

Management's Discussion and Analysis

As Town Manager and Finance Director for the Town of Longboat Key, Florida, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town of Longboat Key for the fiscal year ended September 30, 2008. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found on pages i-iv of this report.

Financial Highlights

- The Town of Longboat Key's assets exceeded its liabilities (net assets) at September 30 by \$94,394,801 for fiscal year 2008, as compared to \$90,687,430 for fiscal year 2007. Unrestricted net assets may be used to meet the Town's ongoing obligations to citizens and creditors; the Town of Longboat Key's unrestricted net assets at September 30, 2008 amounted to \$34,518,273. Unrestricted net assets increased \$860,536 from the previous fiscal year.
- The Town's total net assets this fiscal year increased \$3,707,371 over the previous year with \$892,200 of the increase resulting from governmental activities and \$2,815,171 resulting from business-type activities.
- At September 30, 2008 the Town of Longboat Key's governmental fund statements reported combined ending fund balances of \$26,421,894, an increase of \$206,160 over the previous fiscal year. Of this amount, \$25,997,625 remains in the various fund types of the Town as unreserved.
- The General Fund reported an unreserved fund balance of \$5,098,242 compared to last year's unreserved amount of \$4,819,326; a increase from last fiscal year of \$278,916.

Overview of the Financial Statements

Our discussion and analysis is intended to serve as an introduction to the Town of Longboat Key's financial statements, which include government-wide statements, fund statements, as well as notes to the basic financial statements. There is additional supplementary information following these financial statements, which may be of interest to the reader.

Government-Wide Financial Statements

Government-wide financial statements are designed to provide you with a broad overview of the financial position of the Town of Longboat Key and are similar to private-sector financial statements. They include a *Statement of Net Assets* and a *Statement of Activities*. These statements appear on pages 13 to 14 of the report.

The Statement of Net Assets shows the Town's assets less its liabilities as of September 30, 2008. The difference between these assets and liabilities is reported as net assets. Changes in net assets over time may be helpful in indicating an improving or deteriorating financial position.

The Statement of Activities follows the Statement of Net Assets and presents information showing how the net assets changed during the fiscal year. The statement presents all underlying events, which give rise to the change, regardless of the timing of the related cash flows. Some included items, such as accounts payable or earned but unused vacation leave, will produce changes in cash in a future fiscal period.

Both statements attempt to distinguish functions of the Town of Longboat Key that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Governmental activities reported in the statements include general government, public safety, transportation, and culture and recreation. Major business activities in the Town of Longboat Key include water and sewer operations and Building Department functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, the Town of Longboat Key uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of The Town of Longboat Key government can be divided into three categories: governmental, proprietary and fiduciary funds.

Governmental Funds

Governmental Funds, presented on pages 15 to 17, essentially account for the same functions as those reported under the government-wide Statement of Net Assets and Statement of Activities. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the fiscal year and is a narrower focus than the government-wide financial statements. Such information may be useful in evaluating the Town of Longboat Key's near-term financing requirements and available resources.

By comparing functions between the two sets of statements for governmental funds and governmental activities, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison.

Governmental funds individually presented in the Town of Longboat Key's statements include three major funds, the General Fund, General Obligation Beach Bonds, and the Beach Nourishment Capital Project Fund. Although there are many smaller governmental funds in the Town of Longboat Key government, they have been presented in a total column termed as "other governmental funds". Combining statements for these other governmental funds have been presented elsewhere in the report.

Proprietary Funds

The Town of Longboat Key maintains and presents two major proprietary funds, a Water and Sewer enterprise fund and a Building Department enterprise fund (beginning October 1, 2008) that are presented on pages 18 to 20 of this report. Enterprise funds report, in greater detail, the same information presented as business-type activities in the government-wide financial statements for water and sewer operations and Building Department functions.

Fiduciary Funds

The Town of Longboat Key uses fiduciary funds to account for resources held for the benefit of parties outside Town government. Examples of the Town's fiduciary funds are the funds used to account for the Town's three retirement systems. Although these funds are presented in the fund set of statements, they do not appear in the government-wide financial statements because the resources of fiduciary funds are not available to support the Town of Longboat Key government's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. These funds are presented on pages 21 and 22 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in both government-wide and fund financial statements. Notes are presented on pages 23 to 39 of the report.

