3,334</u>	<u>5,164,053</u>
EXPENDITURES				
General government	527,489	775	3,878	538,891
Parks and recreation	-	-	-	176,752
Police	-	-	-	8,312
Public works	-	-	-	1,844,345
Debt service:				
Principal	1,277	-	-	1,277
Interest and other charges	151	-	-	310
Capital outlay	-	-	-	-
Total Expenditures	<u>528,917</u>	<u>775</u>	<u>3,878</u>	<u>2,569,887</u>
Excess (deficiency) of revenues over (under) expenditures	<u>547,703</u>	<u>249</u>	<u>(544)</u>	<u>2,594,166</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	63,645	-	-	258,645
Transfers out	(432,232)	-	-	(2,475,416)
Total other financing sources (uses)	<u>(368,587)</u>	<u>-</u>	<u>-</u>	<u>(2,216,771)</u>
Net change in fund balances	179,116	249	(544)	377,395
Fund balances (deficits) - beginning of year	(351,578)	56,660	15,568	4,003,610
Fund balances (deficits) - end of year	<u>\$ (172,462)</u>	<u>\$ 56,909</u>	<u>\$ 15,024</u>	<u>\$ 4,381,005</u>

<u>Debt Service</u>	<u>Capital Project</u>		
<u>2004 General Obligation Bond</u>	<u>General</u>	<u>Streets</u>	<u>Beach Renourishment</u>
\$ 620,784	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	112,103	79,194
-	-	-	-
-	-	-	-
9,398	23,371	17,918	25,799
-	250	276	-
<u>630,182</u>	<u>23,621</u>	<u>130,297</u>	<u>104,993</u>
-	-	-	-
-	43,296	-	263,971
-	-	-	-
-	-	-	-
320,000	-	-	-
351,638	-	-	-
-	215,378	1,131,359	-
<u>671,638</u>	<u>258,674</u>	<u>1,131,359</u>	<u>263,971</u>
<u>(41,456)</u>	<u>(235,053)</u>	<u>(1,001,062)</u>	<u>(158,978)</u>
1,010,223	416,500	387,271	250,000
-	(195,000)	-	-
<u>1,010,223</u>	<u>221,500</u>	<u>387,271</u>	<u>250,000</u>
968,767	(13,553)	(613,791)	91,022
231,863	1,606,440	1,885,714	1,986,852
<u>\$ 1,200,630</u>	<u>\$ 1,592,887</u>	<u>\$ 1,271,923</u>	<u>\$ 2,077,874</u>

(Continued)

City of Venice, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended September 30, 2011

	<u>Capital Project</u>			Total Non-Major Governmental Funds
	Buildings and Renovation	2004 GO Bond Construction	Total Capital Project Funds	
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ 620,784
Sales taxes	-	-	-	3,376,277
Licenses and permits	-	-	-	1,080,613
Intergovernmental revenue	-	-	191,297	399,910
Fines and forfeitures	-	-	-	12,667
Charges for services	-	-	-	378,984
Interest	2,041	-	69,129	127,180
Miscellaneous	-	-	526	58,772
Total Revenues	<u>2,041</u>	<u>-</u>	<u>260,952</u>	<u>6,055,187</u>
EXPENDITURES				
General government	-	-	-	538,891
Parks and recreation	-	-	307,267	484,019
Police	-	-	-	8,312
Public works	-	-	-	1,844,345
Debt service:				
Principal	-	-	-	321,277
Interest and other charges	-	43	43	351,991
Capital outlay	76,760	1,282	1,424,779	1,424,779
Total Expenditures	<u>76,760</u>	<u>1,325</u>	<u>1,732,089</u>	<u>4,973,614</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(74,719)</u>	<u>(1,325)</u>	<u>(1,471,137)</u>	<u>1,081,573</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	50,000	-	1,103,771	2,372,639
Transfers out	-	(1,010,223)	(1,205,223)	(3,680,639)
Total other financing sources (uses)	<u>50,000</u>	<u>(1,010,223)</u>	<u>(101,452)</u>	<u>(1,308,000)</u>
Net change in fund balances	(24,719)	(1,011,548)	(1,572,589)	(226,427)
Fund balances - beginning of year	208,668	1,011,548	6,699,222	10,934,695
Fund balances - end of year	<u>\$ 183,949</u>	<u>\$ -</u>	<u>\$ 5,126,633</u>	<u>\$ 10,708,268</u>

City of Venice, Florida
Budget Comparison Schedule
Motor Fuel Tax Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Sales taxes	\$ 1,051,088	\$ 1,051,088	\$ 961,157	\$ (89,931)
Intergovernmental	220,855	220,855	191,605	(29,250)
Interest	18,960	18,960	8,949	(10,011)
Total revenues	<u>1,290,903</u>	<u>1,290,903</u>	<u>1,161,711</u>	<u>(129,192)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,290,903)</u>	<u>(1,290,903)</u>	<u>(1,290,903)</u>	<u>-</u>
Net other financing sources (uses)	<u>(1,290,903)</u>	<u>(1,290,903)</u>	<u>(1,290,903)</u>	<u>-</u>
Net change in fund balances	-	-	(129,192)	(129,192)
Fund balances (deficits) at beginning of year	<u>476,781</u>	<u>476,781</u>	<u>476,781</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 476,781</u>	<u>\$ 476,781</u>	<u>\$ 347,589</u>	<u>\$ (129,192)</u>

City of Venice, Florida
Budget Comparison Schedule
Contraband Forfeiture Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Fees and fines	\$ 1,354	\$ 1,354	\$ 50	\$ (1,304)
Interest	297	297	237	(60)
Miscellaneous	-	-	100	100
Total revenues	<u>1,651</u>	<u>1,651</u>	<u>387</u>	<u>(1,264)</u>
EXPENDITURES				
Capital outlay	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,349)</u>	<u>(8,349)</u>	<u>387</u>	<u>8,736</u>
Net change in fund balances	(8,349)	(8,349)	387	8,736
Fund balances (deficits) at beginning of year	<u>20,044</u>	<u>20,044</u>	<u>20,044</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 11,695</u>	<u>\$ 11,695</u>	<u>\$ 20,431</u>	<u>\$ 8,736</u>

City of Venice, Florida
Budget Comparison Schedule
Police Training Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Fees and fines	\$ 10,324	\$ 10,324	\$ 4,067	\$ (6,257)
Interest	810	810	303	(507)
Total revenues	<u>11,134</u>	<u>11,134</u>	<u>4,370</u>	<u>(6,764)</u>
EXPENDITURES				
Current:				
Police	<u>20,000</u>	<u>20,000</u>	<u>8,312</u>	<u>11,688</u>
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>8,312</u>	<u>11,688</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,866)</u>	<u>(8,866)</u>	<u>(3,942)</u>	<u>4,924</u>
Net change in fund balances	<u>(8,866)</u>	<u>(8,866)</u>	<u>(3,942)</u>	<u>4,924</u>
Fund balances (deficits) at beginning of year	<u>30,290</u>	<u>30,290</u>	<u>30,290</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 21,424</u>	<u>\$ 21,424</u>	<u>\$ 26,348</u>	<u>\$ 4,924</u>

City of Venice, Florida
Budget Comparison Schedule
Boat Registration Fees Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 14,626	\$ 14,626	\$ 17,008	\$ 2,382
Interest	350	350	-	(350)
Total revenues	<u>14,976</u>	<u>14,976</u>	<u>17,008</u>	<u>2,032</u>
EXPENDITURES				
Debt Service:				
Interest and fiscal charges	-	-	159	(159)
Capital outlay	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>159</u>	<u>9,841</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,976</u>	<u>4,976</u>	<u>16,849</u>	<u>11,873</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(12,120)</u>	<u>(12,120)</u>	<u>(12,120)</u>	<u>-</u>
Net other financing sources (uses)	<u>(12,120)</u>	<u>(12,120)</u>	<u>(12,120)</u>	<u>-</u>
Net change in fund balances	<u>(7,144)</u>	<u>(7,144)</u>	<u>4,729</u>	<u>11,873</u>
Fund balances (deficits) at beginning of year	<u>25,021</u>	<u>25,021</u>	<u>25,021</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 17,877</u>	<u>\$ 17,877</u>	<u>\$ 29,750</u>	<u>\$ 11,873</u>

City of Venice, Florida
Budget Comparison Schedule
One Cent Voted Sales Tax Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Sales taxes	\$ 2,147,297	\$ 2,147,297	\$ 2,415,120	\$ 267,823
Interest	4,336	4,336	22,111	17,775
Total revenues	<u>2,151,633</u>	<u>2,151,633</u>	<u>2,437,231</u>	<u>285,598</u>
EXPENDITURES				
Current:				
Capital outlay	<u>1,822,500</u>	<u>1,822,500</u>	<u>1,822,500</u>	<u>-</u>
Total expenditures	<u>1,822,500</u>	<u>1,822,500</u>	<u>1,822,500</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>329,133</u>	<u>329,133</u>	<u>614,731</u>	<u>285,598</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	175,000	175,000	175,000	25,226
Transfers out	<u>(729,579)</u>	<u>(729,579)</u>	<u>(729,579)</u>	<u>-</u>
Net other financing sources (uses)	<u>(554,579)</u>	<u>(554,579)</u>	<u>(554,579)</u>	<u>25,226</u>
Net change in fund balances	(225,446)	(225,446)	60,152	285,598
Fund balances (deficits) at beginning of year	<u>2,576,590</u>	<u>2,576,590</u>	<u>2,576,590</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 2,351,144</u>	<u>\$ 2,351,144</u>	<u>\$ 2,636,742</u>	<u>\$ 285,598</u>

