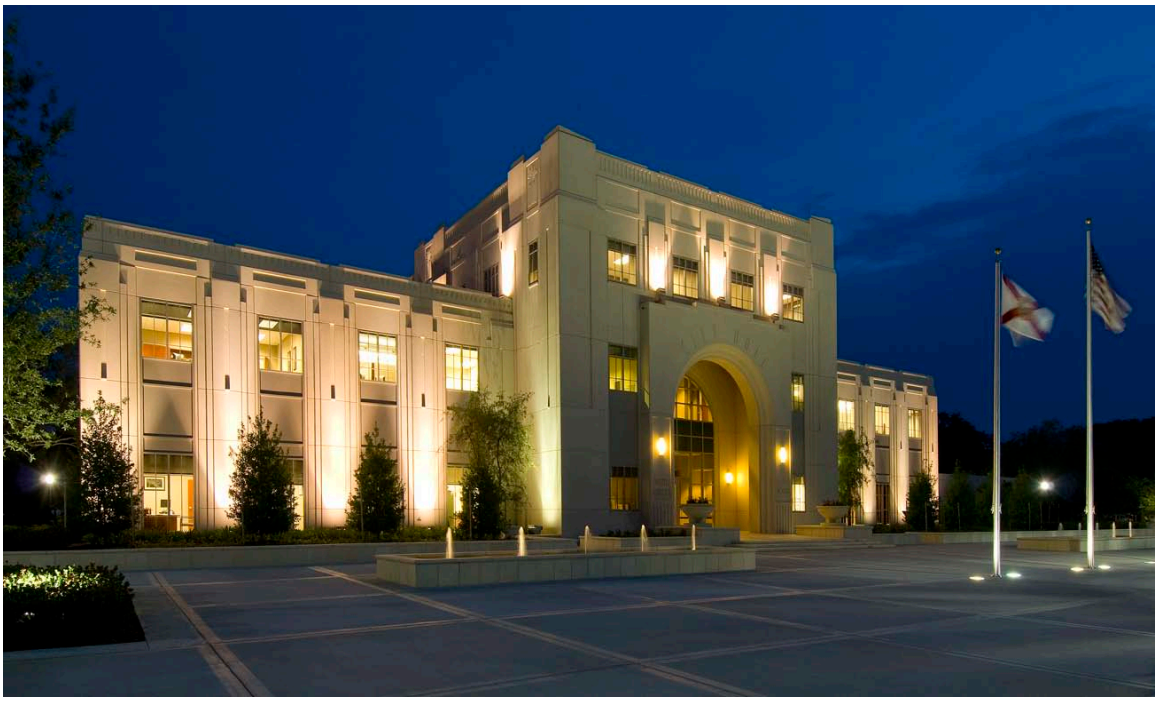
CITY OF WINTER GARDEN, FLORIDA



COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2009

CITY OF WINTER GARDEN, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended

September 30, 2009

Prepared by:

Finance Department

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TABLE OF CONTENTS

CITY OF WINTER GARDEN, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended September 30, 2009

TABLE OF CONTENTS

	Page
I. INTRODUCTORY SECTION	
Letter of Transmittal	1
GFOA Certificate of Achievement	6
Organizational Chart	7
List of Elected and Appointed Officials	8
II. FINANCIAL SECTION	
Report of Independent Certified Public Accountants	9
Management's Discussion and Analysis	11
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	27
Statement of Activities	28
Fund Financial Statements:	
Balance Sheet—Governmental Funds	30
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	33
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds	34
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	36
Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—General Fund	37
Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Community Redevelopment Agency Fund	38
Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Impact Fee Fund	39
Statement of Net Assets—Proprietary Funds	40
Statement of Revenues, Expenses, and Changes in Fund Net Assets—Proprietary Funds	41
Statement of Cash Flows—Proprietary Funds	43
Statement of Fiduciary Net Assets—Fiduciary Funds	44
Statement of Changes in Fiduciary Net Assets—Fiduciary Funds	45
Notes to the Financial Statements	47

Page

Required Supplementary Information:
Schedules of Funding Progress 77
Schedules of Employer Contributions 78
Combining and Individual Fund Statements and Schedules:
Combining Balance Sheet—Nonmajor Governmental Funds 80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Nonmajor Governmental Funds 82
Schedules of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual:
Downtown Parking District Special Revenue Fund 84
Law Enforcement Trust Special Revenue Fund 85
Law Enforcement Grants Special Revenue Fund 86
Local Option Gas Tax Special Revenue Fund 87
Police and Fire Premium Tax Trust Fund 88
Debt Service Fund 89
New City Hall Capital Projects Fund 90
Combining Statement of Net Assets—Nonmajor Enterprise Funds 92
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets—Nonmajor Enterprise Funds 93
Combining Statement of Cash Flows—Nonmajor Enterprise Funds 94

III. STATISTICAL SECTION
Net Assets by Component—Last Seven Fiscal Years 96
Change in Net Assets—Last Seven Fiscal Years 98
Governmental Activities Tax Revenues by Source—Last Ten Fiscal Years 100
Fund Balances of Governmental Funds—Last Ten Fiscal Years 102
Changes in Fund Balances of Governmental Funds—Last Ten Fiscal Years 104
General Governmental Tax Revenues by Source—Last Ten Fiscal Years 106
Assessed Value and Estimated Actual Value of Taxable Property—Last Ten Fiscal Years 107
Property Tax Rates—Direct and Overlapping Governments—Last Ten Fiscal Years 108
Principal Property Taxpayers 109
Property Tax Levies and Collections—Last Ten Fiscal Years 110
Ratios of Outstanding Debt by Type—Last Ten Fiscal Years 112
Ratios of General Bonded Debt Outstanding—Last Ten Fiscal Years 114
Direct and Overlapping Governmental Activities Debt 115
Legal Debt Margin Information 116
Pledged-Revenue Coverage—Water and Sewer Revenue Bonds—Last Ten Fiscal Years 117
Pledged-Revenue Coverage—Sales Tax Revenue Bonds—Last Ten Fiscal Years 118
Demographic and Economic Statistics—Last Ten Fiscal Years 119
Principal Employers—Current Year and Nine Years Ago 120

Page

Full-Time Equivalent City Government Employees by Function—Last Ten Fiscal Years 121
Operating Indicators by Function—Last Ten Fiscal Years 122
Capital Asset Statistics by Function—Last Ten Fiscal Years 124

IV. COMPLIANCE AND INTERNAL CONTROL SECTION
Report of Independent Certified Public Accountants on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* 127
Independent Certified Public Accountants' Management Letter 129

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INTRODUCTORY SECTION

LETTER OF TRANSMITTAL

—

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

—

ORGANIZATIONAL CHART

—

LIST OF ELECTED AND APPOINTED OFFICIALS

WINTER GARDEN

March 29, 2010

City of Winter Garden

P: 407.656.4111

300 West Plant Street
Winter Garden, FL
34787
wintergarden-fl.gov

To the Honorable Mayor, Members of the City
Commission, and the Citizens of the
City of Winter Garden, Florida:

The Comprehensive Annual Financial Report (CAFR) of the City of Winter Garden, Florida (the "City") for the fiscal year ended September 30, 2009 is hereby submitted. 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 City'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 of 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 Sines, Blakeslee & Madyda, Certified Public Accountants, PA. 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 certified public accountant 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 all material respects in conformity with GAAP. The report of independent certified public accountants is presented as the first component of the financial section of this report.

GAAP 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 the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of independent certified public accountants.

Profile of the City

The City, incorporated in 1903, is located in Central Florida in West Orange County. The City experienced significant growth from 1999 to 2007, which has slowed considerably in the current year. The City currently occupies a land area of approximately seventeen square miles and serves a population of 30,987. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Commission (the "Commission").

The City operates under the commission-manager form of government. Policy-making and legislative authority are vested in the Commission consisting of the Mayor and four commissioners. The Commission is responsible, among other things, for passing ordinances and resolutions, adopting the budget, authorizing indebtedness, appointing advisory boards, and hiring the City Manager, City Clerk, Attorney, and Auditor. The City Manager is responsible for carrying out the policies and ordinances of the Commission, for overseeing the day-to-day operations of the City, and for appointing the heads of various departments. The Commission is elected on a non-partisan basis. Commission members serve three-year staggered terms, with the Mayor and one Commissioner elected every three years and the other three Commissioners elected the following year. The Commissioners are elected by district, and the Mayor is elected at large.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets, sidewalks, and other infrastructure; planning, community, and economic development; cemetery management and maintenance; code enforcement and building inspections; parks maintenance; and recreational activities and cultural events. In addition, the City operates four enterprises: water and sewer service, solid waste collection service, stormwater service, and management of the City owned mobile home park.

The Commission is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may transfer resources within the same fund with approval of the City Manager. Fund revenue and expenditure amounts may be increased or decreased by formal action of the City Commission following proper public notice.

Local economy

The City's economic environment is heavily influenced by the economy of Orlando and the Central Florida area. The unemployment rate for Orange County was 11.4 percent in 2009, as compared to 6.3 percent in 2008, and is expected to stabilize in the near-term. Major industries located in Central Florida include the tourism industry, as well as digital media, software and hardware, and medical industries.

While many residents commute to jobs in Orlando and the major tourist attractions, the City maintains a diverse economy within its boundaries. In addition to an industrial component in the City's northeast area, the City has three main commercial districts:

- The downtown historical district is situated along a stretch of the 19 mile West Orange Trail, which attracts bicyclists, roller-bladers, walkers, and joggers year-round. Its brick-lined streets, decorative fountain, and clock tower give this area a quaint, small town feel. The district boasts a number of specialty shops, restaurants, museums, offices, an historic hotel, and a recently renovated historic theatre.
- The State Road 50 corridor is the major thoroughfare through the City and home to a number of major and specialty retail stores, offices, fast-food and full-service restaurants, and financial institutions.
- Winter Garden Village at Fowler Groves is a 1.15 million square foot regional open-air shopping center on 175 acres in the City's southern area, the largest of its kind in Central Florida. It draws shoppers from all of West Orange County in addition to providing convenient shopping for local residents, and contains a mix of big-box, specialty shops, financial institutions, and more than 20 eateries.

In the coming year, the Florida Department of Transportation will begin widening the segment of State Road 50 through the City from a five-lane rural roadway to a six-lane urban divided roadway. The project will include a number of aesthetic upgrades in coordination with the City, including mast-arm traffic signals and upgraded landscape and hardscape elements. Construction is expected to take approximately one and a half years, with completion anticipated in the summer of 2011. While this will likely be a burden to nearby businesses during the construction phase, it will create a large number of construction jobs in the near-term, and it is expected to have a long-term positive impact to the local economy after construction is complete.

Long-term financial planning

Unreserved, undesignated fund balance in the General Fund decreased as a percentage of total expenditures from 33% to 19% during the current fiscal year. This brings unreserved fund balance below management's target level of 30%. While the City has undertaken several major capital projects in recent years using General Fund dollars, other funding sources will need to be utilized for such projects in future years in order to bring fund balance back in line with the target level and difficult decisions will need to be made regarding the allocation of available dollars among the various services the City provides to its citizens.

Relevant financial policies

Given the expectation of rising interest rates in the near future, durations of investments were held fairly constant during the fiscal year. Effective durations at the beginning of the fiscal year were 1.55 years for the governmental fund portfolio and 1.61 years for the enterprise fund portfolio, and 1.45 years and 1.46 years at the end of the fiscal year, respectively.

The City provides postretirement healthcare benefits in the form of an implied rate subsidy for group health insurance for retirees and their dependents. In addition, the City pays a portion of the health premium for retirees meeting certain criteria. As of the end of the current fiscal year there were 21 retired employees receiving these benefits, of which the City was paying a portion of the premiums for nineteen. These benefits are financed on a pay-as-you-go basis. The Governmental Accounting Standards Board (GASB) has issued statement number 45 that requires governments to report a liability in the financial statements in connection with the obligation to provide these benefits. The liability reported by the City in 2009 for these benefits is $326,361.

Major initiatives

In the current fiscal year, the City began renovations of an existing building to be used as the City's new Jessie Brock Community Center. Total costs are expected to be $2,250,000 to be funded from the General Fund.

The following projects are being funded primarily from transportation impact fees:

- Preliminary planning and engineering work continued on the widening of County Road 545. Total design, right-of-way acquisition, and construction costs for this project are expected to be $14,000,000.
- Preliminary planning and engineering work continued on the widening of Marsh Road from County Road 545 to Hickory Hammock. Total design and construction costs are expected to be $4,435,810.
- Construction began on the widening of Plant Street from 9th Street to State Road 429, including intersection improvements at Plant Street and West Crown Point Road. Total design, right-of-way acquisition, and construction costs are expected to be $12,620,646.
- Preliminary planning and engineering work began on the widening of Sessions Road. Total design and construction costs are expected to be $3,121,500.

