

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF VENICE, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2009**

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

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City of Venice, Florida
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2009

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March 19, 2010

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, 2009. 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 CPA Associates, 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, 2009, 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, 2009, 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.

Honorable Mayor, City Council
And Citizens of the City of Venice, Florida
March 19, 2010

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 22,146 (2009 estimated population). 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 53 authorized police officers. The City's Fire Department operates 3 fire stations and has 43 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

Honorable Mayor, City Council
And Citizens of the City of Venice, Florida
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construction. The number of tourists visiting the County exceeds one million annually.

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 eight years from 17,764 in 2001 to 22,146 as of January 1, 2010 (estimated). The population increase is due primarily to net migration versus natural increases. The taxable value on real property decreased 13.1 percent 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 2009-2010 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 a 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 Governmental Accounting Standards Board (GASB) Statement 45 – Other Post Employment Benefits (OPEB) was implemented this year. As a result the City Council will be looking at the benefits that retirees receive, specifically health insurance contributions.

MAJOR INITIATIVES

The City is in the final phases of re-writing the Comprehensive Plan which 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

Honorable Mayor, City Council
And Citizens of the City of Venice, Florida
March 19, 2010

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.

The City of Venice continues with the update to the Venice Municipal Airport Master Plan. The Airport Master Plan Update is an opportunity for the City of Venice City Council and the community to develop a consensus regarding the future of the Airport. During the process the community will be able to express their concerns and discuss issues regarding the future of the Airport. The Airport Master Plan Update process should be completed during the current 2009-2010 fiscal year.

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, 2008. This was the twenty third 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 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,


Isaac D. Turner
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, 2008

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



President

Executive Director

**CITY OF VENICE, FLORIDA
COUNCIL-MANAGER FORM OF GOVERNMENT**

CITY COUNCIL

EDWIN MARTIN, MAYOR

ERNEST ZAVODNYIK, VICE MAYOR

JAMES BENNETT

EMILIO CARLESIMO

THOMAS “KIT” MCKEON

SUZANNE LANG

JOHN MOORE

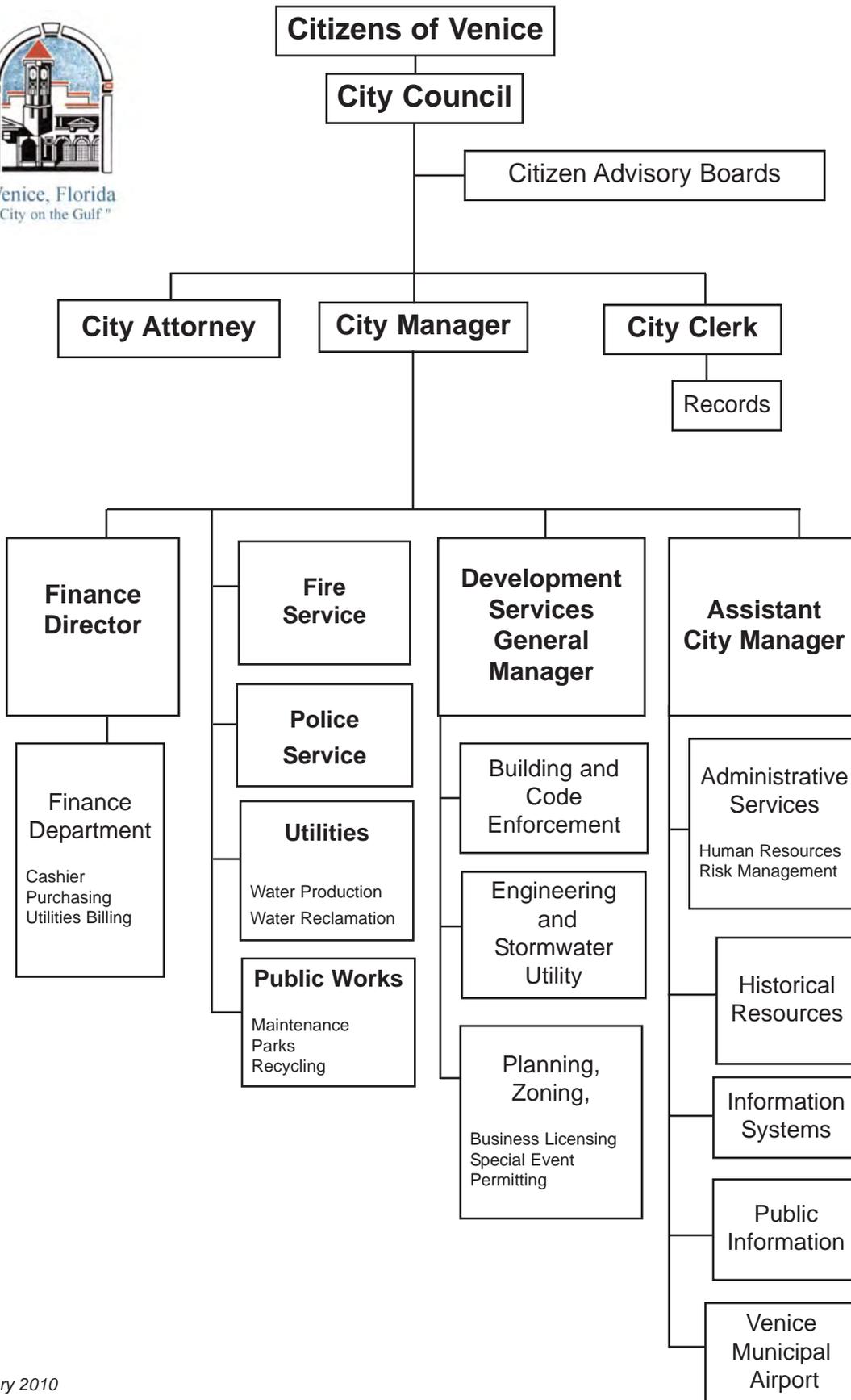
**CITY MANAGER
ISAAC D. TURNER**

**FINANCE DIRECTOR
JEFF SNYDER, CPA**

**CITY CLERK
LORI STELZER, MMC**

**CITY ATTORNEY
HALL & ANDERSON**

CITY OF VENICE ORGANIZATIONAL CHART





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FINANCIAL SECTION

◆ **INDEPENDENT AUDITOR'S REPORT**

◆ **MANAGEMENT'S DISCUSSION AND ANALYSIS**

◆ **BASIC 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 the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Venice, Florida, as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Venice's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Venice Firefighters' Pension Fund, which represent 24.3%, 25.7% and 5.7%, respectively, of the assets, net assets/fund balances and revenues of the aggregate remaining fund information. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the other opinion units, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes 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, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Venice, Florida, as of September 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for the General Fund 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 19, 2010, on our consideration of the City of Venice'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 management's discussion and analysis on pages 3 through 17 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The required supplementary information required by Governmental Accounting Standards Board Statements 25, 27 and 45 on page 77 is not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

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

CPA Associates

Bradenton, Florida
March 19, 2010

City of Venice, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2009
(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, 2009.

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.

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$162.1 million (net assets). Of this amount, \$29.9 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets remained basically unchanged in comparison to the prior year.
- The ending unreserved fund balance for the General Fund was nearly \$11.0 million or approximately 46.7% of total General Fund expenditures.
- All of the City's governmental funds reported combined ending fund balances of \$26.3 million. Of this amount, \$20.8 million is available for spending at the City's discretion.
- All of the City's business-type activities reported combined ending net assets of nearly \$80.6 million. Of this amount nearly \$4.9 million is available for spending at the City's discretion.
- The City's enterprise funds net assets increased by \$1.1 million from \$77.9 million to \$79.0 million.

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

City of Venice, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2009
(unaudited)

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.

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 of Venice, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2009
(unaudited)

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 20 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 and the General Capital Projects Fund are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget. These schedules are presented in the FFS following the statement of revenues, expenditures, and changes in fund balances. The governmental FFS can be found on pages 22-26 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.

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

City of Venice, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2009
(unaudited)

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 43-75 of this report.

Required Supplementary Information Other Than MD&A. The City has presented required supplementary information relating to its progress in funding its obligation to provide pension benefits to its employees and retiree health plan. The Schedules of Funding Progress can be found on page 77 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 \$162.1 million (*net assets*) at the close of the fiscal year. This compared to assets exceeding liabilities by nearly \$160.8 million (*net assets*) at the end of the prior fiscal year. As a result of operations, total net assets increased by nearly \$1.3 million during the period.

By far the largest portion of the City's net assets, 79.4%, reflect 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.

City of Venice, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2009
(unaudited)

City of Venice Net Assets
September 30
(in 000's)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 33,943	\$ 37,197	\$ 12,569	\$ 9,770	\$ 46,512	\$ 46,967
Capital assets	64,816	58,739	94,118	96,216	158,934	154,955
Total assets	<u>98,759</u>	<u>95,936</u>	<u>106,687</u>	<u>105,986</u>	<u>205,446</u>	<u>201,922</u>
Current liabilities	3,517	2,729	2,711	2,534	6,228	5,263
Noncurrent liabilities	13,707	11,624	23,394	24,190	37,101	35,814
Total liabilities	<u>17,224</u>	<u>14,353</u>	<u>26,105</u>	<u>26,724</u>	<u>43,329</u>	<u>41,077</u>
Net assets:						
Invested in capital assets, net of related debt	56,144	48,817	72,629	72,556	128,773	121,373
Restricted	433	10,247	3,031	2,470	3,464	12,717
Unrestricted	24,958	22,518	4,922	4,236	29,880	26,754
Total net assets	<u>\$ 81,535</u>	<u>\$ 81,582</u>	<u>\$ 80,582</u>	<u>\$ 79,262</u>	<u>\$ 162,117</u>	<u>\$ 160,844</u>

An additional portion of the City's net assets, 2.1%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of \$29.9 million 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 experienced an almost break-even change in net assets, while net assets increased by \$9.6 million during the prior fiscal year. This is primarily a result of 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 \$1.3 million during the current fiscal year as compared to an increase of nearly \$2.5 million during the prior fiscal year. This is primarily a result of a concentrated effort by City management to contain expenditures in light of the declining economy affecting the current fiscal year.

City of Venice, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2009
(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	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program Revenues:						
Charges for services	\$ 1,796	\$ 2,238	\$ 25,113	\$ 24,211	\$ 26,909	\$ 26,449
Operating grants and contributions	48	12	-	-	48	12
Capital grants and contributions	3,805	2,110	445	393	4,250	2,503
General Revenues:						
Property taxes	10,582	12,389	-	-	10,582	12,389
Sales taxes	4,536	4,741	-	-	4,536	4,741
Excise taxes	1,823	1,774	-	-	1,823	1,774
Franchise fees	1,912	2,029	-	-	1,912	2,029
Intergovernmental	2,545	2,582	-	-	2,545	2,582
Interest earnings	848	1,000	241	312	1,089	1,312
Other	695	282	-	-	695	282
Total revenues	28,590	29,157	25,799	24,916	54,389	54,073
Expenses:						
General government	7,966	6,300	-	-	7,966	6,300
Finance	1,558	1,000	-	-	1,558	1,000
Information services	739	810	-	-	739	810
Parks and recreation	4,174	2,349	-	-	4,174	2,349
Police	8,145	7,160	-	-	8,145	7,160
Fire	6,371	5,216	-	-	6,371	5,216
Public works	2,259	1,696	-	-	2,259	1,696
Interest on long-term debt	423	367	-	-	423	367
Water and sewer utility	-	-	14,353	13,360	14,353	13,360
Solid waste	-	-	4,212	4,004	4,212	4,004
Airport	-	-	2,037	1,616	2,037	1,616
Storm water drainage	-	-	879	580	879	580
Total Expenses	31,635	24,898	21,481	19,560	53,116	44,458
Change in net assets before special items and transfers	(3,045)	4,259	4,318	5,356	1,273	9,615
Pension migration	-	2,426	-	-	-	2,426
Transfers	2,998	2,903	(2,998)	(2,903)	-	-
Change in net assets	(47)	9,588	1,320	2,453	1,273	12,041
Net assets - beginning of year	81,582	71,994	79,262	76,809	160,844	148,803
Net assets - end of year	\$ 81,535	\$ 81,582	\$ 80,582	\$ 79,262	\$ 162,117	\$ 160,844

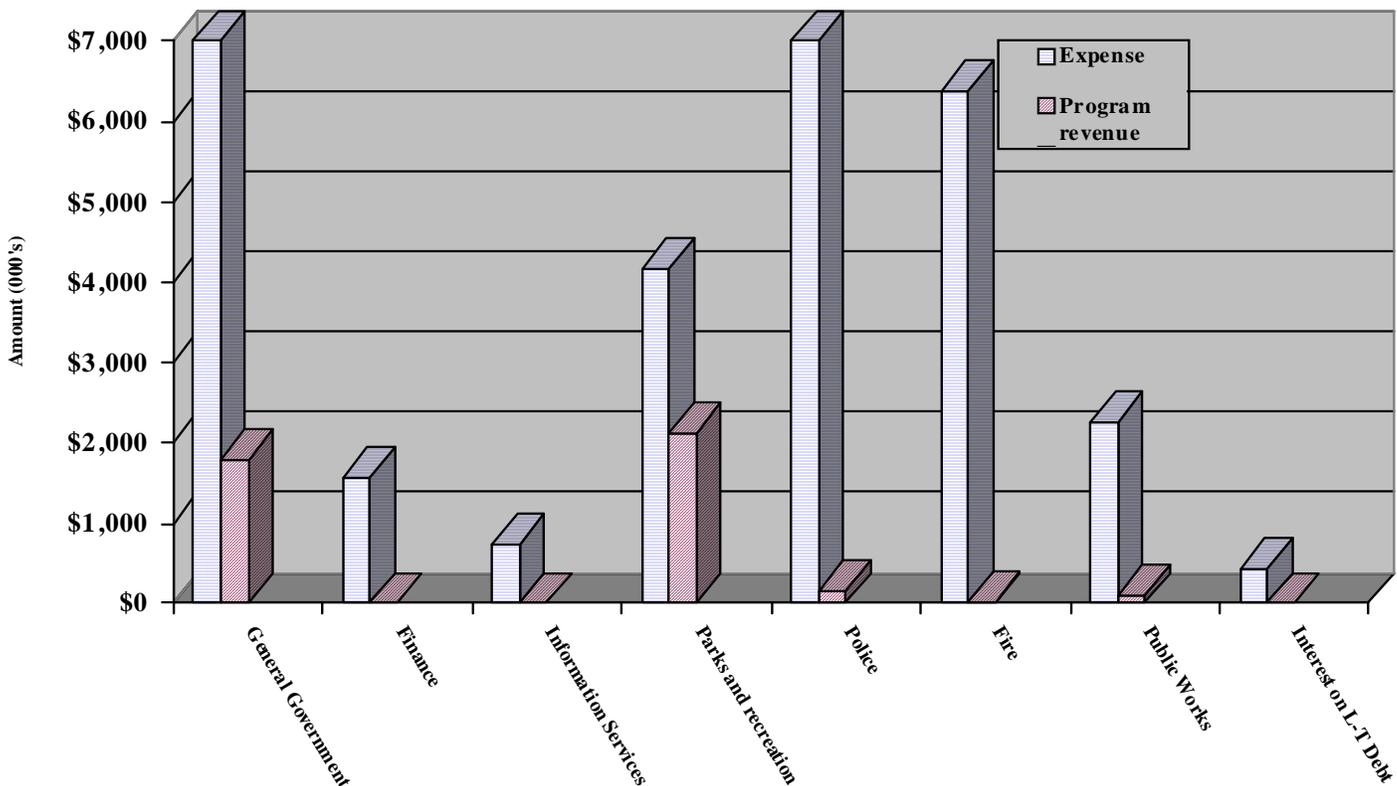
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Governmental activities. Governmental activities nearly broke-even and the City's net assets remained nearly equal to last fiscal year. Key elements of the operations follow:

- Total expenses increased by \$6.7 million from the prior year due primarily to the implementation of the Governmental Accounting Standards Board (GASB) Statement 45 – Other Post Employment Benefits which accounted for \$3.3 million of this increase. In addition the City was involved in significant legal challenges which added an additional \$1.5 million and cost of living increases based upon union contracts. The City continued with the process of cost containment by eliminating open positions, evaluating services provided and streamlining operations.
- Revenues decreased by approximately \$0.6 million. The key factors impacting this decrease include the housing market melt down which reduced property values and ad valorem taxes by \$1.8 million. Additionally our charges for services, sales taxes, were nearly \$0.5 million less than the prior fiscal year due to the great recession. Offsetting these decreases was a grant awarded from the State of Florida during the year for the purchase of Legacy Park which increased our capital grants by nearly \$1.7 million.

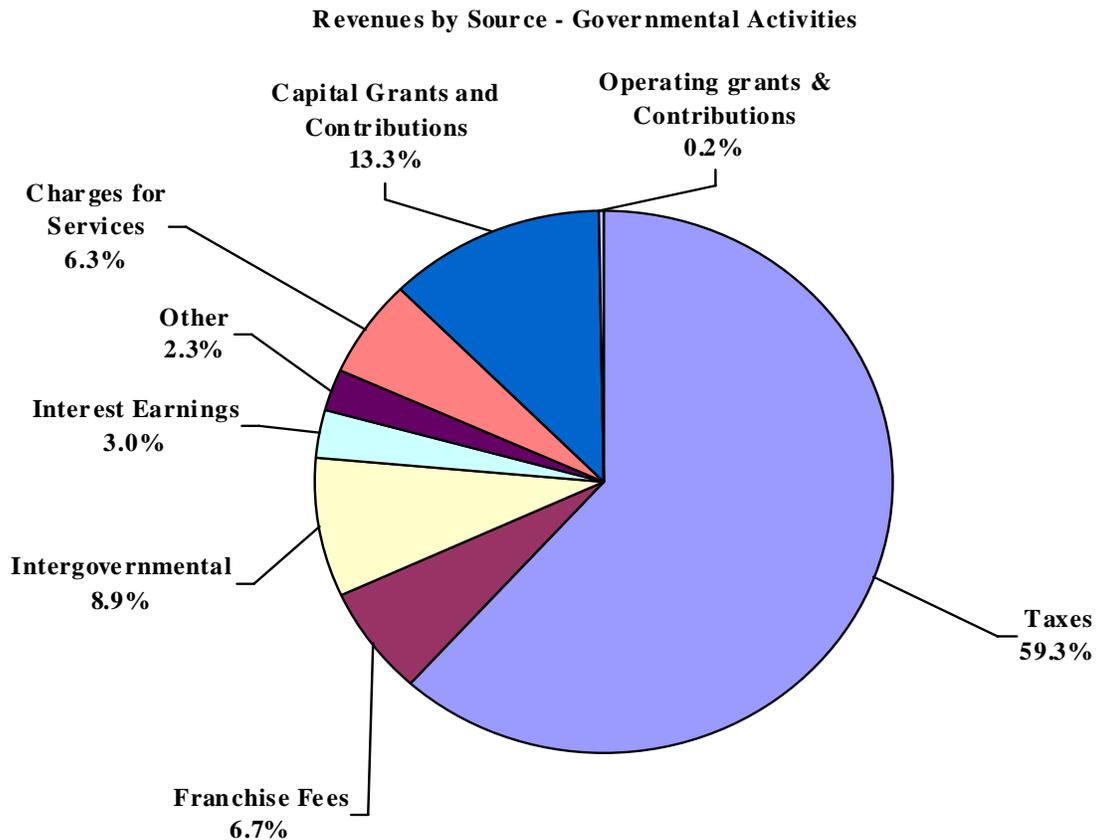
This graph depicts the expenses and program revenues generated through the City's various governmental activities.