City of Venice, Florida
Budget Comparison Schedule
Fishing Pier Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Charges for services	\$ 382,495	\$ 382,495	\$ 378,984	\$ (3,511)
Interest	3,705	3,705	14,220	10,515
Miscellaneous	<u>29,143</u>	<u>29,143</u>	<u>47,417</u>	<u>18,274</u>
Total revenues	<u>415,343</u>	<u>415,343</u>	<u>440,621</u>	<u>25,278</u>
EXPENDITURES				
Current:				
Parks and recreation	264,899	264,899	176,752	88,147
Capital outlay	<u>245,334</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>510,233</u>	<u>264,899</u>	<u>176,752</u>	<u>88,147</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(94,890)</u>	<u>150,444</u>	<u>263,869</u>	<u>113,425</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(6,252)</u>	<u>(6,252)</u>	<u>(6,252)</u>	<u>-</u>
Net other financing sources (uses)	<u>(6,252)</u>	<u>(6,252)</u>	<u>(6,252)</u>	<u>-</u>
Net change in fund balances	(101,142)	144,192	257,617	113,425
Fund balances (deficits) at beginning of year	<u>1,057,530</u>	<u>1,057,530</u>	<u>1,057,530</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 956,388</u>	<u>\$ 1,201,722</u>	<u>\$ 1,315,147</u>	<u>\$ 113,425</u>

**City of Venice, Florida
 Budget Comparison Schedule
 Second Occupational License Fund
 For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Licenses and permits	\$ 7,624	\$ 7,624	\$ 5,583	\$ (2,041)
Interest	689	689	40	(649)
Total revenues	<u>8,313</u>	<u>8,313</u>	<u>5,623</u>	<u>(2,690)</u>
EXPENDITURES				
Current:				
Public works	22,146	22,146	21,845	301
Total expenditures	<u>22,146</u>	<u>22,146</u>	<u>21,845</u>	<u>301</u>
Net change in fund balances	(13,833)	(13,833)	(16,222)	(2,389)
Fund balances (deficits) at beginning of year	<u>11,371</u>	<u>11,371</u>	<u>11,371</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ (2,462)</u>	<u>\$ (2,462)</u>	<u>\$ (4,851)</u>	<u>\$ (2,389)</u>

**City of Venice, Florida
 Budget Comparison Schedule
 Growth Management Training Fund
 For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Miscellaneous	\$ 6,334	\$ 6,334	\$ 7,163	\$ 829
Total revenues	<u>6,334</u>	<u>6,334</u>	<u>7,163</u>	<u>829</u>
EXPENDITURES				
Current:				
General government	8,500	8,500	6,749	1,751
Total expenditures	<u>8,500</u>	<u>8,500</u>	<u>6,749</u>	<u>1,751</u>
Net change in fund balances	(2,166)	(2,166)	414	2,580
Fund balances (deficits) at beginning of year	<u>58,712</u>	<u>58,712</u>	<u>58,712</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 56,546</u>	<u>\$ 56,546</u>	<u>\$ 59,126</u>	<u>\$ 2,580</u>

City of Venice, Florida
Budget Comparison Schedule
Parking Fines Handicapped Access Improvement Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Fees and fines	\$ 4,515	\$ 4,515	\$ 8,550	\$ 4,035
Interest	829	829	411	(418)
Total revenues	<u>5,344</u>	<u>5,344</u>	<u>8,961</u>	<u>3,617</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	20,000	20,000	20,000	-
Transfers out	(4,330)	(4,330)	(4,330)	-
Net other financing sources (uses)	<u>15,670</u>	<u>15,670</u>	<u>15,670</u>	<u>-</u>
Net change in fund balances	21,014	21,014	24,631	3,617
Fund balances (deficits) at beginning of year	<u>26,621</u>	<u>26,621</u>	<u>26,621</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 47,635</u>	<u>\$ 47,635</u>	<u>\$ 51,252</u>	<u>\$ 3,617</u>

City of Venice, Florida
Budget Comparison Schedule
Building Permit Fees Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Licenses and permits	\$ 1,007,219	\$ 1,007,219	\$ 1,075,030	\$ 67,811
Interest	-	-	1,555	1,555
Miscellaneous	1,376	1,376	35	(1,341)
Total revenues	<u>1,008,595</u>	<u>1,008,595</u>	<u>1,076,620</u>	<u>68,025</u>
EXPENDITURES				
Current:				
General government	638,471	642,605	527,489	115,116
Debt service:				
Principal	451	451	1,277	(826)
Interest and fiscal charges	36	136	151	(15)
Capital outlay	750	150	-	150
Total expenditures	<u>639,708</u>	<u>643,342</u>	<u>528,917</u>	<u>114,425</u>
Excess (deficiency) of revenues over (under) expenditures	<u>368,887</u>	<u>365,253</u>	<u>547,703</u>	<u>182,450</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	63,645	63,645	63,645	-
Transfers out	(432,232)	(432,232)	(432,232)	-
Net other financing sources (uses)	<u>(368,587)</u>	<u>(368,587)</u>	<u>(368,587)</u>	<u>-</u>
Net change in fund balances	300	(3,334)	179,116	182,450
Fund balances (deficits) at beginning of year	<u>(351,578)</u>	<u>(351,578)</u>	<u>(351,578)</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ (351,278)</u>	<u>\$ (354,912)</u>	<u>\$ (172,462)</u>	<u>\$ 182,450</u>

**City of Venice, Florida
 Budget Comparison Schedule
 Centennial Community Fund
 For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Interest	\$ 1,019	\$ 1,019	\$ 672	\$ (347)
Miscellaneous	1,009	1,009	352	(657)
Total revenues	<u>2,028</u>	<u>2,028</u>	<u>1,024</u>	<u>(1,004)</u>
EXPENDITURES				
Current:				
General government	-	775	775	-
Total expenditures	<u>-</u>	<u>775</u>	<u>775</u>	<u>-</u>
Net change in fund balances	2,028	1,253	249	(1,004)
Fund balances (deficits) at beginning of year	<u>56,660</u>	<u>56,660</u>	<u>56,660</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 58,688</u>	<u>\$ 57,913</u>	<u>\$ 56,909</u>	<u>\$ (1,004)</u>

**City of Venice, Florida
 Budget Comparison Schedule
 Historical Commission Fund
 For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Interest	\$ 252	\$ 252	\$ 155	\$ (97)
Miscellaneous	4,288	4,288	3,179	(1,109)
Total revenues	<u>4,540</u>	<u>4,540</u>	<u>3,334</u>	<u>(1,206)</u>
EXPENDITURES				
Current:				
General government	8,000	8,000	3,878	4,122
Total expenditures	<u>8,000</u>	<u>8,000</u>	<u>3,878</u>	<u>4,122</u>
Net change in fund balances	(3,460)	(3,460)	(544)	2,916
Fund balances (deficits) at beginning of year	<u>15,568</u>	<u>15,568</u>	<u>15,568</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 12,108</u>	<u>\$ 12,108</u>	<u>\$ 15,024</u>	<u>\$ 2,916</u>

City of Venice, Florida
Budget Comparison Schedule
2004 General Obligation Bond Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Taxes	\$ 611,259	\$ 611,259	\$ 620,784	\$ 9,525
Interest	5,500	5,500	9,398	3,898
Total revenues	<u>616,759</u>	<u>616,759</u>	<u>630,182</u>	<u>13,423</u>
EXPENDITURES				
Debt service:				
Principal	320,000	320,000	320,000	-
Interest and fiscal charges	<u>351,700</u>	<u>351,700</u>	<u>351,638</u>	<u>62</u>
Total expenditures	<u>671,700</u>	<u>671,700</u>	<u>671,638</u>	<u>62</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54,941)</u>	<u>(54,941)</u>	<u>(41,456)</u>	<u>(13,485)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,010,223	1,010,223	-
Net other financing sources (uses)	<u>-</u>	<u>1,010,223</u>	<u>1,010,223</u>	<u>-</u>
Net change in fund balances	(54,941)	955,282	968,767	13,485
Fund balances (deficits) at beginning of year	<u>231,863</u>	<u>231,863</u>	<u>231,863</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 176,922</u>	<u>\$ 1,187,145</u>	<u>\$ 1,200,630</u>	<u>\$ 13,485</u>

City of Venice, Florida
Budget Comparison Schedule
General Projects Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Interest	\$ -	\$ -	\$ 23,371	23,371
Miscellaneous	-	-	250	250
Total revenues	<u>-</u>	<u>-</u>	<u>23,621</u>	<u>23,621</u>
EXPENDITURES				
Current:				
Parks and recreation	46,500	46,500	43,296	3,204
Capital outlay	<u>370,000</u>	<u>1,557,153</u>	<u>215,378</u>	<u>1,341,775</u>
Total expenditures	<u>416,500</u>	<u>1,603,653</u>	<u>258,674</u>	<u>1,344,979</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(416,500)</u>	<u>(1,603,653)</u>	<u>(235,053)</u>	<u>1,368,600</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	416,500	416,500	416,500	-
Transfers out	<u>(195,000)</u>	<u>(195,000)</u>	<u>(195,000)</u>	<u>-</u>
Net other financing sources (uses)	<u>221,500</u>	<u>221,500</u>	<u>221,500</u>	<u>-</u>
Net change in fund balances	(195,000)	(1,382,153)	(13,553)	1,368,600
Fund balances (deficits) at beginning of year	<u>1,606,440</u>	<u>1,606,440</u>	<u>1,606,440</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 1,411,440</u>	<u>\$ 224,287</u>	<u>\$ 1,592,887</u>	<u>\$ 1,368,600</u>