Preliminary planning and engineering work continued on the construction of a new reclaim water storage tank. Total design and construction costs are expected to be $2,995,897 to be funded with sewer impact fees.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended September 30, 2008. This was the sixth 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 GAAP 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 Department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

Michael L. Bollhoefer, C.P.A.
City Manager

Robin R. Hayes
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Winter Garden
Florida

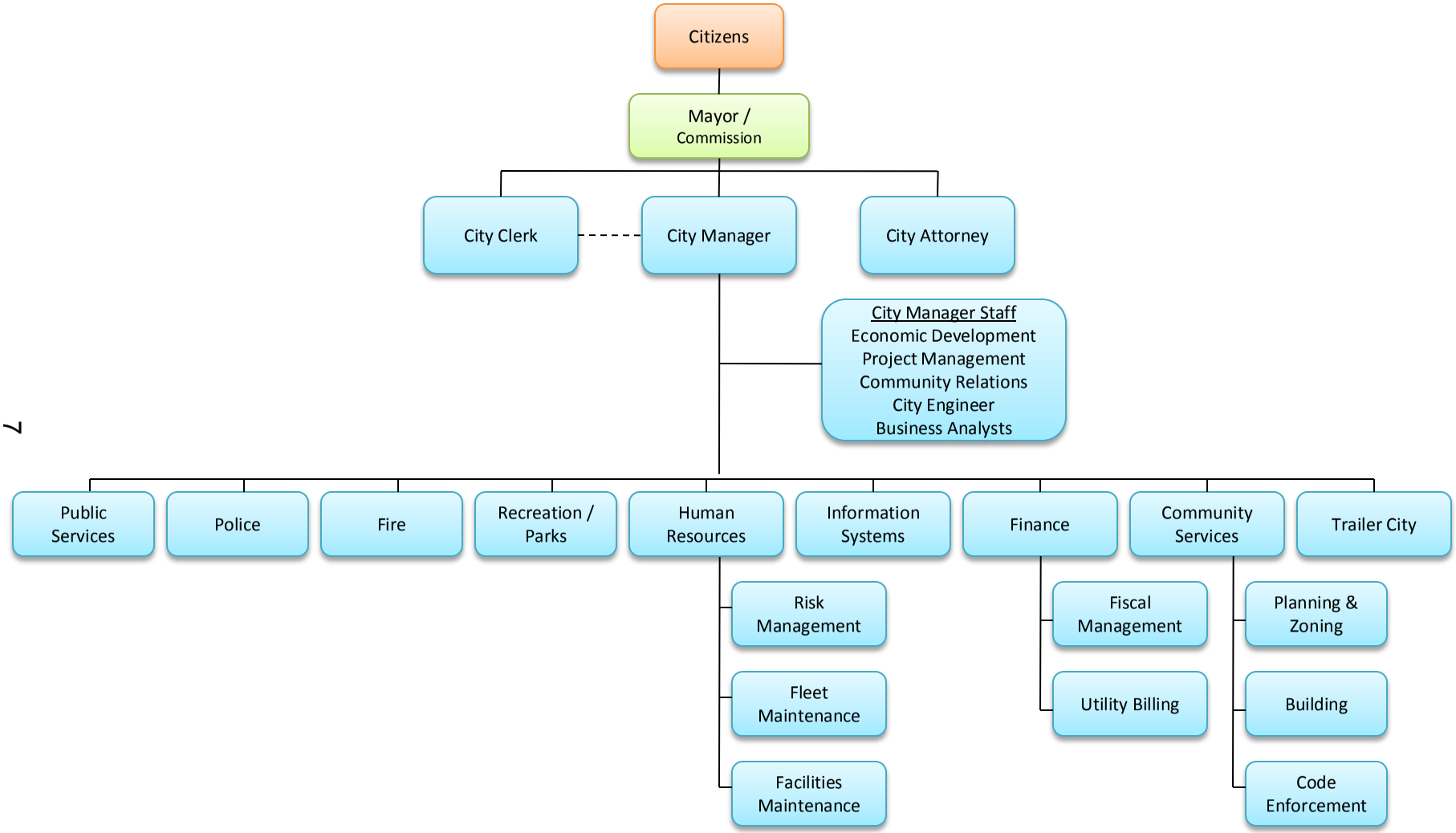
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2008

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 Winter Garden
Organization Chart



CITY OF WINTER GARDEN, FLORIDA
LIST OF ELECTED AND APPOINTED OFFICIALS
As of September 30, 2009

Elected Officials

Mayor	John Rees
City Commissioner—District 1	H. Gerald Jowers
City Commissioner—District 2	James R. Buchanan
City Commissioner—District 3	Harold L. Bouler
City Commissioner—District 4	Colin P. Sharman

Appointed Officials

City Manager	Michael L. Bollhoefer
Assistant City Manager	Vacant
Assistant to the City Manager - Public Services	Donald R. Cochran
City Clerk	Kathy Golden
City Attorney	A. Kurt Ardaman
Human Resource Director	Frank M. Gilbert
Economic Development Director	Dolores A. Key
Finance Director	Robin R. Hayes
Information Technology Director	Robert D. Reilly
Community Development Director	Timothy A. Wilson
Police Chief	George A. Brennan
Fire Chief	John W. Williamson, II
Recreation Director	Joseph H. Conn

FINANCIAL SECTION

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

—

MANAGEMENT'S DISCUSSION AND ANALYSIS

—

BASIC FINANCIAL STATEMENTS

—

REQUIRED SUPPLEMENTARY INFORMATION

—

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

SBM Sines Blakeslee Madyda
certified public accountants, p.a.

Report of Independent Certified Public Accountants

Honorable Mayor, Members of the
City Commission and City Manager
Winter Garden, 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 Winter Garden, Florida (the "City") as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General, Community Redevelopment, and Impact Fee Funds 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 29, 2010 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

800 S Dillard Street, Winter Garden, FL 34787 • phone 407.656.6611 • fax 407.656.5372 • www.sbmcpa.us

Honorable Mayor, Members of the
City Commission and City Manager
Winter Garden, Florida

The management's discussion and analysis and the required supplementary information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and the 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 financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections 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.

Sines Blakeslee Madyda

Sines Blakeslee Madyda
Certified Public Accountants, P.A.
March 29, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

As management of the City of Winter Garden (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report.

Financial Highlights

- The assets of the City exceeded liabilities on September 30, 2009 by $186,635,554. The unrestricted net assets on this date were $25,302,367. These funds are available to meet the ongoing obligations of the City.
- The net assets of governmental activities on September 30, 2009 equaled $108,329,311. Of this amount, $10,065,887 was unrestricted. The net assets of business-type activities equaled $78,306,243. Of this amount $15,236,480 was unrestricted.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $32,368,564. Of this amount, $27,529,464 is available for spending at the government's discretion (unreserved fund balance); however, $21,320,971 reported in the Impact Fee Fund is required to be used for capital projects and equipment purchases related to growth for police, fire, road, and recreation.
- Unreserved fund balance in the General Fund was $5,179,291 at the end of the fiscal year, or nineteen percent of total expenditures.
- Net assets in the Pension Trust Fund for General Employees decreased $302,393. Net assets in the Pension Trust Fund for Firefighters and Police Officers increased $813,473.

Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, 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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, physical environment, transportation, economic environment, public assistance, and culture and recreation. The business-type activities of the City include water and sewer services, solid waste collection, stormwater services, and management of the City owned mobile home park.

The government-wide financial statements can be found on pages 27-29 of this report.

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. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains eleven 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 for the General Fund, the Community Redevelopment Agency Fund, and the Impact Fee Fund, all of which are considered to be major funds. Data from the other eight funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements and schedules have been provided for these funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 30-39 of this report.

Proprietary Funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer utility, stormwater utility, solid waste collection operation, and the City owned mobile home park.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utility, solid waste collection operation, stormwater utility, and the City owned mobile home park. The water and sewer utility and the solid waste collection operation are considered major funds of the City.

The basic proprietary fund financial statements can be found on pages 40-43 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 44-45 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 the government-wide and fund financial statements. The notes to the financial statements can be found on pages 47-76 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on pages 77-78 of this report.

The combining statements referred to earlier in connection with nonmajor governmental and enterprise funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 80-94 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $186,635,554 at the close of the most recent fiscal year. The City's increase in net assets for this fiscal year amounts to $6,570,770.

The largest portion of the City's net assets reflects its investment in capital assets, (e.g., land, buildings, improvements, and equipment), less any related debt used to acquire those assets that is still outstanding. They make up $118,043,410 or 63 percent of total net assets. 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 its 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 WINTER GARDEN'S Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	$ 38,909,468	$ 48,950,864	$36,409,429	$34,753,033	$ 75,318,897	$ 83,703,897
Capital assets	87,568,514	78,377,248	55,775,481	53,870,543	143,343,995	132,247,791
Total assets	126,477,982	127,328,112	92,184,910	88,623,576	218,662,892	215,951,688
Long-term liabilities outstanding	14,007,012	16,595,542	11,924,008	11,555,296	25,931,020	28,150,838
Other liabilities	4,141,659	4,578,883	1,954,659	3,157,183	6,096,318	7,736,066
Total liabilities	18,148,671	21,174,425	13,878,667	14,712,479	32,027,338	35,886,904
Net assets:						
Invested in capital assets, net of related debt	74,042,719	62,229,762	44,000,691	41,778,162	118,043,410	104,007,924
Restricted	24,220,705	31,054,530	19,069,072	21,015,352	43,289,777	52,069,882
Unrestricted	10,065,887	12,869,395	15,236,480	11,117,583	25,302,367	23,986,978
Total net assets	$108,329,311	$106,153,687	$78,306,243	$73,911,097	$186,635,554	$180,064,784

An additional portion of the City's net assets (23 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets ($25,302,367) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The City's net assets increased by $6,570,770 during the current fiscal year. The majority of this increase represents the degree to which impact fee revenues and investment earnings thereon have outstripped depreciation expense on the related capital assets.

Governmental activities. Governmental activities increased the City's net assets by $2,175,624, thereby accounting for 33 percent of the total growth in net assets of the City. A key element of this increase was new construction during the current fiscal year, resulting in the collection of $1,854,409 for transportation, police, fire, and recreation impact fees, plus $1,379,913 in investment earnings on unexpended impact fee funds. While these funds are used for major capital purchases, the related assets are depreciated over many years in the government-wide financial statements, or not depreciated at all in the case of land. Thus, the

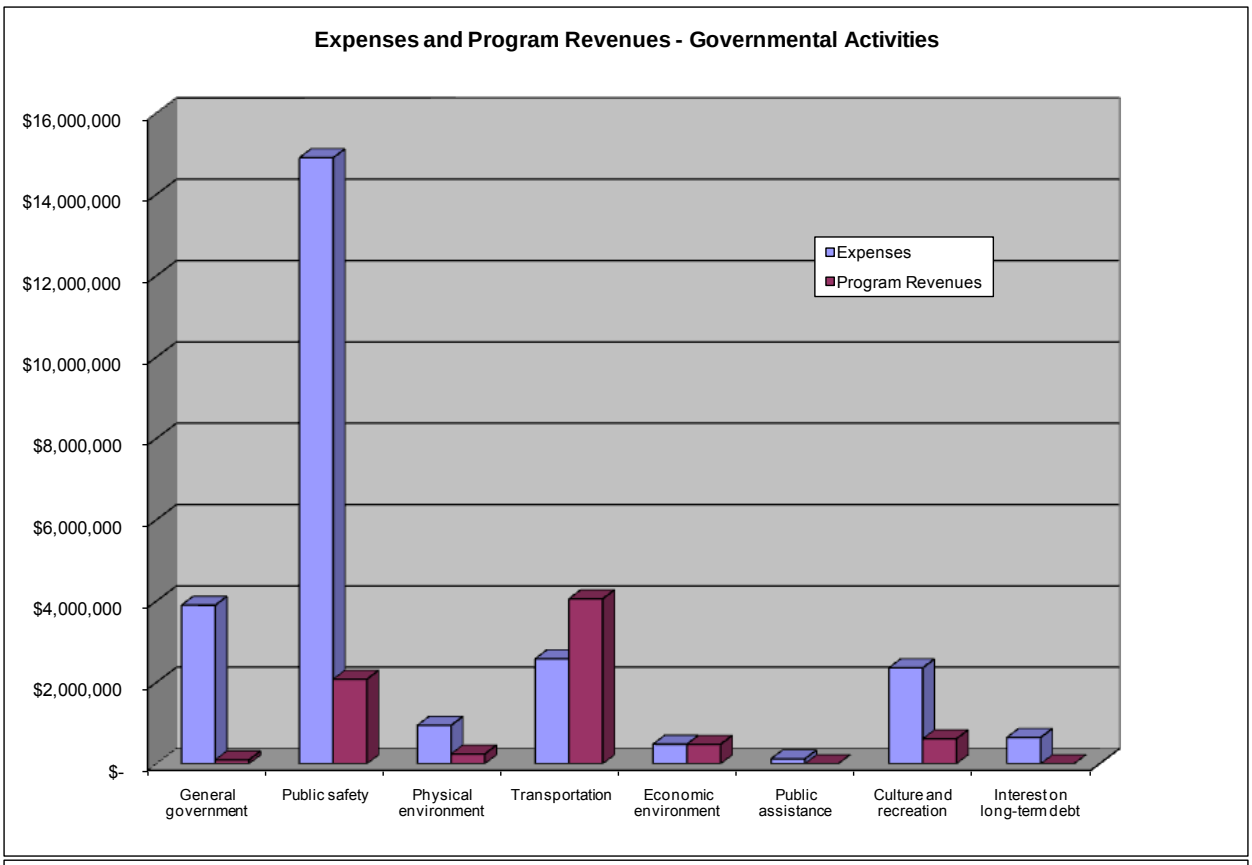
CITY OF WINTER GARDEN'S Changes in Net Assets