Expenses and Program Revenues - Governmental Activities



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



Business-type activities. Business-type activities increased the City's net assets by \$1.3 million as a result of operations. Key elements of this increase follow:

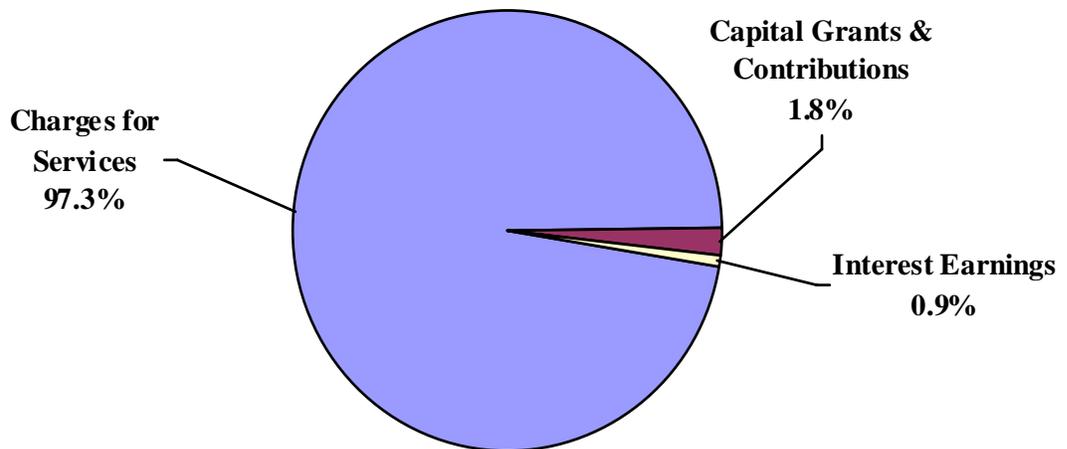
- Charges for services for business-type activities increased by \$0.9 million. Water and sewer charges were increased during the fiscal year and the effects of this increase is the primary reason for the increase in charges for services.
- Capital grants and contributions are normally a significant revenue source for the Water and Sewer Utility Fund, Airport Fund, and the Storm Water Fund; however during the current fiscal year the City realized \$0.4 million in revenue. This is comparable to the prior fiscal year's support of \$0.4 million. These contributions primarily come from federal grants and from water and sewer lines and taps that are funded by property owners.

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- Expenses increased by \$1.9 million primarily due to the implementation of GASB 45 – Other Post Employment Benefits (OPEB).

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, unreserved fund balance serves as a useful measure of the City's resources available for spending 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 \$26.3 million. This compared to \$30.8 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

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economy downturn and declining property values. Of the ending governmental fund balance nearly \$20.8 million or 78.9% constituted unreserved fund balance, which is available for spending at the City's discretion. This compared to \$14.0 million or 45.4% at the end of the prior fiscal year. The remainder of the fund balance is reserved to indicate it has already been committed to, 1) pay debt service, 2) be used in construction of approved capital projects, or 3) other restricted purposes.

The General Fund is the chief operating fund of the City. At the end of the fiscal year, unreserved fund balance in the General Fund was nearly \$11.0 million compared to \$11.4 million in the previous fiscal year, representing a decrease of approximately \$0.4 million due primarily to a concentrated effort to curtail spending in light of the great recession. This includes a reduction in encumbrances of nearly \$0.9 million, a reduction in prepaid items/inventory of \$0.2 million and a scheduled repayment of an interfund advance of \$0.3 million. Total fund balance (reserved and unreserved) approximated \$16.3 million at the end of the fiscal year compared to \$18.0 million at the end of the prior fiscal year. As a measure of the General Fund's liquidity, it is useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represented 46.7% of total General Fund expenditures compared to 46.1% of total General Fund expenditures in the prior year. Total fund balance represented 69.5% of total General Fund expenditures compared to 72.8% in the prior year.

The General Capital Projects Fund is a capital projects fund which accounts for the cost of major park projects and other capital improvement projects which are not street related projects or building and renovations to buildings. During the current year the City purchased approximately 10 acres of land which will become the Legacy Park. This park will add to Sarasota County's Legacy Trail which connects Sarasota with Venice. This purchase was made possible by a 50% matching grant from the Florida Trust for Public Land. This capital outlay of \$7.4 million is 70% of the City's governmental funds capital expenditures.

Proprietary funds. The City's proprietary 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>2009</u>	<u>2008</u>
Water and Sewer Utility Fund	\$ (3,797)	\$ (4,960)
Solid Waste Fund	2,790	2,735
Airport Fund	3,278	3,587
Storm Water Drainage Fund	1,109	1,512
	<u>\$ 3,380</u>	<u>\$ 2,874</u>

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The Water and Sewer Utility Fund reflected a current year increase in unrestricted net assets of nearly \$1.2 million compared to an increase of \$0.7 million during the prior year. This is due to City Council adopted increases in the utility fees charged during the fiscal year 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 \$0.1 million compared to a \$0.6 million increase during the prior year. This was due primarily to the results of operations.

The Airport Fund decreased nearly \$0.3 million compared to the prior year's unrestricted net assets which increased nearly \$0.5 million. This was primarily a result of less airplane traffic at the airport due to the economic melt down.

The Storm Water Drainage Fund reflected a decrease in unrestricted net assets of nearly \$0.4 million during the current year compared to nearly a \$0.2 million decrease during the prior year. This was a planned decrease to meet the City Council's goal to use "pay-as-you-go" financing with respect to storm water drainage projects.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were nearly \$2.2 million in increases to expenditures. The majority of this increase was a result of unanticipated legal fees.

The General Fund ended the fiscal year with expenditures nearly \$1.6 million less than budgeted. This was a result of a concentrated effort by management to control costs during the year including a hiring freeze, reductions in force, eliminating open positions and curtailing spending.

Actual total revenues nearly agreed to budgeted revenues for the fiscal year. This was a result of many relatively small favorable variances and less than anticipated intergovernmental revenue of \$0.5 million.

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities at September 30, 2009 amounted to \$159 million, net of accumulated depreciation. This was a \$4 million increase over the prior fiscal year's balance of \$155 million, net of accumulated depreciation. This investment in capital assets includes land, buildings and improvements, equipment, construction in progress, and infrastructure.

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

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- Purchase of the cement plant 10 acre site for \$7.4 million with the financial assistance of the Trust for Public Land grant. This land purchase is intended to become the Legacy Park as funding permits. This park will tie into Sarasota County's Legacy Trail which connects Sarasota to Venice.
- Construction began on the new Maxine Barritt Park during this fiscal year. Expected completion will be spring of 2010. Total costs of this project are expected to be approximately \$3.6 million.
- Construction also began on the Myakka River Park. The park was opened in February 2010. Total costs of this project are approximately \$1.1 million.

At the end of the fiscal year, the City has construction commitments of \$9.1 million.

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

	Governmental Activities		Business- Type Activities		Totals	
	2009	2008	2009	2008	2009	2008
Land	\$ 10,923	\$ 3,557	\$ 1,838	\$ 1,838	\$ 12,761	\$ 5,395
Buildings	13,686	14,167	3,501	3,648	17,187	17,815
Improvements other than buildings	22,108	25,057	83,120	84,396	105,228	109,453
Machinery and equipment	2,887	2,905	4,705	3,954	7,592	6,859
Infrastructure	10,835	11,256	-	-	10,835	11,256
Construction in progress	4,377	1,797	954	2,380	5,331	4,177
Total	\$ 64,816	\$ 58,739	\$ 94,118	\$ 96,216	\$ 158,934	\$ 154,955

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

City of Venice, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2009
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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		Business-		Totals	
	Activities		Type			
	2009	2008	2009	2008	2009	2008
General obligation bonds	\$ 8,545	\$ 8,850	\$ -	\$ -	\$ 8,545	\$ 8,850
Revenue bonds & notes	-	960	21,489	23,627	21,489	24,587
Total	\$ 8,545	\$ 9,810	\$ 21,489	\$ 23,627	\$ 30,034	\$ 33,437

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, 2009, the City's total outstanding debt has decreased by \$3.2 million or 9.7 percent over the prior fiscal year end. The decrease in outstanding debt is attributed to the payment of scheduled debt service totaling \$3.2 million.

The City used to purchase bond insurance to improve the bond ratings, however this may not be possible in the future due to the melt down of the mortgage backed securities. During the current fiscal year the companies from which the City purchased this insurance were down graded. This resulted in the down grading of underlying bonds. The bond ratings continue to reflect that the City's bonds have the characteristics of investment quality as shown below:

	Standard	Moody's	Fitch
	& Poor's	Investors	Ratings
		Service	
General Obligation	A+	A1	AA

Additional information on the City's long-term debt can be found on pages 60-63 of this report.

City of Venice, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2009
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Economic Factors and the Next Fiscal Year's Budget and Rates

- At the end of the City's fiscal year the unemployment rate for the Sarasota County (Venice area) was 11.6 percent. This is an increase from a rate of 7.6 percent one year earlier. This compares unfavorably to the state's average unemployment rate of 10.9 percent and the national average of 9.6 percent on September 2008.
- The City's population is estimated to have stayed relatively stable, 22,146 for 2009 and 22,149 just one year earlier, 2008.
- Building permits for new construction decreased from 3,888 during 2008 to 3,254 in 2008, or about a 16.3 percent decrease. This compares to an 9.6 percent decrease during the prior period.
- The assessed valuation of commercial and residential property decreased to \$3,173 billion in 2009 from \$3,653 billion in 2008. This is a 13.1 percent decrease during 2008 compared to a 16.3 percent decrease during the prior year.
- The General Fund property tax millage rate remained constant at \$2.779 per thousand for 2009 which is the same as the \$2.779 per thousand for 2009. The melt down of the real estate market will continue to result in a significant drop in the revenue received from ad valorem taxes. The voter approved debt service property tax millage rate of \$0.225 is for the 2010 fiscal year.
- The economic melt down 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 2009-2010 fiscal year.

During the just ended fiscal year, unreserved fund balance in the General Fund decreased by \$0.4 million to \$11.0 million compared to \$11.4 million at the end of the prior fiscal year. It is intended that the unreserved undesignated fund balance be equal to 25% of annual General Fund expenditures, which equates to approximately \$5.9 million. The City Council has authorized spending up to \$2.5 million of this balance during the current fiscal year and we anticipate spending more of the unreserved fund balance to help our citizens during the great recession.

During the year the City purchased a 10 acre tract of land which was formally the cement plant for \$7.4 million. The City will begin construction of Legacy Park in the upcoming years. This park land was acquired with the financial assistance of the Florida Trust for Public Land in the form of a \$3.7 million grant. This fund will not be a major fund during the 2009-2010 fiscal year.

City of Venice, Florida
Management's Discussion and Analysis
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Both the Water and Sewer Utility Fund rates were increased for the 2008-2009 fiscal year by 3 percent. The water and sewer rates affected both residential and commercial consumers by the same percentage. The City is evaluating these rates during fiscal year 2009-2010 to ensure that an adequate repair and replacement program can be implemented and maintained.

The Solid Waste Fund rates remained unchanged for the 2008-2009 fiscal year. The City will continue to evaluate the results of operations to determine if a rate study is necessary during the next fiscal year. In addition the City is evaluating the pros and cons of changing from our twice a week pickup to a once a week pickup during the 2009-2010 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, 2009

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and cash equivalents	\$ 12,973,287	\$ 4,199,680	\$ 17,172,967
Investments	15,856,237	5,132,941	20,989,178
Receivables (net of allowance for uncollectibles)	830,780	2,417,705	3,248,485
Internal balance	3,528,113	(3,528,113)	-
Due from other governments	235,911	-	235,911
Inventories	25,898	492,051	517,949
Prepaid expenses	386,966	1,723	388,689
Restricted assets:			
Cash and cash equivalents	-	2,022,242	2,022,242
Investments	-	1,463,881	1,463,881
Interest receivable	-	9,252	9,252
Capital assets (net of accumulated depreciation):			
Non-depreciable	15,300,544	2,791,925	18,092,469
Depreciable	49,515,582	91,326,378	140,841,960
Deferred charges	105,520	357,545	463,065
Total assets	<u>98,758,838</u>	<u>106,687,210</u>	<u>205,446,048</u>
LIABILITIES			
Accounts payable	2,084,797	817,541	2,902,338
Accrued liabilities	1,204,490	456,181	1,660,671
Due to other governments	166,255	110,457	276,712
Accrued interest payable	61,058	362,431	423,489
Customer deposits	-	964,655	964,655
Noncurrent liabilities:			
Due within one year:			
Bonds payable	310,000	2,012,426	2,322,426
Compensated absences	795,574	301,798	1,097,372
Notes payable	57,147	315,657	372,804
Due in more than one year:			
Bonds payable	8,235,000	14,296,454	22,531,454
Compensated absences	905,387	248,933	1,154,320
OPEB payable	3,334,356	1,353,349	4,687,705
Notes payable	69,442	4,864,841	4,934,283
Total liabilities	<u>17,223,506</u>	<u>26,104,723</u>	<u>43,328,229</u>
NET ASSETS			
Invested in capital assets, net of related debt	56,144,537	72,628,925	128,773,462
Restricted for:			
Capital projects	225,100	561,032	786,132
Debt service	207,456	2,469,958	2,677,414
Unrestricted (deficit)	24,958,239	4,922,572	29,880,811
Total net assets	<u>\$ 81,535,332</u>	<u>\$ 80,582,487</u>	<u>\$ 162,117,819</u>

See accompanying Notes to Basic Financial Statements.

City of Venice, Florida
Statement of Activities
For the Year Ended September 30, 2009

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues</u> <u>Operating Grants and Contributions</u>
Primary government:			
Governmental activities:			
General government	\$ 7,965,653	\$ 1,783,389	\$ -
Finance	1,558,111	-	-
Information services	738,468	-	-
Parks and recreation	4,174,416	-	-
Police	8,145,302	-	35,000
Fire	6,371,069	12,523	12,910
Public works	2,259,029	-	-
Interest on long-term debt	423,242	-	-
Total governmental activities	<u>31,635,290</u>	<u>1,795,912</u>	<u>47,910</u>
Business-type activities:			
Water and sewer utilities	14,352,665	16,962,042	-
Solid waste	4,211,740	4,919,755	-
Airport	2,036,569	1,888,786	-
Storm water drainage	879,087	1,342,375	-
Total business-type activities	<u>21,480,061</u>	<u>25,112,958</u>	<u>-</u>
Total primary government	<u>53,115,351</u>	<u>26,908,870</u>	<u>47,910</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
\$ -	\$ (6,182,264)	\$ -	\$ (6,182,264)
-	(1,558,111)	-	(1,558,111)
-	(738,468)	-	(738,468)
3,684,691	(489,725)	-	(489,725)
120,000	(7,990,302)	-	(7,990,302)
-	(6,345,636)	-	(6,345,636)
-	(2,259,029)	-	(2,259,029)
-	(423,242)	-	(423,242)
<u>3,804,691</u>	<u>(25,986,777)</u>	<u>-</u>	<u>(25,986,777)</u>
357,100	-	2,966,477	2,966,477
-	-	708,015	708,015
-	-	(147,783)	(147,783)
87,398	-	550,686	550,686
<u>444,498</u>	<u>-</u>	<u>4,077,395</u>	<u>4,077,395</u>
<u>4,249,189</u>	<u>(25,986,777)</u>	<u>4,077,395</u>	<u>(21,909,382)</u>
	10,581,789	-	10,581,789
	4,535,649	-	4,535,649
	1,822,560	-	1,822,560
	1,912,443	-	1,912,443
	2,545,037	-	2,545,037
	848,836	241,334	1,090,170
	694,870	-	694,870
	<u>2,998,452</u>	<u>(2,998,452)</u>	<u>-</u>
	<u>25,939,636</u>	<u>(2,757,118)</u>	<u>23,182,518</u>
	(47,141)	1,320,277	1,273,136
	81,582,473	79,262,210	160,844,683
	<u>\$ 81,535,332</u>	<u>\$ 80,582,487</u>	<u>\$ 162,117,819</u>

City of Venice, Florida
Balance Sheet
Governmental Funds
September 30, 2009

	<u>General Fund</u>	<u>General Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 5,309,690	\$ 646,466	\$ 4,200,359	\$ 10,156,515
Investments	6,489,621	790,126	5,133,768	12,413,515
Accounts receivable	564,432	77,335	3,655	645,422
Interest receivable	85,178	-	58,799	143,977
Due from other funds	600,000	-	-	600,000
Due from other governments	139,090	-	96,821	235,911
Prepaid assets	8,482	-	-	8,482
Inventory	25,898	-	-	25,898
Advances to other funds	5,072,059	-	-	5,072,059
	<u>18,294,450</u>	<u>1,513,927</u>	<u>9,493,402</u>	<u>29,301,779</u>
Total assets	<u>\$ 18,294,450</u>	<u>\$ 1,513,927</u>	<u>\$ 9,493,402</u>	<u>\$ 29,301,779</u>
LIABILITIES				
Accounts payable	\$ 1,281,598	\$ 204,227	\$ 40,289	\$ 1,526,114
Accrued payroll payable	614,205	-	-	614,205
Due to other funds	-	-	600,000	600,000
Due to other governments	1,315	-	164,940	166,255
Deposits and other liabilities	89,680	-	-	89,680
	<u>1,986,798</u>	<u>204,227</u>	<u>805,229</u>	<u>2,996,254</u>
Total liabilities	<u>1,986,798</u>	<u>204,227</u>	<u>805,229</u>	<u>2,996,254</u>
FUND BALANCES				
Reserved for:				
Prepaid items/inventory	34,380	-	-	34,380
Encumbrances	10,768	-	-	10,768
Advances to other funds	5,072,059	-	-	5,072,059
Debt service	-	-	207,456	207,456
Capital projects	225,100	-	-	225,100
Unreserved, reported in				
General fund	10,965,345	-	-	10,965,345
Special revenue funds	-	-	1,326,901	1,326,901
Debt service funds	-	-	25,184	25,184
Capital projects funds	-	1,309,700	7,128,632	8,438,332
	<u>16,307,652</u>	<u>1,309,700</u>	<u>8,688,173</u>	<u>26,305,525</u>
Total fund balance	<u>16,307,652</u>	<u>1,309,700</u>	<u>8,688,173</u>	<u>26,305,525</u>
Total liabilities and fund balances	<u>\$ 18,294,450</u>	<u>\$ 1,513,927</u>	<u>\$ 9,493,402</u>	<u>\$ 29,301,779</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, 2009

Total fund balance - governmental funds \$ 26,305,525

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. 64,816,126

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 5,260,452
Amounts due from business-type ISFs for amounts overcharged (1,541,946)

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 (8,545,000)
Deferred discount on bonds 105,520
Capital leases/notes payable (126,589)
Compensated absences (1,700,961)
OPEB Payable (3,334,356)
Accrued interest on general obligation bonds (61,058)

Actual City contributions to the fire fighter's pension trust fund and the police pension trust fund are greater than the actuarially determined required contribution. This will reduce future funding requirements and is not recognized as an asset at the fund level but is a prepaid expense in the Statement of Net Assets. 357,619

Net assets of governmental activities \$ 81,535,332

City of Venice, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2009

	<u>General Fund</u>	<u>General Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 9,855,268	\$ -	\$ 726,521	\$ 10,581,789
Sales taxes	1,301,194	-	3,234,455	4,535,649
Other taxes	1,822,560	-	-	1,822,560
Franchise fees	1,912,443	-	-	1,912,443
Fees and fines	48,773	-	11,069	59,842
Licenses and permits	250,890	-	1,010,410	1,261,300
Intergovernmental	2,172,257	3,780,598	444,783	6,397,638
Charges for services	93,895	-	380,873	474,768
Interest	522,394	-	214,900	737,294
Miscellaneous	165,406	-	528,305	693,711
Total revenues	<u>18,145,080</u>	<u>3,780,598</u>	<u>6,551,316</u>	<u>28,476,994</u>
EXPENDITURES				
Current:				
General government	5,752,142	-	774,965	6,527,107
Finance	1,264,170	-	-	1,264,170
Information services	593,758	-	-	593,758
Parks and recreation	1,235,011	-	178,249	1,413,260
Police	7,112,378	-	17,327	7,129,705
Fire	5,334,053	-	-	5,334,053
Public works	1,481,923	-	22,149	1,504,072
Debt service:				
Principal	175,933	-	1,065,211	1,241,144
Interest and fiscal charges	7,939	12,759	413,905	434,603
Capital outlay	521,078	8,270,251	1,739,621	10,530,950
Total expenditures	<u>23,478,385</u>	<u>8,283,010</u>	<u>4,211,427</u>	<u>35,972,822</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,333,305)</u>	<u>(4,502,412)</u>	<u>2,339,889</u>	<u>(7,495,828)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,312,398	4,149,504	764,348	9,226,250
Transfers out	<u>(703,918)</u>	<u>-</u>	<u>(5,523,880)</u>	<u>(6,227,798)</u>
Net other financing sources (uses)	<u>3,608,480</u>	<u>4,149,504</u>	<u>(4,759,532)</u>	<u>2,998,452</u>
Net change in fund balances	<u>(1,724,825)</u>	<u>(352,908)</u>	<u>(2,419,643)</u>	<u>(4,497,376)</u>
Fund balances (deficits) at beginning of year	<u>18,032,477</u>	<u>1,662,608</u>	<u>11,107,816</u>	<u>30,802,901</u>
Fund balances (deficits) at end of year	<u>\$ 16,307,652</u>	<u>\$ 1,309,700</u>	<u>\$ 8,688,173</u>	<u>\$ 26,305,525</u>

See accompanying Notes to Basic Financial Statements.