City of Venice, Florida
Budget Comparison Schedule
Streets Capital Projects Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 112,103	\$ 112,103
Interest	17,894	17,894	17,918	24
Miscellaneous	-	277	276	(1)
Total revenues	<u>17,894</u>	<u>18,171</u>	<u>130,297</u>	<u>112,126</u>
EXPENDITURES				
Capital outlay	<u>750,000</u>	<u>1,181,145</u>	<u>1,131,359</u>	<u>49,786</u>
Total expenditures	<u>750,000</u>	<u>1,181,145</u>	<u>1,131,359</u>	<u>49,786</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(732,106)</u>	<u>(1,162,974)</u>	<u>(1,001,062)</u>	<u>161,912</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>387,271</u>	<u>387,271</u>	<u>387,271</u>	<u>-</u>
Net other financing sources (uses)	<u>387,271</u>	<u>387,271</u>	<u>387,271</u>	<u>-</u>
Net change in fund balances	<u>(344,835)</u>	<u>(775,703)</u>	<u>(613,791)</u>	<u>161,912</u>
Fund balances (deficits) at beginning of year	<u>1,885,714</u>	<u>1,885,714</u>	<u>1,885,714</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 1,540,879</u>	<u>\$ 1,110,011</u>	<u>\$ 1,271,923</u>	<u>\$ 161,912</u>

City of Venice, Florida
Budget Comparison Schedule
Beach Renourishment Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 657,830	\$ 657,830	\$ 79,194	\$ (578,636)
Interest	<u>32,215</u>	<u>32,215</u>	<u>25,799</u>	<u>(6,416)</u>
Total revenues	<u>690,045</u>	<u>690,045</u>	<u>104,993</u>	<u>(585,052)</u>
EXPENDITURES				
Parks and recreation	-	-	263,971	(263,971)
Capital outlay	<u>2,032,121</u>	<u>2,272,135</u>	<u>-</u>	<u>2,272,135</u>
Total expenditures	<u>2,032,121</u>	<u>2,272,135</u>	<u>263,971</u>	<u>2,008,164</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,342,076)</u>	<u>(1,582,090)</u>	<u>(158,978)</u>	<u>1,423,112</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Net other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Net change in fund balances	<u>(1,092,076)</u>	<u>(1,332,090)</u>	<u>91,022</u>	<u>1,423,112</u>
Fund balances (deficits) at beginning of year	<u>1,986,852</u>	<u>1,986,852</u>	<u>1,986,852</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 894,776</u>	<u>\$ 654,762</u>	<u>\$ 2,077,874</u>	<u>\$ 1,423,112</u>

City of Venice, Florida
Budget Comparison Schedule
Building and Renovation Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Interest	\$ -	\$ -	\$ 2,041	\$ 2,041
Total revenues	-	-	2,041	2,041
EXPENDITURES				
Capital outlay	-	225,976	76,760	149,216
Total expenditures	-	225,976	76,760	149,216
Excess (deficiency) of revenues over (under) expenditures	-	(225,976)	(74,719)	151,257
OTHER FINANCING SOURCES (USES)				
Transfers in	50,000	50,000	50,000	-
Net other financing sources (uses)	50,000	50,000	50,000	-
Net change in fund balances	50,000	(175,976)	(24,719)	151,257
Fund balances (deficits) at beginning of year	208,668	208,668	208,668	-
Fund balances (deficits) at end of year	\$ 258,668	\$ 32,692	\$ 183,949	\$ 151,257

City of Venice, Florida
Budget Comparison Schedule
2004 GO Bond Construction Fund
For the Year Ended September 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Interest	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Debt Service:				
Interest and fiscal charges	-	-	43	(43)
Capital outlay	2,234,786	93,408	1,282	92,126
Total expenditures	2,234,786	93,408	1,325	92,083
Excess (deficiency) of revenues over (under) expenditures	(2,234,786)	(93,408)	(1,325)	(92,042)
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(1,010,223)	(1,010,223)	-
Net other financing sources (uses)	-	(1,010,223)	(1,010,223)	-
Net change in fund balances	(2,234,786)	(1,103,631)	(1,011,548)	92,083
Fund balances (deficits) at beginning of year	1,011,548	1,011,548	1,011,548	-
Fund balances (deficits) at end of year	\$ (1,223,238)	\$ (92,083)	\$ -	\$ 92,083



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INTERNAL SERVICE FUNDS

Internal Service Funds are established to finance and account for services and/or commodities furnished by a designated department to other departments within the City, on a cost-reimbursement basis.

The Employees' Group Health and Life Insurance Fund - To account for receipts and disbursements for health and life insurance claims which are partially self-insured by the City.

The Workers' Compensation Self-Insurance Fund - To account for receipts and disbursements for Workers' Compensation claims which are partially self-insured by the City.

The Employee Flexible Spending Fund - To account for receipts and disbursements of the program established by the City.

The Property and Liability Insurance Fund - To account for receipts and disbursements for insurance of properties for all departments which are partially self-insured by the City.

City of Venice, Florida
Combining Statement of Net Assets
Internal Service Funds
September 30, 2011

		Governmental Activities		
		Employees' Group Health and Life Insurance	Workers' Compensation Self Insurance	Employee Flexible Spending
ASSETS				
Current assets:				
Cash and cash equivalents		\$ 1,274,835	\$ 1,028,500	\$ 10,760
Investments		885,903	714,720	7,477
Accounts receivable (net)		357	-	-
Interest receivable		3,627	2,926	30
		<u>2,164,722</u>	<u>1,746,146</u>	<u>18,267</u>
Total assets				
LIABILITIES				
Current liabilities:				
Accounts payable		\$ 341,847	\$ 1,109	\$ -
Accrued liabilities		706	921	-
Accrued insurance claims		225,000	249,438	-
		<u>567,553</u>	<u>251,468</u>	<u>-</u>
Total liabilities				
NET ASSETS				
Unrestricted		<u>1,597,169</u>	<u>1,494,678</u>	<u>18,267</u>
Total net assets		<u><u>\$ 1,597,169</u></u>	<u><u>\$ 1,494,678</u></u>	<u><u>\$ 18,267</u></u>

Governmental Activities

<u>Property and Liability Insurance</u>	<u>Total Internal Service Funds</u>
\$ 459,225	\$ 2,773,320
319,123	1,927,223
403	760
<u>1,305</u>	<u>7,888</u>
<u>780,056</u>	<u>4,709,191</u>
\$ 2,659	\$ 345,615
548	2,175
<u>-</u>	<u>474,438</u>
<u>3,207</u>	<u>822,228</u>
<u>776,849</u>	<u>3,886,963</u>
<u>\$ 776,849</u>	<u>\$ 3,886,963</u>

City of Venice, Florida
Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For Fiscal Year Ended September 30, 2011

	Governmental Activities		
	Employees' Group Health and Life Insurance	Workers' Compensation Self Insurance	Employee Flexible Spending
OPERATING REVENUES			
Charges for services	\$ 3,449,350	\$ 299,556	\$ -
Miscellaneous	-	1,427	114,437
Total operating revenues	<u>3,449,350</u>	<u>300,983</u>	<u>114,437</u>
OPERATING EXPENSES			
Personal services	67,080	41,120	-
Insurance	3,931,936	352,861	-
Professional services	397,040	28,478	-
Other services and charges	-	-	107,338
Total operating expenses	<u>4,396,056</u>	<u>422,459</u>	<u>107,338</u>
Operating income (loss)	<u>(946,706)</u>	<u>(121,476)</u>	<u>7,099</u>
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	<u>33,115</u>	<u>20,728</u>	<u>239</u>
Net non-operating revenues (expenses)	<u>33,115</u>	<u>20,728</u>	<u>239</u>
Change in net assets	(913,591)	(100,748)	7,338
Total net assets - beginning	<u>2,510,760</u>	<u>1,595,426</u>	<u>10,929</u>
Total net assets - ending	<u><u>\$ 1,597,169</u></u>	<u><u>\$ 1,494,678</u></u>	<u><u>\$ 18,267</u></u>

Governmental Activities

Property and Liability Insurance	Total Internal Service Funds
\$ 944,196	\$ 4,693,102
48,768	164,632
<u>992,964</u>	<u>4,857,734</u>
34,129	142,329
837,009	5,121,806
75,000	500,518
-	107,338
<u>946,138</u>	<u>5,871,991</u>
<u>46,826</u>	<u>(1,014,257)</u>
<u>3,376</u>	<u>57,458</u>
<u>3,376</u>	<u>57,458</u>
50,202	(956,799)
<u>726,647</u>	<u>4,843,762</u>
<u>\$ 776,849</u>	<u>\$ 3,886,963</u>

City of Venice, Florida
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2011