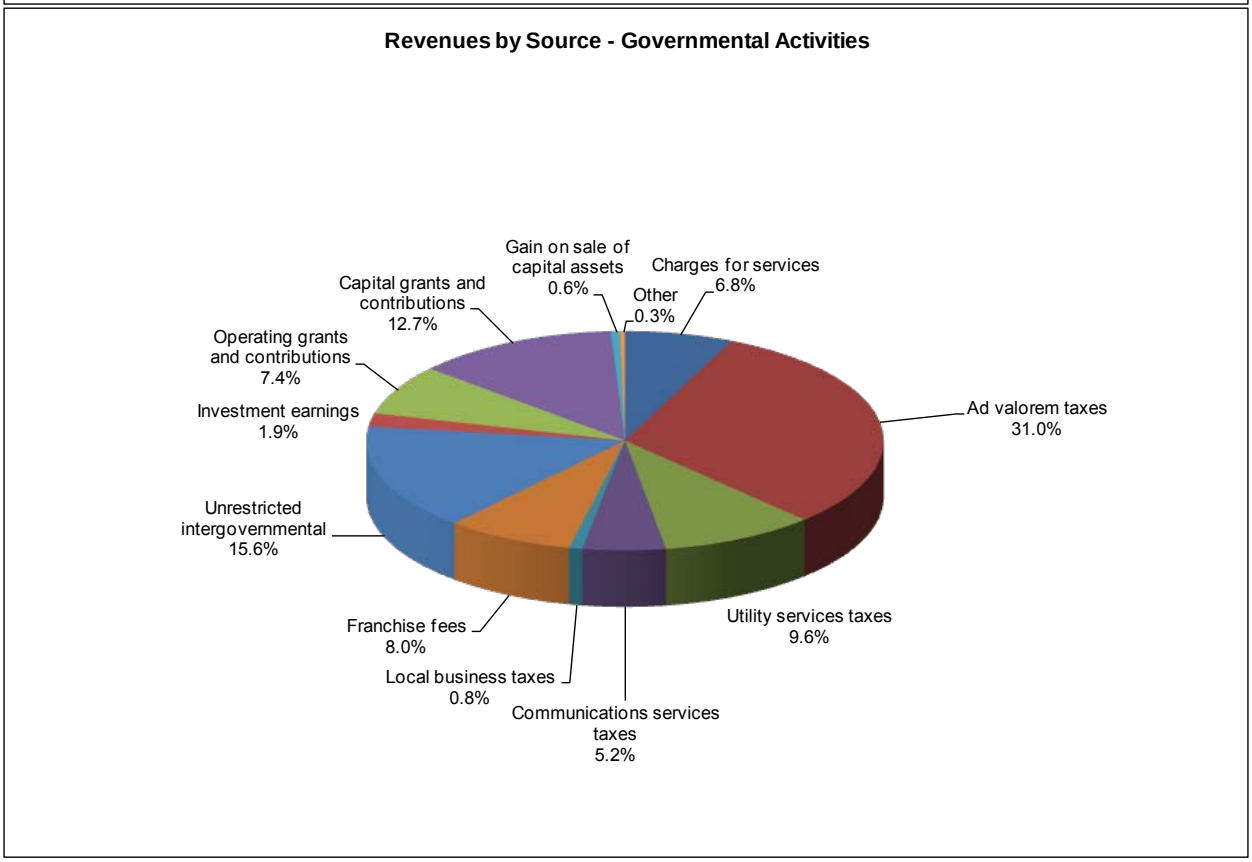
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	$ 1,906,214	$ 2,724,662	$14,958,077	$14,994,803	$ 16,864,291	$ 17,719,465
Operating grants and contributions	2,085,928	1,911,035	-	-	2,085,928	1,911,035
Capital grants and contributions	3,573,081	13,286,270	1,715,627	2,652,612	5,288,708	15,938,882
General revenues:						
Ad valorem	8,722,152	8,351,424	-	-	8,722,152	8,351,424
Utility service taxes	2,710,435	2,615,227	-	-	2,710,435	2,615,227
Communication services Taxes	1,455,478	1,386,894	-	-	1,455,478	1,386,894
Local business tax	228,320	206,343	-	-	228,320	206,343
Franchise fees	2,242,640	1,906,941	-	-	2,242,640	1,906,941
Unrestricted intergovernmental	4,394,094	4,712,786	-	-	4,394,094	4,712,786
Investment earnings	543,291	986,053	587,924	432,272	1,131,215	1,418,325
Gain (loss) on sale of capital assets	155,656	5,875	5,622	76,315	161,278	82,190
Other	88,354	-	-	-	88,354	-
Total revenues	28,105,643	38,093,510	17,267,250	18,156,002	45,372,893	56,249,512
Expenses:						
General government	3,899,034	2,932,260	-	-	3,899,034	2,932,260
Public safety	14,902,345	13,736,706	-	-	14,902,345	13,736,706
Physical environment	943,939	736,565	-	-	943,939	736,565
Transportation	2,580,474	3,282,627	-	-	2,580,474	3,282,627
Economic environment	481,303	877,845	-	-	481,303	877,845
Public assistance	119,971	82,630	-	-	119,971	82,630
Culture and recreation	2,357,923	2,236,885	-	-	2,357,923	2,236,885
Interest on long-term debt	645,030	814,781	-	-	645,030	814,781
Water and sewer	-	-	8,696,615	9,141,484	8,696,615	9,141,484
Solid Waste	-	-	3,224,466	3,285,187	3,224,466	3,285,187
Stormwater	-	-	746,381	912,188	746,381	912,188
Mobile home lot rentals	-	-	204,642	195,725	204,642	195,725
Total expenses	25,930,019	24,700,299	12,872,104	13,534,584	38,802,123	38,234,883
Increase in net assets	2,175,624	13,393,211	4,395,146	4,621,418	6,570,770	18,014,629
Net assets- beginning	106,153,687	92,760,476	73,911,097	69,289,679	180,064,784	162,050,155
Net assets- ending	$108,329,311	$106,153,687	$78,306,243	$73,911,097	$186,635,554	$180,064,784

related expense is largely not recognized in the same year as the impact fee revenues and related investment earnings are received. During growth periods, this has the effect of increasing net assets.

Business-type activities. Business-type activities increased the City's net assets by $4,395,146, accounting for 67 percent of the total growth in the City's net assets. Key elements of this increase are as follows:

- Utility rates for the water and sewer, solid waste, and stormwater utilities have been set to accommodate the long-range capital needs of these utilities, in addition to annual operating costs. Thus, these utilities have reported a combined operating income of $2,471,376. While the City makes capital improvements and major equipment purchases


Expenses and Program Revenues - Governmental Activities
$16,000,000
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
Expenses
Program Revenues
General government
Public safety
Physical environment
Transportation
Economic environment
Public assistance
Culture and recreation
Interest on long-term debt


Revenues by Source - Governmental Activities
Gain on sale of capital assets 0.6%
Charges for services 6.8%
Other 0.3%
Capital grants and contributions 12.7%
Operating grants and contributions 7.4%
Investment earnings 1.9%
Ad valorem taxes 31.0%
Unrestricted intergovernmental 15.6%
Franchise fees 8.0%
Utility services taxes 9.6%
Local business taxes 0.8%
Communications services taxes 5.2%

as deemed necessary, these assets are depreciated over many years, or not depreciated at all in the case of land. Thus, capital outlay expenditures are largely not recognized in the same year as operating revenues are received. This has the effect of increasing net assets.

- The City experienced new construction during the current fiscal year, resulting in the collection of $594,704 for water and sewer impact fees, plus $1,012,951 in investment earnings on unexpended water and sewer impact fees. While these funds are used for major capital purchases, the related assets are depreciated over many years, or not depreciated at all in the case of land. Thus, the related expense is largely not recognized in the same year as the impact fee revenues and related investment earnings are received. During growth periods, this has the effect of increasing net assets.

Financial Analysis of the City's Funds

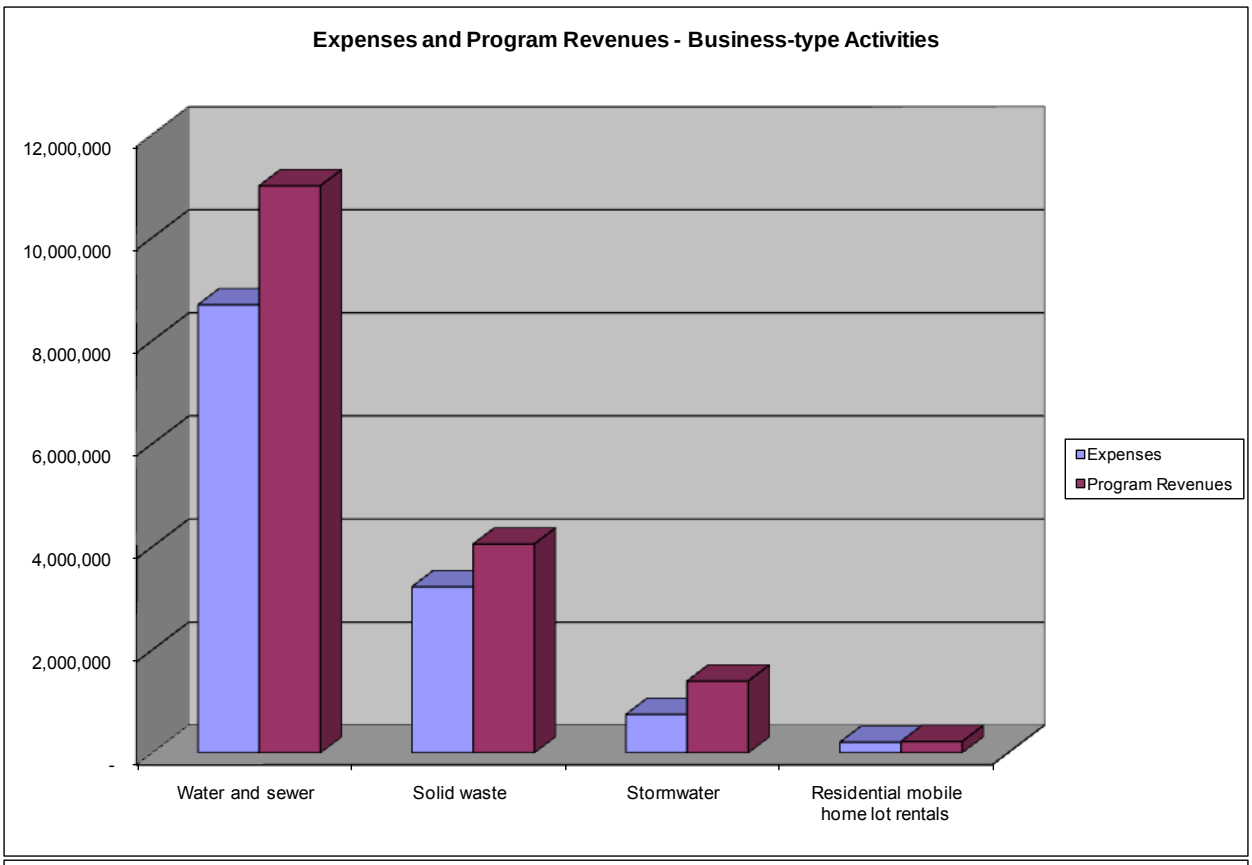
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