City of Venice, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes
In Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended September 30, 2009

Net change in fund balances - total governmental funds	\$ (4,497,376)
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 capital outlays of \$10,530,950 exceeded depreciation of \$4,395,829 in the current period.	6,135,121
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 proceeds of \$0 exceeded repayments and debt defeasance of \$1,250,305	1,250,305
Capital lease and notes payable transactions provide current financial resources to governmental funds and repayment of principal is an expenditure. This is the amount by which proceeds of \$0 exceeded repayments of \$185,305.	185,305
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 bond premium issued of \$0 exceeded amortization of \$8,117.	(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.	(1,246)
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.	(3,334,356)
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.	215,409
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.	10,317
The net effect of various miscellaneous transactions involving capital assets (e.g., sales and trade-ins) is to increase (decrease) net assets.	(2,503)
Change in net assets of governmental activities	<u>\$ (47,141)</u>

See accompanying Notes to Basic Financial Statements.

City of Venice, Florida
Budget Comparison Statement
General Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Property taxes	\$ 9,671,968	\$ 9,671,968	\$ 9,855,268	\$ 183,300
Sales taxes	1,193,544	1,193,544	1,301,194	107,650
Other taxes	1,761,835	1,761,835	1,822,560	60,725
Franchise fees	1,725,404	1,725,404	1,912,443	187,039
Fees and fines	60,821	60,821	48,773	(12,048)
Licenses and permits	356,977	356,977	250,890	(106,087)
Intergovernmental	2,428,724	2,725,138	2,172,257	(552,881)
Charges for services	142,175	101,515	93,895	(7,620)
Interest	389,612	389,612	522,394	132,782
Miscellaneous	167,408	114,545	165,406	50,861
Total revenues	<u>17,898,468</u>	<u>18,101,359</u>	<u>18,145,080</u>	<u>43,721</u>
EXPENDITURES				
Current:				
General government	4,615,491	6,257,701	5,752,142	505,559
Finance	1,270,668	1,316,618	1,264,170	52,448
Information services	659,415	650,501	593,758	56,743
Parks and recreation	1,285,797	1,343,862	1,235,011	108,851
Police	7,349,987	7,397,241	7,112,378	284,863
Fire	5,379,070	5,440,581	5,334,053	106,528
Public works	1,719,864	1,744,864	1,481,923	262,941
Debt Service:				
Principal	184,910	184,834	175,933	8,901
Interest and fiscal charges	9,100	9,176	7,939	1,237
Capital outlay	388,300	717,980	521,078	196,902
Total expenditures	<u>22,862,602</u>	<u>25,063,358</u>	<u>23,478,385</u>	<u>1,584,973</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,964,134)</u>	<u>(6,961,999)</u>	<u>(5,333,305)</u>	<u>1,628,694</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,448,525	4,448,525	4,312,398	(136,127)
Transfers out	<u>(685,000)</u>	<u>(703,918)</u>	<u>(703,918)</u>	<u>-</u>
Net other financing sources (uses)	<u>3,763,525</u>	<u>3,744,607</u>	<u>3,608,480</u>	<u>(136,127)</u>
Net change in fund balances	(1,200,609)	(3,217,392)	(1,724,825)	1,492,567
Fund balances (deficits) at beginning of year	<u>18,032,477</u>	<u>18,032,477</u>	<u>18,032,477</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 16,831,868</u>	<u>\$ 14,815,085</u>	<u>\$ 16,307,652</u>	<u>\$ 1,492,567</u>

See accompanying Notes to Basic Financial Statements.



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City of Venice, Florida
Statement of Net Assets
Proprietary Funds
September 30, 2009

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 287,478	\$ 1,462,720	\$ 1,923,882
Investments	351,362	1,787,768	2,351,412
Accounts receivable	1,703,959	527,250	14,143
Interest receivable	14,893	22,327	28,279
Prepaid assets	1,430	223	-
Inventories	492,051	-	-
Total current assets	<u>2,851,173</u>	<u>3,800,288</u>	<u>4,317,716</u>
Noncurrent assets:			
Restricted cash and cash equivalents	2,022,242	-	-
Restricted investments	1,463,881	-	-
Restricted interest receivable	9,252	-	-
Deferred charges	357,545	-	-
Capital assets:			
Land	165,783	220,000	-
Construction in progress	140,839	-	454,354
Buildings	4,078,314	12,500	4,298,724
Improvements other than buildings	107,062,336	6,802	7,570,434
Machinery and equipment	6,209,664	4,001,556	566,118
Less accumulated depreciation	<u>(38,160,376)</u>	<u>(2,632,323)</u>	<u>(4,899,020)</u>
Total capital assets	<u>79,496,560</u>	<u>1,608,535</u>	<u>7,990,610</u>
Total noncurrent assets	<u>83,349,480</u>	<u>1,608,535</u>	<u>7,990,610</u>
Total Assets	<u>\$ 86,200,653</u>	<u>\$ 5,408,823</u>	<u>\$ 12,308,326</u>

Business-Type Activities		Governmental
Storm Water Drainage	Total Enterprise Funds	Activities Internal Service Funds
\$ 525,600	\$ 4,199,680	\$ 2,816,772
642,399	5,132,941	3,442,722
104,176	2,349,528	403
2,678	68,177	40,978
70	1,723	20,865
-	492,051	-
<u>1,274,923</u>	<u>12,244,100</u>	<u>6,321,740</u>
-	2,022,242	-
-	1,463,881	-
-	9,252	-
-	357,545	-
1,451,835	1,837,618	-
359,114	954,307	-
-	8,389,538	-
4,506,499	119,146,071	-
676,126	11,453,464	-
(1,970,976)	(47,662,695)	-
<u>5,022,598</u>	<u>94,118,303</u>	<u>-</u>
<u>5,022,598</u>	<u>97,971,223</u>	<u>-</u>
\$ <u>6,297,521</u>	\$ <u>110,215,323</u>	\$ <u>6,321,740</u>

City of Venice, Florida
Statement of Net Assets
Proprietary Funds
September 30, 2009

	Business-Type Activities		
	Water and Sewer Utility	Solid Waste	Airport
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 257,362	\$ 365,748	\$ 128,586
Accrued liabilities	228,786	64,049	146,985
Accrued interest payable	330,579	-	-
Accrued insurance claims	-	-	-
Due to other governments	104,347	-	6,110
Customer deposits	867,881	96,774	-
Lease payable	315,657	-	-
Bonds payable	1,837,426	-	-
Total current liabilities	<u>3,942,038</u>	<u>526,571</u>	<u>281,681</u>
Noncurrent liabilities:			
Compensated absences	308,873	190,265	26,300
OPEB payable	930,075	293,201	103,775
Advances from other funds	5,002,878	-	67,181
Contracts and leases payable	4,864,673	-	168
Bonds payable	13,111,454	-	-
Total noncurrent liabilities	<u>24,217,953</u>	<u>483,466</u>	<u>197,424</u>
Total Liabilities	<u>28,159,991</u>	<u>1,010,037</u>	<u>479,105</u>
NET ASSETS			
Invested in capital assets, net of related debt	59,367,350	1,608,535	7,990,445
Restricted for:			
Capital projects	-	-	561,032
Debt service	2,469,958	-	-
Unrestricted	<u>(3,796,646)</u>	<u>2,790,251</u>	<u>3,277,744</u>
Total Net Assets	<u>\$ 58,040,662</u>	<u>\$ 4,398,786</u>	<u>\$ 11,829,221</u>

See accompanying Notes to Basic Financial Statements.

Business-Type Activities		Governmental
Storm Water	Total Enterprise	Activities
Drainage	Funds	Internal Service
		Funds
\$ 65,845	\$ 817,541	\$ 558,683
16,361	456,181	22,617
31,852	362,431	-
-	-	477,988
-	110,457	-
-	964,655	-
-	315,657	-
175,000	2,012,426	-
<u>289,058</u>	<u>5,039,348</u>	<u>1,059,288</u>
25,293	550,731	-
26,298	1,353,349	-
-	5,070,059	2,000
-	4,864,841	-
1,185,000	14,296,454	-
<u>1,236,591</u>	<u>26,135,434</u>	<u>2,000</u>
<u>1,525,649</u>	<u>31,174,782</u>	<u>1,061,288</u>
3,662,598	72,628,928	-
-	561,032	-
-	2,469,958	-
1,109,274	3,380,623	5,260,452
<u>\$ 4,771,872</u>	<u>\$ 79,040,541</u>	<u>\$ 5,260,452</u>

City of Venice, Florida
Reconciliation of the Statement of Net Assets - Proprietary Funds
To the Statement of Net Assets
September 30, 2009

Total net assets - proprietary funds \$ 79,040,541

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 1,541,946

Net assets of business-type activities \$ 80,582,487

See accompanying Notes to Basic Financial Statements.



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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, 2009

	Business Type Activities		
	Water and Sewer Utilities	Solid Waste	Airport
OPERATING REVENUES			
Charges for services	\$ 16,713,478	\$ 4,876,957	\$ -
Provision for bad debts	(25,473)	(7,895)	-
Charges for services (net)	16,688,005	4,869,062	-
Rentals	-	-	1,841,095
Miscellaneous	274,037	50,693	47,691
Total operating revenues	<u>16,962,042</u>	<u>4,919,755</u>	<u>1,888,786</u>
OPERATING EXPENSES			
Personal services	5,360,634	1,945,449	561,776
Insurance	456,935	269,184	104,080
Supplies and materials	-	1,254,117	-
Professional services	1,247,222	31,301	335,165
Maintenance	911,524	374,791	74,618
Utilities	1,184,416	13,569	108,697
Other services and charges	843,532	14,325	97,565
Depreciation and amortization	3,244,705	316,475	786,464
Total operating expenses	<u>13,248,968</u>	<u>4,219,211</u>	<u>2,068,365</u>
Operating income (loss)	<u>3,713,074</u>	<u>700,544</u>	<u>(179,579)</u>
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	36,661	77,878	99,698
Federal and state grants	-	-	-
Disposition of assets	1,800	-	-
Interest expense	(1,222,016)	-	(11)
Miscellaneous	-	-	(5,328)
Net non-operating revenues (expenses)	<u>(1,183,555)</u>	<u>77,878</u>	<u>94,359</u>
Income (loss) before contributions and transfers	2,529,519	778,422	(85,220)
Capital contributions (reductions)	357,100	-	-
Transfers out	(1,420,043)	(710,619)	(158,954)
Change in net assets	<u>1,466,576</u>	<u>67,803</u>	<u>(244,174)</u>
Total net assets - beginning	<u>56,574,086</u>	<u>4,330,983</u>	<u>12,073,395</u>
Total net assets - ending	<u>\$ 58,040,662</u>	<u>\$ 4,398,786</u>	<u>\$ 11,829,221</u>

See accompanying Notes to Basic Financial Statements.

Business Type Activities		Governmental
Storm Water	Total Enterprise	Internal Service
Drainage	Funds	Funds
\$ 1,349,950	\$ 22,940,385	\$ 6,080,982
(8,096)	(41,464)	-
1,341,854	22,898,921	6,080,982
-	1,841,095	-
521	372,942	142,810
1,342,375	25,112,958	6,223,792
221,633	8,089,492	134,580
13,820	844,019	5,178,425
-	1,254,117	-
50,983	1,664,671	420,635
234,247	1,595,180	-
217	1,306,899	-
73,276	1,028,698	95,036
222,001	4,569,645	-
816,177	20,352,721	5,828,676
526,198	4,760,237	395,116
27,097	241,334	118,555
87,398	87,398	-
-	1,800	-
(81,492)	(1,303,519)	(5,603)
-	(5,328)	-
33,003	(978,315)	112,952
559,201	3,781,922	508,068
-	357,100	-
(708,836)	(2,998,452)	-
(149,635)	1,140,570	508,068
4,921,507	77,899,971	4,752,384
\$ 4,771,872	\$ 79,040,541	\$ 5,260,452

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, 2009

Net change in fund net assets - total enterprise funds \$ 1,140,570

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. 179,707

Change in net assets of business-type activities \$ 1,320,277



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City of Venice, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2009

	Business-type Activities - Enterprise Funds		
	Water and Sewer Utility	Solid Waste	Airport
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 17,057,272	\$ 4,843,606	\$ 1,881,374
Payments to suppliers	(4,609,776)	(1,828,148)	(645,407)
Payments to employees	(4,430,559)	(1,652,248)	(458,001)
Net cash provided (used) by operating activities	<u>8,016,937</u>	<u>1,363,210</u>	<u>777,966</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers out to other funds	(1,420,043)	(710,619)	(158,954)
Short-term interfund borrowings	(1,250,000)	-	(5,339)
Payments received/(made) on advances (to)/from other funds	(342,246)	-	-
Net cash provided (used) by noncapital and related financing activities	<u>(3,012,289)</u>	<u>(710,619)</u>	<u>(164,293)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(1,185,619)	(329,353)	(289,684)
Sale of capital assets	1,800	-	-
Receipts/payments on leases and notes	(355,202)	-	(337)
Principal paid on revenue bonds	(1,649,875)	-	-
Interest paid on revenue bonds	(1,248,858)	-	-
Contributed capital	-	-	-
Net cash provided (used) for capital and related financing activities	<u>(4,437,754)</u>	<u>(329,353)</u>	<u>(290,021)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	351,409	270,250	404,489
Purchase of investments	(700,788)	(690,181)	(907,779)
Interest earnings on cash and investments	57,850	77,589	101,388
Net cash provided by (used for) investing activities	<u>(291,529)</u>	<u>(342,342)</u>	<u>(401,902)</u>
Net increase (decrease) in cash and cash equivalents	275,365	(19,104)	(78,250)
Cash and cash equivalents - beginning of year	2,034,355	1,481,824	2,002,132
Cash and cash equivalents - end of year	<u>\$ 2,309,720</u>	<u>\$ 1,462,720</u>	<u>\$ 1,923,882</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 3,713,074	\$ 700,544	\$ (179,579)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	3,244,705	316,475	786,464
Change in current assets and liabilities:			
Accounts receivable	99,982	(75,067)	(6,644)
Inventory	14,802	-	-
Prepaid expenses	633	856	201
Due from other governments	-	-	87
Accounts payable	(86,809)	111,827	82,187
Other accrued expenses	2,707	13,560	(8,525)
Customer deposits	29,526	1,814	-
Increase(decrease) in long-term assets/liabilities not requiring cash flow	998,317	293,201	103,775
Net cash provided (used) by operating activities	<u>\$ 8,016,937</u>	<u>\$ 1,363,210</u>	<u>\$ 777,966</u>
Supplemental cash flow information:			
Noncash capital improvements and other changes	<u>\$ 357,100</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

Business-type Activities		Governmental Activities	
Storm Water Drainage	Totals	Internal Service Funds	
\$ 1,375,461	\$ 25,157,713	\$ 6,224,948	
(299,972)	(7,383,303)	(5,422,226)	
(195,335)	(6,736,143)	(134,580)	
<u>880,154</u>	<u>11,038,267</u>	<u>668,142</u>	
(708,836)	(2,998,452)	-	
-	(1,255,339)	(6,390)	
<u>-</u>	<u>(342,246)</u>	<u>-</u>	
(708,836)	(4,596,037)	(6,390)	
(310,245)	(2,114,901)	-	
-	1,800	-	
-	(355,539)	-	
(165,000)	(1,814,875)	-	
(81,492)	(1,330,350)	-	
<u>87,398</u>	<u>87,398</u>	<u>-</u>	
(469,339)	(5,526,467)	-	
292,262	1,318,410	535,820	
(248,003)	(2,546,751)	(1,349,087)	
<u>35,482</u>	<u>272,309</u>	<u>119,710</u>	
<u>79,741</u>	<u>(956,032)</u>	<u>(693,557)</u>	
(218,280)	(40,269)	(31,805)	
<u>743,880</u>	<u>6,262,191</u>	<u>2,848,577</u>	
<u>\$ 525,600</u>	<u>\$ 6,221,922</u>	<u>\$ 2,816,772</u>	
\$ 526,198	\$ 4,760,237	\$ 395,116	
222,001	4,569,645	-	
33,094	51,365	1,156	
-	14,802	-	
(70)	1,620	5,551	
-	87	-	
60,643	167,848	320,728	
7,844	15,586	(54,409)	
-	31,340	-	
<u>30,444</u>	<u>1,425,737</u>	<u>-</u>	
<u>\$ 880,154</u>	<u>\$ 11,038,267</u>	<u>\$ 668,142</u>	
\$ -	\$ 357,100	\$ -	

City of Venice, Florida
Statement of Fiduciary Net Assets
Pension Trust Funds
September 30, 2009

	ASSETS	<u>Total Pension Funds</u>
Cash and cash equivalents		\$ 2,075,495
Interest and dividends receivable		129,276
Contributions receivable		341,403
Prepaid expenses		1,997
Investments, at fair value:		
U.S. Government obligations		3,522,828
Mortgage obligations		1,952,641
Domestic corporate bonds		3,855,546
Domestic stocks		18,273,281
Foreign stocks		1,868,424
Pooled real estate investment fund		741,120
Mutual funds		<u>866,938</u>
Total investments		<u>31,080,778</u>
Total Assets		<u>33,628,949</u>
	LIABILITIES	
Accounts payable		79,487
Drop plan payable		<u>914,224</u>
Total Liabilities		<u>993,711</u>
	NET ASSETS	
Held in trust for pension benefits		<u><u>\$ 32,635,238</u></u>

City of Venice, Florida
Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
For the Year Ended September 30, 2009

	<u>Total Pension Funds</u>
ADDITIONS	
Contributions:	
Employer	\$ 1,408,060
Plan member	529,935
State of Florida (passed through general fund)	<u>442,143</u>
Total contributions	<u>2,380,138</u>
Investment income:	
Net appreciation (depreciation) in fair value of investments	(2,475,261)
Interest and dividends	<u>1,042,818</u>
Total investment income (loss)	(1,432,443)
Less investment expenses	<u>165,824</u>
Net investment income (loss)	<u>(1,598,267)</u>
Total additions	<u>781,871</u>
DEDUCTIONS	
Benefits	3,363,721
Administrative expense	<u>115,240</u>
Total deductions	<u>3,478,961</u>
Change in net assets	(2,697,090)
Net assets reserved for employees' pension benefits - beginning of year	<u>35,332,328</u>
Net assets reserved for employees' pension benefits - end of year	<u><u>\$ 32,635,238</u></u>

See accompanying Notes to Basic Financial Statements.