	Governmental Activities		
	Employees' Group Health and Life Insurance	Workers' Compensation Self Insurance	Employee Flexible Spending
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 3,449,339	\$ 300,983	\$ 114,437
Payments to suppliers	(4,790,234)	(408,915)	(107,345)
Payments to employees	(67,080)	41,120	-
Net cash provided (used) by operating activities	<u>(1,407,975)</u>	<u>(66,812)</u>	<u>7,092</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	1,477,491	916,259	7,546
Purchase of investments	(1,445,421)	(1,166,122)	(12,199)
Interest earnings on cash and investments	38,049	22,119	282
Net cash provided by (used for) investing activities	<u>70,119</u>	<u>(227,744)</u>	<u>(4,371)</u>
Net increase (decrease) in cash and cash equivalents	(1,337,856)	(294,556)	2,721
Cash and cash equivalents at beginning of year	2,612,691	1,323,056	8,039
Cash and cash equivalents at end of year	<u>\$ 1,274,835</u>	<u>\$ 1,028,500</u>	<u>\$ 10,760</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (946,706)	\$ (121,476)	\$ 7,099
Change in assets and liabilities:			
Accounts receivable	(11)	-	-
Accounts payable	(393,150)	-	(7)
Accrued liabilities	(8,108)	(2,419)	-
Accrued insurance claims	(60,000)	57,083	-
Net cash provided (used) by operating activities	<u>\$ (1,407,975)</u>	<u>\$ (66,812)</u>	<u>\$ 7,092</u>

Governmental Activities

Property and Liability Insurance	Total Governmental Activities
\$ 992,964	\$ 4,857,723
(915,429)	(6,221,923)
(34,129)	(60,089)
<u>43,406</u>	<u>(1,424,289)</u>
391,636	2,792,932
(520,674)	(3,144,416)
3,845	64,295
<u>(125,193)</u>	<u>(287,189)</u>
(81,787)	(1,711,478)
541,012	4,484,798
<u>\$ 459,225</u>	<u>\$ 2,773,320</u>
\$ 46,826	\$ (1,014,257)
-	(11)
(2,468)	(395,625)
(952)	(11,479)
-	(2,917)
<u>\$ 43,406</u>	<u>\$ (1,424,289)</u>

TRUST FUNDS

Trust Funds are used to administer resources reserved and held by a governmental unit as the trustee or as the agent for others. Use of these Trust Funds facilitates the discharge of responsibilities placed upon the governmental unit by virtue of law or other authority.

PENSION TRUST FUNDS:

Police Officers' Retirement Trust Fund accounts for receipts and disbursements for our police officers. The City administers the funds only as authorized by the Police Officers' Pension Board.

Firefighters' Retirement Trust Fund accounts for receipts and disbursements for our firefighters. The City administers the funds only as authorized by the Firefighters' Pension Board.

City of Venice, Florida
Combining Statement of Fiduciary Net Assets
Pension Trust Funds
September 30, 2011

	Police Officers' Retirement	Firefighters' Retirement	Total Pension Funds
ASSETS			
Cash and cash equivalents	\$ 1,594,932	\$ 1,605,387	\$ 3,200,319
Contributions receivable	-	53,561	53,561
Interest and dividends receivable	69,430	30,806	100,236
Prepaid expenses	-	751	751
Investments, at fair value:			
U.S. Government and agency obligations	1,943,327	1,070,438	3,013,765
Mortgage-backed obligations	-	2,163,159	2,163,159
Domestic corporate bonds	3,996,560	1,505,132	5,501,692
Foreign corporate bonds	321,854	-	321,854
Domestic equities	11,723,708	5,688,459	17,412,167
Foreign equities	3,734,597	815,401	4,549,998
Pooled real estate investment fund	-	865,740	865,740
Temporary investment funds	-	34,977	34,977
Total investments	<u>21,720,046</u>	<u>12,143,306</u>	<u>33,863,352</u>
Total Assets	<u>23,384,408</u>	<u>13,833,811</u>	<u>37,218,219</u>
LIABILITIES			
Accounts payable	-	23,821	23,821
Accrued Liabilities	200,001	260,506	460,507
Total Liabilities	<u>200,001</u>	<u>284,327</u>	<u>484,328</u>
NET ASSETS			
Held in trust for pension benefits	<u>\$ 23,184,407</u>	<u>\$ 13,549,484</u>	<u>\$ 36,733,891</u>

City of Venice, Florida
Combining Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
For the Year Ended September 30, 2011

	Police Officers' Retirement	Firefighters' Retirement	Total Pension Funds
ADDITIONS			
Contributions:			
Employer	\$ 1,271,518	\$ 1,366,349	\$ 2,637,867
Plan members	230,877	315,925	546,802
State of Florida (passed through general fund)	185,321	251,217	436,538
Total contributions	<u>1,687,716</u>	<u>1,933,491</u>	<u>3,621,207</u>
Investment income:			
Net appreciation (depreciation) in fair value of investments	(461,577)	(113,538)	(575,115)
Interest and dividends	595,892	331,969	927,861
Investment income (loss)	134,315	218,431	352,746
Less investment expenses	(132,953)	(92,335)	(225,288)
Net investment income (loss)	<u>1,362</u>	<u>126,096</u>	<u>127,458</u>
Total additions	<u>1,689,078</u>	<u>2,059,587</u>	<u>3,748,665</u>
DEDUCTIONS			
Benefits	2,349,442	1,503,806	3,853,248
Administrative expense	53,235	55,371	108,606
Total deductions	<u>2,402,677</u>	<u>1,559,177</u>	<u>3,961,854</u>
Change in net assets	<u>(713,599)</u>	<u>500,410</u>	<u>(213,189)</u>
Net assets held in trust for pension benefits - beginning of year	22,519,093	13,049,074	35,568,167
Prior Year Restatement	1,378,913	-	1,378,913
Beginning of Year (Adjusted)	<u>23,898,006</u>	<u>13,049,074</u>	<u>36,947,080</u>
Net assets held in trust for pension benefits - end of year	<u>\$ 23,184,407</u>	<u>\$ 13,549,484</u>	<u>\$ 36,733,891</u>

STATISTICAL SECTION

(UNAUDITED)

STATISTICAL SECTION

This part of the City of Venice’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 government’s overall financial health.

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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.

Demographic and Economic Information

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

Operating Information

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.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Venice, Florida
 Net Assets by Component
 Last Eight Fiscal Years
 (accrual basis of accounting)

Schedule 1

	Fiscal Year							
	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities								
Invested in capital assets, net of related debt	\$ 53,788,685	\$ 56,254,962	\$ 56,144,537	\$ 48,816,977	\$ 42,034,017	\$ 35,385,725	\$ 32,394,871	\$ 21,357,992
Restricted	4,332,318	456,963	432,556	10,246,587	10,021,925	11,233,395	8,639,836	13,830,066
Unrestricted	13,165,605	21,244,184	24,958,239	22,518,909	19,937,818	14,161,251	12,338,660	8,921,892
Total governmental activities net assets	\$ 71,286,608	\$ 77,956,109	\$ 81,535,332	\$ 81,582,473	\$ 71,993,760	\$ 60,780,371	\$ 53,373,367	\$ 44,109,950
Business-type activities								
Invested in capital assets, net of related debt	\$ 72,481,113	\$ 72,578,375	\$ 72,628,925	\$ 72,556,158	\$ 72,371,861	\$ 68,148,618	\$ 64,302,227	\$ 59,247,036
Restricted	4,698,588	3,533,319	3,030,990	2,469,958	2,761,605	2,469,958	3,064,894	3,059,105
Unrestricted	11,586,071	8,127,028	4,922,572	4,236,094	1,675,878	1,443,159	3,567,409	3,459,353
Total business-type activities net assets	\$ 88,765,772	\$ 84,238,722	\$ 80,582,487	\$ 79,262,210	\$ 76,809,344	\$ 72,061,735	\$ 70,934,530	\$ 65,765,494
Primary government								
Invested in capital assets, net of related debt	\$ 126,269,798	\$ 128,833,337	\$ 128,773,462	\$ 121,373,135	\$ 114,405,878	\$ 103,534,343	\$ 96,697,098	\$ 80,605,028
Restricted	9,030,906	3,990,282	3,463,546	12,716,545	12,783,530	13,703,353	11,704,730	16,889,171
Unrestricted	24,751,676	29,371,212	29,880,811	26,755,003	21,613,696	15,604,410	15,906,069	12,381,245
Total primary government net assets	\$ 160,052,380	\$ 162,194,831	\$ 162,117,819	\$ 160,844,683	\$ 148,803,104	\$ 132,842,106	\$ 124,307,897	\$ 109,875,444

2004 was first year of implementation of GASB 34. As the data becomes available we will present ten year historic trend.

City of Venice, Florida
 Changes in Net Assets
 Last Eight Fiscal Years
 (accrual basis of accounting)