Other Information

The combining and individual statements and schedules, referred to earlier, present more detailed views of nonmajor funds used in governmental and enterprise funds begin on page 55. This section includes budget to actual schedules for nonmajor special revenue funds and debt service funds. Also included are statements for pension and agency funds. Additional information about the Town, which may be of interest to the reader, is found under the Statistical section of this report.

Government-Wide Financial Analysis

Comparative data for fiscal years ending September 30, 2008 and 2007 are shown below.

Town of Longboat Key Net Assets (in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Current/other assets	\$27,215	\$27,157	\$10,808	\$12,217	\$38,023	\$39,374
Capital assets	53,859	56,230	16,228	11,950	70,087	68,180
Total assets	<u>81,074</u>	<u>83,387</u>	<u>27,036</u>	<u>24,167</u>	<u>108,110</u>	<u>107,554</u>
Current liabilities	3,672	3,937	1,092	658	4,764	4,595
Long-term liabilities	8,511	11,452	440	820	8,951	12,272
Total liabilities	<u>12,183</u>	<u>15,389</u>	<u>1,532</u>	<u>1,478</u>	<u>13,715</u>	<u>16,867</u>
Invested in capital assets net of related debt	42,895	42,290	12,874	10,781	55,769	53,071
Restricted		0	4,108	3,959	4,108	3,959
Unrestricted	<u>25,996</u>	<u>25,708</u>	<u>8,522</u>	<u>7,949</u>	<u>34,518</u>	<u>33,657</u>
Total net assets	<u>\$68,891</u>	<u>\$67,998</u>	<u>\$25,504</u>	<u>\$22,689</u>	<u>\$94,395</u>	<u>\$90,687</u>

The overall financial position of the Town improved in both fiscal years 2008 and 2007. As noted earlier in our discussion, changes in net assets over time can be one of the best and most useful indicators of financial position. The Town of Longboat Key's increase in net assets for the fiscal years ending September 30, 2008 and 2007 amounted to \$3,707,371 and \$8,300,053, respectively. Although the Town of Longboat Key's taxable value increased by only .79% for fiscal year 2008, the Town's fiscal outlook remains positive due to the Town's substantial tax base.

Governmental Activities

The Town, for both fiscal years, reports positive balances in all categories of net assets in governmental activities. The Town's net assets at September 30, 2008 increased \$287,686 over 2007 for unrestricted net assets because of an increased transfer from water and wastewater operations. Invested in capital assets, net of related debt increased \$604,514 over 2007 due to the annual principal payment on the debt service. Unrestricted net assets are Town resources that may be used to meet the Town's ongoing obligations to citizens and creditors while restricted assets are resources subject to external restriction. The primary reasons for the increase in unrestricted net assets are a larger transfer from the water and sewer fund and a transfer from the building department fund.

The Town of Longboat Key's investment in capital assets for governmental activities such as land, roads, parks, buildings, machinery and equipment, as a percentage of net assets, amounts to 62.3% and 62.2% at September 30, 2008 and 2007, respectively. These asset values are presented less any outstanding debt related to the acquisition and accumulated depreciation of those assets. The Town uses capital assets to provide services to the citizens and consequently these assets are not available for future spending. Although our investment in capital assets is reported net of related debt, the capital assets themselves cannot be used to liquidate that liability and other resources will be needed to repay any associated debt.

Business-type Activities

The Town's business-type activities, for both fiscal years, reports positive balances in all categories of net assets. The Town's business-type net assets at September 30, 2008 increased a total of \$2,815,171 over 2007. Current unrestricted assets increased a total of \$971,406 from the previous year. This increase was made up of a \$991,788 increase in current unrestricted cash and equivalents offset by small decreases in accounts receivable and inventory. The majority increase in the current unrestricted cash balance is related to a reduction in the water and wastewater operations expenses for goods, services and capital projects and the Building Department now being accounted for as an enterprise fund.