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City of Venice, Florida
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 Planning Commission and 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

City of Venice, Florida 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 by 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 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.

City of Venice, Florida 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 two major governmental funds:

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.

The general capital projects fund is a capital project fund used to accumulate financial resources for the City's parks and other improvement projects. It accounts for all financial transactions for these ongoing efforts.

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

City of Venice, Florida
Notes to Financial Statements

maintenance, public policy, management control, accountability, or other purposes. The City reports the following major enterprise funds:

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

City of Venice, Florida
Notes to Financial Statements

contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *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, then unrestricted resources as they are needed.

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 performance results. The City does not have a significant amount of investments valued at other

City of Venice, Florida
Notes to Financial Statements

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.

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

City of Venice, Florida
Notes to Financial Statements

h) Fund equity

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

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

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 reported as reservations of 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 \$531,124 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.

City of Venice, Florida
Notes to Financial Statements

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).

The Fund B is reported at fluctuating net asset value. The book value at September 30, 2009, was written down \$192,418 from \$395,686 to \$203,268 as a market-to-market adjustment.

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 because they are redeemable in full immediately. 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, 2009, was seven years 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.

City of Venice, Florida
Notes to Financial Statements

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, 2009. 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.

Investment Type	Fair Market	Less than 1		
		year	Years 1-5	Years 6-10
Cash equivalent mutual fund	\$16,824,912	\$16,824,912	\$ -	\$ -
U.S. Government Securities	17,382,044	-	17,382,044	-
Bond Reserve	1,101,750	-	1,101,750	-
Certificates of Deposit	6,037,869	6,037,869	-	-
SBA Fund "B"	203,268	-	-	203,268
Total fair value	\$41,549,843	\$22,862,781	\$18,483,794	\$ 203,268

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 2004-22 and Florida Statutes Chapter 185.06.

Investment Type	Fair Market	Less than 1			Greater than 10 years
		year	Years 1-5	Years 6-10	
Cash equivalent mutual fund	\$ 1,063,183	\$ 1,063,183	\$ -	\$ -	\$ -
U.S. Government Securities	1,916,062	129,205	765,323	363,239	658,295
Corporate bonds	3,228,977	509,007	1,221,415	1,157,256	341,299
Equities	15,097,889	15,097,889	-	-	-
Total fair value	\$21,306,111	\$16,799,284	\$ 1,986,738	\$ 1,520,495	\$ 999,594

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, \$388,886 is in unrated U.S. Government Agencies; \$1,527,176 is in U.S. Treasury Notes with a Moody rating of Aaa; \$3,086,015 is in corporate bonds rated by Standard and Poor's

City of Venice, Florida
Notes to Financial Statements

with a range of BB- to AAA; \$142,962 is in unrated foreign bonds; \$15,097,889 is in common stock; and \$1,063,183 is in an unrated money market fund.

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 outstanding capital stock of that company. The aggregate of its investments in common stock, capital stock, and convertible bonds cannot exceed 65% 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 all of these requirements.

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, 2009:

Investment Type	Fair Value	S&P	(Years)
U. S. government & agency	\$ 1,606,766	AAA	2.87
Mortgage-backed obligations	1,952,641	A-AA	2.34
Corporate obligations	626,569	A-AA	5.01
Temporary investment funds	1,012,312	N/R	Daily
	<u>\$ 5,198,288</u>		

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment. 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

City of Venice, Florida
Notes to Financial Statements

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.

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, 2009.

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, 2009, was \$2.984 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 2009 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.

City of Venice, Florida
Notes to Financial Statements

NOTE E – CAPITAL ASSETS

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

Primary Government:

Governmental activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 3,556,993	\$ 7,366,007	\$ -	\$ 10,923,000
Construction in progress	1,796,516	2,586,250	5,222	4,377,544
Total capital assets not being depreciated	5,353,509	9,952,257	5,222	15,300,544
Other capital assets:				
Buildings	17,843,814	-	-	17,843,814
Other improvements	32,415,785	5,222	-	32,421,007
Machinery and equipment	8,650,175	521,078	358,046	8,813,207
Infrastructure	21,848,701	-	-	21,848,701
Total other capital assets at historical cost	80,758,475	526,300	358,046	80,926,729
Less accumulated depreciation for:				
Buildings	3,677,121	480,755	-	4,157,876
Other improvements	7,358,736	2,954,209	-	10,312,945
Machinery and equipment	5,745,210	539,075	358,046	5,926,239
Infrastructure	10,592,297	421,789	-	11,014,086
Total accumulated depreciation	27,373,364	4,395,828	358,046	31,411,146
Governmental activities capital assets, net	\$ 58,738,620	\$ 6,082,729	\$ 5,222	\$ 64,816,127

City of Venice, Florida
Notes to Financial Statements

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

Governmental activities:

General government	\$ 660,832
Finance	8,153
Information services	40,935
Parks and recreation	2,550,317
Police	267,896
Fire	375,322
Public works	492,373
Total governmental activities depreciation expense	\$ 4,395,828

Business-type activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,837,618	\$ -	\$ -	\$ 1,837,618
Construction in progress	2,380,175	609,073	2,034,941	954,307
Total capital assets not being depreciated	4,217,793	609,073	2,034,941	2,791,925
Other capital assets:				
Buildings	8,419,910	-	30,372	8,389,538
Other improvements	117,229,938	2,408,684	492,551	119,146,071
Machinery & equipment	11,710,115	1,299,202	1,555,853	11,453,465
Total other capital assets at historical cost	137,359,963	3,707,886	2,078,776	138,989,073
Less accumulated depreciation for:				
Buildings	4,772,380	115,714	-	4,888,094
Other improvements	32,833,648	3,842,274	649,371	36,026,551
Machinery & equipment	7,755,780	548,123	1,555,853	6,748,050
Total accumulated depreciation	45,361,808	4,506,111	2,205,224	47,662,695
Business-type activities capital assets, net	\$ 96,215,948	\$ (189,152)	\$ 6,318,940	\$ 94,118,304

City of Venice, Florida
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	\$ 3,181,171
Solid waste	316,475
Airport	786,464
Storm water drainage	222,001
Total business-type activities depreciation expense	\$ 4,506,111

Commitments

Commitments under uncompleted construction projects at September 30, 2009 consist of the following:

	Amounts Authorized	Expended to Date	Committed
General	\$ 55,222	\$ 5,222	\$ 50,000
General capital projects	3,068,856	1,186,589	1,882,267
Streets	2,703,669	1,718,442	985,227
Buildings & renovations	508,890	150,177	358,713
Beach renourishment	1,696,703	187,072	1,509,631
2004 bond construction	3,276,619	1,135,263	2,141,356
Airport	1,746,966	799,722	947,244
Utilities	1,795,861	1,751,701	44,160
Renewal and Replacement	9,000	-	9,000
Stormwater Utility	1,629,492	437,825	1,191,667
Total	\$ 16,491,278	\$ 7,372,013	\$ 9,119,265

NOTE F – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances at September 30, 2009, is as follows:

Due to/from other funds:

	Due to other funds	
	Non-major Governmental Funds	Totals
Due from other funds:		
General Fund	\$ 600,000	\$ 600,000

City of Venice, Florida
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 \$0.6 million. These outstanding balances are paid within the following year.

Advances from/to other funds:

	Advances to other funds:	
	General	Totals
	Fund	
Advances from other funds:		
Airport Fund	\$ 67,181	\$ 67,181
Water & Sewer Utility Fund	5,002,878	5,002,878
Internal Service Funds	2,000	2,000
Totals	\$ 5,072,059	\$ 5,072,059

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, 2009 the City has \$5.1 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	General	Non-major	Totals
	Fund	Capital Projects Fund	Governmental Funds	
Transfers - Out:				
General Fund	\$ -	\$ 375,000	\$ 328,918	\$ 703,918
Non-major Governmental Funds	1,313,946	3,774,504	435,430	5,523,880
Airport Fund	158,954	-	-	158,954
Water & Sewer Utility Fund	1,420,043	-	-	1,420,043
Solid Waste Fund	710,619	-	-	710,619
Storm Water Drainage Fund	708,836	-	-	708,836
Totals	\$ 4,312,398	\$ 4,149,504	\$ 764,348	\$ 9,226,250

City of Venice, Florida
Notes to Financial Statements

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.

NOTE G – CAPITAL LEASES

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

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-Type Activities
Machinery and equipment	\$ 499,767	\$ 154,884
Less: Accumulated depreciation	(499,767)	(154,884)
Totals	\$ -	\$ -

City of Venice, Florida
Notes to Financial Statements

NOTE H – LONG-TERM LIABILITIES

Long-Term Liability Activity

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

	Beginning			Ending	Amounts
Governmental activities:	Balance	Additions	Reductions	Balance	Due Within One Year
General obligation bonds	\$ 8,850,000	\$ -	\$ 305,000	\$ 8,545,000	\$ 310,000
Revenue bonds	760,000	-	760,000	-	-
Notes payable	200,037	-	73,448	126,589	57,147
Capital leases	111,857	-	111,857	-	-
Compensated absences	1,702,207	869,965	871,211	1,700,961	795,574
OPEB payable	-	3,334,356	-	3,334,356	-
Unamortized issue costs	(113,637)	-	8,117	(105,520)	(8,117)
Totals	\$ 11,510,464	\$ 4,204,321	\$ 2,113,399	\$ 13,601,386	\$ 1,154,604
Business-type activities:					
Revenue bonds	\$ 18,350,705	\$ -	\$ 1,847,296	\$ 16,503,409	\$ 2,012,426
Notes payable	5,503,466	-	322,968	5,180,498	315,657
Capital leases	33,131	-	33,131	-	-
Compensated absences	530,485	353,502	333,256	550,731	301,798
OPEB payable	-	1,353,349	-	1,353,349	-
Bond discounts/(premiums)	(226,951)	-	(32,421)	(194,530)	(32,421)
Totals	\$ 24,190,836	\$ 1,706,851	\$ 2,504,230	\$ 23,393,457	\$ 2,597,460

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 attributed to the governmental activities will be liquidated by the general fund.

City of Venice, Florida
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.	\$ 8,545,000	\$ -
\$3,130,000 Storm Water and Drainage Revenue Bonds, due in annual installments of \$115,000 - \$220,000 beginning May 1, 1997 through May 1, 2016; interest at 3.85% - 5.6%; payable solely from and secured by future revenues of the City's storm water management utility system. Purpose: Various drainage projects.	-	1,360,000
\$665,000 promissory note, due in monthly installments of \$8,563 - \$5,564 beginning April 1, 2000 through March 1, 2010; interest at 5.35%; payable solely from and secured by certain appropriated non ad valorem revenues. Purpose: Equipment and vehicles.	17,846	15,266
\$577,297 promissory note, due in monthly installments of \$62,725 beginning July 10, 2001 through January 10, 2011; interest at 5.07% - 5.18%; payable from certain appropriated non ad valorem revenues per City resolution. Purpose: Vehicles.	31,357	-
\$7,396,610 1991 Utilities Revenue Bonds, due in installments of \$975,000 - \$1,808,000 through July 1, 2011; interest yielding 5.95% - 7.05%; secured by future water and sewer revenues. Purpose: Utility upgrades and improvements.	-	568,409
\$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.	-	14,575,000
\$577,000 promissory note, due in semi-annual installments ranging from \$55,365 to \$10,293, beginning January 11, 2004 through July 11, 2013; interest at 2.68%; secured by equipment. Purpose: Vehicles.	77,386	-
\$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.	-	521,202
\$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.	-	4,644,030
Total bonds and notes	\$ 8,671,589	\$ 21,683,907

City of Venice, Florida
Notes to Financial Statements

Debt Maturity

Debt service requirements at September 30, 2009 were as follows:

Year Ended September 30,	Governmental Activities			
	GO Bonds		Notes Payable	
	Principal	Interest	Principal	Interest
2010	\$ 310,000	\$ 359,148	\$ 57,147	\$ 3,359
2011	320,000	350,638	29,672	1,772
2012	330,000	341,208	19,608	979
2013	340,000	330,733	20,162	425
2014	350,000	319,301	-	-
2015-19	1,960,000	1,388,950	-	-
2020-24	2,480,000	874,375	-	-
2025-28	2,455,000	226,913	-	-
Totals	<u>\$ 8,545,000</u>	<u>\$ 4,191,266</u>	<u>\$ 126,589</u>	<u>\$ 6,535</u>

Year Ended September 30,	Business-type Activities			
	Revenue Bonds		Notes Payable	
	Principal	Interest	Principal	Interest
2010	\$ 2,012,426	\$ 1,043,719	\$ 315,657	\$ 157,884
2011	1,635,983	996,527	309,189	148,309
2012	2,055,000	594,313	318,839	138,659
2013	2,510,000	487,525	328,790	128,708
2014	2,625,000	362,346	339,052	118,447
2015-19	5,665,000	307,944	1,860,748	426,742
2020-23	-	-	1,708,223	121,211
	<u>\$ 16,503,409</u>	<u>\$ 3,792,374</u>	<u>\$ 5,180,498</u>	<u>\$ 1,239,960</u>

City of Venice, Florida
Notes to Financial Statements

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, 2009, are as follows:

Enterprise Defeased Issues

Utilities Revenue Bonds, Series 1989	<u>\$ 1,185,000</u>
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General Government Debt

Capital Improvement Bonds, Series 1988	<u>\$ 1,890,000</u>
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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, 2009, there are two series of Industrial Revenue Bonds outstanding with principal amounts payable of \$4.25 million (hospital bonds) and \$3.08 million (charter school bonds).

NOTE I – 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 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*, and Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. 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.

City of Venice, Florida
Notes to Financial Statements

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, 2009, was \$3,369,472 compared to total actual payroll for the entire City of \$17,118,767. At September 30, 2008, membership consisted of:

Retirees, disabled participants, and beneficiaries:	
Currently receiving benefits and terminated employees not yet receiving benefits	37
Terminated employees entitled to benefits but not yet receiving them	1
Current employees:	
Vested	14
Nonvested	<u>27</u>
Total	<u>79</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. Early retirement provisions are also available subject to certain modifications to the benefit paid.

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 provides for early retirement upon obtaining the age of 44 and having 15 years of credited service. The Plan also provides death benefits for both duty related and off-duty related deaths. For deceased employees with less than five years of 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.

City of Venice, Florida
Notes to Financial Statements

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, 2009 was \$4,405,297, compared to \$17,118,767 for the entire City's payroll. At September 30, 2009 membership consisted of:

Retirees, disabled participants, and beneficiaries:	
Currently receiving benefits and terminated employees not yet receiving benefits	50
Members in DROP	6
Current employees:	
Vested	15
Nonvested	<u>27</u>
Total	<u>98</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. 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 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. 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.

City of Venice, Florida
Notes to Financial Statements

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 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 September 30, 2008, the actuarial accrued liability in excess of assets was \$12,162,022 determined as follows:

Total Actuarial Accrued Liability	\$26,363,374
Actuarial Value of Assets (Book value was \$12,638,997)	<u>14,201,352</u>
Actuarial Accrued Liability in Excess of Assets	<u>\$12,162,022</u>

For the actuarial report dated September 30, 2008, the Plan experienced a net change of \$1,990,615 in the actuarial accrued liability. There were no changes in benefit provisions or in actuarial assumptions.

POLICE OFFICERS' PENSION PLAN

As of October 1, 2008, the actuarial accrued liability in excess of assets was \$6,445,687, determined as follows:

Actuarial Accrued Liability	\$ 32,540,029
Actuarial Value of Assets (Book value was \$23,478,181)	<u>26,094,342</u>
Actuarial Accrued Liability in Excess of Assets	<u>\$ 6,445,687</u>

For the actuarial report dated October 1, 2008, the Plan experienced a net change of \$1,960,917 in the actuarial accrued liability. There were no changes in benefit provisions or in actuarial assumptions.

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 September 30, 2008, actuarial valuation using the frozen entry age actuarial cost method. The actuarial assumptions included

City of Venice, Florida
Notes to Financial Statements

(a) 8% investment rate of return (net of administrative expenses) and (b) projected salary increases of 6.5% 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 September 30, 2008, was 29 years.

During the year ended September 30, 2009, contributions totaling \$1,384,488 were made in accordance with contribution requirements determined by an actuarial valuation of the Plan as of September 30, 2008. The City contributed \$845,727, members contributed \$305,300, and the State contributed \$233,461. Payments of fringe benefits and salaries on-behalf of the City's employees are recognized as revenues and expenditure/expense during the period.

City of Venice, Florida
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)
September 30, 2006	12,343,228	22,662,166	10,318,938	54.47%	2,471,155	417.58%
September 30, 2007	13,793,859	24,372,764	10,578,905	56.60%	2,620,850	403.64%
September 30, 2008	14,201,352	26,363,374	12,162,022	53.87%	2,848,256	427.00%

Schedule of Contributions

Year Ended	Annual Required Contribution	City Contribution	State Contribution	Members Contribution	Percent Contribution
September 30, 2006	961,833	698,590	239,239	263,243	124.9%
September 30, 2007	1,203,867	772,793	355,709	264,260	115.7%
September 30, 2008	1,273,119	725,317	391,694	278,961	109.6%

Three Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
09/30/06	651,714	107%	(218,223)
09/30/07	669,215	115%	(325,945)
09/30/08	725,317	100%	(326,358)

City of Venice, Florida
Notes to Financial Statements

Firefighters' Pension Plan
Recent development of the Net Pension Obligation

	9/30/2006	9/30/2007	9/30/2008
Actuarially Determined Contribution (A)	651,714	669,215	725,317
Interest on NPO	(13,452)	(17,458)	(26,076)
Adjustment to (A)	10,260	13,314	25,663
Annual Pension Cost	648,522	665,071	724,904
Contributions Made	698,590	772,793	725,317
Increase in NPO	(50,068)	(107,722)	(413)
NPO Beginning of Year	(168,155)	(218,223)	(325,945)
NPO End of Year	(218,223)	(325,945)	(326,358)

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, 2007, actuarial valuation using the frozen entry age 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 September 30, 2009, was 27 years.