Schedule 2

Expenses	Fiscal Year							
	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities:								
General government	\$ 5,198,807	\$ 5,920,863	\$ 7,965,653	\$ 6,299,922	\$ 6,113,770	\$ 6,564,303	\$ 5,752,028	\$ 5,162,923
Finance	1,356,326	1,431,757	1,558,111	999,886	1,116,887	1,039,800	783,201	911,459
Information services	812,838	781,431	738,468	810,482	770,597	718,328	-	-
Parks & recreation	4,025,781	3,728,776	4,174,416	2,349,277	1,359,061	1,353,766	-	-
Police	8,721,527	9,261,347	8,145,302	7,159,554	7,547,982	8,057,679	6,263,970	6,102,497
Fire	6,947,947	7,022,925	6,371,069	5,215,533	4,806,412	4,914,517	4,016,275	3,636,137
Public works	3,964,456	2,351,870	2,259,029	1,696,343	1,919,293	1,937,215	2,185,999	2,357,769
Interest on long-term debt	358,664	371,857	423,242	366,977	503,153	671,086	615,122	394,337
Total Governmental Activities	31,386,346	30,870,826	31,635,290	24,897,974	24,137,155	25,256,694	19,616,595	18,565,122
Business-type activities:								
Water and sewer	13,946,052	13,659,439	14,352,665	13,359,880	13,076,661	14,177,929	13,461,266	12,175,366
Solid waste	3,726,327	4,038,082	4,211,740	4,004,394	3,852,875	3,912,072	4,214,786	3,848,343
Airport	1,911,288	2,277,568	2,036,569	1,616,095	1,617,371	1,300,679	-	-
Stormwater drainage	815,119	866,768	879,087	579,923	590,057	786,203	-	-
Other	-	-	-	-	-	-	2,489,916	2,366,935
Total Business-Type Activities	20,398,786	20,841,857	21,480,061	19,560,292	19,136,964	20,176,883	20,165,968	18,390,644
Total Primary Government	\$ 51,785,132	\$ 51,712,683	\$ 53,115,351	\$ 44,458,266	\$ 43,274,119	\$ 45,433,577	\$ 39,782,563	\$ 36,955,766
Program Revenues								
Governmental Activities:								
Charges for Services:								
General government	\$ 1,800,769	\$ 1,901,769	\$ 1,783,389	\$ 2,003,856	\$ 1,820,031	\$ 3,058,345	\$ 4,031,632	\$ 3,481,418
Finance	-	-	-	-	-	-	64,089	20,024
Information services	-	-	-	-	-	-	-	-
Parks & recreation	-	-	-	-	357,853	330,202	-	-
Police	-	-	-	88,639	95,505	120,147	487,734	235,104
Fire	-	-	12,523	60,067	48,557	47,602	344,624	227,631
Public works	-	-	-	85,297	110,626	87,916	629,317	351,672
Operating grants and contributions	713,750	826,223	47,910	12,360	-	93,387	27,394	105,980
Capital grants and contributions	208,037	979,819	3,804,691	2,109,662	-	573,553	2,380,311	2,319,532
Total Governmental Activities Program Revenues	2,722,556	3,707,811	5,648,513	4,359,881	2,432,572	4,311,152	7,965,101	6,741,361
Business-type activities:								
Charges for services:								
Water and sewer	18,330,838	18,108,135	16,962,042	16,210,376	13,595,250	12,605,867	12,529,765	11,400,654
Solid waste	4,883,706	4,886,855	4,919,755	4,944,586	5,055,959	4,540,051	4,089,977	3,446,641
Airport	1,935,056	1,936,363	1,888,786	1,797,152	1,693,113	1,557,852	-	-
Stormwater drainage	1,357,669	1,344,248	1,342,375	1,259,310	1,240,263	1,155,712	-	-
Other	-	-	-	-	-	-	2,634,688	2,565,911
Operating grants and contributions	71,658	14,100	-	-	-	27,475	-	-
Capital grants and contributions	359,141	890,617	444,498	392,984	4,561,702	3,883,712	5,114,334	2,141,003
Total Business-Type Activities Program Revenues	26,938,068	27,180,318	25,557,456	24,604,408	26,146,287	23,770,669	24,368,764	19,554,209
Total Primary Government Program Revenues	\$ 29,660,624	\$ 30,888,129	\$ 31,205,969	\$ 28,964,289	\$ 28,578,859	\$ 28,081,821	\$ 32,333,865	\$ 26,295,570

2004 was first year of implementation of GASB 34. As the data becomes available we will present ten year historic trend.

(Continued)

City of Venice, Florida
 Changes in Net Assets
 Last Eight Fiscal Years
 (accrual basis of accounting)

Schedule 2

	Fiscal Year							
	2011	2010	2009	2008	2007	2006	2005	2004
Net (expense)/revenue								
Governmental Activities	\$ (28,663,790)	\$ (27,163,015)	\$ (25,986,777)	\$ (20,538,093)	\$ (21,704,583)	\$ (20,945,542)	\$ (11,651,494)	\$ (11,823,761)
Business-type activities	6,539,282	6,338,461	4,077,395	5,044,116	7,009,323	3,593,786	4,202,796	1,163,565
Total primary government net expense	<u>\$ (22,124,508)</u>	<u>\$ (20,824,554)</u>	<u>\$ (21,909,382)</u>	<u>\$ (15,493,977)</u>	<u>\$ (14,695,260)</u>	<u>\$ (17,351,756)</u>	<u>\$ (7,448,698)</u>	<u>\$ (10,660,196)</u>
General Revenues and Other Changes in Net Assets								
Governmental Activities:								
Property taxes	\$ 8,288,532	\$ 9,217,044	\$ 10,581,789	\$ 12,389,422	\$ 14,617,977	\$ 9,376,276	\$ 11,221,163	\$ 9,353,806
Sales taxes	4,987,554	4,402,702	4,535,649	4,740,682	3,809,873	3,921,812	-	-
Excise taxes	1,809,671	1,979,696	1,822,560	1,774,534	1,766,935	3,643,219	-	-
Franchise fees	1,912,512	1,788,025	1,912,443	2,029,285	1,861,315	1,727,851	1,458,340	1,359,041
Intergovernmental	1,758,590	2,057,677	2,545,037	2,581,898	5,356,379	4,822,574	6,256,995	5,512,767
Investment earnings	442,335	404,474	848,836	1,000,375	1,552,179	921,722	484,402	199,841
Miscellaneous	548,717	925,235	694,870	281,828	1,050,484	842,925	1,431,632	456,484
Special Item	-	-	-	2,425,952	-	-	-	-
Transfers, net	2,246,378	2,808,939	2,998,452	2,902,830	2,902,830	3,096,167	62,379	(48,709)
Total governmental activities	<u>21,994,289</u>	<u>23,583,792</u>	<u>25,939,636</u>	<u>30,126,806</u>	<u>32,917,972</u>	<u>28,352,546</u>	<u>20,914,911</u>	<u>16,833,230</u>
Business-Type Activities:								
Investment earnings	234,146	126,713	241,334	311,580	638,903	627,423	1,028,619	1,337,787
Gain on asset sales	-	-	-	-	-	-	-	213,661
Miscellaneous	-	-	-	-	2,213	2,163	-	109,553
Transfers, net	(2,246,378)	(2,808,939)	(2,998,452)	(2,902,830)	(2,902,830)	(3,096,167)	(62,379)	48,709
Total business-type activities	<u>(2,012,232)</u>	<u>(2,682,226)</u>	<u>(2,757,118)</u>	<u>(2,591,250)</u>	<u>(2,261,714)</u>	<u>(2,466,581)</u>	<u>966,240</u>	<u>1,709,710</u>
Total primary government	<u>19,982,057</u>	<u>20,901,566</u>	<u>23,182,518</u>	<u>27,535,556</u>	<u>30,656,258</u>	<u>25,885,965</u>	<u>21,881,151</u>	<u>18,542,940</u>
Change in Net Assets								
Governmental activities	(6,669,501)	(3,579,223)	(47,141)	9,588,713	11,213,389	7,407,004	9,263,417	5,009,469
Business-type activities	4,527,050	3,656,235	1,320,277	2,452,866	4,747,609	1,127,205	5,169,036	2,873,275
Total primary government	<u>\$ (2,142,451)</u>	<u>\$ 77,012</u>	<u>\$ 1,273,136</u>	<u>\$ 12,041,579</u>	<u>\$ 15,960,998</u>	<u>\$ 8,534,209</u>	<u>\$ 14,432,453</u>	<u>\$ 7,882,744</u>

2004 was first year of implementation of GASB 34. As the data becomes available we will present ten year historic trend.

City of Venice, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Schedule 3

	Fiscal Year			
	2011	2010	2009	2008
General Fund				
Reserved	\$ -	\$ 5,074,866	\$ 5,342,307	\$ 6,627,747
Unreserved	-	9,773,921	10,965,345	11,404,730
Nonspendable	4,791,037	-	-	-
Restricted	244,676	-	-	-
Committed	205,142	-	-	-
Assigned	-	-	-	-
Unassigned	7,772,036	-	-	-
Total General Fund:	<u>13,012,891</u>	<u>14,848,787</u>	<u>16,307,652</u>	<u>18,032,477</u>
All other governmental funds				
Reserved	-	6,940,919	207,456	10,196,587
Unreserved, reported in:				
Special Revenue Funds	-	3,993,776	1,326,901	2,573,837
Debt Service Funds	-	-	25,184	-
Capital Project Funds	-	-	8,438,332	-
Restricted, reported in:				
Special Revenue Funds	3,112,112	-	-	-
Debt Service Funds	1,200,630	-	-	-
Capital Project Funds	1,521,923	-	-	-
Committed, reported in:				
Special Revenue Funds	1,446,206	-	-	-
Capital Project Funds	3,604,710	-	-	-
Unassigned, reported in:				
Special Revenue Funds	(177,313)	-	-	-
Total All Other Governmental Funds:	<u>10,708,268</u>	<u>10,934,695</u>	<u>9,997,873</u>	<u>12,770,424</u>
Total Governmental Funds:	<u>\$ 23,721,159</u>	<u>\$ 25,783,482</u>	<u>\$ 26,305,525</u>	<u>\$ 30,802,901</u>

Note: The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011
Fiscal years 2002-2010 amounts were not restated to reflect the fund balance categories.