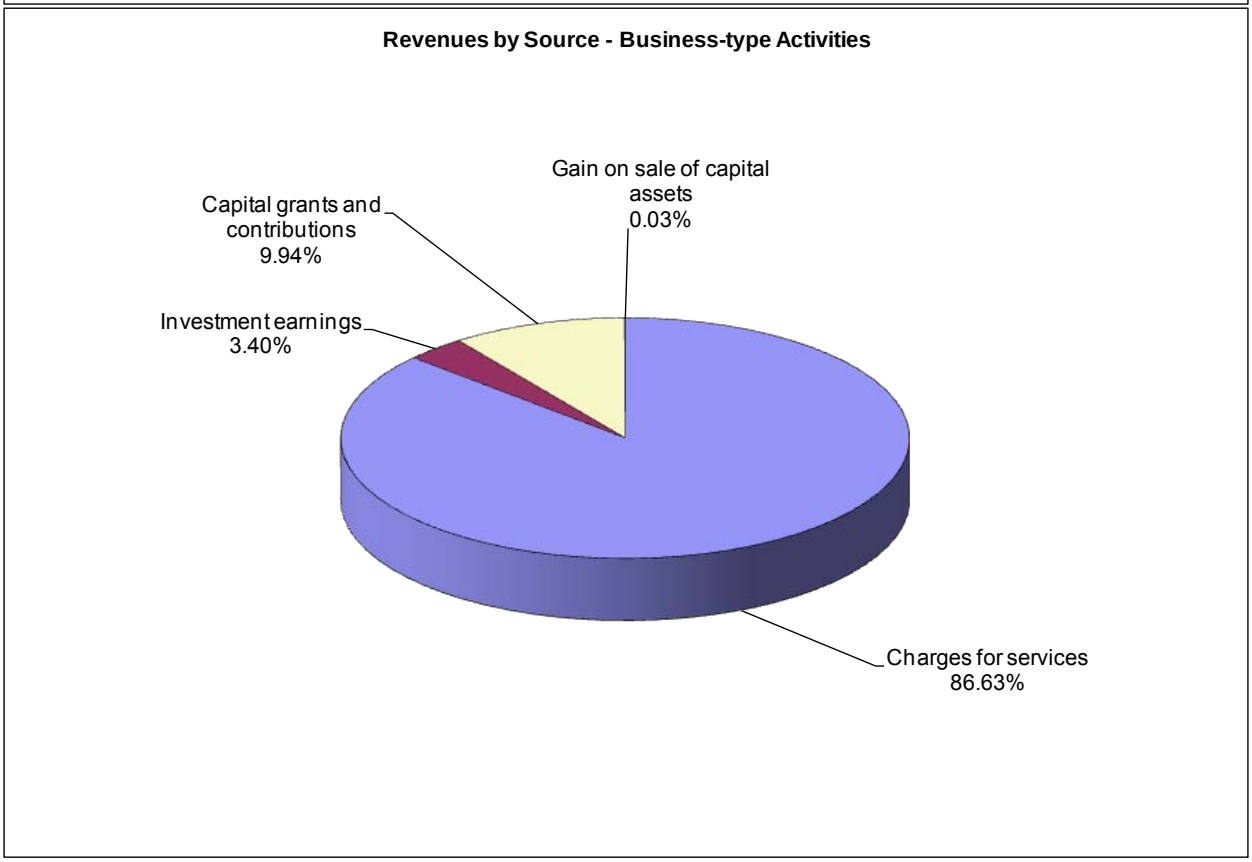
Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $32,368,564, a decrease of $9,955,551. Of this amount, $27,529,464 is unreserved, which is available for spending at the City's discretion; however, $21,320,971 reported in the Impact Fee Fund is required to be used for capital projects and equipment purchases related to growth for police, fire, road, and recreation. The remaining fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) for encumbrances ($2,469,018), 2) for advances to other funds ($1,295,211), 3) for enforcement of the Florida Building Code ($724,849), or 4) for a variety of other restricted purposes ($350,022).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the general fund was $5,179,291, while total fund balance was $8,405,648. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 19 percent of general fund expenditures, while total fund balance represents 31 percent of the same amount.

The fund balance of the City's General Fund decreased by $2,627,127 during the current fiscal year. The key factors in this decrease are as follows:


Expenses and Program Revenues - Business-type Activities
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
-
Water and sewer
Solid waste
Stormwater
Residential mobile home lot rentals
Expenses
Program Revenues


Revenues by Source - Business-type Activities
Gain on sale of capital assets 0.03%
Capital grants and contributions 9.94%
Investment earnings 3.40%
Charges for services 86.63%

- Economic environment expenditures included the purchase of land to be used for a farmers' market at a cost of $1,410,696.
- Culture and recreation expenditures included building renovations for a new community center with costs of $1,279,753 incurred during the fiscal year.

The Community Redevelopment Agency Fund is used to account for receipts of tax increment revenues from Orange County and the City and to account for expenditures for the redevelopment of the community redevelopment area. Fund balance increased $109,328 in this fund. The key factor in this increase was projects budgeted, but not yet completed at fiscal year end ($56,824).

The Impact Fee Fund is used to account for the receipt of police, fire, road, and recreation impact fees. The purpose of an impact fee is to assign, to the extent practical, growth-related capital costs to those new residents and businesses responsible for such costs. These fees are segregated by function (police, fire, road, and recreation) and are required to be used for capital projects and equipment purchases related to growth within each function. Fund balance decreased $7,694,389 in this fund. The key factors in this decrease are as follows:

- Culture and recreation expenditures included improvements for a new regional park with costs of $2,908,989 incurred during the fiscal year.
- Debt service expenditures included the payment of $2,586,149, including principal and interest, for the payment in-full of a debt obligation.
- Transportation expenditures included traffic signal and landscape upgrades for a road widening project in the amount of $1,165,750.
- Transportation expenditures included right-of-way acquisition costs of $1,031,596 for a road widening project.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail.

Unrestricted net assets of the Water and Sewer Utility Fund at the end of the year amounted to $14,470,580. It is anticipated that much of this amount will be needed over the next few years to fund the relocation of utility lines due to the expansion of a major State Road (at an estimated cost of $5.8 million). Total growth in net assets for this fund was $2,895,081. Factors concerning this increase have already been addressed in the discussion of the City's business-type activities. Unrestricted net assets in the Solid Waste Fund at the end of the year amounted to $578,727, with an increase in net assets of $831,881. This is primarily due to a rate increase that was implemented during the prior fiscal year.

General Fund Budgetary Highlights

The General Fund budget was increased by $3,537,400 from the original budget to the final amended budget (an increase of 14%). These increases can be summarized as follows:

- $1,100,225 increase in general government activities. This was primarily due to increases for executive activities, including the City's contribution ($511,000) toward a new community gymnasium to be primarily funded by the Orlando Magic basketball franchise and the clean-up of a contaminated City-owned property ($382,700)
- $440,995 increase in public safety activities.
- $86,899 increase in physical environment activities.
- $576,800 increase in transportation activities.
- $1,443,426 increase in economic environment activities. This was primarily due to an increase for the purchase of land to be used for a farmers' market ($1,417,326).
- $110,945 decrease in culture and recreation activities.

The final budget for intergovernmental revenue was $4,439,742, while the actual amount was $4,658,815, a variance of $219,073. This was primarily due to an unbudgeted $200,000 grant that was awarded for a parks improvement project.

The final budget for general government expenditures was $5,448,807, while the actual amount was $4,818,700, a variance of $630,107. This was primarily due to contributions budgeted in the Executive Division for a new community gymnasium not yet expended at year-end ($511,000).

The final budget for culture and recreation expenditures was $4,574,888, while the actual amount was $3,386,081, a variance of $1,188,807. This was primarily due to the construction of a new recreation center that was not yet completed at the end of the fiscal year ($970,247).

While the final budget provided for the use of $5,172,881 of fund balance during the year, fund balance decreased only $2,627,127. This is primarily due to expenditures coming in under budget for the majority of departments and budgeted reserve for contingencies not being needed.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2009, amounts to $143,343,995 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and construction work in progress. The total increase in the City's investment in capital assets for the current fiscal year was eight percent (a twelve percent increase for governmental activities and a four percent increase for business-type activities).

CITY OF WINTER GARDEN'S Capital Assets

	Governmental Activities	Business-type Activities	Total
Land	$ 19,472,884	$ 1,024,601	$ 20,497,485
Buildings	23,661,599	6,206,469	29,868,068
Improvements other than buildings	7,912,428	19,884,761	27,797,189
Machinery and equipment	12,085,262	6,033,724	18,118,986
Infrastructure	39,822,913	39,386,531	79,209,444
Construction work in progress	4,310,097	5,139,943	9,450,040
Less: accumulated depreciation	(19,696,669)	(21,900,548)	(41,597,217)
Net capital assets	$ 87,568,514	$ 55,775,481	$143,343,995

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

- Construction began on renovations of an existing building to be used for a new community center. As of the end of the current fiscal year, $1,429,185 had been expended on this project. Total costs are expected to be $2,250,000.
- Preliminary planning and engineering work continued on the widening of County Road 545. As of the end of the current fiscal year, $311,248 had been expended on this project. Total design, right-of-way acquisition, and construction costs are expected to be $14,000,000.
- Preliminary planning and engineering work continued on the widening of Marsh Road from County Road 545 to Hickory Hammock. As of the end of the current fiscal year, $296,596 had been expended on this project. Total design and construction costs are expected to be $4,435,810.
- Construction began on the widening of Plant Street from 9th Street to State Road 429, including intersection improvements at Plant Street and West Crown Point Road. As of the end of the current fiscal year, $2,307,350 had been expended on this project. Total design, right-of-way acquisition, and construction costs are expected to be $12,620,646.
- Preliminary planning and engineering work began on the widening of Sessions Road. As of the end of the current fiscal year, $97,197 had been expended on this project. Total design and construction costs are expected to be $3,121,500
- Preliminary planning and engineering work continued on the construction of a new reclaim water storage tank. As of the end of the current fiscal year, $495,897 had been expended on this project. Total design and construction costs are expected to be $2,995,897.

Additional information on the City's capital assets can be found in note *IV.C.*

Long-term debt. At the end of the current fiscal year, the City had total debt outstanding of $24,744,860. Of this amount, $1,868,581 comprises debt backed by the full faith and credit of the City. The remainder of the debt represents debt secured solely by specified revenue sources.

CITY OF WINTER GARDEN'S Outstanding Debt, at year end

Governmental:	
Series 2006 Sales Tax Revenue Bonds	$11,395,000
2001 CRA Loan	1,868,581
Sub-total	13,263,581
Business Type:	
2005 SRF Loan	18,738
2004 SRF Loan	1,665,197
2003 SRF Loan	8,916,872
2001 SRF Loan	880,472
Sub-total	11,481,279
Total	$24,744,860

The City's total debt decreased by $3,495,007 (twelve percent) during the current fiscal year due to the prepayment in-full of a debt obligation in the principal amount of $2,210,070, as well as regular scheduled principal payments on all other debt obligations.

There are no limitations placed upon the amount of debt the City may issue either by the City's Charter, Code of Ordinances, or Florida Statutes. The City's Charter requires a voter referendum for general obligation bonds.

Additional information on the City's long-term liabilities can be found in Note *IV.F* in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The City has experienced significant growth over the past several years, thus the costs of providing governmental services have likewise been increasing; however, pressures to reduce property taxes due to recent legislative tax reform have significantly reduced revenues available to fund these services. For fiscal year 2010, the City increased its millage rate from 3.3866 to 3.7500. However, the adopted rate was below the rolled-back rate of 3.8546 by 2.71% due to decreased property values. During the budget process for fiscal year 2010, department heads focused on controlling costs and were successful in doing so.

At a special meeting on December 17, 2009, the City Commission voted to transfer ownership of the Garden Theatre building from the Winter Garden Heritage Foundation, Inc. (WGHF) in lieu of repayment of a debt owed to the City by WGHF that was in default. The City would be responsible for the building's structural maintenance and WGHF would remain responsible for daily operations of the theatre. As of September 30, 2009, the balance of the loan was $1,361,013, including accrued interest and penalties. Because governmental funds report capital outlays as expenditures, this will result in a corresponding reduction in the fund balance of the City's General Fund when the transfer is completed.

On October 1, 2009, the City implemented scheduled rate increase for traffic impact fees, as well as for the County Road 545 Benefit Overlay Area that assigns an additional traffic impact fee to new development in a designated geographic area surrounding this road. On January 14, 2010, the City implemented a reduced traffic impact fee. For fiscal year 2010, the rate for the traffic

impact fee for a single family home was $6,209 through January 14, 2010 and $3,517 thereafter. For fiscal year 2010, the Overlay Area traffic impact fee for a single family home is $5,928. There are scheduled increases of 5% annually for the Overlay Area traffic impact fee through October 1, 2021.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, Fiscal Management Division, 300 West Plant Street, Winter Garden, Florida, 34787.