During the year ended September 30, 2009, contributions totaling \$995,650 were made in accordance with contribution requirements determined by an actuarial valuation of the Plan as of October 1, 2007. The City's actual contribution was \$562,333, the State's was \$208,682, and members contributed \$224,635. Payments of fringe benefits and salaries on-behalf of the City's employees are recognized as revenues and expenditure/expense during the period.

City of Venice, Florida
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 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, 2006	23,022,085	29,177,159	6,155,074	78.9%	3,098,480	198.7%
October 1, 2007	25,566,472	30,579,112	5,012,640	83.6%	2,681,417	186.9%
October 1, 2008	26,094,342	32,540,029	6,445,687	80.2%	2,856,283	225.7%

Schedule of Employer Contributions

Year Ended September 30	Annual Required Contributions	Percent Contribution
2006	735,777	102%
2007	735,138	102%
2008	781,352	100%

Three-Year Trend Information

Fiscal Year Ending September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2006	516,240	100%	(14,173)
2007	514,553	100%	(31,608)
2008	575,988	100%	(31,261)

Police Officers' Retirement Trust Fund
Recent Development of the Net Pension Obligation

	9/30/2006	9/30/2007	9/30/2008
Actuarially Determined Contribution (A)	516,240	514,553	575,988
Interest on NPO	-	(1,134)	(2,529)
Adjustment to (A)	-	1,289	2,876
Annual Pension Cost	516,240	514,708	576,335
Contributions Made	530,413	532,143	575,988
Increase in NPO	(14,173)	(17,435)	347
NPO Beginning of Year	-	(14,173)	(31,608)
NPO End of Year	(14,173)	(31,608)	(31,261)

City of Venice, Florida
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, 2009 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. Treasury	\$ 1,606,766
Corporate bonds	626,569
Equities	5,043,816
Mortgages/Mortgage backed securities	1,952,641
Pooled real estate investments	741,120
Mutual funds international equity	866,938
Totals	\$ 10,837,850
 Police Officers' Pension Plan:	
U.S. Treasury & agency	\$ 1,916,062
Corporate bonds	3,228,977
Equities	15,097,889
Totals	\$ 20,242,928

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

City of Venice, Florida
Notes to Financial Statements

There is a deferred retirement option program (DROP) available to members when the member first reaches eligibility for normal retirement.

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.

Participating employer contributions are based upon state-wide rates established by the State of Florida. These rates are applied to regular employee salaries at a rate of 9.85%. During the year ended September 30, 2009, contributions totaling \$1,337,779 were to be 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 \$859,160 for the year ended September 30, 2008, and \$403,060 for the year ended September 30, 2007.

NOTE J - 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. 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. For the year ended September 30, 2009, the City contributed \$1.1 million to the plan. Retired plan members (including disabled retirees) and beneficiaries currently receiving benefits contribute assumed monthly contributions as follows:

City of Venice, Florida
Notes to Financial Statements

Fiscal Year 2009 Contribution			
	Without Medicare		With Medicare
Retiree Only	\$ 167		\$ 90
Spouse	372		180
Two or More Dependents	372		295

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:

Annual required contribution	\$	5,752,532
Contributions made		1,064,827
Increase in net OPEB obligation		4,687,705
Net OPEB obligation - October 1		-
Net OPEB obligation - September 30	\$	4,687,705

The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation as of September 30 is as follows (dollar amounts in thousands):

Fiscal Year	AOC	Contribution	AOC Contributed	NOO
9/30/2009	\$ 5,752	\$ 1,065	40%	\$ 4,687

4. Funded Status And Funding Progress - As of September 30, 2009, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$5.9 million, and the actuarial value of assets was \$0 resulting in an unfunded accrued liability (UAAL) of \$4.7 million. The covered payroll (annual payroll of active employees covered by the plan) was \$15.6 million, and the ratio of the UAAL to the covered payroll was 39.9 %. 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.

City of Venice, Florida
Notes to Financial Statements

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 actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the September 30, 2009 actuarial valuation, the pay-related entry-age normal cost method was used. The actuarial assumptions included a 7.75 % investment rate of return if the plan is to be funded and a 4.00 % rate if we continue on an unfunded basis, and an annual healthcare cost trend rate of 8.6% initially, adjusted annually to an ultimate rate of 5.5 % after seven years. Both rates included a 4.0 % inflation assumption. The UAAL is being amortized as a level percentage of payroll. The remaining amortization period at September 30, 2009 was 30 years.

NOTE K – 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.

NOTE L – 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 \$70,000 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.

City of Venice, Florida
Notes to Financial Statements

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.

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 represent the changes in approximate aggregate liabilities for the City from September 30, 2007, to September 30, 2009:

	Employees' Group Health Life Insurance Program	Workers' Compensation Self Insurance Program
Liability balance, September 30, 2007	\$ 448,000	\$ 220,404
Claims and changes in estimates	2,980,254	283,238
Claims payments	(3,076,254)	(308,077)
Liability balance, September 30, 2008	352,000	195,565
Claims and changes in estimates	3,837,243	445,240
Claims payments	(3,877,243)	(474,817)
Liability balance, September 30, 2009	<u>\$ 312,000</u>	<u>\$ 165,988</u>
Assets available to pay claims at September 30, 2009	<u>\$ 3,945,790</u>	<u>\$ 1,847,557</u>

NOTE M – 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.



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City of Venice, Florida
 Required Supplementary Information
 (unaudited)

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)
September 30, 2006	12,343,228	22,662,166	10,318,938	54.47%	2,471,155	417.58%
September 30, 2007	13,793,859	24,372,764	10,578,905	56.60%	2,620,850	403.64%
September 30, 2008	14,201,352	26,363,379	12,162,022	53.87%	2,848,256	427.00%

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, 2006	23,022,085	29,177,159	6,155,074	78.9%	3,098,480	198.7%
October 1, 2007	25,566,472	30,579,112	5,012,640	83.6%	2,681,417	186.9%
October 1, 2008	26,094,342	32,540,029	6,445,687	80.2%	2,856,283	225.7%

Schedule of Funding Progress
for the Retiree Health Plan

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)
September 30, 2009	-	4,687,705	4,687,705	0.0%	14,417,373	32.5%

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

A special revenue fund is used to finance particular activities and is created out of receipts of specific taxes or other earmarked revenues. Such funds are authorized by statutory or charter provisions to pay for certain activities with some special form of continuing revenues.

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 established to finance and account for the payments of interest and principal on outstanding bonded debt of the City that is not included in enterprise funds.

Capital Improvement Refunding Revenue Bonds, Series 2001 – To account for the refunding of the 1992 issue, with interest rates from 3.0% - 4.3%, payable in annual installments of \$575,000 - \$760,000, maturing in 2009.

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 designed to account for the resources expended to acquire assets of a relatively permanent nature. (Enterprise fund resources are not included in this category.) Capital projects funds provide a formal mechanism which enables administrators to ensure that revenues dedicated to a certain purpose are used only for that purpose.

General Projects Fund (A major fund for the current year) – 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. (A major fund for this fiscal year, only the budget comparison schedule is presented here.)

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.

Building 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.

City of Venice, Florida
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2009

Special Revenue

	<u>Motor Fuel Tax</u>	<u>Contraband Forfeiture</u>	<u>Police Training</u>	<u>Boat Registration Fees</u>
ASSETS				
Cash and cash equivalents	\$ 224,350	\$ 8,873	\$ 19,475	\$ 9,574
Investments	274,206	10,845	23,803	11,701
Accounts receivable (net)	-	-	315	-
Interest receivable	4,801	131	284	141
Due from other governments	96,821	-	-	-
Total Assets	<u>\$ 600,178</u>	<u>\$ 19,849</u>	<u>\$ 43,877</u>	<u>\$ 21,416</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Reserved for:				
Debt service	-	-	-	-
Unreserved	600,178	19,849	43,877	21,416
Total Fund Balances	<u>600,178</u>	<u>19,849</u>	<u>43,877</u>	<u>21,416</u>
Total Liabilities and Fund Balances	<u>\$ 600,178</u>	<u>\$ 19,849</u>	<u>\$ 43,877</u>	<u>\$ 21,416</u>

Special Revenue

<u>One Cent Voted Sales Tax</u>	<u>Fishing Pier</u>	<u>Second Occupational License</u>	<u>Growth Management Training</u>	<u>Park Fines Handicapped Access Improvement</u>
\$ 217,119	\$ 224,617	\$ 12,648	\$ 25,992	\$ 12,312
265,368	274,531	15,458	31,767	15,047
-	3,340	-	-	-
3,191	3,302	186	382	181
-	-	-	-	-
<u>\$ 485,678</u>	<u>\$ 505,790</u>	<u>\$ 28,292</u>	<u>\$ 58,141</u>	<u>\$ 27,540</u>
\$ -	\$ 3,762	\$ -	\$ 8	\$ -
-	-	-	-	-
-	-	-	-	-
-	3,762	-	8	-
-	-	-	-	-
<u>485,678</u>	<u>502,028</u>	<u>28,292</u>	<u>58,133</u>	<u>27,540</u>
<u>485,678</u>	<u>502,028</u>	<u>28,292</u>	<u>58,133</u>	<u>27,540</u>
<u>\$ 485,678</u>	<u>\$ 505,790</u>	<u>\$ 28,292</u>	<u>\$ 58,141</u>	<u>\$ 27,540</u>

(Continued)

City of Venice, Florida
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2009

Special Revenue

	Building Permit Fees	Centennial Community	Historical Commission	Total Special Revenue Funds
ASSETS				
Cash and cash equivalents	\$ 36,195	\$ 24,706	\$ 7,045	\$ 822,906
Investments	44,238	30,196	8,611	1,005,771
Accounts receivable (net)	-	-	-	3,655
Interest receivable	-	363	113	13,075
Due from other governments	-	-	-	96,821
Total Assets	\$ 80,433	\$ 55,265	\$ 15,769	\$ 1,942,228
LIABILITIES				
Accounts payable	\$ 11,557	\$ -	\$ -	\$ 15,327
Due to other governments	-	-	-	-
Due to other funds	600,000	-	-	600,000
Total Liabilities	611,557	-	-	615,327
FUND BALANCES				
Reserved for:				
Debt service	-	-	-	-
Unreserved	(531,124)	55,265	15,769	1,326,901
Total Fund Balances	(531,124)	55,265	15,769	1,326,901
Total Liabilities and Fund Balances	\$ 80,433	\$ 55,265	\$ 15,769	\$ 1,942,228

Debt Service			Capital Projects	
2001 Capital Improvement	2004 General Obligation Bonds	Total Debt Service Funds	Streets	Beach Renourishment
\$ 11,259	\$ 92,742	\$ 104,001	\$ 751,088	\$ 812,287
13,760	113,351	127,111	917,996	992,796
-	-	-	-	-
165	1,363	1,528	10,588	10,731
-	-	-	-	-
<u>\$ 25,184</u>	<u>\$ 207,456</u>	<u>\$ 232,640</u>	<u>\$ 1,679,672</u>	<u>\$ 1,815,814</u>
\$ -	\$ -	\$ -	\$ -	\$ 7,342
-	-	-	-	164,940
-	-	-	-	-
-	-	-	-	172,282
25,184	207,456	232,640	-	-
-	-	-	1,679,672	1,643,532
<u>25,184</u>	<u>207,456</u>	<u>232,640</u>	<u>1,679,672</u>	<u>1,643,532</u>
<u>\$ 25,184</u>	<u>\$ 207,456</u>	<u>\$ 232,640</u>	<u>\$ 1,679,672</u>	<u>\$ 1,815,814</u>

(Continued)

City of Venice, Florida
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2009

	Capital Projects			
	Buildings and Renovations	2004 GO Bonds Construction	Total Capital Project Funds	Total Non-Major Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 153,439	\$ 1,556,638	\$ 3,273,452	\$ 4,200,359
Investments	187,537	1,902,557	4,000,886	5,133,768
Accounts receivable (net)	-	-	-	3,655
Interest receivable	-	22,877	44,196	58,799
Due from other governments	-	-	-	96,821
Total Assets	\$ 340,976	\$ 3,482,072	\$ 7,318,534	\$ 9,493,402
LIABILITIES				
Accounts payable	\$ -	\$ 17,620	\$ 24,962	\$ 40,289
Due to other governments	-	-	164,940	164,940
Due to other funds	-	-	-	600,000
Total Liabilities	-	17,620	189,902	805,229
FUND BALANCES				
Reserved for:				
Debt service	-	-	-	232,640
Unreserved	340,976	3,464,452	7,128,632	8,455,533
Total Fund Balances	340,976	3,464,452	7,128,632	8,688,173
Total Liabilities and Fund Balances	\$ 340,976	\$ 3,482,072	\$ 7,318,534	\$ 9,493,402



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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, 2009

Special Revenue

	<u>Motor Fuel Tax</u>	<u>Contraband Forfeiture</u>	<u>Police Training</u>	<u>Boat Registration Fees</u>
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	988,818	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue	194,319	-	-	19,517
Fines and forfeitures	-	-	6,328	-
Charges for services	-	-	-	-
Interest	22,575	468	1,214	536
Miscellaneous	-	279	-	-
Total Revenues	<u>1,205,712</u>	<u>747</u>	<u>7,542</u>	<u>20,053</u>
EXPENDITURES				
General government	-	-	-	-
Parks and recreation	-	-	-	-
Police	-	-	17,327	-
Public works	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>17,327</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,205,712</u>	<u>747</u>	<u>(9,785)</u>	<u>20,053</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,101,434)	-	-	(11,890)
Total other financing sources (uses)	<u>(1,101,434)</u>	<u>-</u>	<u>-</u>	<u>(11,890)</u>
Net change in fund balances	104,278	747	(9,785)	8,163
Fund balances - beginning of year	495,900	19,102	53,662	13,253
Fund balances - end of year	<u>\$ 600,178</u>	<u>\$ 19,849</u>	<u>\$ 43,877</u>	<u>\$ 21,416</u>

Special Revenue

One Cent Voted Sales Tax	Fishing Pier	Second Occupational License	Growth Management Training	Park Fines Handicapped Access Improvement
\$ -	\$ -	\$ -	\$ -	\$ -
2,245,637	-	-	-	-
-	-	8,755	-	-
-	-	-	-	-
-	-	-	-	4,741
-	380,873	-	-	-
8,062	4,427	810	1,410	1,010
-	359,235	-	5,174	-
<u>2,253,699</u>	<u>744,535</u>	<u>9,565</u>	<u>6,584</u>	<u>5,751</u>
-	-	-	8,154	-
-	178,249	-	-	-
-	-	-	-	-
-	-	22,149	-	-
-	-	-	-	-
-	-	-	-	-
-	178,249	22,149	8,154	-
<u>2,253,699</u>	<u>566,286</u>	<u>(12,584)</u>	<u>(1,570)</u>	<u>5,751</u>
-	-	-	-	-
(3,859,504)	(6,262)	-	-	(23,779)
<u>(3,859,504)</u>	<u>(6,262)</u>	<u>-</u>	<u>-</u>	<u>(23,779)</u>
(1,605,805)	560,024	(12,584)	(1,570)	(18,028)
2,091,483	(57,996)	40,876	59,703	45,568
<u>\$ 485,678</u>	<u>\$ 502,028</u>	<u>\$ 28,292</u>	<u>\$ 58,133</u>	<u>\$ 27,540</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, 2009

Special Revenue

	<u>Building Permit Fees</u>	<u>Centennial Community</u>	<u>Historical Commission</u>	<u>Total Special Revenue Funds</u>
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	3,234,455
Licenses and permits	1,001,655	-	-	1,010,410
Intergovernmental revenue	-	-	-	213,836
Fines and forfeitures	-	-	-	11,069
Charges for services	-	-	-	380,873
Interest	-	1,305	512	42,329
Miscellaneous	1,317	336	3,558	369,899
Total Revenues	<u>1,002,972</u>	<u>1,641</u>	<u>4,070</u>	<u>5,262,871</u>
EXPENDITURES				
General government	762,793	-	4,018	774,965
Parks and recreation	-	-	-	178,249
Police	-	-	-	17,327
Public works	-	-	-	22,149
Debt service:				
Principal	211	-	-	211
Interest and other charges	11,944	-	-	11,944
Capital outlay	-	-	-	-
Total Expenditures	<u>774,948</u>	<u>-</u>	<u>4,018</u>	<u>1,004,845</u>
Excess (deficiency) of revenues over (under) expenditures	<u>228,024</u>	<u>1,641</u>	<u>52</u>	<u>4,258,026</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	18,918	-	-	18,918
Transfers out	(521,011)	-	-	(5,523,880)
Total other financing sources (uses)	<u>(502,093)</u>	<u>-</u>	<u>-</u>	<u>(5,504,962)</u>
Net change in fund balances	(274,069)	1,641	52	(1,246,936)
Fund balances - beginning of year	(257,055)	53,624	15,717	2,573,837
Fund balances - end of year	<u>\$ (531,124)</u>	<u>\$ 55,265</u>	<u>\$ 15,769</u>	<u>\$ 1,326,901</u>

Debt Service			Capital Projects	
2001 Capital Improvement	2004 General Obligation Bond	Total Debt Service Funds	Streets	Beach Renourishment
\$ -	\$ 726,521	\$ 726,521	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	230,947
-	-	-	-	-
-	-	-	-	-
11,501	8,122	19,623	30,880	39,165
-	-	-	158,406	-
<u>11,501</u>	<u>734,643</u>	<u>746,144</u>	<u>189,286</u>	<u>270,112</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
760,000	305,000	1,065,000	-	-
31,920	367,685	399,605	-	-
-	-	-	1,435,440	187,072
<u>791,920</u>	<u>672,685</u>	<u>1,464,605</u>	<u>1,435,440</u>	<u>187,072</u>
<u>(780,419)</u>	<u>61,958</u>	<u>(718,461)</u>	<u>(1,246,154)</u>	<u>83,040</u>
105,000	-	105,000	330,430	250,000
-	-	-	-	-
<u>105,000</u>	<u>-</u>	<u>105,000</u>	<u>330,430</u>	<u>250,000</u>
(675,419)	61,958	(613,461)	(915,724)	333,040
700,603	145,498	846,101	2,595,396	1,310,492
<u>\$ 25,184</u>	<u>\$ 207,456</u>	<u>\$ 232,640</u>	<u>\$ 1,679,672</u>	<u>\$ 1,643,532</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, 2009

	<u>Capital Projects</u>			
	<u>Buildings and Renovation</u>	<u>2004 GO Bond Construction</u>	<u>Total Capital Project Funds</u>	<u>Total Non-Major Governmental Funds</u>
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ 726,521
Sales taxes	-	-	-	3,234,455
Licenses and permits	-	-	-	1,010,410
Intergovernmental revenue	-	-	230,947	444,783
Fines and forfeitures	-	-	-	11,069
Charges for services	-	-	-	380,873
Interest	-	82,903	152,948	214,900
Miscellaneous	-	-	158,406	528,305
Total Revenues	<u>-</u>	<u>82,903</u>	<u>542,301</u>	<u>6,551,316</u>
EXPENDITURES				
General government	-	-	-	774,965
Parks and recreation	-	-	-	178,249
Police	-	-	-	17,327
Public works	-	-	-	22,149
Debt service:				
Principal	-	-	-	1,065,211
Interest and other charges	2,356	-	2,356	413,905
Capital outlay	23,679	93,430	1,739,621	1,739,621
Total Expenditures	<u>26,035</u>	<u>93,430</u>	<u>1,741,977</u>	<u>4,211,427</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(26,035)</u>	<u>(10,527)</u>	<u>(1,199,676)</u>	<u>2,339,889</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	60,000	-	640,430	764,348
Transfers out	-	-	-	(5,523,880)
Total other financing sources (uses)	<u>60,000</u>	<u>-</u>	<u>640,430</u>	<u>(4,759,532)</u>
Net change in fund balances	33,965	(10,527)	(559,246)	(2,419,643)
Fund balances - beginning of year	307,011	3,474,979	7,687,878	11,107,816
Fund balances - end of year	<u>\$ 340,976</u>	<u>\$ 3,464,452</u>	<u>\$ 7,128,632</u>	<u>\$ 8,688,173</u>