A comparison of current unrestricted assets as compared to current unrestricted liabilities for both governmental and business-type activities can be a good indication of the Town's ability to meet its current and existing operational responsibilities.

The ratio for both years is as follows:

Comparison of Current Unrestricted Assets and Liabilities (in thousands)

	Governmental Activities	Business-type Activities
Fiscal year ending September 30, 2008:		
Current unrestricted assets	\$ 27,215	\$ 10,499
Current unrestricted liabilities	\$ 3,672	\$ 782
Ratio of current assets to current liabilities	7.41	13.4
 Fiscal year ending September 30, 2007:		
Current unrestricted assets	\$ 27,077	\$ 9,528
Current unrestricted liabilities	\$ 3,937	\$ 356
Ratio of current assets to current liabilities	6.88	27.76

The Town continues to maintain healthy ratios as noted above which indicates more than adequate cash flows for the Town. The increase in the Governmental Activities current ratio for 2008 is due to the building department fund being reported as an enterprise fund and an increase in the transfer from the water and sewer fund.

Town of Longboat Key Statement of Activities (in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2008	2007	2008	2007	2008	2007
Program Revenues:						
Charges for services	\$ 789	\$ 2,277	\$ 9,095	\$ 8,107	\$ 9,884	\$ 10,384
Operating grants and contributions	1	43	1	5	1	48
Capital grants and contributions	177	3,485	1	1	177	3,485
General Revenues:						
Property taxes	11,857	11,705	1	1	11,857	11,705
Gasoline taxes	508	523	1	1	508	523
Sales taxes	1,256	1,414	1	1	1,256	1,414
State revenue sharing	604	599	1	1	604	599
Business Tax	175	112	1	1	175	112
Tourist tax	600	583	1	1	600	583
Franchise tax	1,088	1,112	1	1	1,088	1,112
Licenses and permits	40	1	1	1	40	1
Interest income	814	1,712	264	461	1,078	2,173
Gain (loss) on disposal of capital assets	24	15	1	3	24	18
Miscellaneous	43	38	1	1	43	38
Net transfers	991	1	(991)	1	1	1
Total revenues	18,966	23,618	8,368	8,576	27,334	32,194
Expenses:						
General government	5,994	5,910	1	1	5,994	5,910
Public safety	7,077	8,280	1	1	7,077	8,280
Transportation	800	601	1	1	800	601
Culture and recreation	3,724	3,573	1	1	3,724	3,573
Interest on long-term debt	478	583	1	1	478	583
Water and sewer	1	1	4,656	4,947	4,656	4,947
Building Department	1	1	897	1	897	1
Total expenses	18,073	18,947	5,553	4,947	23,626	23,894
Change in net assets	893	4,671	2,815	3,629	3,708	8,300
Net assets - beginning	67,998	63,327	22,689	19,060	90,687	82,387
Net assets - ending	<u>\$ 68,891</u>	<u>\$ 67,998</u>	<u>\$ 25,504</u>	<u>\$ 22,689</u>	<u>\$ 94,395</u>	<u>\$ 90,687</u>

Governmental Activities

The Town posted increases in net assets for governmental activities of \$892,200 for fiscal year 2008 as compared to \$4,671,084 posted for fiscal year 2007. These changes in net assets represent percentage increases of 1.30% and 7.38%, respectively, in total assets from the previous year.

Changes in revenues and expenses over fiscal year 2007 can be noted in several areas of governmental activities in fiscal year 2008; charges for services dropped significantly due to the treatment of administrative charges to the water and sewer fund and the building department fund as transfers rather than charges for services, the reimbursement grant was much lower than the 2007 amount due to the completion of the beach project, and sales taxes and interest income were much lower than expected because of the downturn in the economy.

The overall expense decrease was primarily due to approximately \$1,203,000 reduction in public safety because of cost cutting measures implemented by the Town and the building function being converted to an enterprise fund. The expense decreases have been partially offset by an increase in culture and recreation expenses related to costs associated with the beach nourishment project and recording transportation depreciation expense directly in the function.