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BASIC FINANCIAL STATEMENTS

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City of Winter Garden, Florida
Statement of Net Assets
September 30, 2009

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 1,165,959	$ 1,321,974	$ 2,487,933
Receivables (net of allowance for uncollectibles)	1,931,897	2,087,365	4,019,262
Internal balances	(2,905,979)	2,905,979	-
Due from other governmental units	839,323	-	839,323
Inventories	152,808	154,985	307,793
Investments	35,573,911	9,473,697	45,047,608
Prepaid items	263,182	15,052	278,234
Employee advances	4,000	-	4,000
Restricted cash, cash equivalents, and investments	-	20,450,377	20,450,377
Pension assets	1,884,367	-	1,884,367
Capital assets (net of accumulated depreciation):			
Land	19,472,884	1,024,601	20,497,485
Buildings	20,019,267	2,658,315	22,677,582
Improvements other than buildings	6,185,990	11,665,025	17,851,015
Machinery and equipment	4,911,035	2,263,881	7,174,916
Infrastructure	32,669,241	33,023,716	65,692,957
Construction work in progress	4,310,097	5,139,943	9,450,040
Total assets	126,477,982	92,184,910	218,662,892
LIABILITIES			
Accounts payable	1,249,663	347,714	1,597,377
Contracts payable	132,816	6,055	138,871
Due to other governmental units	678,639	932	679,571
Accrued interest payable	-	5,362	5,362
Accrued wages payable	354,674	60,812	415,486
Deposits	129,320	-	129,320
Unearned revenue	819,915	72,437	892,352
Other current liabilities	776,632	-	776,632
Liabilities payable from restricted assets	-	1,461,347	1,461,347
Noncurrent liabilities:			
Due within one year	105,201	720,651	825,852
Due in more than one year	13,901,811	11,203,357	25,105,168
Total liabilities	18,148,671	13,878,667	32,027,338
NET ASSETS			
Invested in capital assets, net of related debt	74,042,719	44,000,691	118,043,410
Restricted for:			
Public safety	702,554	-	702,554
Transportation	23,518,151	-	23,518,151
Debt service	-	560,282	560,282
Capital projects	-	18,508,790	18,508,790
Unrestricted	10,065,887	15,236,480	25,302,367
Total net assets	$ 108,329,311	$ 78,306,243	$ 186,635,554

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

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

			Program Revenues		
Functions/Programs	**Expenses**	**Indirect Expenses Allocation**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Governmental activities:					
General government	$ 5,344,843	$ (1,445,809)	$ 95,675	$ 1,040	$ -
Public safety	14,902,345	-	1,178,952	582,445	318,686
Physical environment	1,340,688	(396,749)	241,260	-	-
Transportation	2,824,954	(244,480)	57,067	1,024,670	2,974,052
Economic environment	454,298	27,005	-	477,773	-
Public assistance	119,971	-	-	-	-
Culture and recreation	2,357,923	-	333,260	-	280,343
Interest on long-term debt	645,030	-	-	-	-
Total governmental activities	27,990,052	(2,060,033)	1,906,214	2,085,928	3,573,081
Business-type activities:					
Water and sewer	7,317,958	1,378,657	9,344,622	-	1,660,852
Solid waste	2,697,207	527,259	4,051,487	-	-
Stormwater	610,927	135,454	1,339,830	-	54,775
Residential mobile home lot rentals	185,979	18,663	222,138	-	-
Total business-type activities	10,812,071	2,060,033	14,958,077	-	1,715,627
Total Functions/Programs	$ 38,802,123	$ -	$ 16,864,291	$ 2,085,928	$ 5,288,708

General revenues:
Taxes:
Ad valorem
Utility services
Communications services
Local business
Franchise fees
Unrestricted intergovernmental
Investment earnings
Gain on sale of capital assets
Other
Total general revenues
Change in net assets
Net assets—beginning
Net assets—ending

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

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	**Business-type Activities**	**Total**
$ (3,802,319)	$ -	$ (3,802,319)
(12,822,262)	-	(12,822,262)
(702,679)	-	(702,679)
1,475,315	-	1,475,315
(3,530)	-	(3,530)
(119,971)	-	(119,971)
(1,744,320)	-	(1,744,320)
(645,030)	-	(645,030)
(18,364,796)	-	(18,364,796)
-	2,308,859	2,308,859
-	827,021	827,021
-	648,224	648,224
-	17,496	17,496
-	3,801,600	3,801,600
(18,364,796)	3,801,600	(14,563,196)
8,722,152	-	8,722,152
2,710,435	-	2,710,435
1,455,478	-	1,455,478
228,320	-	228,320
2,242,640	-	2,242,640
4,394,094	-	4,394,094
543,291	587,924	1,131,215
155,656	5,622	161,278
88,354	-	88,354
20,540,420	593,546	21,133,966
2,175,624	4,395,146	6,570,770
106,153,687	73,911,097	180,064,784
$ 108,329,311	$ 78,306,243	$ 186,635,554

City of Winter Garden, Florida
Balance Sheet
Governmental Funds
September 30, 2009

	General	Community Redevelopment Agency
ASSETS		
Cash and cash equivalents	$ 158,789	$ 360,516
Receivables (net of allowance for uncollectibles)	1,931,897	-
Due from other funds	-	-
Advances to other funds	1,295,211	-
Due from other governmental units	453,519	-
Investments	12,843,165	-
Prepaid items	263,182	-
Employee advances	4,000	-
Total assets	$ 16,949,763	$ 360,516
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	$ 1,126,643	$ 90
Contracts payable	99,768	-
Due to other funds	4,500,000	-
Due to other governmental units	678,639	-
Accrued wages payable	354,674	-
Deposits	129,320	-
Deferred revenue	878,439	-
Other current liabilities	776,632	-
Advances from other funds	-	701,190
Total liabilities	8,544,115	701,280
Fund balances:		
Reserved for:		
Encumbrances	856,275	-
Advances to other funds	1,295,211	-
Police training and education	58,400	-
Television production equipment	28,440	-
Enforcement of Florida Building Code	724,849	-
Prepaid items	263,182	-
Unreserved (deficit), reported in:		
General fund	5,179,291	-
Special revenue funds	-	(340,764)
Capital projects funds	-	-
Permanent funds	-	-
Total fund balances (deficit)	8,405,648	(340,764)
Total liabilities and fund balances	$ 16,949,763	$ 360,516

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

Impact Fee	Other Governmental Funds	Total Governmental Funds
$ 325,783	$ 320,871	$ 1,165,959
-	-	1,931,897
-	1,000,000	1,000,000
-	-	1,295,211
-	385,804	839,323
22,730,746	-	35,573,911
-	-	263,182
-	-	4,000
$ 23,056,529	$ 1,706,675	$ 42,073,483
$ 94,343	$ 28,587	$ 1,249,663
33,048	-	132,816
-	-	4,500,000
-	-	678,639
-	-	354,674
-	-	129,320
-	303,546	1,181,985
-	-	776,632
-	-	701,190
127,391	332,133	9,704,919
1,608,167	4,576	2,469,018
-	-	1,295,211
-	-	58,400
-	-	28,440
-	-	724,849
-	-	263,182
-	-	5,179,291
21,320,971	1,309,813	22,290,020
-	30,111	30,111
-	30,042	30,042
22,929,138	1,374,542	32,368,564
$ 23,056,529	$ 1,706,675	$ 42,073,483

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City of Winter Garden, Florida
Reconciliation of the Balance Sheet of
Governmental Funds to the Statement of Net Assets
September 30, 2009

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

Fund balances-total governmental funds	$ 32,368,564
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	87,568,514
Inventories are recognized as an expenditure at the time of purchase in the governmental funds.	152,808
The pension assets resulting from contributions in excess of the annual required contribution in previous years are not financial resources and therefore are not reported in the funds.	1,884,367
Earned but deferred revenue is recognized as a liability in the governmental funds.	362,070
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(14,007,012)
Net assets of governmental activities	$ 108,329,311

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

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

	General	Community Redevelopment Agency
REVENUES		
Taxes:		
Ad valorem	$ 8,722,152	$ -
Utility services	2,710,435	-
Communications services	1,455,478	-
Local business	228,320	-
Permits and fees	2,825,737	-
Intergovernmental	4,658,815	477,773
Charges for services	2,909,532	-
Fines and forfeits	327,111	-
Investment earnings	476,646	3,337
Rents and royalties	154,128	-
Contributions and donations	3,290	-
Other	88,354	-
Total revenues	24,559,998	481,110
EXPENDITURES		
Current:		
General government	4,818,700	-
Public safety	14,335,464	-
Physical environment	1,291,287	-
Transportation	1,461,953	-
Economic environment	1,697,378	160,356
Public assistance	119,971	-
Culture and recreation	3,386,081	-
Capital outlay	-	-
Debt service:		
Principal	-	-
Interest	-	16,490
Total expenditures	27,110,834	176,846
Excess (deficiency) of revenues over (under) expenditures	(2,550,836)	304,264
OTHER FINANCING SOURCES (USES)		
Transfers in	-	362,900
Transfers out	(1,116,254)	(557,836)
Sale of capital assets	1,039,963	-
Total other financing sources and (uses)	(76,291)	(194,936)
Net change in fund balances	(2,627,127)	109,328
Fund balances (deficit)—beginning	11,032,775	(450,092)
Fund balances (deficit)—ending	$ 8,405,648	$ (340,764)

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

Impact Fee	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 8,722,152
-	-	2,710,435
-	-	1,455,478
-	-	228,320
1,854,409	17,600	4,697,746
-	1,597,757	6,734,345
-	-	2,909,532
-	19,384	346,495
1,379,913	4,784	1,864,680
-	-	154,128
-	-	3,290
-	-	88,354
3,234,322	1,639,525	29,914,955
-	-	4,818,700
2,202,225	605,420	17,143,109
-	-	1,291,287
3,221,348	669,211	5,352,512
-	-	1,857,734
-	-	119,971
2,908,989	-	6,295,070
-	137,486	137,486
2,210,070	673,834	2,883,904
376,079	608,127	1,000,696
10,918,711	2,694,078	40,900,469
(7,684,389)	(1,054,553)	(10,985,514)
-	1,311,190	1,674,090
-	-	(1,674,090)
(10,000)	-	1,029,963
(10,000)	1,311,190	1,029,963
(7,694,389)	256,637	(9,955,551)
30,623,527	1,117,905	42,324,115
$ 22,929,138	$ 1,374,542	$ 32,368,564

City of Winter Garden, 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

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

Net change in fund balances—total governmental funds	$	(9,955,551)
Governmental funds report revenues earned during the period but not yet available as a deferred revenue liability. However, in the statement of activities revenues are reported when earned.		122,070
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 exceeded depreciation in the current period.		10,065,574
In the statement of activities, only the gain on the sale or scrap of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.		(874,307)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		2,883,904
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(64,016)
In the governmental funds, purchases of inventories are reported as expenditures, whereas in the Statement of Activities, only the change in the balance of inventories is expensed.		(2,050)
Change in net assets of governmental activities	$	2,175,624

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

City of Winter Garden, Florida
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
For the Year Ended September 30, 2009

	Budgeted Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget
REVENUES				
Taxes:				
Ad valorem	$ 8,653,952	$ 8,653,952	$ 8,722,152	$ 68,200
Utility services	2,806,651	2,792,651	2,710,435	(82,216)
Communications services	1,513,868	1,513,868	1,455,478	(58,390)
Local business	211,142	211,142	228,320	17,178
Permits and fees	3,247,566	2,735,711	2,825,737	90,026
Intergovernmental	4,649,799	4,439,742	4,658,815	219,073
Charges for services	3,165,174	3,028,824	2,909,532	(119,292)
Fines and forfeits	337,846	337,846	327,111	(10,735)
Investment earnings	613,760	484,258	476,646	(7,612)
Rents and royalties	140,420	141,990	154,128	12,138
Contributions and donations	8,000	9,040	3,290	(5,750)
Other	80,386	60,386	88,354	27,968
Total revenues	25,428,564	24,409,410	24,559,998	150,588
EXPENDITURES				
Current:				
General government:				
Legislative	122,047	142,247	127,167	15,080
Executive	1,089,948	2,133,915	1,078,927	1,054,988
Financial and administrative	2,371,623	2,369,918	2,520,832	(150,914)
Legal counsel	205,000	205,000	400,091	(195,091)
Comprehensive planning	559,964	597,727	691,683	(93,956)
Total general government	4,348,582	5,448,807	4,818,700	630,107
Public safety:				
Law enforcement	8,048,477	8,125,770	8,152,211	(26,441)
Fire control	4,386,572	4,828,774	5,308,449	(479,675)
Protective inspections	1,173,293	1,094,793	874,804	219,989
Total public safety	13,608,342	14,049,337	14,335,464	(286,127)
Physical environment:				
Cemetery	134,431	139,231	156,347	(17,116)
Building maintenance	398,167	446,422	414,253	32,169
Fleet maintenance	429,530	461,785	459,400	2,385
Public Services Administration	278,654	280,243	261,287	18,956
Total physical environment	1,240,782	1,327,681	1,291,287	36,394
Transportation:				
Engineering	753,760	703,760	582,332	121,428
Construction and maintenance	667,625	1,294,425	879,621	414,804
Total transportation	1,421,385	1,998,185	1,461,953	536,232
Economic environment	269,506	1,712,932	1,697,378	15,554
Public assistance	119,500	119,500	119,971	(471)
Culture and recreation	4,685,833	4,574,888	3,386,081	1,188,807
Reserve for contingencies	250,000	250,000	-	250,000
Debt service:				
Principal	24,850	24,850	-	24,850
Interest	2,308	2,308	-	2,308
Total expenditures	25,971,088	29,508,488	27,110,834	2,397,654
Excess (deficiency) of revenues over (under) expenditures	(542,524)	(5,099,078)	(2,550,836)	2,548,242
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,116,254)	(1,116,254)	(1,116,254)	-
Sale of capital assets	12,596	1,042,451	1,039,963	(2,488)
Total other financing sources and (uses)	(1,103,658)	(73,803)	(76,291)	(2,488)
Net change in fund balances	(1,646,182)	(5,172,881)	(2,627,127)	2,545,754
Fund balances—beginning	11,032,775	11,032,775	11,032,775	-
Fund balances—ending	$ 9,386,593	$ 5,859,894	$ 8,405,648	$ 2,545,754