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City of Venice, Florida
Budget Comparison Schedule
Motor Fuel Tax Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Sales taxes	\$ 1,052,603	\$ 1,052,603	\$ 988,818	\$ (63,785)
Intergovernmental	216,374	216,374	194,319	(22,055)
Interest	26,925	26,925	22,575	(4,350)
Total revenues	<u>1,295,902</u>	<u>1,295,902</u>	<u>1,205,712</u>	<u>(90,190)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,295,902)</u>	<u>(1,295,902)</u>	<u>(1,101,434)</u>	<u>194,468</u>
Net other financing sources (uses)	<u>(1,295,902)</u>	<u>(1,295,902)</u>	<u>(1,101,434)</u>	<u>194,468</u>
Net change in fund balances	-	-	104,278	104,278
Fund balances (deficits) at beginning of year	<u>495,900</u>	<u>495,900</u>	<u>495,900</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 495,900</u>	<u>\$ 495,900</u>	<u>\$ 600,178</u>	<u>\$ 104,278</u>

City of Venice, Florida
Budget Comparison Schedule
Contraband Forfeiture Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Fees and fines	\$ 3,182	\$ 3,182	\$ -	\$ (3,182)
Interest	388	388	468	80
Miscellaneous	-	-	279	279
Total revenues	<u>3,570</u>	<u>3,570</u>	<u>747</u>	<u>(2,823)</u>
EXPENDITURES				
Capital outlay	<u>18,570</u>	<u>18,570</u>	<u>-</u>	<u>18,570</u>
Total expenditures	<u>18,570</u>	<u>18,570</u>	<u>-</u>	<u>18,570</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,000)</u>	<u>(15,000)</u>	<u>747</u>	<u>15,747</u>
Net change in fund balances	<u>(15,000)</u>	<u>(15,000)</u>	<u>747</u>	<u>15,747</u>
Fund balances (deficits) at beginning of year	<u>19,102</u>	<u>19,102</u>	<u>19,102</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 4,102</u>	<u>\$ 4,102</u>	<u>\$ 19,849</u>	<u>\$ 15,747</u>

City of Venice, Florida
Budget Comparison Schedule
Police Training Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Fees and fines	\$ 10,514	\$ 10,514	\$ 6,328	\$ (4,186)
Interest	859	859	1,214	355
Total revenues	<u>11,373</u>	<u>11,373</u>	<u>7,542</u>	<u>(3,831)</u>
EXPENDITURES				
Current:				
Police	41,373	41,373	17,327	24,046
Total expenditures	<u>41,373</u>	<u>41,373</u>	<u>17,327</u>	<u>24,046</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,000)</u>	<u>(30,000)</u>	<u>(9,785)</u>	<u>20,215</u>
Net change in fund balances	(30,000)	(30,000)	(9,785)	20,215
Fund balances (deficits) at beginning of year	<u>53,662</u>	<u>53,662</u>	<u>53,662</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 23,662</u>	<u>\$ 23,662</u>	<u>\$ 43,877</u>	<u>\$ 20,215</u>

City of Venice, Florida
Budget Comparison Schedule
Boat Registration Fees Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 11,836	\$ 11,836	\$ 19,517	\$ 7,681
Interest	473	473	536	63
Total revenues	<u>12,309</u>	<u>12,309</u>	<u>20,053</u>	<u>7,744</u>
EXPENDITURES				
Current:				
Capital outlay	10,000	10,000	-	10,000
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,309</u>	<u>2,309</u>	<u>20,053</u>	<u>17,744</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(11,890)</u>	<u>(11,890)</u>	<u>(11,890)</u>	<u>-</u>
Net other financing sources (uses)	<u>(11,890)</u>	<u>(11,890)</u>	<u>(11,890)</u>	<u>-</u>
Net change in fund balances	(9,581)	(9,581)	8,163	17,744
Fund balances (deficits) at beginning of year	<u>13,253</u>	<u>13,253</u>	<u>13,253</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 3,672</u>	<u>\$ 3,672</u>	<u>\$ 21,416</u>	<u>\$ 17,744</u>

City of Venice, Florida
Budget Comparison Schedule
One Cent Voted Sales Tax Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Sales taxes	\$ 2,614,171	\$ 2,614,171	\$ 2,245,637	\$ (368,534)
Interest	32,669	32,669	8,062	(24,607)
Total revenues	<u>2,646,840</u>	<u>2,646,840</u>	<u>2,253,699</u>	<u>(393,141)</u>
EXPENDITURES				
Capital outlay	3,700,000	-	-	-
Total expenditures	<u>3,700,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,053,160)</u>	<u>2,646,840</u>	<u>2,253,699</u>	<u>(393,141)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(176,500)	(3,876,500)	(3,859,504)	16,996
Net other financing sources (uses)	<u>(176,500)</u>	<u>(3,876,500)</u>	<u>(3,859,504)</u>	<u>16,996</u>
Net change in fund balances	(1,229,660)	(1,229,660)	(1,605,805)	(376,145)
Fund balances (deficits) at beginning of year	<u>2,091,483</u>	<u>2,091,483</u>	<u>2,091,483</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 861,823</u>	<u>\$ 861,823</u>	<u>\$ 485,678</u>	<u>\$ (376,145)</u>

City of Venice, Florida
Budget Comparison Schedule
Fishing Pier Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Charges for services	\$ 371,367	\$ 371,367	\$ 380,873	\$ 9,506
Interest	10,471	10,471	4,427	(6,044)
Miscellaneous	12,427	12,427	359,235	346,808
Total revenues	<u>394,265</u>	<u>394,265</u>	<u>744,535</u>	<u>350,270</u>
EXPENDITURES				
Current:				
Parks and recreation	119,945	447,708	178,249	269,459
Capital outlay	245,334	-	-	-
Total expenditures	<u>365,279</u>	<u>447,708</u>	<u>178,249</u>	<u>269,459</u>
Excess (deficiency) of revenues over (under) expenditures	<u>28,986</u>	<u>(53,443)</u>	<u>566,286</u>	<u>619,729</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(6,262)	(6,262)	(6,262)	-
Net other financing sources (uses)	<u>(6,262)</u>	<u>(6,262)</u>	<u>(6,262)</u>	<u>-</u>
Net change in fund balances	22,724	(59,705)	560,024	619,729
Fund balances (deficits) at beginning of year	<u>(57,996)</u>	<u>(57,996)</u>	<u>(57,996)</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ (35,272)</u>	<u>\$ (117,701)</u>	<u>\$ 502,028</u>	<u>\$ 619,729</u>

**City of Venice, Florida
 Budget Comparison Schedule
 Second Occupational License Fund
 For the Year Ended September 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Licenses and permits	\$ 8,445	\$ 8,445	\$ 8,755	\$ 310
Interest	269	269	810	541
Total revenues	<u>8,714</u>	<u>8,714</u>	<u>9,565</u>	<u>851</u>
EXPENDITURES				
Current:				
Public works	<u>22,149</u>	<u>22,149</u>	<u>22,149</u>	<u>-</u>
Total expenditures	<u>22,149</u>	<u>22,149</u>	<u>22,149</u>	<u>-</u>
Net change in fund balances	(13,435)	(13,435)	(12,584)	851
Fund balances (deficits) at beginning of year	<u>40,876</u>	<u>40,876</u>	<u>40,876</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 27,441</u>	<u>\$ 27,441</u>	<u>\$ 28,292</u>	<u>\$ 851</u>

**City of Venice, Florida
 Budget Comparison Schedule
 Growth Management Training Fund
 For the Year Ended September 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Interest	\$ -	\$ -	\$ 1,410	\$ 1,410
Miscellaneous	<u>9,655</u>	<u>9,655</u>	<u>5,174</u>	<u>(4,481)</u>
Total revenues	<u>9,655</u>	<u>9,655</u>	<u>6,584</u>	<u>(3,071)</u>
EXPENDITURES				
Current:				
General government	<u>15,900</u>	<u>15,900</u>	<u>8,154</u>	<u>7,746</u>
Total expenditures	<u>15,900</u>	<u>15,900</u>	<u>8,154</u>	<u>7,746</u>
Net change in fund balances	(6,245)	(6,245)	(1,570)	4,675
Fund balances (deficits) at beginning of year	<u>59,703</u>	<u>59,703</u>	<u>59,703</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 53,458</u>	<u>\$ 53,458</u>	<u>\$ 58,133</u>	<u>\$ 4,675</u>

City of Venice, Florida
Budget Comparison Schedule
Parking Fines Handicapped Access Improvement Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Fees and fines	11,433	11,433	4,741	(6,692)
Interest	749	749	1,010	261
Total revenues	<u>12,182</u>	<u>12,182</u>	<u>5,751</u>	<u>(6,431)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,779)	(23,779)	(23,779)	-
Net change in fund balances	8,403	(11,597)	(18,028)	(6,431)
Fund balances (deficits) at beginning of year	<u>45,568</u>	<u>45,568</u>	<u>45,568</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 53,971</u>	<u>\$ 33,971</u>	<u>\$ 27,540</u>	<u>\$ (6,431)</u>

City of Venice, Florida
Budget Comparison Schedule
Building Permit Fees Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Licenses and permits	\$ 1,339,564	\$ 1,339,564	\$ 1,001,655	\$ (337,909)
Interest	437	437	-	(437)
Miscellaneous	390	390	1,317	927
Total revenues	<u>1,340,391</u>	<u>1,340,391</u>	<u>1,002,972</u>	<u>(337,419)</u>
EXPENDITURES				
Current:				
General government	814,885	833,909	762,793	71,116
Debt service:				
Principal	430	430	211	219
Interest and fiscal charges	65	65	11,944	(11,879)
Capital outlay	4,000	4,000	-	4,000
Total expenditures	<u>819,380</u>	<u>838,404</u>	<u>774,948</u>	<u>63,456</u>
Excess (deficiency) of revenues over (under) expenditures	<u>521,011</u>	<u>501,987</u>	<u>228,024</u>	<u>(273,963)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	18,918	18,918	-
Transfers out	(521,011)	(521,011)	(521,011)	-
Net other financing sources (uses)	<u>(521,011)</u>	<u>(502,093)</u>	<u>(502,093)</u>	<u>-</u>
Net change in fund balances	-	(106)	(274,069)	(273,963)
Fund balances (deficits) at beginning of year	<u>(257,055)</u>	<u>(257,055)</u>	<u>(257,055)</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ (257,055)</u>	<u>\$ (257,161)</u>	<u>\$ (531,124)</u>	<u>\$ (273,963)</u>

**City of Venice, Florida
 Budget Comparison Schedule
 Centennial Community Fund
 For the Year Ended September 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Interest	756	756	1,305	549
Miscellaneous	1,004	1,004	336	(668)
Total revenues	<u>1,760</u>	<u>1,760</u>	<u>1,641</u>	<u>(119)</u>
EXPENDITURES				
Current:				
General government	1,760	1,760	-	1,760
Total expenditures	<u>1,760</u>	<u>1,760</u>	<u>-</u>	<u>1,760</u>
Net change in fund balances	-	-	1,641	1,641
Fund balances (deficits) at beginning of year	<u>53,624</u>	<u>53,624</u>	<u>53,624</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 53,624</u>	<u>\$ 53,624</u>	<u>\$ 55,265</u>	<u>\$ 1,641</u>

**City of Venice, Florida
 Budget Comparison Schedule
 Historical Commission Fund
 For the Year Ended September 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Interest	187	187	512	325
Miscellaneous	2,407	2,407	3,558	1,151
Total revenues	<u>2,594</u>	<u>2,594</u>	<u>4,070</u>	<u>1,476</u>
EXPENDITURES				
Current:				
General government	-	4,019	4,018	1
Capital outlay	10,000	6,281	-	6,281
Total expenditures	<u>10,000</u>	<u>10,300</u>	<u>4,018</u>	<u>6,282</u>
Net change in fund balances	(7,406)	(7,706)	52	7,758
Fund balances (deficits) at beginning of year	<u>15,717</u>	<u>15,717</u>	<u>15,717</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 8,311</u>	<u>\$ 8,011</u>	<u>\$ 15,769</u>	<u>\$ 7,758</u>

City of Venice, Florida
Budget Comparison Schedule
2001 Capital Improvement Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Interest	\$ 7,500	\$ 7,500	\$ 11,501	\$ 4,001
Total revenues	<u>7,500</u>	<u>7,500</u>	<u>11,501</u>	<u>4,001</u>
EXPENDITURES				
Debt service:				
Principal	760,000	760,000	760,000	-
Interest and fiscal charges	32,920	32,920	31,920	1,000
Total expenditures	<u>792,920</u>	<u>792,920</u>	<u>791,920</u>	<u>1,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(785,420)</u>	<u>(785,420)</u>	<u>(780,419)</u>	<u>5,001</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	105,000	105,000	105,000	-
Net other financing sources (uses)	105,000	105,000	105,000	-
Net change in fund balances	(680,420)	(680,420)	(675,419)	5,001
Fund balances (deficits) at beginning of year	<u>700,603</u>	<u>700,603</u>	<u>700,603</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 20,183</u>	<u>\$ 20,183</u>	<u>\$ 25,184</u>	<u>\$ 5,001</u>

City of Venice, Florida
Budget Comparison Schedule
2004 General Obligation Bond Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Taxes	\$ 711,464	\$ 711,464	\$ 726,521	\$ 15,057
Interest	7,250	7,250	8,122	872
Total revenues	<u>718,714</u>	<u>718,714</u>	<u>734,643</u>	<u>15,929</u>
EXPENDITURES				
Debt service:				
Principal	305,000	305,000	305,000	-
Interest and fiscal charges	367,685	367,685	367,685	-
Total expenditures	<u>672,685</u>	<u>672,685</u>	<u>672,685</u>	<u>-</u>
Net change in fund balances	46,029	46,029	61,958	15,929
Fund balances (deficits) at beginning of year	<u>145,498</u>	<u>145,498</u>	<u>145,498</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 191,527</u>	<u>\$ 191,527</u>	<u>\$ 207,456</u>	<u>\$ 15,929</u>

City of Venice, Florida
Budget Comparison Schedule
Streets Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Intergovernmental	-	455,000	-	(455,000)
Interest	52,266	52,266	30,880	(21,386)
Miscellaneous	-	158,405	158,406	1
Total revenues	<u>52,266</u>	<u>665,671</u>	<u>189,286</u>	<u>(476,385)</u>
EXPENDITURES				
Capital outlay	20,000	2,440,666	1,435,440	1,005,226
Total expenditures	<u>20,000</u>	<u>2,440,666</u>	<u>1,435,440</u>	<u>1,005,226</u>
Excess (deficiency) of revenues over (under) expenditures	<u>32,266</u>	<u>(1,774,995)</u>	<u>(1,246,154)</u>	<u>528,841</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	388,771	388,771	330,430	(58,341)
Net other financing sources (uses)	388,771	388,771	330,430	(58,341)
Net change in fund balances	421,037	(1,386,224)	(915,724)	470,500
Fund balances (deficits) at beginning of year	<u>2,595,396</u>	<u>2,595,396</u>	<u>2,595,396</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 3,016,433</u>	<u>\$ 1,209,172</u>	<u>\$ 1,679,672</u>	<u>\$ 470,500</u>

City of Venice, Florida
Budget Comparison Schedule
Beach Renourishment Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 51,095	\$ 51,095	\$ 230,947	\$ 179,852
Interest	47,164	47,164	39,165	(7,999)
Total revenues	<u>98,259</u>	<u>98,259</u>	<u>270,112</u>	<u>171,853</u>
EXPENDITURES				
Capital outlay	348,259	2,044,962	187,072	1,857,890
Total expenditures	<u>348,259</u>	<u>2,044,962</u>	<u>187,072</u>	<u>1,857,890</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(250,000)</u>	<u>(1,946,703)</u>	<u>83,040</u>	<u>2,029,743</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	250,000	250,000	250,000	-
Net other financing sources (uses)	250,000	250,000	250,000	-
Net change in fund balances	-	(1,696,703)	333,040	2,029,743
Fund balances (deficits) at beginning of year	<u>1,310,492</u>	<u>1,310,492</u>	<u>1,310,492</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 1,310,492</u>	<u>\$ (386,211)</u>	<u>\$ 1,643,532</u>	<u>\$ 2,029,743</u>

City of Venice, Florida
Budget Comparison Schedule
Building and Renovation Fund
For the Year Ended September 30, 2009

	<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	-	-	2,356	(2,356)
Capital outlay	60,000	382,392	23,679	358,713
Total expenditures	60,000	382,392	26,035	356,357
Excess (deficiency) of revenues over (under) expenditures	(60,000)	(382,392)	(26,035)	356,357
OTHER FINANCING SOURCES (USES)				
Transfers in	60,000	60,000	60,000	-
Net other financing sources (uses)	60,000	60,000	60,000	-
Net change in fund balances	-	(322,392)	33,965	356,357
Fund balances (deficits) at beginning of year	307,011	307,011	307,011	-
Fund balances (deficits) at end of year	\$ 307,011	\$ (15,381)	\$ 340,976	\$ 356,357

City of Venice, Florida
Budget Comparison Schedule
2004 GO Bond Construction Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Interest	-	-	82,903	82,903
Total revenues	-	-	82,903	82,903
EXPENDITURES				
Capital outlay	-	2,607,296	93,430	2,513,866
Total expenditures	-	2,607,296	93,430	2,513,866
Net change in fund balances	-	(2,607,296)	(10,527)	2,596,769
Fund balances (deficits) at beginning of year	3,474,979	3,474,979	3,474,979	-
Fund balances (deficits) at end of year	\$ 3,474,979	\$ 867,683	\$ 3,464,452	\$ 2,596,769

City of Venice, Florida
Budget Comparison Schedule
General Projects Fund
For the Year Ended September 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES				
Intergovernmental	-	3,780,598	3,780,598	-
Interest	2,000	2,000	-	(2,000)
Total revenues	<u>2,000</u>	<u>3,782,598</u>	<u>3,780,598</u>	<u>(2,000)</u>
EXPENDITURES				
Debt service:				
Interest and fiscal charges	-	-	12,759	(12,759)
Capital outlay	446,500	10,215,175	8,270,251	1,944,924
Total expenditures	<u>446,500</u>	<u>10,215,175</u>	<u>8,283,010</u>	<u>1,932,165</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(444,500)</u>	<u>(6,432,577)</u>	<u>(4,502,412)</u>	<u>1,930,165</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	446,500	4,166,500	4,149,504	(16,996)
Net other financing sources (uses)	<u>446,500</u>	<u>4,166,500</u>	<u>4,149,504</u>	<u>(16,996)</u>
Net change in fund balances	2,000	(2,266,077)	(352,908)	1,913,169
Fund balances (deficits) at beginning of year	<u>1,662,608</u>	<u>1,662,608</u>	<u>1,662,608</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ 1,664,608</u>	<u>\$ (603,469)</u>	<u>\$ 1,309,700</u>	<u>\$ 1,913,169</u>