Fiscal Year					
2007	2006	2005	2004	2003	2002
\$ 10,574,144	\$ 12,623,396	\$ 1,901,862	\$ 1,666,440	\$ 1,869,948	\$ 1,248,611
6,416,646	3,093,288	10,913,769	7,768,191	6,275,526	5,287,786
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>16,990,790</u>	<u>15,716,684</u>	<u>12,815,631</u>	<u>9,434,631</u>	<u>8,145,474</u>	<u>6,536,397</u>
10,026,346	-	-	-	-	634,565
1,936,343	2,721,889	3,490,165	2,689,517	3,298,621	3,172,765
-	509,600	599,593	631,807	631,625	-
-	7,337,718	4,550,078	10,508,742	1,940,016	5,973,797
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>11,962,689</u>	<u>10,569,207</u>	<u>8,639,836</u>	<u>13,830,066</u>	<u>5,870,262</u>	<u>9,781,127</u>
<u>\$ 28,953,479</u>	<u>\$ 26,285,891</u>	<u>\$ 21,455,467</u>	<u>\$ 23,264,697</u>	<u>\$ 14,015,736</u>	<u>\$ 16,317,524</u>

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City of Venice, Florida
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Schedule 4

	Fiscal Year			
	2011	2010	2009	2008
Revenues:				
Taxes	\$ 15,085,757	\$ 15,599,442	\$ 16,939,998	\$ 18,904,638
Franchise fees	1,912,512	1,788,025	1,912,443	2,029,285
Licenses & permits	1,325,033	1,312,205	1,261,300	1,491,748
Intergovernmental revenues	2,680,377	3,863,719	6,397,638	4,789,216
Charges for services	431,998	540,985	474,768	572,175
Fees and Fines	43,738	48,579	59,842	88,639
Interest and investments earnings	384,877	351,637	737,294	929,997
Administrative charges to other funds	-	-	-	-
Miscellaneous	548,717	926,092	693,711	281,828
Charges for stormwater drainage	-	-	-	-
Total Revenues	22,413,009	24,430,684	28,476,994	29,087,526
Expenditures				
General government services	5,980,606	6,341,338	8,385,035	7,079,607
Public safety	13,647,396	13,641,993	12,463,758	12,156,924
Public works (includes Parks & Recreation)	4,473,201	2,727,889	2,917,332	3,024,778
Bond issue costs	-	-	-	-
Stormwater drainage	-	-	-	-
Capital outlay	1,877,155	4,319,557	10,530,950	8,646,485
Debt service				
Principal	384,849	367,147	1,241,144	1,277,385
Interest	358,503	363,742	434,603	381,708
Total Expenditures	26,721,710	27,761,666	35,972,822	32,566,887
Excess (deficiency) of revenues over (under) expenditures	(4,308,701)	(3,330,982)	(7,495,828)	(3,479,361)
Other financing sources (uses)				
Transfers from other funds	6,385,662	5,581,974	9,226,250	10,583,725
Transfers to other funds	(4,139,284)	(2,773,035)	(6,227,798)	(7,680,894)
Discount on general obligation debt	-	-	-	-
Proceeds from long-term debt	-	-	-	-
Proceeds from capital lease	-	-	-	-
Special item	-	-	-	2,425,952
Total other financing sources (uses)	2,246,378	2,808,939	2,998,452	5,328,783
Net Change in Fund Balance	\$ (2,062,323)	\$ (522,043)	\$ (4,497,376)	\$ 1,849,422
Debt Service as a percentage of non- capital expenditures	2.99%	3.12%	6.59%	6.94%

Fiscal Year					
2007	2006	2005	2004	2003	2002
\$ 20,194,785	\$ 16,941,307	\$ 11,221,163	\$ 9,353,806	\$ 8,389,598	\$ 7,617,174
1,861,315	1,727,851	1,458,340	1,359,041	1,201,186	1,137,360
1,765,693	2,991,377	3,703,663	3,298,685	2,232,902	1,067,343
5,356,379	5,115,954	8,233,052	7,638,279	5,957,825	5,827,692
571,375	532,688	397,721	353,826	365,689	308,125
95,505	120,146	138,222	104,635	109,220	111,563
1,449,099	905,931	-	-	-	-
-	-	4,828,195	1,647,226	2,124,168	1,719,293
1,050,482	890,798	-	1,053,411	1,135,822	1,337,566
-	-	-	-	-	979,917
<u>32,344,633</u>	<u>29,226,052</u>	<u>29,980,356</u>	<u>24,808,909</u>	<u>21,516,410</u>	<u>20,106,033</u>
7,512,459	7,239,303	8,001,187	7,235,145	6,066,403	5,328,029
11,966,559	12,170,223	11,387,211	10,839,759	9,141,776	8,135,243
2,929,164	2,807,669	2,832,065	2,688,560	2,156,160	2,248,162
-	-	-	162,339	-	-
-	-	-	-	-	783,271
7,506,838	3,455,927	8,313,203	4,108,708	3,833,957	485,748
1,257,118	1,198,426	1,423,584	931,823	750,768	688,861
491,954	620,247	-	-	-	-
<u>31,664,092</u>	<u>27,491,795</u>	<u>31,957,250</u>	<u>25,966,334</u>	<u>21,949,064</u>	<u>17,669,314</u>
680,541	1,734,257	(1,976,894)	(1,157,425)	(432,654)	2,436,719
10,880,673	16,737,038	9,557,602	7,209,644	6,160,703	5,277,646
(8,893,626)	(13,640,871)	(9,473,362)	(7,256,122)	(6,011,298)	(5,349,848)
-	-	-	(66,276)	-	-
-	-	83,424	10,519,137	-	-
-	-	-	-	577,000	-
-	-	-	-	-	-
<u>1,987,047</u>	<u>3,096,167</u>	<u>167,664</u>	<u>10,406,383</u>	<u>726,405</u>	<u>(72,202)</u>
<u>\$ 2,667,588</u>	<u>\$ 4,830,424</u>	<u>\$ (1,809,230)</u>	<u>\$ 9,248,958</u>	<u>\$ 293,751</u>	<u>\$ 2,364,517</u>
7.24%	7.57%	6.02%	4.26%	4.14%	4.01%

City of Venice, Florida
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years

Schedule 5

Fiscal Year Ended 30-Sep	Real Property	Personal Property	Total Taxable Assessed Value	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2011	\$ 2,711,971,273	\$ 148,656,919	\$ 2,860,628,192	\$ 3,674,071,034	77.86%
2010	3,013,357,280	159,619,018	3,172,976,298	4,088,276,603	77.61%
2009	3,487,010,981	166,204,632	3,653,215,613	4,796,837,014	76.16%
2008	4,178,548,461	190,054,283	4,368,602,744	5,679,281,890	76.92%
2007	3,976,883,794	158,431,313	4,135,315,107	4,366,055,972	94.72%
2006	2,928,778,736	128,729,536	3,057,508,272	4,150,313,277	73.67%
2005	2,347,391,561	128,302,916	2,475,694,477	3,047,535,293	81.24%
2004	1,982,706,434	116,707,378	2,099,413,812	2,565,227,475	81.84%
2003	1,643,775,574	107,457,235	1,751,232,809	2,069,651,779	84.61%
2002	1,427,159,602	105,589,689	1,532,749,291	1,770,721,289	86.56%

City of Venice, Florida
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Schedule 6

Fiscal Year	City of Venice			Overlapping Rates			Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Sarasota County	School District	SWFWMD	
				Total County Millage	Total School Millage	Total SWFWMD Millage	
2011	\$ 2.779	\$ 0.225	\$ 3.004	\$ 5.273	\$ 7.901	\$ 0.377	\$ 16.555
2010	2.779	0.225	3.004	5.273	7.427	0.387	16.091
2009	2.779	0.205	2.984	5.127	7.045	0.387	15.543
2008	2.779	0.160	2.939	5.127	7.123	0.387	15.576
2007	3.129	0.215	3.344	5.554	7.210	0.422	16.530
2006	3.177	0.218	3.395	5.754	7.861	0.422	17.432
2005	3.225	0.287	3.512	5.750	7.860	0.420	17.542
2004	3.274	-	3.274	5.870	8.370	0.420	17.934
2003	3.355	-	3.355	5.940	8.790	0.420	18.505
2002	3.406	-	3.406	5.120	9.290	0.420	18.236

City of Venice, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule 7

Fiscal Year Ended 09/30	Total Tax Levy for Fiscal Year	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage		Amount	Percentage
			Of Levy			Of Levy
2011	8,593,327	\$ 8,249,561	96.0%	\$ 25,903	8,275,464	96.3%
2010	9,531,621	9,190,963	96.4%	5,183	9,196,146	96.5%
2009	10,898,897	10,492,073	96.3%	3,872	10,495,945	96.3%
2008	12,839,323	12,338,368	96.1%	6,292	12,344,660	96.1%
2007	13,828,494	13,382,891	96.8%	3,069	13,385,960	96.8%
2006	10,648,965	10,021,025	94.1%	5,163	10,026,188	94.2%
2005	8,694,639	8,664,540	99.7%	(19,193)	8,645,347	99.4%
2004	6,881,552	6,883,393	100.0%	6,051	6,889,444	100.1%
2003	5,874,963	5,866,206	99.9%	2,847	5,869,053	99.9%
2002	5,220,562	5,216,957	99.9%	5,201	5,222,158	100.0%

Property taxes are levied on November 1 of each year, and are due and payable upon receipt of the notice of the levy. A 4% discount is allowed if the taxes are paid in November, with the discount declining by 1% each month thereafter. Accordingly, taxes collected will not 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 are sold at public auction prior to June 1 each year, and the proceeds collected are remitted to the City.