Governmental Activities – Continued

The substantial decrease in charges for services is related to the building function being reported as an enterprise fund in fiscal year 2008. Capital grants also shows a large decrease because the final reimbursements have come in related to the beach nourishment project that began in 2006.

Property taxes are up slightly because of a small increase of .79% in taxable values. Gas taxes, sales taxes and franchise fees are lower due to the downturn in the economy. Interest income is substantially decreased because of the overall "flight to safety" in investments that the Town invests in that lowered the available yields. Tourist taxes are up slightly, which is encouraging because of the slow economy as well as the reduction in tourism units on Longboat Key. Business taxes are much higher due the timing of cash flows in the previous year that affected this year's revenues.

Governmental Funds

Governmental funds provide information on near-term inflows, outflows, and balances of available resources. In assessing the Town of Longboat Key's financing requirements, unreserved fund balance is a particularly useful measure of net resources available for spending at the end of the fiscal year. The governmental fund types include the general fund, special revenue, debt service, and capital projects funds.

The Town of Longboat Key's governmental funds reported combined fund balances of \$26,421,894 for 2008 and \$26,215,734 for 2007. These fund balances indicate an increase over the previous year of \$206,160, and these same funds show an increase of \$4,547,533 for 2007. Governmental funds reserved \$424,269 of fund balance to meet current commitments in the next fiscal year.

Business-type Activities

Changes in net assets for business-type activities totaled an increase of \$2,815,171 and an increase of \$3,628,969 for fiscal years 2008 and 2007, respectively, representing a 12.41% increase and a 19.04% increase in total net assets over the previous fiscal years.

Financial Analysis of the Town of Longboat Key's Funds

As noted earlier, the Town of Longboat Key employs fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Major Fund Information (in thousands)

	General Fund	General Obligation Beach Bonds Debt Service Fund	Beach Nourishment Capital Project Fund
Fiscal Year 2008:			
Revenues and other sources	\$ 14,280	\$ 2,875	\$ 380
Expenditures and other uses	14,797	2,875	1,114
Increase (decrease) in fund balance	<u>\$ (517)</u>	<u>\$ -</u>	<u>\$ (734)</u>
Fiscal Year 2007:			
Revenues and other sources	\$ 14,414	\$ 2,879	\$ 4,789
Expenditures and other uses	15,136	2,879	703
Increase (decrease) in fund balance	<u>\$ (722)</u>	<u>\$ -</u>	<u>\$ 4,086</u>

The General Fund is the chief operating fund of the Town. At September 30, 2008, total fund balance in the General Fund was \$5,264,634 of which \$5,098,242 was unreserved. As a measure of the General Fund's liquidity, total fund expenditures compared to both total and unreserved fund balances shows percentages of 37.33% and 36.15% for fiscal year 2008 and 38.50% and 32.09% for fiscal year 2007. There were slightly increased property values but the Commission voted to keep the general ad valorem revenues flat. Total revenues in the General Fund decreased (12.59%) due to the building department being converted to an enterprise fund reducing licenses and permits and fines and miscellaneous revenues as well as reductions in gas taxes, sales taxes and interest income related to the slowing economy. Expenditures decreased 6.09% due to significant cost cutting measures implemented by the Town management. After transfers to and from other funds the general fund's fund balance decreased by (\$516,943). A transfer out of \$695,016 to the new building department enterprise fund was included in the reduction in fund balance.

Major Fund Information - Continued

The major governmental funds chart also discloses information regarding the other major governmental funds of the Town. Data for the Beach Nourishment Capital Project Fund is presented for fiscal years 2008 and 2007.

The Beach Nourishment Capital Project Fund was created to account for the expenditures of reconstructing a beach along the Town's Gulf of Mexico coastline. The project was completed in 2006 with a total of twenty-one and a half million dollars being spent on beach renourishment. The reduction in revenues is due to the majority of the remaining reimbursement dollars being received in fiscal year 2007. The initial sand search has begun for the next beach nourishment project scheduled for 2013, which is causing the expenditures to increase again.