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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, 2009

	Governmental Activities		
	Employees' Group Health and Life Insurance	Workers' Compensation Self Insurance	Employee Flexible Spending
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,764,005	\$ 826,071	\$ 5,415
Investments	2,156,005	1,009,643	6,619
Accounts receivable (net)	-	-	-
Interest receivable	25,780	11,843	102
Prepaid assets	-	-	-
Total assets	<u>\$ 3,945,790</u>	<u>\$ 1,847,557</u>	<u>\$ 12,136</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 549,067	\$ -	\$ -
Accrued liabilities	19,120	2,009	-
Accrued insurance claims	312,000	165,988	-
Total current liabilities	<u>880,187</u>	<u>167,997</u>	<u>-</u>
Long-term liabilities:			
Advance from other funds	-	-	2,000
Total long-term liabilities	<u>-</u>	<u>-</u>	<u>2,000</u>
Total liabilities	<u>880,187</u>	<u>167,997</u>	<u>2,000</u>
NET ASSETS			
Unrestricted	<u>3,065,603</u>	<u>1,679,560</u>	<u>10,136</u>
Total net assets	<u>\$ 3,065,603</u>	<u>\$ 1,679,560</u>	<u>\$ 10,136</u>

Governmental Activities

Property and Liability Insurance	Total Internal Service Funds
\$ 221,281	\$ 2,816,772
270,455	3,442,722
403	403
3,253	40,978
<u>20,865</u>	<u>20,865</u>
<u>\$ 516,257</u>	<u>\$ 6,321,740</u>
\$ 9,616	\$ 558,683
1,488	22,617
<u>-</u>	<u>477,988</u>
<u>11,104</u>	<u>1,059,288</u>
<u>-</u>	<u>2,000</u>
<u>-</u>	<u>2,000</u>
<u>11,104</u>	<u>1,061,288</u>
<u>505,153</u>	<u>5,260,452</u>
<u>\$ 505,153</u>	<u>\$ 5,260,452</u>

City of Venice, Florida
Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For Fiscal Year Ended September 30, 2009

	Governmental Activities		
	Employees' Group Health and Life Insurance	Workers' Compensation Self Insurance	Employee Flexible Spending
OPERATING REVENUES			
Charges for services	\$ 4,576,292	\$ 421,798	\$ -
Miscellaneous	-	15,730	88,374
Total operating revenues	<u>4,576,292</u>	<u>437,528</u>	<u>88,374</u>
OPERATING EXPENSES			
Personal services	55,933	43,540	-
Insurance	3,837,243	445,240	-
Professional services	398,801	20,740	-
Other services and charges	-	-	95,036
Total operating expenses	<u>4,291,977</u>	<u>509,520</u>	<u>95,036</u>
Operating income (loss)	<u>284,315</u>	<u>(71,992)</u>	<u>(6,662)</u>
NON OPERATING REVENUES (EXPENSES)			
Interest earnings	78,385	40,068	102
Interest expense	-	-	-
Net non-operating revenues (expenses)	<u>78,385</u>	<u>40,068</u>	<u>102</u>
Change in net assets	362,700	(31,924)	(6,560)
Total net assets - beginning	<u>2,702,903</u>	<u>1,711,484</u>	<u>16,696</u>
Total net assets - ending	<u>\$ 3,065,603</u>	<u>\$ 1,679,560</u>	<u>\$ 10,136</u>

Governmental Activities	
Property and Liability Insurance	Total Internal Service Funds
\$ 1,082,892	\$ 6,080,982
38,706	142,810
<u>1,121,598</u>	<u>6,223,792</u>
35,107	134,580
895,942	5,178,425
1,094	420,635
-	95,036
<u>932,143</u>	<u>5,828,676</u>
189,455	395,116
-	118,555
<u>(5,603)</u>	<u>(5,603)</u>
<u>(5,603)</u>	<u>112,952</u>
183,852	508,068
<u>321,301</u>	<u>4,752,384</u>
<u>\$ 505,153</u>	<u>\$ 5,260,452</u>

City of Venice, Florida
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2009

	Governmental Activities		
	Employees' Group Health and Life Insurance	Workers' Compensation Self Insurance	Employee Flexible Spending
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 4,576,575	\$ 437,528	\$ 88,374
Payments to suppliers	(3,922,826)	(496,025)	(95,036)
Payments to employees	(55,933)	(43,540)	-
Net cash provided (used) by operating activities	<u>597,816</u>	<u>(102,037)</u>	<u>(6,662)</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Short-term interfund borrowings	-	-	-
Net cash provided (used) by noncapital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	233,979	289,876	4,841
Purchase of investments	(832,341)	(389,780)	(2,555)
Interest earnings on cash and investments	77,104	42,462	144
Net cash provided by (used for) investing activities	<u>(521,258)</u>	<u>(57,442)</u>	<u>2,430</u>
Net increase (decrease) in cash and cash equivalents	76,558	(159,479)	(4,232)
Cash and cash equivalents at beginning of year	<u>1,687,447</u>	<u>985,550</u>	<u>9,647</u>
Cash and cash equivalents at end of year	<u><u>1,764,005</u></u>	<u><u>\$ 826,071</u></u>	<u><u>\$ 5,415</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	284,315	\$ (71,992)	\$ (6,662)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Change in current assets and liabilities:			
Accounts receivable	283	-	-
Prepaid expenses	26,416	-	-
Accounts payable	311,550	-	-
Other accrued expenses	(24,748)	(30,045)	-
Net cash provided (used) by operating activities	<u><u>\$ 597,816</u></u>	<u><u>\$ (102,037)</u></u>	<u><u>\$ (6,662)</u></u>

Governmental Activities

Property and Liability Insurance	Total Governmental Activities
\$ 1,122,471	\$ 6,224,948
(908,339)	(5,422,226)
(35,107)	(134,580)
<u>179,025</u>	<u>668,142</u>
(6,390)	(6,390)
(6,390)	(6,390)
7,124	535,820
(124,411)	(1,349,087)
-	119,710
<u>(117,287)</u>	<u>(693,557)</u>
55,348	(31,805)
165,933	2,848,577
<u>\$ 221,281</u>	<u>\$ 2,816,772</u>
\$ 189,455	\$ 395,116
873	1,156
(20,865)	5,551
9,178	320,728
384	(54,409)
<u>\$ 179,025</u>	<u>\$ 668,142</u>



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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** account for receipts and disbursements for our police officers. The City administers the funds only as authorized by the Police Officer's Pension Board.

Firefighters' Retirement Trust Fund, account 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, 2009

	Police Officers' Retirement	Firefighters' Retirement	Total Pension Funds
ASSETS			
Cash and cash equivalents	\$ 1,063,183	\$ 1,012,312	\$ 2,075,495
Interest and dividends receivable	61,555	67,721	129,276
Contributions receivable	220,735	120,668	341,403
Prepaid expenses	-	1,997	1,997
Investments, at fair value:			
U.S. Government obligations	1,916,062	1,606,766	3,522,828
Mortgage obligations	-	1,952,641	1,952,641
Domestic corporate bonds	3,228,977	626,569	3,855,546
Domestic stocks	13,229,465	5,043,816	18,273,281
Foreign stocks	1,868,424	-	1,868,424
Pooled real estate investment fund	-	741,120	741,120
Mutual funds	-	866,938	866,938
Total investments	<u>20,242,928</u>	<u>10,837,850</u>	<u>31,080,778</u>
Total Assets	<u>21,588,401</u>	<u>12,040,548</u>	<u>33,628,949</u>
LIABILITIES			
Accounts payable	16,772	62,715	79,487
Drop plan payable	914,224	-	914,224
Total Liabilities	<u>930,996</u>	<u>62,715</u>	<u>993,711</u>
NET ASSETS			
Held in trust for pension benefits	<u>\$ 20,657,405</u>	<u>\$ 11,977,833</u>	<u>\$ 32,635,238</u>

City of Venice, Florida
Combining Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
For the Year Ended September 30, 2009

	Police Officers' Retirement	Firefighters' Retirement	Total Pension Funds
ADDITIONS			
Contributions:			
Employer	\$ 562,333	\$ 845,727	\$ 1,408,060
Plan member	224,635	305,300	529,935
State of Florida (passed through general fund)	208,682	233,461	442,143
Total contributions	<u>995,650</u>	<u>1,384,488</u>	<u>2,380,138</u>
Investment income:			
Net appreciation (depreciation) in fair value of investments	(1,558,867)	(916,394)	(2,475,261)
Interest and dividends	<u>663,092</u>	<u>379,726</u>	<u>1,042,818</u>
Total investment income (loss)	(895,775)	(536,668)	(1,432,443)
Less investment expenses	<u>96,298</u>	<u>69,526</u>	<u>165,824</u>
Net investment income (loss)	<u>(992,073)</u>	<u>(606,194)</u>	<u>(1,598,267)</u>
Total additions	<u>3,577</u>	<u>778,294</u>	<u>781,871</u>
DEDUCTIONS			
Benefits	2,059,572	1,304,149	3,363,721
Administrative expense	<u>76,487</u>	<u>38,753</u>	<u>115,240</u>
Total deductions	<u>2,136,059</u>	<u>1,342,902</u>	<u>3,478,961</u>
Change in net assets	(2,132,482)	(564,608)	(2,697,090)
Net assets reserved for employees' pension benefits - beginning of year	<u>22,789,887</u>	<u>12,542,441</u>	<u>35,332,328</u>
Net assets reserved for employees' pension benefits - end of year	<u>\$ 20,657,405</u>	<u>\$ 11,977,833</u>	<u>\$ 32,635,238</u>

CAPITAL ASSETS
USED IN THE OPERATION OF
GOVERNMENTAL FUNDS

City of Venice, Florida
Capital Assets Used in Governmental Funds
September 30, 2009
(With Comparative Figures for 2008)

	<u>2009</u>	<u>2008</u>
Governmental capital assets:		
Land	\$ 10,923,000	\$ 3,556,993
Buildings	17,843,814	17,843,814
Improvements other than buildings	32,421,007	32,415,785
Machinery and equipment	8,813,208	8,650,175
Infrastructure	21,848,701	21,848,701
Construction in Progress	<u>4,377,544</u>	<u>1,796,516</u>
Total governmental capital assets	<u>\$ 96,227,274</u>	<u>\$ 86,111,984</u>
Investment in governmental capital assets from:		
General fund revenues and undetermined sources	\$ 84,705,527	\$ 74,590,237
Gifts	1,089,089	1,089,089
Federal, State and County grants	2,141,659	2,141,659
Revenue bonds and notes	<u>8,290,999</u>	<u>8,290,999</u>
Total investment in governmental capital assets	<u>\$ 96,227,274</u>	<u>\$ 86,111,984</u>

City of Venice, Florida
Schedule of Governmental Capital Assets
By Function and Activity
As of September 30, 2009

	Governmental Capital Assets September 30, 2009	Land	Buildings	Improvements Other than Buildings	Machinery and Equipment	Roads, Streets and other Infrastructure
General government:						
Land	\$ 8,480,263	\$ 8,480,263	\$ -	\$ -	\$ -	\$ -
Infrastructure	21,848,701	-	-	-	-	21,848,701
Staff agencies:						
City manager	114,152	-	80,677	-	33,475	-
City clerk	57,275	-	-	-	57,275	-
Finance	778,138	-	-	-	778,138	-
Other administration	6,149,334	-	3,588,237	2,491,075	70,022	-
Building and zoning	45,723	-	-	14,504	31,219	-
Engineering	399,266	-	-	351,078	48,188	-
Total staff agencies	7,543,888	-	3,668,914	2,856,657	1,018,317	-
Total general government	37,872,852	8,480,263	3,668,914	2,856,657	1,018,317	21,848,701
Public safety:						
Police protection	5,529,011	-	1,982,415	185,679	3,360,917	-
Fire protection	8,374,348	2,500	5,212,207	57,910	3,101,731	-
Total public safety	13,903,359	2,500	7,194,622	243,589	6,462,648	-
Public works	40,073,520	2,440,237	6,980,278	29,320,761	1,332,243	-
Total governmental capital assets allocated to functions	91,849,731	\$ 10,923,000	\$ 17,843,814	\$ 32,421,007	\$ 8,813,208	\$ 21,848,701
Construction in progress	4,377,544					
Total governmental capital assets	\$ 96,227,274					

City of Venice, Florida
Schedule of Changes in Governmental Capital Assets
By Function and Activity
Year Ended September 30, 2009

	Governmental Capital Assets October 1, 2008	Additions and Transfers	Deductions and Transfers	Governmental Capital Assets September 30, 2009
General government:				
Land	\$ 1,114,256	\$ 7,366,007	\$ -	\$ 8,480,263
Staff agencies:				
City manager	174,484	-	60,332	114,152
City clerk	57,275	-	-	57,275
Finance	752,655	25,483	-	778,138
Other administration	6,120,199	50,935	21,800	6,149,334
Building and zoning	45,723	-	-	45,723
Engineering	399,266	-	-	399,266
Total staff agencies	<u>7,549,602</u>	<u>76,418</u>	<u>82,132</u>	<u>7,543,888</u>
Total general government	8,663,858	7,442,425	82,132	16,024,151
Public safety:				
Police protection	5,304,324	402,865	178,178	5,529,011
Fire protection	8,398,323	-	23,975	8,374,348
Total public safety	<u>13,702,647</u>	<u>402,865</u>	<u>202,153</u>	<u>13,903,359</u>
Public works	40,100,262	41,796	68,538	40,073,520
Infrastructure	21,848,701	-	-	21,848,701
Construction in Progress	<u>1,796,516</u>	# <u>2,586,250</u>	<u>5,222</u>	<u>4,377,544</u>
Total governmental capital assets	<u>\$ 86,111,984</u>	<u>\$ 10,473,336</u>	<u>\$ 358,046</u>	<u>\$ 96,227,274</u>



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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 Six Fiscal Years
 (accrual basis of accounting)

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

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

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

Expenses	Fiscal Year					
	2009	2008	2007	2006	2005	2004
Governmental Activities:						
General government	\$ 7,965,653	\$ 6,299,922	\$ 6,113,770	\$ 6,564,303	\$ 5,752,028	\$ 5,162,923
Finance	1,558,111	999,886	1,116,887	1,039,800	783,201	911,459
Information services	738,468	810,482	770,597	718,328	-	-
Parks & recreation	4,174,416	2,349,277	1,359,061	1,353,766	-	-
Police	8,145,302	7,159,554	7,547,982	8,057,679	6,263,970	6,102,497
Fire	6,371,069	5,215,533	4,806,412	4,914,517	4,016,275	3,636,137
Public works	2,259,029	1,696,343	1,919,293	1,937,215	2,185,999	2,357,769
Interest on long-term debt	423,242	366,977	503,153	671,086	615,122	394,337
Total Governmental Activities	31,635,290	24,897,974	24,137,155	25,256,694	19,616,595	18,565,122
Business-type activities:						
Water and sewer	14,352,665	13,359,880	13,076,661	14,177,929	13,461,266	12,175,366
Solid waste	4,211,740	4,004,394	3,852,875	3,912,072	4,214,786	3,848,343
Airport	2,036,569	1,616,095	1,617,371	1,300,679	-	-
Stormwater drainage	879,087	579,923	590,057	786,203	-	-
Other	-	-	-	-	2,489,916	2,366,935
Total Business-Type Activities	21,480,061	19,560,292	19,136,964	20,176,883	20,165,968	18,390,644
Total Primary Government	\$ 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	\$ 1,783,389	\$ 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	47,910	12,360	-	93,387	27,394	105,980
Capital grants and contributions	3,804,691	2,109,662	-	573,553	2,380,311	2,319,532
Total Governmental Activities Program Revenues	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	16,962,042	16,210,376	13,595,250	12,605,867	12,529,765	11,400,654
Solid waste	4,919,755	4,944,586	5,055,959	4,540,051	4,089,977	3,446,641
Airport	1,888,786	1,797,152	1,693,113	1,557,852	-	-
Stormwater drainage	1,342,375	1,259,310	1,240,263	1,155,712	-	-
Other	-	-	-	-	2,634,688	2,565,911
Operating grants and contributions	-	-	-	27,475	-	-
Capital grants and contributions	444,498	392,984	4,561,702	3,883,712	5,114,334	2,141,003
Total Business-Type Activities Program Revenues	25,557,456	24,604,408	26,146,287	23,770,669	24,368,764	19,554,209
Total Primary Government Program Revenues	\$ 31,205,969	\$ 28,964,289	\$ 28,578,859	\$ 28,081,821	\$ 32,333,865	\$ 26,295,570

2004 was first year of implemenation 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 Six Fiscal Years
 (accrual basis of accounting)

	Fiscal Year					
	2009	2008	2007	2006	2005	2004
Net (expense)/revenue						
Governmental Activities	\$ (25,986,777)	\$ (20,538,093)	\$ (21,704,583)	\$ (20,945,542)	\$ (11,651,494)	\$ (11,823,761)
Business-type activities	4,077,395	5,044,116	7,009,323	3,593,786	4,202,796	1,163,565
Total primary government net expense	<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	\$ 10,581,789	\$ 12,389,422	\$ 14,617,977	\$ 9,376,276	\$ 11,221,163	\$ 9,353,806
Sales taxes	4,535,649	4,740,682	3,809,873	3,921,812	-	-
Excise taxes	1,822,560	1,774,534	1,766,935	3,643,219	-	-
Franchise fees	1,912,443	2,029,285	1,861,315	1,727,851	1,458,340	1,359,041
Intergovernmental	2,545,037	2,581,898	5,356,379	4,822,574	6,256,995	5,512,767
Investment earnings	848,836	1,000,375	1,552,179	921,722	484,402	199,841
Miscellaneous	694,870	281,828	1,050,484	842,925	1,431,632	456,484
Special Item	-	2,425,952	-	-	-	-
Transfers, net	2,998,452	2,902,830	2,902,830	3,096,167	62,379	(48,709)
Total governmental activities	<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	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	(2,998,452)	(2,902,830)	(2,902,830)	(3,096,167)	(62,379)	48,709
Total business-type activities	<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>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	(47,141)	9,588,713	11,213,389	7,407,004	9,263,417	5,009,469
Business-type activities	1,320,277	2,452,866	4,747,609	1,127,205	5,169,036	2,873,275
Total primary government	<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 implemetation 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)

	Fiscal Year				
	2009	2008	2007	2006	2005
General Fund					
Reserved	\$ 5,342,307	\$ 6,627,747	\$ 10,574,144	\$ 12,623,396	\$ 1,901,862
Unreserved	10,965,345	11,404,730	6,416,646	3,093,288	10,913,769
Total General Fund:	<u>16,307,652</u>	<u>18,032,477</u>	<u>16,990,790</u>	<u>15,716,684</u>	<u>12,815,631</u>
All other governmental funds					
Reserved	207,456	10,196,587	10,026,346	-	-
Unreserved, reported in:					
Special Revenue Funds	1,326,901	2,573,837	1,936,343	2,721,889	3,490,165
Debt Service Funds	25,184	-	-	509,600	599,593
Capital Project Funds	8,438,332	-	-	7,337,718	4,550,078
Total All Other Governmental Funds:	<u>9,997,873</u>	<u>12,770,424</u>	<u>11,962,689</u>	<u>10,569,207</u>	<u>8,639,836</u>
Total Governmental Funds:	<u><u>\$ 26,305,525</u></u>	<u><u>\$ 30,802,901</u></u>	<u><u>\$ 28,953,479</u></u>	<u><u>\$ 26,285,891</u></u>	<u><u>\$ 21,455,467</u></u>