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

City of Winter Garden, Florida
Community Redevelopment Agency Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
For the Year Ended September 30, 2009

	Budgeted Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget
REVENUES				
Intergovernmental	$ 481,236	$ 477,773	$ 477,773	$ -
Investment earnings	20,413	3,876	3,337	(539)
Total revenues	501,649	481,649	481,110	(539)
EXPENDITURES				
Current:				
Economic environment	128,905	258,905	160,356	98,549
Debt service:				
Interest	29,368	29,368	16,490	12,878
Total expenditures	158,273	288,273	176,846	111,427
Excess of revenues over expenditures	343,376	193,376	304,264	110,888
OTHER FINANCING SOURCES (USES)				
Transfers in	362,900	362,900	362,900	-
Transfers out	(559,568)	(559,568)	(557,836)	1,732
Total other financing sources and (uses)	(196,668)	(196,668)	(194,936)	1,732
Net change in fund balances	146,708	(3,292)	109,328	112,620
Fund balances (deficits)—beginning	(450,092)	(450,092)	(450,092)	-
Fund balances (deficits)—ending	$ (303,384)	$ (453,384)	$ (340,764)	$ 112,620

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

City of Winter Garden, Florida
Impact Fee Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
For the Year Ended September 30, 2009

	Budgeted Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget
REVENUES				
Permits and fees	$ 2,325,000	$ 1,985,000	$ 1,854,409	$ (130,591)
Investment earnings	1,368,350	1,402,439	1,379,913	(22,526)
Total revenues	3,693,350	3,387,439	3,234,322	(153,117)
EXPENDITURES				
Current:				
Public safety:				
Law enforcement	129,883	1,657,315	1,564,279	93,036
Fire control	-	1,406,152	637,946	768,206
Total public safety	129,883	3,063,467	2,202,225	861,242
Transportation	6,410,648	15,376,636	3,221,348	12,155,288
Culture and recreation	-	2,624,642	2,908,989	(284,347)
Debt service:				
Principal	2,210,070	2,210,070	2,210,070	-
Interest	501,781	565,647	376,079	189,568
Total expenditures	9,252,382	23,840,462	10,918,711	12,921,751
Excess (deficiency) of revenues over (under) expenditures	(5,559,032)	(20,453,023)	(7,684,389)	12,768,634
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	(10,000)	(10,000)
Issuance of debt	13,189,807	13,189,807	-	(13,189,807)
Discount on debt issuance	(77,000)	(77,000)	-	77,000
Total other financing sources and (uses)	13,112,807	13,112,807	(10,000)	(13,122,807)
Net change in fund balances	7,553,775	(7,340,216)	(7,694,389)	(354,173)
Fund balances—beginning	30,623,527	30,623,527	30,623,527	-
Fund balances—ending	$ 58,843,884	$ 29,055,902	$ 22,929,138	$ (6,126,764)

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

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

	Business-type Activities—Enterprise Funds			
	Water and Sewer Utility	Solid Waste	Other Enterprise Funds	Totals
ASSETS				
Current assets:				
Cash and cash equivalents	$ 225,638	$ 353,850	$ 742,486	$ 1,321,974
Accounts receivable (net of allowance for uncollectibles)	1,393,087	401,244	139,351	1,933,682
Due from other funds	3,500,000	-	-	3,500,000
Interest receivable	153,683	-	-	153,683
Inventories--materials and supplies	150,917	-	4,068	154,985
Investments	9,473,697	-	-	9,473,697
Prepaid Items	15,052	-	-	15,052
Restricted cash, cash equivalents, and investments for payment of current liabilities	2,004,100	-	-	2,004,100
Total current assets	16,916,174	755,094	885,905	18,557,173
Noncurrent assets:				
Restricted cash, cash equivalents, and investments:				
Capital projects	17,885,995	-	-	17,885,995
Debt service	560,282	-	-	560,282
Total restricted	18,446,277	-	-	18,446,277
Capital assets:				
Land	700,149	261,152	63,300	1,024,601
Buildings	5,655,798	521,284	29,387	6,206,469
Improvements other than buildings	17,287,915	311,145	2,285,701	19,884,761
Machinery and equipment	2,467,402	2,855,482	710,840	6,033,724
Infrastructure	36,580,402	-	2,806,129	39,386,531
Construction work in progress	4,554,016	-	585,927	5,139,943
Less accumulated depreciation	(18,295,932)	(1,900,930)	(1,703,686)	(21,900,548)
Total capital assets (net of accumulated depreciation)	48,949,750	2,048,133	4,777,598	55,775,481
Total noncurrent assets	67,396,027	2,048,133	4,777,598	74,221,758
Total assets	84,312,201	2,803,227	5,663,503	92,778,931
LIABILITIES				
Current liabilities:				
Accounts payable	175,149	110,539	62,026	347,714
Notes and loans payable	-	-	7,653	7,653
Contracts payable	-	-	6,055	6,055
Due to other governmental units	932	-	-	932
Compensated absences	11,910	5,661	4,315	21,886
Accrued interest payable	-	-	5,362	5,362
Accrued wages payable	34,946	19,426	6,440	60,812
Unearned revenue	65,551	-	6,886	72,437
Payable from restricted assets:				
Accounts payable	62,901	-	-	62,901
Notes and loans payable	622,795	-	-	622,795
Contracts payable	9,083	-	-	9,083
Accrued interest payable	76,042	-	-	76,042
Customer deposits	1,313,321	-	-	1,313,321
Capital leases	-	-	68,317	68,317
Total current liabilities	2,372,630	135,626	167,054	2,675,310
Noncurrent liabilities:				
Notes and loans payable	10,839,746	-	11,085	10,850,831
Compensated absences	34,701	19,359	9,125	63,185
Other postemployment benefits	38,263	21,382	4,502	64,147
Capital leases	-	-	225,194	225,194
Advances from other funds	-	-	594,021	594,021
Total noncurrent liabilities	10,912,710	40,741	843,927	11,797,378
Total liabilities	13,285,340	176,367	1,010,981	14,472,688
NET ASSETS				
Invested in capital assets, net of related debt	37,487,209	2,048,133	4,465,349	44,000,691
Restricted for:				
Capital projects	18,508,790	-	-	18,508,790
Debt service	560,282	-	-	560,282
Unrestricted	14,470,580	578,727	187,173	15,236,480
Total net assets	$ 71,026,861	$ 2,626,860	$ 4,652,522	$ 78,306,243

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

City of Winter Garden, Florida
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended September 30, 2009

	Business-type Activities—Enterprise Funds			
	Water and Sewer Utility	**Solid Waste**	**Other Enterprise Funds**	**Totals**
Operating revenues:				
Licenses and permits	$ 4,425	$ -	$ -	$ 4,425
Charges for services	9,190,855	4,049,733	1,339,830	14,580,418
Other	149,342	1,754	222,138	373,234
Total operating revenues	9,344,622	4,051,487	1,561,968	14,958,077
Operating expenses:				
Personal services	1,754,437	1,021,032	292,742	3,068,211
Contractual services	1,231,381	939,834	75,848	2,247,063
Utilities	831,576	-	7,788	839,364
Supplies	398,731	213,798	19,894	632,423
Depreciation	2,116,337	240,333	315,663	2,672,333
Other services and charges	1,989,403	809,266	211,142	3,009,811
Total operating expenses	8,321,865	3,224,263	923,077	12,469,205
Operating income	1,022,757	827,224	638,891	2,488,872
Nonoperating revenues (expenses):				
Investment earnings	1,598,411	-	2,464	1,600,875
Impact fees	594,704	-	-	594,704
Contributions	-	-	54,775	54,775
Gain (loss) on sale of capital assets	762	4,860	(22,134)	(16,512)
Interest expense	(374,750)	(203)	(5,812)	(380,765)
Total nonoperating revenues (expenses)	1,819,127	4,657	29,293	1,853,077
Income before contributions	2,841,884	831,881	668,184	4,341,949
Capital contributions:				
Intergovernmental revenue	53,197	-	-	53,197
Change in net assets	2,895,081	831,881	668,184	4,395,146
Total net assets—beginning	68,131,780	1,794,979	3,984,338	73,911,097
Total net assets—ending	$ 71,026,861	$ 2,626,860	$ 4,652,522	$ 78,306,243

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

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City of Winter Garden, 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	Other Enterprise Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 9,090,977	$ 4,034,586	$ 1,549,446	$ 14,675,009
Payments to suppliers	(7,477,596)	(2,313,155)	(260,142)	(10,050,893)
Payments to employees	(1,701,637)	(993,872)	(283,280)	(2,978,789)
Payments to other governmental units	(11,021)	-	-	(11,021)
Net cash provided (used) by operating activities	(99,277)	727,559	1,006,024	1,634,306
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interest paid on deposits	(40,627)	-	-	(40,627)
Net cash (used) by noncapital and related financing activities	(40,627)	-	-	(40,627)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Grants received	53,197	-	-	53,197
Contributions	-	-	54,775	54,775
Proceeds from capital debt	-	-	375,920	375,920
Purchases of capital assets	(3,482,956)	(378,366)	(866,521)	(4,727,843)
Principal paid on capital debt	(605,504)	-	(88,007)	(693,511)
Interest paid on capital debt	(338,143)	(203)	(2,454)	(340,800)
Proceeds from sales of capital assets	1,201	4,860	4,706	10,767
Impact fees received	594,704	-	-	594,704
Net cash (used) by capital and related financing activities	(3,777,501)	(373,709)	(521,581)	(4,672,791)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales and maturities of investments	61,218,053	-	-	61,218,053
Purchase of investments	(58,215,573)	-	-	(58,215,573)
Interest received	998,739	-	2,464	1,001,203
Net cash provided by investing activities	4,001,219	-	2,464	4,003,683
Net increase in cash and cash equivalents	83,814	353,850	486,907	924,571
Cash and cash equivalents, October 1 (including $337,494 for the water and sewer fund reported in restricted accounts)	625,107	-	255,579	880,686
Cash and cash equivalents, September 30 (including $483,283 for the water and sewer fund reported in restricted accounts)	$ 708,921	$ 353,850	$ 742,486	$ 1,805,257
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	$ 1,022,757	$ 827,224	$ 638,891	$ 2,488,872
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	2,116,337	240,333	315,663	2,672,333
Decrease (increase) in accounts receivable	(247,963)	(51,572)	6,700	(292,835)
Increase (decrease) in allowance for uncollectible accounts	46,479	34,671	(18,569)	62,581
(Increase) in due from other funds	(2,499,755)	-	-	(2,499,755)
(Increase) in inventories--materials and supplies	(7,027)	-	-	(7,027)
(Decrease) in customer deposits	(59,891)	-	-	(59,891)
Increase (decrease) in accounts payable	(519,723)	47,340	54,530	(417,853)
(Decrease) in due to other funds	-	(397,597)	-	(397,597)
Increase in due to other governmental units	1	-	-	1
Increase in accrued wages payable	6,188	1,820	615	8,623
Increase (decrease) in unearned revenue	(3,292)	-	(653)	(3,945)
Increase in compensated absences	8,349	3,958	4,345	16,652
Increase in other postemployment benefits	38,263	21,382	4,502	64,147
Total adjustments	(1,122,034)	(99,665)	367,133	(854,566)
Net cash provided (used) by operating activities	$ (99,277)	$ 727,559	$ 1,006,024	$ 1,634,306
Noncash investing, capital, and financing activities:				
(Decrease) in fair value of investments	(40,081)	-	-	

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

City of Winter Garden, Florida
Statement of Fiduciary Net Assets
Fiduciary Funds
September 30, 2009

	Pension Trust Funds
ASSETS	
Cash and cash equivalents	$ 2,166,567
Receivables:	
Employer	834,536
Retiree	5,128
Member	2,817
Interest and dividends	114,503
Total receivables	956,984
Investments, at fair value:	
Real estate investment trusts	1,804,140
Fixed income securities	8,246,706
Equities	18,346,793
Total investments	28,397,639
Total assets	31,521,190
LIABILITIES	
Accounts payable	20,114
Total liabilities	20,114
NET ASSETS	
Held in trust for pension benefits	$ 31,501,076

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

City of Winter Garden, Florida
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended September 30, 2009

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	$ 2,712,925
Plan members	59,018
Excise tax proceeds	479,938
Total contributions	3,251,881
Investment earnings:	
Interest	446,676
Dividends	450,959
Net decrease in the fair value of investments	(1,879,935)
Total investment (loss)	(982,300)
Less investment expense	178,916
Net investment (loss)	(1,161,216)
Total additions	2,090,665
DEDUCTIONS	
Benefits	1,509,841
Refunds	10,160
Administrative	59,584
Total deductions	1,579,585
Change in net assets	511,080
Net assets—beginning	30,989,996
Net assets—ending	$ 31,501,076

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

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I. Summary of significant accounting policies

The accounting policies of the City of Winter Garden (the "City") conform to accounting principles generally accepted in the United States as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting board for establishing governmental accounting and financial reporting principles. The more significant of these accounting policies are summarized below.