Proprietary Fund

Proprietary fund statements provide the same information as in the business-type activities column of the government-wide statements, but in greater detail.

At September 30, 2008, total net assets amounted to \$25,504,110 as compared to \$22,688,939 at September 30, 2007. Net asset changes are a result of operations, other non-operating revenues and expenses, capital contributions and donated assets and grants in addition to the conversion of the building department to an enterprise fund from a department in the general fund. The Town's major enterprise funds are comprised of water and sewer operations and the building department.

Proprietary Funds Condensed Information (in thousands)

	2008	2007	Increase (Decrease)
Operating Revenues	\$ 9,070	\$ 8,098	\$ 972
Operating Expenses	5,478	4,859	619
Operating Income	3,592	3,239	353
Non-operating income (expense)	214	390	(176)
Net transfers	(991)	-	(991)
Change in Net Assets	2,815	3,629	(814)
Total Net Assets - beginning	22,689	19,060	3,629
Total Net Assets - ending	\$ 25,504	\$ 22,689	\$ 2,815

The operating income of the utility fund increased as a result of tiered water and wastewater rates implemented on Longboat Key during 2005. Operating expenses were lower by 5.7% in 2008 primarily due to treating the administrative charge from the general fund as a transfer out as opposed to an operating expense as in previous years. The rate increases have had the effect of reducing water usage by over 15% in 2005, 2% in 2006, 2.1% in 2007 and 2.3% in 2008.

Capital Assets

Our financial statements present capital assets in two groups: those assets subject to depreciation, such as equipment or operational facilities and those assets not subject to depreciation such as land and construction-in-progress.

The Town of Longboat Key's investment in capital assets for both governmental and business-type activities, net of accumulated depreciation at September 30, 2008 totaled \$67,449,314 while September 30, 2007 totaled \$68,180,173. This investment in capital assets, both purchased and donated, includes land, buildings and systems, improvements, machinery and equipment, parks, roads, and drainage structures.

Capital Assets – Continued

Investment in capital assets, net of depreciation, changed as follows for fiscal year 2008:

Comparison of Decrease in Capital Assets

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>	<u>Percent</u>
Governmental funds	\$ 53,780	\$ 56,230	\$ (2,450)	-4.36%
Proprietary funds	\$ 13,670	\$ 11,950	\$ 1,720	14.39%

Major capital asset events during the current fiscal year include the following multi-year projects:

- Rebuilding utility infrastructure
- Completion of Beach renourishment and the first step of the next beach nourishment project, the search for the proper sand.

Additional information on the Town of Longboat Key's capital assets can be found in Note 3 on pages 35 and 36 of this report.

Debt Administration

At September 30, 2008, the Town of Longboat Key had total bonded debt outstanding of \$11,685,000, of which \$8,165,000 is for the G.O. Beach Bond, which is a decrease of \$2,560,000 from the previous year. General obligation debt decreased \$3,055,000 and revenue bonds decreased \$375,000 as noted in the table below.

The Town's current general obligation rating, with Standard & Poor's continues as A+. The ratings reflect the strength of the Town of Longboat Key and its management staff. The Town of Longboat Key also continues to maintain ratings of A2 from Moody's Investor Services.

Outstanding Debt

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>
General Obligation Bonds	\$ 10,885	\$ 13,940	\$ (3,055)
Revenue Bonds	800	1,175	(375)
Total	<u>\$ 11,685</u>	<u>\$ 15,115</u>	<u>\$ (3,430)</u>

The constitution of the State of Florida sets no debt limit for municipalities. Additional information on The Town of Longboat Key's long-term debt can be found in Note 4 on pages 36 and 37 of this report.

Budgetary Highlights

Budget to actual statements are provided in the financial statements for the General Fund. Budget columns are provided for both the original budget adopted for fiscal year as well as the final budget. A column for actual expenditures follows these columns.

The differences between the original budget and the final amended budget were small, an increase in appropriations of \$351,548. This increase resulted from prior year funds carried forward primarily in the areas of Management Information Systems, Municipal Buildings, Fire and Comprehensive Planning.