City of Venice, Florida
Pledged-Revenue Coverage
Last Ten Fiscal Years

Schedule 8

Fiscal Year	Utility System Refunding Revenue Bond						Coverage
	Water & Sewer Charges and other	Less: Operating Expenses ⁽¹⁾	Net Available Revenue	Debt Service			
				Principal	Interest		
2011	\$ 18,330,838	\$ 9,088,165	9,242,673	\$ 1,875,000	\$ 538,313	3.8	
2010	18,108,135	8,905,614	9,202,521	1,635,983	996,527	3.5	
2009	16,962,042	10,004,263	6,957,779	2,012,426	1,043,719	2.3	
2008	16,210,376	9,530,678	6,679,698	2,150,879	1,121,846	2.0	
2007	13,595,250	8,841,164	4,754,086	2,238,224	1,150,651	1.4	
2006	12,605,867	8,929,845	3,676,022	2,023,895	1,244,874	1.1	
2005	17,175,839	9,066,739	8,109,100	1,559,518	1,228,515	2.9	
2004	12,776,468	8,486,407	4,290,061	761,089	1,294,956	2.1	
2003	13,171,704	8,122,352	5,049,352	678,472	1,384,873	2.4	
2002	16,467,533	7,433,495	9,034,038	659,440	435,560	8.3	

(1) Excludes depreciation and amortization.

City of Venice, Florida
Governmental Activities Tax Revenues by Source
Last Eight Fiscal Years
(accrual basis of accounting)

Schedule 9

Fiscal Year Ended September 30	Property Taxes	Sales Taxes	Excise Taxes	Totals
2011	\$ 8,288,532	\$ 4,987,554	\$ 1,809,671	\$ 15,085,757
2010	9,217,044	4,402,702	1,979,696	15,599,442
2009	10,581,789	4,535,649	1,822,560	16,939,998
2008	12,389,422	4,740,682	1,774,534	18,904,638
2007	13,435,394	4,992,456	1,766,936	20,194,786
2006	10,051,005	5,130,797	1,759,505	16,941,307
2005	8,354,228	4,970,405	1,662,779	14,987,412
2004	6,657,883	4,394,149	1,526,899	12,578,931

2004 was first year of implementation of GASB 34. As the data becomes available we will present ten year historic trend.



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City of Venice, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Schedule 10

Fiscal Year	Governmental Activities				Business-Type Activities		
	General Obligation Bonds	Revenue Bonds	Capital Leases	Promissory Notes/Bonds	Revenue Bonds	Notes Payable	Capital Leases
2011	\$ 7,915,000	\$ -	\$ -	\$ -	\$ 11,855,000	\$ 5,362,211	\$ -
2010	8,235,000	-	-	69,442	14,490,983	4,865,400	-
2009	8,545,000	-	-	126,589	16,503,409	5,181,057	-
2008	8,850,000	760,000	111,857	200,037	18,350,705	5,503,466	33,131
2007	9,145,000	1,495,000	220,340	338,688	20,501,584	5,817,075	64,597
2006	9,435,000	2,200,000	325,553	495,594	22,739,808	6,122,150	96,115
2005	9,720,000	2,830,000	479,174	706,566	24,525,036	6,422,963	125,956
2004	10,000,000	3,445,000	497,167	898,960	26,219,554	6,719,356	154,884
2003	-	4,035,000	105,338	1,135,217	27,110,643	6,848,341	38,463
2002	-	6,980,000	226,845	733,249	26,218,654	243,275	-

(a) See Schedule 13 for personal income and population data.

<u>Total Primary Government</u>	<u>Percentage Of Personal Income (a)</u>	<u>Per Capita (a)</u>
\$ 25,132,211	3.39%	1,187
27,660,825	3.69%	1,247
30,356,055	2.84%	1,371
33,809,196	3.28%	1,526
37,582,284	4.19%	1,741
41,414,220	4.93%	1,991
44,809,695	6.03%	2,237
47,934,921	8.32%	2,393
39,273,002	7.09%	2,039
34,402,023	6.59%	1,895

City of Venice, Florida
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Schedule 11

Fiscal Year	Estimated Actual Taxable Value of Property	Population	General Bonds/Notes	Less Amounts Available in Debt Service Fund	Total	Percentage of Estimated/ Actual Taxable Value of Property	Net Bonded Debt Per Capita
2011	\$ 3,674,071,034	21,165	\$ 7,915,000	\$ 1,198,618	\$ 6,716,382	0.18%	\$ 317.33
2010	4,088,276,603	22,176	8,304,442	231,863	8,072,579	0.20%	364.02
2009	4,796,837,014	22,146	8,671,589	231,112	8,440,477	0.18%	381.13
2008	5,679,281,890	22,149	9,810,037	847,101	8,962,936	0.16%	404.67
2007	4,366,055,972	21,584	10,978,687	812,689	10,165,998	0.23%	471.00
2006	4,150,313,277	20,800	12,130,594	663,368	11,467,226	0.28%	551.31
2005	3,047,535,293	20,035	13,256,566	599,593	12,656,973	0.42%	631.74
2004	2,565,227,475	20,035	14,343,960	631,807	13,712,153	0.53%	684.41
2003	2,069,651,779	19,265	5,170,217	631,625	4,538,592	0.22%	235.59
2002	1,770,721,289	18,151	8,880,576	634,965	8,245,611	0.47%	454.28

City of Venice, Florida
 Direct and Overlapping Governmental Activities Debt
 as of September 30, 2011

Schedule 12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
City of Venice direct debt	\$ 7,915,000	100%	\$ 7,915,000
Sarasota County School Board	237,169,479 ^(a)	7.23% ^(c)	17,147,353
Sarasota County	330,011,826 ^(b)	7.23% ^(c)	23,859,855
Subtotal, overlapping debt	<u>567,181,305</u>		<u>41,007,208</u>
Total direct and overlapping debt	<u>\$ 575,096,305</u>		<u>\$ 48,922,208</u>

Source: ^(a) School Board of Sarasota County CAFR.

Source: ^(b) Sarasota County CAFR.

^(c) Determined by dividing:

taxable assessed valuation of the City of Venice	2,860,628,192
by the total taxable valuation of Sarasota County	39,563,842,000

City of Venice, Florida
 Demographic and Economic Statistics
 Last Ten Fiscal Years

Schedule 13

Fiscal Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2011	21,165	740,330,535	\$ 34,979	11.0%
2010	22,176	749,526,624	33,799	12.5%
2009	22,146	1,068,655,230	48,255	11.6%
2008	22,149	1,029,618,414	46,486	4.3%
2007	21,584	897,397,968	41,577	3.0%
2006	20,800	839,404,800	40,356	2.6%
2005	20,035	743,558,955	37,113	3.2%
2004	20,035	576,226,635	28,761	4.6%
2003	19,265	554,080,665	28,761	4.6%
2002	18,151	522,040,911	28,761	4.6%

SOURCE:

- (a) Bureau of Economic and Business Research, University of Florida. Resident population used in the City's Comprehensive Plan.
- (b) Determined by multiplying population by per capita personal income.
- (c) U.S. Census Bureau - American FactFinder
- (d) Florida Agency for Workforce Innovation, Labor Market Statistics Center, Local Area Unemployment Statistics Program in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

NOTES:

Statistics for unemployment rate are not available for City of Venice. Therefore, figures from North Port-Bradenton-Sarasota, FL Metropolitan Statistical Area were used.

City of Venice, Florida
Principal Property Taxpayers
Current Fiscal Year and Nine Years Ago

Schedule 14

<u>Taxpayer</u>	2011			2002		
	<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>
Venice HMA Inc. (Venice Regional Medical Center)	\$ 65,694,193	1	2.43%			
PGT Industries, Inc.	38,600,812	2	1.43%	\$ 11,402,600	2	0.74%
MHC-Bay Indies Vistas Inc	38,382,404	3	1.42%	42,139,300	1	2.74%
Florida Power & Light Co.	23,720,809	4	0.88%			
Sunrise AG Pelican Pointe, LLC (Aston Gardens at Venice, LLC)	21,675,500	5	0.80%			
WCI Communities LLC	20,752,267	6	0.77%			
Verizon	16,839,622	7	0.62%			
Csh-ing Bella Vita LP	11,475,963	8	0.42%			
Southwest Florida Retirement Ctr	11,259,179	9	0.42%			
Triple Diamond	9,608,013	10	0.35%			
Sarasota County Health Facilities				9,452,341	3	0.61%
Aspen Bella Vits LP				8,840,000	4	0.57%
Healthcare Realty Trust, Inc.				7,304,000	5	0.47%
Brighton Gardens				7,118,200	6	0.46%
Alliance BP Ltd. Partnership				6,652,200	7	0.43%
Manor Care of Boynton Beach, Inc.				6,167,400	8	0.40%
Venice Plaza, Ltd.				6,001,000	9	0.39%
Venice Plaza Shopping Center, Ltd.				5,469,000	10	0.35%
Totals	\$ 258,008,762		9.54%	\$ 110,546,041		7.16%

Source: Sarasota County Property Appraiser

Total taxable assessed value of Venice for 2011 \$ 2,707,597,559

Total taxable assessed value of Venice for 2002 \$ 1,532,754,601

City of Venice, Florida
 Principal Employers
 Current Year and Nine Years Ago

Schedule 15 ^(a)