A. Reporting entity

The City was incorporated November 10, 1903 in the "Miscellaneous Record" Orange County volume 37, page 444, and reincorporated May 31, 1913 by the "Laws of Florida" chapter 6798. The City is a municipal corporation governed by a five-member City Commission comprised of the Mayor (elected at large) and four district Commissioners. The accompanying financial statements present the City and one component unit, an entity for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations, and their financial transactions are included as though they are part of the City.

Blended component unit. The Community Redevelopment Agency was created by the City Commission pursuant to the requirements of Chapter 163, Part III of the Florida Statutes through Ordinance Number 92-48, adopted on June 25, 1992 with the consent of the Orange County Board of County Commissioners. The Community Redevelopment Agency serves to renew economic interest and improve the commercial diversity and viability of a redevelopment area in and around the City's downtown. The governing body of the Agency is made up of the City Commission, a sixth member appointed by the Orange County Board of County Commissioners, and a seventh member appointed by the City Commission. The Agency is presented as a special revenue fund and does not prepare individual financial statements.

B. Government-wide and fund financial statements

Government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for each function or segment of the City's governmental activities. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and

contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

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

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

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

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The *Community Redevelopment Agency Fund* accounts for the activities of the Community Redevelopment Agency.

The *Impact Fee Fund* accounts for the receipt and disbursement of police, fire, transportation, and recreation impact fees, used exclusively for capital projects (or related debt service).

The City reports the following major proprietary funds:

The *Water and Sewer Utility Fund* accounts for the activities of the City's water treatment plants, the water distribution system, the sewage pumping stations and collection systems, and the sewage treatment plant.

The *Solid Waste Fund* accounts for the activities of the City's residential and commercial collection system and the costs of disposal fees charged at the County landfill.

Additionally, the government reports the following fund type:

The *Pension Trust Funds* account for the activities of the Pension Plan for General Employees and the Pension Plan for Firefighters and Police Officers, which accumulate resources for pension benefit payments to qualified employees.

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

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

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The Water and Sewer Utility 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 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 non-operating revenues and expenses.

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

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States requires management to make use of estimates that affect reported amounts in the basic financial statements. Actual results could differ from those estimates.

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

The City'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 cash and investment pool that is utilized by all funds except those that require separate accounts. Each pooled cash fund is allocated interest on ending monthly cash balances held by the fund throughout the year.

State statutes authorize the City to invest in the State Board of Administration's Local Government Surplus Funds Trust Fund (Florida PRIME and Fund B), United States government securities, United States government agencies, federal instrumentalities, non-negotiable interest bearing time certificates of deposit, repurchase agreements, bankers' acceptances, commercial paper, state and local government taxable and tax-exempt debt, registered investment companies, and intergovernmental investment pools.

The City's investments are reported at fair value. On December 4, 2007, based on recommendations from an outside financial advisor, the State Board of Administration restructured what was then known as the SBA pool into two separate pools. Fund A, now referred to as Florida PRIME, consisted of all money market appropriate assets, which was approximately $12 billion or 86% of Pool assets. Fund B, now referred to as LGIP-B, consisted of assets that either defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk, which was approximately $2 billion or 14% of Pool assets. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Fund A and Fund B.

On December 21, 2007, Standard and Poor's Ratings Services assigned its "AAAm" principal stability fund rating to Fund A (Florida PRIME). As principal and interest payments are received on the underlying securities in LGIP-B, these funds are transferred to participants' Florida PRIME accounts. As of September 30, 2009, the fair value of the City's investments in Florida PRIME and LGIP-B were $1,000 and $297,500, respectively. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained

from the State Board of Administration. Investments in Florida PRIME, an external 2a7-like investment pool, are stated at share price. Florida PRIME shares are based on amortized cost, which approximates fair market value. LGIP-B is accounted for as a fluctuating net asset value pool. The fair value factor as of September 30, 2009 was 0.549151. The Office of the Auditor General of the State of Florida performs the operational audit of the activities and investments of Florida PRIME.

2. Receivables and payables

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

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 and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 90 days and half of those between 60 and 90 days comprise the trade accounts receivable allowance for uncollectibles. Property taxes receivable in excess of 21 months and half of those between nine months and 21 months comprise the property taxes receivable allowance for uncollectibles.

3. Inventories and prepaid items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These payments are recorded as expenditures when consumed rather than when purchased.

4. Restricted assets

Certain resources of the Water and Sewer Utility Fund are classified as restricted assets on the statement of net assets because their use is limited to the repayment of customer deposits, to capital projects to expand the capacity of the system, and to fund asset renewals and replacements. Certain proceeds of the Water and Sewer Utility Fund's loan agreements, as well as certain resources set aside for their repayment, are classified as restricted assets on

the statement of net assets because their use is limited by applicable loan agreement covenants. These resources are set aside to subsidize potential deficiencies from the Fund's operation that could adversely affect debt service payments and to segregate resources accumulated for debt service payments over the next six months.

5. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., 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 $750 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.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset 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 City are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	50
Building improvements	15-25
Public domain infrastructure	25-50
System infrastructure	15-25
Vehicles	5-10
Office equipment	5
Computer equipment	5

6. Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City's policy is to only pay these amounts when employees separate from service with the City due to retirement. All vacation pay is 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.

7. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

8. Fund equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

E. Property taxes

For property taxes budgeted for the fiscal year ended September 30, 2009, all property was assessed according to its fair market value on January 1, 2008, and a lien was placed on the property for taxes at that time. The tax levy of the City was established by the City Commission on September 25, 2008. Tax bills were rendered November 1, 2008, and unpaid taxes became delinquent on April 1, 2009. On or prior to June 1, 2009, tax certificates were sold for all delinquent taxes on real property.

F. New accounting pronouncements

Effective October 1, 2008, the City adopted the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement provides guidance on all aspects of other postemployment benefit reporting by employers.

Effective October 1, 2008, the City adopted the provisions of GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. This statement provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts.

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance—total governmental funds* and *net assets—governmental activities* as reported in the government-

wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this $14,007,012 difference are as follows:

Bonds, notes, and long-term agreements payable	$13,263,581
Compensated absences	481,217
Other postemployment benefits	262,214
Net adjustment to reduce *fund balance—total governmental funds* to arrive at *net assets—governmental activities*	$14,007,012

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances—total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $10,065,574 difference are as follows:

Capital outlay	$13,715,444
Depreciation expense	(3,649,870)
Net adjustment to increase *net changes in fund balances—total governmental funds* to arrive at *changes in net assets of governmental activities*	$10,065,574

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets." The details of this $2,883,904 difference are as follows:

Principal repayments:	
Intergovernmental agreements	(2,210,070)
Revenue notes	(443,834)
Revenue bonds	(230,000)
Net adjustment to decrease *net changes in fund balances—total governmental funds* to arrive at *changes in net assets of governmental activities*	$(2,883,904)

Another element of that reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this $(64,016) difference are as follows:

Compensated absences	$ (33,161)
Accrued interest	355,666
Other postemployment benefits	(262,214)
Pension asset	(124,307)
Net adjustment to decrease *net changes in fund balances—total governmental funds* to arrive at *changes in net assets of governmental activities*	$ (64,016)

III. Budgetary compliance and accountability

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year end.

On or before July 31st of each year, all departments of the City submit requests for appropriations to the City Manager so that a budget may be prepared. Before August 31st, the proposed budget is presented to the City Commission for review. The Commission holds public hearings and a final budget must be prepared and adopted no later than September 30th.

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a fund. Any revisions that alter the total expenditures of any fund must be approved by the City Commission. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The Commission made several supplemental budgetary appropriations throughout the year, totaling $19,907,107 in the governmental funds. These

were primarily due to encumbrances outstanding at the end of the 2008 fiscal year and reappropriation of funds for construction contracts.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., 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.

B. Excess of expenditures over appropriations

For the year ended September 30, 2009, expenditures in the Police and Fire Premium Tax Trust Fund exceeded appropriations by $159,939. These over expenditures were funded by greater than anticipated revenues.

C. Deficit fund equity

The Community Redevelopment Agency Fund had a deficit fund balance of $340,764 as of September 30, 2009. This was due to a transfer of $1,200,000 to the Downtown Renovations Capital Projects Fund in fiscal year 2003, which was funded by a corresponding interfund loan from the General Fund.

IV. Detailed notes on all funds

A. Deposits and investments

As of September 30, 2009, the City had the following investments:

	Government-wide		Pension Trust Funds	
Investment Type	**Fair Value**	**Weighted Average Maturity (Years)**	**Fair Value**	**Weighted Average Maturity (Years)**
Money market funds	$ 998,331	0.00	$ 715,184	0.00
United States Government securities	25,491,517	1.79	1,402,154	18.86
United States Government Agencies	35,482,394	0.95	2,814,976	18.26
Corporate obligations	3,042,459	2.49	3,862,365	6.08
Municipal obligations	-	0.00	167,211	26.63
Local Government Surplus Funds Investment Pool Trust Fund	298,500	6.67	-	0.00
Total fair value—Government-wide	$65,313,201			
Portfolio weighted average maturity		1.36		10.16
Real estate investment trusts			1,804,140	
Equities			18,346,793	
Total fair value—Pension Trust Funds			$29,112,823	

Interest rate risk, credit risk, and concentration of credit risk. In accordance with its investment policy, the City manages its exposure to (1) interest rate risk, and thus declines in fair values, by limiting the maximum length to maturity of investments; (2) credit risk by limiting the minimum credit quality of investments, as rated by nationally recognized statistical rating organizations (NRSROs); and (3) concentration of credit risk by limiting the maximum percentage that may be invested with a single issuer. These limitations are as follows:

Investment Type	Maximum Length to Maturity (Years)	Minimum Credit Quality (Moody's/ S&P)	Maximum Percent with a Single Issuer
	Government-wide		
Florida Local Government Surplus Trust Fund	NA	NA	75%
United States Government Securities	5.00	NA	100
United States Government Agencies	5.00	NA	25
Federal Instrumentalities	5.00	NA	25
Non-negotiable interest bearing time certificates of deposit	1.00	NA	25
Repurchase agreements	0.16	NA	25
Commercial paper	0.49	Prime-1/A-1	15
State and/or local government debt	3.00	Aa/AA or MIG-2/SP-2	20
Fixed income money market mutual funds	NA	NA	25
Intergovernmental investment pool	NA	NA	25
	Pension Trust Funds		
Time, savings, and money market deposits	No Maximum	P1/A1	Up to FDIC insurance limits
United States Government and Agency Securities	No Maximum	NA	100
Domestic Corporate bonds	No Maximum	A/A	10
Domestic Equities and foreign securities	NA	NA	5

NA=Not Applicable

As of September 30, 2009, the City's investments in money market funds reported in the government-wide statements were rated AAAm by Standard & Poor's (S&P) and Aaa by Moody's Investors Service (Moody's). Of the money market funds held in the Pension Trust Funds, $100,663 were rated A by Moody's and $614,521 were not rated. United States Government Agencies were rated AAA by Standard and Poor's. Of the investments held in the Florida Local Government Surplus Trust Fund, $1,000 was rated AAAm by S&P and $297,500 was not rated. Corporate obligations reported in the government-wide statements were rated AAA by S&P and Moody's. Corporate obligations reported in the Pension Trust Funds were rated as follows:

S&P	Moody's	Fair Value
AAA	AAA	$ 251,241
AAA	AA	42,489
AA	AA	414,219
A	AA	276,867
A	A	2,760,531
BBB	A	117,018

Municipal obligations were rated as follows:

S&P	Moody's	Fair Value
AAA	AA	$ 103,568
AA	AA	63,643

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of September 30, 2009, the City's bank balances were $3,200,079. Of the bank balances, $2,374,856 was covered by federal depository insurance and $825,223 was covered by the State of Florida Collateral Pool. Florida Statutes authorize, and the State administers, a collateral pool that ensures no loss of public funds.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2009, the City's investments were not exposed to custodial credit risk because all securities were held by the City's agent in the City's name.