Fiscal Year				
2004	2003	2002	2001	2000
\$ 1,666,440	\$ 1,869,948	\$ 1,248,611	\$ 806,593	\$ 940,010
7,768,191	6,275,526	5,287,786	4,779,298	3,623,074
<u>9,434,631</u>	<u>8,145,474</u>	<u>6,536,397</u>	<u>5,585,891</u>	<u>4,563,084</u>
-	-	634,565	646,138	804,624
2,689,517	3,298,621	3,172,765	2,433,113	1,533,283
631,807	631,625	-	-	-
<u>10,508,742</u>	<u>1,940,016</u>	<u>5,973,797</u>	<u>5,287,865</u>	<u>2,826,852</u>
<u>13,830,066</u>	<u>5,870,262</u>	<u>9,781,127</u>	<u>8,367,116</u>	<u>5,164,759</u>
<u><u>\$ 23,264,697</u></u>	<u><u>\$ 14,015,736</u></u>	<u><u>\$ 16,317,524</u></u>	<u><u>\$ 13,953,007</u></u>	<u><u>\$ 9,727,843</u></u>

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

	Fiscal Year				
	2009	2008	2007	2006	2005
Revenues:					
Taxes	\$ 16,939,998	\$ 18,904,638	\$ 20,194,785	\$ 16,941,307	\$ 11,221,163
Franchise fees	1,912,443	2,029,285	1,861,315	1,727,851	1,458,340
Licenses & permits	1,261,300	1,491,748	1,765,693	2,991,377	3,703,663
Intergovernmental revenues	6,397,638	4,789,216	5,356,379	5,115,954	8,233,052
Charges for services	474,768	572,175	571,375	532,688	397,721
Fines and forfeitures	59,842	88,639	95,505	120,146	138,222
Interest and investments earnings	737,294	929,997	1,449,099	905,931	-
Administrative charges to other funds	-	-	-	-	4,828,195
Miscellaneous	693,711	281,828	1,050,482	890,798	-
Charges for stormwater drainage	-	-	-	-	-
Total Revenues	28,476,994	29,087,526	32,344,633	29,226,052	29,980,356
Expenditures					
General government services	8,385,035	7,079,607	7,512,459	7,239,303	8,001,187
Public safety	12,463,758	12,156,924	11,966,559	12,170,223	11,387,211
Public works	2,917,332	3,024,778	2,929,164	2,807,669	2,832,065
Bond issue costs	-	-	-	-	-
Stormwater drainage	-	-	-	-	-
Capital outlay	10,530,950	8,646,485	7,506,838	3,455,927	8,313,203
Debt service					1,423,584
Principal	1,241,144	1,277,385	1,257,118	1,198,426	-
Interest	434,603	381,708	491,954	620,247	-
Total Expenditures	35,972,822	32,566,887	31,664,092	27,491,795	31,957,250
Excess (deficiency) of revenues over (under) expenditures	(7,495,828)	(3,479,361)	680,541	1,734,257	(1,976,894)
Other financing sources (uses)					
Transfers from other funds	9,226,250	10,583,725	10,880,673	16,737,038	9,557,602
Transfers to other funds	(6,227,798)	(7,680,894)	(8,893,626)	(13,640,871)	(9,473,362)
Payments to escrow agent	-	-	-	-	-
Discount on general obligation debt	-	-	-	-	-
Proceeds from long-term debt	-	-	-	-	83,424
Proceeds from capital lease	-	-	-	-	-
Special item	-	2,425,952	-	-	-
Total other financing sources (uses)	2,998,452	5,328,783	1,987,047	3,096,167	167,664
Net Change in Fund Balance	\$ (4,497,376)	\$ 1,849,422	\$ 2,667,588	\$ 4,830,424	\$ (1,809,230)
Debt Service as a percentage of non-capital expenditures	7.05%	7.45%	7.81%	8.19%	6.41%

		Fiscal Year							
		2004	2003	2002	2001	2000			
\$	9,353,806	\$	8,389,598	\$	7,617,174	\$	6,702,303	\$	6,325,320
	1,359,041		1,201,186		1,137,360		1,313,916		1,220,325
	3,298,685		2,232,902		1,067,343		898,834		783,252
	7,638,279		5,957,825		5,827,692		5,306,427		5,162,148
	353,826		365,689		308,125		311,426		281,627
	104,635		109,220		111,563		135,416		125,619
	-		-		-		-		-
	1,647,226		2,124,168		1,719,293		1,699,081		1,356,280
	1,053,411		1,135,822		1,337,566		1,166,857		1,169,820
	-		-		979,917		967,290		953,015
	24,808,909		21,516,410		20,106,033		18,501,550		17,377,406
	7,235,145		6,066,403		5,328,029		5,425,065		5,025,548
	10,839,759		9,141,776		8,135,243		7,756,129		7,473,476
	2,688,560		2,156,160		2,248,162		2,147,651		2,121,416
	162,339		-		-		-		-
	-		-		783,271		646,544		853,087
	4,108,708		3,833,957		485,748		482,093		708,504
	931,823		750,768		688,861		547,223		1,709,445
	-		-		-		-		-
	-		-		-		-		-
	25,966,334		21,949,064		17,669,314		17,004,705		17,891,476
	(1,157,425)		(432,654)		2,436,719		1,496,845		(514,070)
	7,209,644		6,160,703		5,277,646		4,868,328		5,671,035
	(7,256,122)		(6,011,298)		(5,349,848)		(4,864,099)		(5,642,549)
	-		-		-		(3,036,043)		-
	(66,276)		-		-		-		-
	10,519,137		-		-		5,760,133		1,397,606
	-		577,000		-		-		-
	-		-		-		-		-
	10,406,383		726,405		(72,202)		2,728,319		1,426,092
\$	9,248,958	\$	293,751	\$	2,364,517	\$	4,225,164	\$	912,022
	4.49%		4.32%		4.38%		3.57%		11.69%

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

Fiscal Year Ended 30-Sep	Residential Property	Personal Property	Total Taxable Assessed Value	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2009	\$ 3,013,357,280	\$ 159,619,018	\$ 3,172,976,298	\$ 4,088,276,603	77.61%
2008	3,487,010,981	166,204,632	3,653,215,613	4,796,837,014	76.16%
2007	3,976,883,794	158,431,313	4,135,315,107	4,366,055,972	94.72%
2006	2,928,778,736	128,656,435	3,057,435,171	4,150,313,277	73.67%
2005	2,341,176,522	127,792,256	2,468,968,778	3,047,535,293	81.02%
2004	1,984,218,138	117,660,814	2,101,878,952	2,565,227,475	81.94%
2003	1,640,536,838	111,160,068	1,751,696,906	2,069,651,779	84.64%
2002	1,426,800,504	105,954,097	1,532,754,601	1,770,721,289	86.56%
2001	1,295,297,388	104,134,519	1,399,431,907	1,601,338,133	87.39%
2000	1,220,098,743	98,437,438	1,318,536,181	1,517,194,159	86.91%

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

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	
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
2001	3.406	-	3.406	5.140	8.490	0.420	17.456
2000	3.406	-	3.406	5.150	8.540	0.420	17.516

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

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 Of Levy		Amount	Percentage Of Levy
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%
2001	4,766,465	4,753,275	99.7%	6,928	4,760,203	99.9%
2000	4,490,934	4,432,958	98.7%	7,814	4,440,772	98.9%

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

Utility System Refunding Revenue Bond							
Fiscal Year	Water & Sewer Charges and other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	
				Principal	Interest		
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	
2001	14,483,715	6,846,305	7,637,410	579,067	515,933	7.0	
2000	10,558,410	5,980,257	4,578,153	531,147	548,853	4.2	

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

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

2004 was first year of impenetation 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

Fiscal Year	Governmental Activities				Business-Type Activities		
	General Obligation Bonds	Revenue Bonds	Capital Leases	Promissory Notes/Bonds	Revenue Bonds	Notes Payable	Capital Leases
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	-
2001	-	7,610,000	411,957	823,374	27,520,566	285,452	-
2000	-	5,950,000	585,648	331,891	28,496,373	404,318	-

<u>Total Primary Government</u>	<u>Percentage Of Personal Income</u>	<u>Per Capita</u>
\$ 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
36,651,349	7.17%	2,063
35,768,230	6.47%	1,860

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

Fiscal Year	Real Property Assessed Value	Population	General Bonds/Notes	Available in Debt Service Fund	Total	Percentage of Estimated/ Actual Taxable Value of Property	Net Bonded Debt Per Capita
2009	\$ 3,652,445,467	22,146	\$ 8,671,589	\$ 231,112	\$ 8,440,477	0.23%	\$ 381.13
2008	4,366,055,972	22,149	9,810,037	847,101	8,962,936	0.21%	404.67
2007	4,142,223,323	21,584	10,978,687	812,689	10,165,998	0.25%	471.00
2006	3,056,962,006	20,800	12,130,594	663,368	11,467,226	0.38%	551.31
2005	2,466,935,840	20,035	13,256,566	599,593	12,656,973	0.51%	631.74
2004	1,984,218,138	20,035	14,343,960	631,807	13,712,153	0.69%	684.41
2003	1,640,536,838	19,265	5,170,217	631,625	4,538,592	0.28%	235.59
2002	1,426,800,504	18,151	8,880,576	634,965	8,245,611	0.58%	454.28
2001	1,295,297,388	17,764	6,867,539	646,138	6,221,401	0.48%	350.23
2000	1,220,098,743	19,232	6,905,889	982,302	5,923,587	0.49%	308.01

City of Venice, Florida
 Direct and Overlapping Governmental Activities Debt
 as of September 30, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
City of Venice	\$ 8,545,000	100%	\$ 8,545,000
Sarasota County School Board	144,497,346	6.82%	9,854,719
Sarasota County	<u>363,894,181</u>	6.82%	<u>24,817,583</u>
Total direct and overlapping debt	<u><u>\$ 516,936,527</u></u>		<u><u>\$ 43,217,302</u></u>

Source: Sarasota School Board's and Sarasota County's CAFR.

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

Fiscal Year	Population (a)	Personal Income (a)	Per Capita Personal Income	Unemployment Rate (a)
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%
2001	17,764	510,910,404	28,761	3.0%
2000	19,232	553,131,552	28,761	4.1%

SOURCE: (a) Bureau of Economic and Business Research, University of Florida

NOTES: Statistics for personal income and unemployment rate are not available for the City of Venice. Therefore, figures for Sarasota County were used.

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

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Venice HMA Inc. (Venice Regional Medical Ctr)	\$ 40,854,700	1	1.12%			
MHC-Bay Indies Vistas Inc	38,762,800	2	1.06%	\$ 39,168,400	1	2.97%
Sunrise AG Pelican Pointe, LLC (Aston Gardens at Venice, LLC)	25,559,200	3	0.70%			
PGT Industries, Inc. (Vinyl Tech)	15,825,300	4	0.43%	10,508,900	2	0.80%
Csh-ing Bella Vita LP (Bella Vita Arv., Inc)	14,112,800	5	0.39%	8,032,000	4	0.61%
Southwest Florida Retirement Ctr	11,905,933	6	0.33%	9,707,933	3	0.73%
OB Waterford LLC	10,812,800	7	0.30%			
WCI Communities LLC	10,682,700	8	0.29%			
Healthcare Realty Trust Inc	8,588,500	8	0.24%			
Venice Plaza Shopping Ctr Ltd	8,050,500	9	0.22%			
Venice Plaza Ltd	7,697,200	10	0.21%	5,537,000	10	0.42%
IRT Property Co.				7,666,000	5	0.58%
Healthcare Realty Trust, Inc.				6,985,000	6	0.53%
Marriott Retirement				6,800,000	7	0.52%
WMFMT Real Estate, Ltd				6,269,900	8	0.48%
Manor Care of Bioynton Beach, Inc				5,733,700	9	0.43%
Totals	<u>\$ 192,852,433</u>		<u>5.28%</u>	<u>\$ 106,408,833</u>		<u>8.07%</u>

Source: Sarasota County Economic Development Corporation

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

Employer	2009			2000		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
School Board of Sarasota County	5,548	1	3.83%	4,407	1	3.08%
Sarasota County Government	3,335	2	2.30%	3,467	2	2.43%
Sarasota Memorial Hospital	3,092	3	2.14%	3,200	3	2.24%
Publix Super Markets	1,602	4	1.11%	2,954	4	2.07%
PGT Industries (Vinyl Tech)	913	5	0.63%	1,103	6	0.77%
Venice Regional Medical Center	830	6	0.57%	1,428	5	1.00%
Bon Secours- Venice Hospital						
SunTrust Bank	819	7	0.57%			
City of Sarasota	740	8	0.51%			
Sun Hydraulics Corporation	640	9	0.44%			
Comcast Cable	595	10	0.41%			
Wal-Mart				963	7	0.67%
Charter One Hotels				950	8	0.66%
HCA Doctors Hospital				908	9	0.64%
Arthur Anderson LLP				879	10	0.61%
	<u>18,114</u>		<u>12.51%</u>	<u>20,259</u>		<u>14.17%</u>
Total Sarasota County Employment:	<u>144,763</u>			<u>142,979</u>		

Source: Sarasota County Finance Department

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

	Fiscal Year				
	2009	2008	2007	2006	2005
Department:					
Mayor and Council	7.0	7.0	7.0	7.0	7.0
City Manager	4.0	4.0	6.5	5.5	7.5
Historical Resources	1.0	1.0	1.0	0.5	0.5
City Clerk	6.0	6.0	6.0	6.5	6.5
Finance *	13.0	13.0	13.0	13.5	13.5
Purchasing	-	-	-	5.0	5.0
Public Works					
Administration	4.0	4.0	4.0	4.5	4.0
General Maintenance	15.0	15.0	15.0	16.0	16.5
Parks Maintenance	14.0	15.0	15.0	15.0	13.5
Engineering	10.0	10.0	9.0	10.5	9.5
Police	73.0	73.0	77.0	80.5	80.5
Fire	46.5	46.0	46.5	46.5	46.0
Planning & Zoning	4.0	5.0	5.0	5.0	5.0
Information Systems	4.0	4.0	5.0	5.0	6.0
Growth Management	-	-	-	-	-
Administrative Services	5.0	5.0	5.0	7.0	7.0
Building & Code					
Enforcement	8.0	8.0	14.0	14.0	15.5
Airport	8.0	8.0	7.0	7.0	7.5
Utilities Administration	2.0	2.0	2.0	2.5	-
Distribution / Collection	28.0	28.0	23.0	21.0	20.0
Water Production	15.0	15.0	17.0	19.0	21.0
Pollution Ctrl/Water					
Reclamation	21.0	21.0	25.0	26.0	26.0
Reuse	-	-	-	-	1.0
Utility					
Engineering/Construction	-	-	3.0	3.0	2.0
Solid Waste	13.5	13.5	13.5	12.0	11.5
Recycling	10.5	10.5	10.5	12.0	11.5
Stormwater	2.0	2.0	2.0	3.0	2.0
TOTAL	314.5	316.0	332.0	347.5	346.0

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

Source: City of Venice Finance Department

Fiscal Year				
2004	2003	2002	2001	2000
7.0	7.0	7.0	7.0	7.0
5.3	5.3	4.8	5.5	5.5
0.5	0.5	0.5	0.5	0.5
6.5	6.5	6.0	6.0	6.0
13.5	12.5	12.0	12.0	12.0
5.0	5.0	5.0	5.0	5.0
4.0	4.0	4.0	4.0	4.0
15.5	15.5	15.5	15.5	15.5
13.5	11.5	11.5	11.5	11.5
7.5	7.5	7.0	8.0	8.0
79.5	77.5	71.0	72.0	69.0
46.0	42.0	42.0	42.0	39.0
-	-	-	-	-
6.0	5.0	7.0	5.0	5.0
19.2	19.2	14.7	14.0	14.0
7.0	6.0	5.0	5.0	5.0
-	-	-	-	-
7.0	7.0	6.0	6.0	6.0
6.0	4.0	3.0	2.0	2.0
23.0	21.0	22.0	22.0	20.0
21.0	20.0	18.0	18.0	17.0
36.0	34.0	28.0	27.0	26.0
2.0	2.0	4.0	3.0	3.0
-	-	-	-	-
11.0	11.0	11.0	10.0	10.0
11.0	11.0	11.0	10.0	10.0
1.0	1.0	1.0	1.0	1.0
354.0	336.0	317.0	312.0	302.0

CITY OF VENICE, FLORIDA
 Capital Asset Statistics by Function Operating Indicators
 Last Ten Fiscal Years

	Fiscal Year				
	2009	2008	2007	2006	2005
Paved Streets (miles)	62	62	62	60	60
Unimproved Streets (miles)	0	0	0	1	1
Wastewater Main (miles)					
(includes collection pipe and forcemain)	141.4	165.09	147.1	105.0	105.0
Equivalent Connections	18,765	18,757	18,723	18,296	18,246
Storm Sewers (miles)	38.08	38.08	38.08	38.08	38.08
Water Mains (miles)					
(includes distribution pipe & raw water mains)	196.2	212.06	195.8	174.1	171.4
Equivalent Connections	19,496	19,483	19,411	19,989	19,253
Fire Hydrants	1,018	1,019	1001	949	918
Reclaimed Water Mains (miles)	49.2	49.2	49.2	44	38
Reclaimed Water Bulk connections	7	7	7	21	20
Reclaimed Water Residential connections	2,908	2,899	2,871	2,418	2,415
Police Stations	1	1	1	1	1
Fire Stations	3	3	3	2	2
Number of Parks	35	35	28	28	28
Park Acreage	367.78	367.78	357.58	357.58	357.58
Playgrounds	10	10	8	8	8
Baseball and Softball Diamonds	9	9	9	9	9
Tennis Courts	8	8	8	8	8
Basketball Courts	3	3	3	3	3
Shuffleboard Courts	18	18	18	18	18
Community Centers	1	1	1	1	1
Golf Courses	1	1	1	1	1
Boat Docks	2	2	2	2	2
Nature/Fitness Trail (miles)	1.6	1.6	1.6	1.6	1.6
Soccer Fields	3	3	3	3	3
Football Fields	3	3	3	3	3
Croquet Courts	3	3	3	3	3
Interactive Fountain	1	1	1	1	1
Gazebo	2	2	2	2	2
Fishing Pier	1	1	1	1	1
Paw (Dog) Park	1	1	1	1	1

Source: City of Venice Engineering Department

Fiscal Year				
2004	2003	2002	2001	2000
56	54	51	51	51
1	1	1	1	1
103.0	97.7	75.9	75.9	73.1
17,919	16,145	15,451	15,451	15,084
38.08	38.08	37.39	37.39	37.39
168.2	148.6	107.05	107.05	103.92
18,562	16,292	15,636	15,636	15,265
900	773	683	683	663
38	35.3	18.25	18.25	18.25
20	20	20	20	59
2,415	2,387	2,368	2,368	2,352
1	1	1	1	1
2	2	2	1	1
28	25	25	25	23
351.08	305.12	305.12	305.12	296.26
11	11	11	11	11
9	9	9	9	9
8	8	8	8	8
3	3	3	3	3
18	18	18	18	18
1	1	1	1	1
1	1	1	1	1
2	2	2	2	2
1.6	1.6	1.6	1.6	1.6
3	3	3	3	2
3	3	3	3	1
0	0	0	0	0
0	0	0	0	0
1	1	1	1	1
1	1	1	1	1
1	1	1	1	0



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