Budgetary Highlights - Continued

The total difference between the final budgeted and actual revenues of (\$477,461) largely due to interest on investments coming in at (\$324,182) lower than budgeted, the sales tax and other components of intergovernmental revenues coming in (\$191,332) lower than planned due to a slowing economy and franchise fees were lower than expected.

Expenditure differences between final budget and actual were highlighted by a \$475,230 positive variance in other general government largely due to general services appropriations not being expended per direction of the Town Manager and Town Commission to conserve resources, and in capital outlay, with a \$374,426 positive variance due to the equipment purchase threshold changing to \$5,000.

Economic Factors and Year 2009 Budgets and Rates

On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held in October 2007. With respect to homestead property, Amendment 1 increases the current \$25,000 homestead exemption by another \$25,000 (for property values between \$50,000 - \$75,000), except for school district taxes. Since the new \$25,000 homestead exemption does not apply to school district taxes, this effectively amounts to a \$15,000 increase to the existing homestead exemption, resulting in an estimated annual savings of \$240 for an average homeowner. Amendment 1 also allows property owners to transfer (make portable) up to \$500,000 of their Save Our Homes benefits to their next homestead when they move. Save Our Homes became effective in 1995 and limits (caps) the annual increase in assessed value for homestead property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less.

With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property.

Amendment 1 became effective on October 1, 2008, with the exception of the ten percent (10%) assessment cap on non-homestead property that became effective on January 1, 2009.

Factors considered in preparing The Town of Longboat Key's budget for the 2009 fiscal year included:

- The total assessed value for real and personal property has dropped by nearly ten percent in the past year. These values are used to determine the ad valorem tax revenue to be received.

<u>Fiscal Year</u>	<u>Taxable Value</u>	<u>Percent Increase(Decrease)</u>
2002	3,395,861,821	14.75%
2003	4,022,050,972	18.44%
2004	4,618,875,625	14.84%
2005	5,014,504,388	8.57%
2006	5,695,624,611	13.58%
2007	6,555,048,538	15.09%
2008	6,606,809,366	0.79%
2009	5,954,878,099	(9.9%)

- Tourism, which is one of the major sources of Town revenue, has remained relatively stable over the past several years and was flat in 2008. The Town continues to monitor this trend closely.
- Gas taxes, sales taxes and interest revenues continue to decrease because of the slumping economy.
- The value of permitted construction has been trending down over the past six years to the point where new construction has been reduced to a couple of units per year. However, renovations, remodeling and alterations remain major revenue sources and are being carefully monitored. The Building Division is undergoing a Fee Review and Cost Allocation in fiscal year 2009 for its long-term planning purposes.

Economic Factors and Year 2009 Budgets and Rates - Continued

- Interest earnings have declined significantly because of the "flight to safety" into investments that the Town keeps in its portfolio that has driven down yields.

All of these factors were considered in preparing the Town's budget for the 2009 fiscal year.

During the current fiscal year unreserved fund balance in the General Fund increased by \$278,916. All funds carried over in the General Fund for fiscal year 2009 are planned for expenditures except \$424,269 that is reserved for encumbrances. The Town has increased its operating millage rate slightly from 1.4062 in fiscal year 2008 to 1.5000 in fiscal year 2009.

The Town of Longboat Key Public Utility System rates were significantly increased in 2005 and adjusted again in fiscal year 2008 in order to fund, on a "pay as you go basis", a seven-year \$19 million capital maintenance program and to pass through cost increases for water and wastewater treatment from Manatee County. In March of 2009 the voters approved a referendum to authorize a \$27,000,000 general obligation bond issue to fund the utility capital improvement program with the Commission's intention to lower utility rates.

Requests for Information

This financial report is designed to provide a general overview of The Town of Longboat Key Government's finances for all those with an interest in our government's finances. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to the Finance Director at 501 Bay Isles Road, Longboat Key, Florida, 34228 or by phone at (941) 316-1999. We also recommend that you visit our website at www.longboatkey.org for further information.