<u>Employer</u>	2011			2002		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
School Board of Sarasota County	5,549	1	3.89%	4,417	1	2.89%
Sarasota County Government	3,241	2	2.27%	3,708	2	2.43%
Sarasota Memorial Hospital	3,024	3	2.12%	3,400	3	2.23%
Publix Super Markets	1,474	4	1.03%	3,300	4	2.16%
Venice Regional Medical Center	1,400	5	0.98%	1,428	5	0.94%
PGT Industries (Vinyl Tech)	1,118	6	0.78%	1,150	6	0.75%
Sun Hydraulics Corporation	686	7	0.48%	-	-	-
Tervis Tumbler	670	8	0.47%	-	-	-
Doctors Hospital of Sarasota	624	9	0.44%	908	9	0.59%
Sunset Automotive Group	600	10	0.42%	-	-	-
Wal-Mart	-		-	963	7	0.63%
Charter One Hotels	-		-	950	8	0.62%
City of Sarasota	-		-	852	10	0.56%
	<u>18,386</u>		<u>12.88%</u>	<u>21,076</u>		<u>13.80%</u>
Total Sarasota						
County Employment:	<u>142,696</u>			<u>152,706</u>		

SOURCE: (a) Sarasota County CAFR

Statistics are for Sarasota County; not available for City of Venice



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City of Venice, Florida
 Full-Time Equivalent City Government Employees by Function
 Last Ten Fiscal Years

Schedule 16

	Fiscal Year				
	2011	2010	2009	2008	2007
Department:					
Mayor and Council	7.0	7.0	7.0	7.0	7.0
City Manager	4.0	4.0	4.0	4.0	6.5
Historical Resources	1.0	1.0	1.0	1.0	1.0
City Clerk	5.0	5.0	6.0	6.0	6.0
Finance *	12.0	12.0	13.0	13.0	13.0
Purchasing	-	-	-	-	-
Public Works					
Administration	4.0	4.0	4.0	4.0	4.0
General Maintenance	13.0	13.0	15.0	15.0	15.0
Parks Maintenance	11.0	12.0	14.0	15.0	15.0
Engineering	9.0	9.0	10.0	10.0	9.0
Police	72.0	73.0	73.0	73.0	77.0
Fire	45.5	46.5	46.5	46.0	46.5
Planning & Zoning	4.0	5.0	4.0	5.0	5.0
Information Systems	4.0	4.0	4.0	4.0	5.0
Growth Management	-	-	-	-	-
Administrative Services	5.0	5.0	5.0	5.0	5.0
Building & Code					
Enforcement	6.0	7.0	8.0	8.0	14.0
Airport	8.0	8.0	8.0	8.0	7.0
Utilities Administration	6.0	2.0	2.0	2.0	2.0
Distribution / Collection	21.0	26.0	28.0	28.0	23.0
Water Production	14.0	14.0	15.0	15.0	17.0
Pollution Ctrl/Water					
Reclamation	17.0	20.0	21.0	21.0	25.0
Reuse	-	-	-	-	-
Utility					
Engineering/Construction	-	-	-	-	3.0
Solid Waste	13.5	13.5	13.5	13.5	13.5
Recycling	9.5	9.5	10.5	10.5	10.5
Stormwater	2.0	2.0	2.0	2.0	2.0
TOTAL	293.5	302.5	314.5	316.0	332.0

* The Finance Department and the Purchasing Department were combined in 2007.

Source: City of Venice Finance Department

Fiscal Year				
2006	2005	2004	2003	2002
7.0	7.0	7.0	7.0	7.0
5.5	7.5	5.3	5.3	4.8
0.5	0.5	0.5	0.5	0.5
6.5	6.5	6.5	6.5	6.0
13.5	13.5	13.5	12.5	12.0
5.0	5.0	5.0	5.0	5.0
4.5	4.0	4.0	4.0	4.0
16.0	16.5	15.5	15.5	15.5
15.0	13.5	13.5	11.5	11.5
10.5	9.5	7.5	7.5	7.0
80.5	80.5	79.5	77.5	71.0
46.5	46.0	46.0	42.0	42.0
5.0	5.0	-	-	-
5.0	6.0	6.0	5.0	7.0
-	-	19.2	19.2	14.7
7.0	7.0	7.0	6.0	5.0
14.0	15.5	-	-	-
7.0	7.5	7.0	7.0	6.0
2.5	-	6.0	4.0	3.0
21.0	20.0	23.0	21.0	22.0
19.0	21.0	21.0	20.0	18.0
26.0	26.0	36.0	34.0	28.0
-	1.0	2.0	2.0	4.0
3.0	2.0	-	-	-
12.0	11.5	11.0	11.0	11.0
12.0	11.5	11.0	11.0	11.0
3.0	2.0	1.0	1.0	1.0
347.5	346.0	354.0	336.0	317.0

Schedule 17

	Fiscal Year	
	2011	2010
Parks and Recreation		
Number of trees trimmed and maintained	6,000	6,000
Number of irrigation systems maintained including:	28	26
Spray heads	2,400	2,300
Zones	181	171
Feet of drip line	31,200	31,000
Police		
Number of sworn officers	45	51
Total calls received	31,753	36,191
Number of crime scenes processed (property division)	36	24
Drug related arrests	93	109
Traffic citations issues	1,435	1,849
Parking citations	451	114
Marine citations	12	51
Traffic warnings	4,115	4,202
Parking warnings	32	95
Marine warnings	418	120
Fire		
Number of firefighters	41	42
Calls for service	2,652	2,442
Public Works		
Miles of roadway	53.7	52
Miles of sidewalk	38.3	38
Signalized intersections	11	11
School zone areas	3	3
Street lights	690	690
Decorative pedestrian lights	30	30
Water and sewer utilities		
Finished water pumped to system (millions of gallons)	720.3	746.0
Number of potable water gallons delivered to customers (millions)	720.7	711.2
Produced number of gallons of reuse water per day (MGD)	2.256	3.399
Solid Waste		
Number of Residential Customers:		
Single family	6,108	6,013
Mobile homes	2,718	2,718
Duplex	90	90
Condos/apartments	7,600	7,600
Number of Commercial Customers:		
Commercial/retail	327	327
Office	140	140
Industrial	116	116
Institutional	60	60
Tons of garbage	15,717	15,539
Tons of yard waste	2,624	3,064
Tons of construction & debris	320	652
Tons of Recycle Material:		
Tons of paper	1,558	1,540
Tons of commingled recyclables	1,040	899
Tons of cardboard	859	781
Tons of scrap metal	68	61
Airport		
Number of T-Hangars	167	167
Number of tie-downs	49	49
Number of shade hangars	3	3
Number of mobile homes	186	186
Storm Water Drainage		
Miles of pipe	19.33	19
Miles of swales and ditches	19	19
Ditch regrading maintenance: tons of material removed	100.74	11.52

Source: Various departments throughout the City of Venice.

Note: started showing this schedule in FY 2010.



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CITY OF VENICE, FLORIDA
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

Schedule 18

	Fiscal Year					
	2011	2010	2009	2008	2007	2006
Parks and Recreation						
Number of Parks	36	35	35	35	28	28
Park Acreage	383.07	382.07	367.78	367.78	357.58	357.58
Playgrounds	10	10	10	10	8	8
Baseball and Softball Diamonds	9	9	9	9	9	9
Tennis Courts	8	8	8	8	8	8
Basketball Courts	3	3	3	3	3	3
Shuffleboard Courts	18	18	18	18	18	18
Community Centers	1	1	1	1	1	1
Golf Courses	1	1	1	1	1	1
Boat Docks	2	2	2	2	2	2
Nature/Fitness Trail (miles)	1.6	1.6	1.6	1.6	1.6	1.6
Soccer Fields	3	3	3	3	3	3
Football Fields	3	3	3	3	3	3
Croquet Courts	3	3	3	3	3	3
Interactive Fountain	1	1	1	1	1	1
Gazebo	2	2	2	2	2	2
Fishing Pier	1	1	1	1	1	1
Paw (Dog) Park	1	1	1	1	1	1
Police						
Police Stations	1	1	1	1	1	1
Fire						
Fire Stations	3	3	3	3	3	2
Fire Hydrants	1,018	1,018	1,018	1,019	1,001	949
Public Works						
Paved Streets (miles)	62	62	62	62	62	60
Unimproved Streets (miles)	0	0	0	0	0	1
Water and Sewer Utilities						
Wastewater Main (miles)						
(includes collection pipe and forcemain)	148.0	147.4	141.4	165.09	147.1	105.0
Equivalent Connections	10,642	18,771	18,765	18,757	18,723	18,296
Water Mains (miles)						
(includes distribution pipe & raw water mains)	201	196.2	196.2	212.06	195.8	174.1
Equivalent Connections	11,710	19,520	19,496	19,483	19,411	19,989
Reclaimed Water Mains (miles)	49.2	49.2	49.2	49.2	49.2	44
Reclaimed Water Bulk connections	7	7	7	7	7	21
Reclaimed Water Residential connections	2,953	2,930	2,908	2,899	2,871	2,418
Stormwater Drainage						
Storm Sewers (miles)	38.41	38.08	38.08	38.08	38.08	38.08

Source: Various departments throughout the City of Venice.

Fiscal Year			
2005	2004	2003	2002
28	28	25	25
357.58	351.08	305.12	305.12
8	11	11	11
9	9	9	9
8	8	8	8
3	3	3	3
18	18	18	18
1	1	1	1
1	1	1	1
2	2	2	2
1.6	1.6	1.6	1.6
3	3	3	3
3	3	3	3
3	0	0	0
1	0	0	0
2	1	1	1
1	1	1	1
1	1	1	1
1	1	1	1
2	2	2	2
918	900	773	683
60	56	54	51
1	1	1	1
105.0	103.0	97.7	75.9
18,246	17,919	16,145	15,451
171.4	168.2	148.6	107.05
19,253	18,562	16,292	15,636
38	38	35.3	18.25
20	20	20	20
2,415	2,415	2,387	2,368
38.08	38.08	38.08	37.39