B. Receivables

Receivables as of year end for the government's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Water and Sewer Utility	Solid Waste	Nonmajor and Other Funds	Total
Receivables:					
Taxes	$ 325,574	$ -	$ -	$ -	$ 325,574
Accounts	542,010	1,812,372	518,038	224,803	3,097,223
Notes	1,361,013	-	-	-	1,361,013
Interest	228,149	153,683	-	114,503	496,335
Gross receivables	2,456,746	1,966,055	518,038	339,306	5,280,145
Less: allowance for Uncollectibles	(524,849)	(419,285)	(116,794)	(85,452)	(1,146,380)
Net total receivables	$1,931,897	$ 1,546,770	$401,244	$253,854	$4,133,765
Reported in:					
Governmental Activities	$1,931,897	$ -	$ -	$ -	$1,931,897
Business-type Activities	-	1,546,770	401,244	139,351	2,087,365
Fiduciary funds	-	-	-	114,503	114,503
Net total receivables	$1,931,897	$1,546,770	$ 401,244	$253,854	$4,133,765

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned
Police and fire premium taxes	$303,546	
Interest earnings	58,524	
Customer credit balances		$ 34,075
Developer agreements		621,026
Developer escrow accounts		164,814
Total deferred revenue for governmental funds	$362,070	$819,915

Proprietary funds report *unearned revenue* in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, *unearned revenue* reported in the proprietary funds was as follows:

	Unearned
Customer credit balances	$72,437

C. Capital assets and construction commitments

Capital asset activities for the year ended September 30, 2009 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$16,908,161	$2,564,723	$ -	$19,472,884
Construction in progress	4,031,391	3,606,008	(3,327,302)	4,310,097
Total capital assets, not being depreciated	20,939,552	6,170,731	(3,327,302)	23,782,981
Capital assets, being depreciated:				
Buildings	19,340,398	4,321,201	-	23,661,599
Improvements other than buildings	3,881,224	4,031,204	-	7,912,428
Machinery and equipment	11,205,750	1,294,149	(414,637)	12,085,262
Infrastructure	39,471,760	351,153	-	39,822,913
Total capital assets, being depreciated	73,899,132	9,997,707	(414,637)	83,482,202
Less accumulated depreciation for:				
Buildings	(3,009,934)	(632,398)	-	(3,642,332)
Improvements other than buildings	(1,518,791)	(207,647)	-	(1,726,438)
Machinery and equipment	(6,004,752)	(1,584,112)	414,637	(7,174,227)
Infrastructure	(5,927,959)	(1,225,713)	-	(7,153,672)
Total accumulated depreciation	(16,461,436)	(3,649,870)	414,637	(19,696,669)
Total capital assets, being depreciated, net	57,437,696	6,347,837	-	63,785,533
Governmental activities capital assets, net	$78,377,248	$12,518,568	$(3,327,302)	$87,568,514
Business-type activities				
Capital assets, not being depreciated:				
Land	$ 1,024,601	$ -	$ -	$ 1,024,601
Construction in progress	8,696,067	2,483,121	(6,039,245)	5,139,943
Total capital assets, not being depreciated	9,720,668	2,483,121	(6,039,245)	6,164,544
Capital assets, being depreciated:				
Buildings and infrastructure	40,260,432	5,332,568	-	45,593,000
Improvements other than buildings	18,048,861	1,835,900	-	19,884,761
Machinery and equipment	5,270,755	992,206	(229,237)	6,033,724
Total capital assets, being depreciated	63,580,048	8,160,674	(229,237)	71,511,485
Less accumulated depreciation for:				
Buildings and infrastructure	(8,286,385)	(1,624,584)	-	(9,910,969)
Improvements other than buildings	(7,560,533)	(659,203)	-	(8,219,736)
Machinery and equipment	(3,583,255)	(388,546)	201,958	(3,769,843)
Total accumulated depreciation	(19,430,173)	(2,672,333)	201,958	(21,900,548)
Total capital assets, being depreciated, net	44,149,875	5,488,341	(27,279)	49,610,937
Business-type activities capital assets, net	$53,870,543	$7,971,462	$(6,066,524)	$55,775,481

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

Governmental activities:	
General government	$ 675,686
Public safety	1,085,018
Physical environment	55,222
Transportation	1,366,326
Economic environment	196,610
Culture and recreation	271,008
Total depreciation expense—governmental activities	$3,649,870
Business-type activities:	
Water and sewer	$2,116,337
Solid waste	240,333
Stormwater	302,779
Residential mobile home lot rentals	12,884
Total depreciation expense—business-type activities	$2,672,333

The City has active construction projects as of September 30, 2009. The projects include street and utility line improvements; community center renovations; and road widening and utility line improvements. At year end, the City's commitments with contractors were as follows:

Project	Spent-to-Date	Remaining Commitment
Street and utility line improvements	$ 110,808	$ 458,905
Community center renovations	893,003	559,575
Road widening and utility line improvements	133,652	1,925,147
Total	$1,137,463	$2,943,627

The commitment for the street and utility line improvements is being funded by General Fund revenues, Local Option Gas Taxes, water and sewer impact fees, and stormwater utility revenues. The commitment for the community center renovations is being funded by General Fund revenues. The commitment for road widening and utility line improvements is being funded by transportation, water, and sewer impact fees.

D. Interfund receivables, payables, and transfers

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

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
Local Option Gas Tax	General	$ 1,000,000
Water and Sewer Utility	General	3,500,000
Total		$4,500,000

The outstanding balances between funds result from operating expenditures in the General Fund.

Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
General	Community Redevelopment Agency	$ 701,190
	Nonmajor enterprise fund	594,021
Total		$1,295,211

Balances reported between the General Fund and the nonmajor enterprise fund were to allow the Stormwater Utility Fund to meet its current obligations in its initial years. Balances reported between the General Fund and the Community Redevelopment Agency Fund were for transfers to the Downtown Renovations Capital Projects Fund.

There is no set repayment schedule for the advance payable from the Nonmajor enterprise fund. The advance payable from the Community Redevelopment Agency Fund has 28 semi-annual installments remaining.

Interfund transfers:

	Transfer In:		
Transfer out:	Community Redevelopment Agency Fund	Nonmajor Governmental	Total
General Fund	$362,900	$753,354	$1,116,254
Community Redevelopment Agency Fund	-	557,836	557,836
Total transfers out	$362,900	$1,311,190	$1,674,090

Transfers from the General Fund to the Community Redevelopment Agency Fund were for the City's contribution of tax increment revenues. Transfers from the General Fund to nonmajor governmental funds were for debt service and perpetual care of the City cemetery. Transfers from the Community Redevelopment Agency Fund to nonmajor governmental funds were for debt service.

E. Leases

Operating Leases

The City leases vehicles, holiday decorations, and other equipment under noncancelable operating leases. Total costs for such leases were $142,310 for the year ended September 30, 2009. The future minimum lease payments for these leases are as follows:

Year Ending September 30	Amount
2010	$ 73,377
2011	28,310
2012	2,420
Total	$104,107

Capital Leases

The City has entered into various lease agreements for certain items of machinery and equipment. 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 following is a schedule of future minimum lease payments applicable to business-type activities for $375,920 of assets capitalized under lease agreements, and the net present value of future minimum lease payments as of September 30, 2009:

Year Ending September 30	Governmental Activities
2010	$ 82,409
2011	82,409
2012	82,409
2013	82,409
Total minimum lease payments	329,636
Less: amount representing interest	(36,125)
Present value of minimum lease payments	$293,511

F. Long-term debt

Revenue Bonds

The City has issued revenue bonds for the acquisition and construction of a new city hall. The original amount of the bonds was $12,025,000. These bonds are secured by a pledge of Local Government Half-Cent Sales Tax revenues. The bonds are payable solely from Local Government Half-Cent Sales Tax revenues and are payable through 2036. Annual principal

and interest payments on the bonds are expected to require less than 22 percent of Local Government Half-Cent Sales Tax revenues. The total principal and interest remaining to be paid on the bonds is $19,506,891. Principal and interest paid for the current year and total Local Government Half-Cent Sales Tax revenues were $724,125 and $3,530,583, respectively. Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Amount
New city hall	4.00%-4.50%	$11,395,000

Revenue bond debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest
2010	$ -	$ 242,319
2011	240,000	479,838
2012	250,000	470,038
2013	255,000	459,938
2014	270,000	449,438
2015-2019	1,510,000	2,073,788
2020-2024	1,840,000	1,736,922
2025-2029	2,255,000	1,305,450
2030-2034	2,790,000	758,094
2035-2039	1,985,000	136,066
	$11,395,000	$8,111,891

Revenue Notes

The City has issued a revenue note for the acquisition and construction of major capital improvements within the Community Redevelopment Agency area. The original amount of the note was $3,700,000. This note is secured by a pledge of Community Redevelopment Agency tax increment revenues and certain non-advalorem funds. Revenue notes outstanding at year end are as follows:

Purpose	Interest Rates	Amount
Capital improvements	4.93%	$1,868,581

Revenue note debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest
2010	$ -	$ 46,061
2011	451,746	80,986
2012	474,017	58,165
2013	497,386	34,220
2014	445,432	10,980
	$1,868,581	$230,412

Loans

The City has entered into loan agreements with the State of Florida's State Revolving Funds Loan Program to finance the expansion of the City's existing wastewater treatment plant, the construction of a water treatment plant, and the planning, design, and construction of stormwater pollution control facilities. The original amount of the loans totaled $13,861,203. The City has pledged future water, sewer, and stormwater customer revenues, net of specified operating expenses, to repay the loans. The loans are payable solely from water, sewer, and stormwater customer net revenues and are payable through 2024. Annual principal and interest payments on the loans are expected to require less than 58 percent of net revenues. The total principal and interest remaining to be paid on the loans is $14,174,099. Principal and interest paid for the current year and total customer net revenues were $951,699 and $1,644,152, respectively.

Loans outstanding at year end are as follows:

Purpose	Interest Rates	Amount
Wastewater treatment pre-construction—Water and Sewer Utility	3.33%	$ 880,472
Wastewater treatment construction—Water and Sewer Utility	2.82%	8,916,872
Water treatment construction—Water and Sewer Utility	2.67%	1,665,197
Stormwater pollution control planning, design, and construction—Stormwater Utility	2.37%	18,738
Total outstanding		11,481,279
Accrued interest		76,136
Total amounts outstanding		$11,557,415

Loan debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest
2010	$ 630,448	$ 321,251
2011	648,416	303,283
2012	662,126	284,809
2013	677,696	265.951
2014	697,055	246,593
2015-2019	3,795,629	922,606
2020-2024	4,369,909	348,327
	$11,481,279	$2,692,820

Changes in long-term liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue bonds	$11,625,000	$ -	$ (230,000)	$11,395,000	$ -
Intergovernmental agreements	2,210,070	-	(2,210,070)	-	-
Revenue notes	2,312,416	-	(443,835)	1,868,581	-
Other postemployment benefits	-	445,420	(183,206)	262,214	-
Compensated absences	448,056	555,948	(522,787)	481,217	105,201
Governmental activity Long-term liabilities	$16,595,542	$1,001,368	$(3,589,898)	$14,007,012	$105,201
Business-type activities					
Loans	$12,092,381	$ -	$ (611,102)	$11,481,279	$630,448
Capital leases	-	375,920	(82,409)	293,511	68,317
Other postemployment benefits	-	108,966	(44,819)	64,147	-
Compensated absences	68,419	101,692	(85,040)	85,071	21,886
Business-type activity Long-term liabilities	$12,160,800	$ 586,578	$ (823,370)	$11,924,008	$720,651

The official statements and resolutions authorizing the issuance of long-term debt described above contain certain restrictive covenants. The City has covenanted that it will deposit specified amounts derived from specific revenue sources into funds and accounts established by the resolutions. The City is in compliance with all covenants. Compensated absences for governmental activities will be liquidated in future periods by the General Fund.

V. Other information

A. Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for

which the City is a member of the Public Risk Management of Florida (PRMF), a local government risk management pool as defined by Florida Statutes 163.01(3)(h). In the event of a loss, the City pays up to the deductible amount on the policy. All additional risk of loss has been transferred to PRMF up to the policy limits. Settlements have not exceeded coverages for each of the past three fiscal years. PRMF absorbs losses up to a specified amount annually and purchases excess and other specific coverages from third-party carriers. PRMF assesses each member its pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments do not produce sufficient funds to meet its current obligations, PRMF can make additional assessments.

B. Subsequent events

In 2004, the City loaned $500,000 to Winter Garden Heritage Foundation, Inc. (WGHF), a Florida non-profit corporation for the purpose of renovating an existing theatre, closed since 1963, in the City's downtown area so that it may be reopened and operated as such. In 2006, the City loaned an additional $1,000,000 to complete the renovations. In February 2008, renovations were completed and the theatre reopened and resumed operations. On June 1, 2008, WGHF defaulted on repayment of the loan. As of September 30, 2009, the balance of the loan was $1,361,013, including accrued interest and penalties. On December 17, 2009, the City Commission voted to allow WGHF to transfer ownership of the theatre to the City in lieu of the debt being paid back and lease the building to WGHF for a nominal fee. The City would be responsible for the building's structural maintenance and WGHF would be responsible for daily operations of the theatre.

C. Contingent liabilities

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

D. Joint ventures

Lake Apopka Natural Gas District was created by the 1959 Legislature of Florida for the purpose of establishing and operating a gas transmission and distribution system for the use and benefit of its member municipalities and the public. The City is one of three member municipalities and appoints two members of the District's five member governing board. The District is not a financial burden to the City and net revenues derived from the system which are not otherwise covenanted, are paid over to the member municipalities in a proportion determined by the board. The separate financial statements can be obtained from the District.

E. Other post employment benefits

Effective for the 2009 fiscal year, the City implemented GASB Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions*, to account for certain post employment benefits provided by the City. The requirements of this Statement are being implemented prospectively, with the actuarially determined liability of $5,555,484 at the October 1, 2008 date of transition being amortized over 30 years. Accordingly, for financial reporting purposes, this liability is not reported for the other post employment health care benefits liability at the date of transition.

Plan description. The Post Employment Health Care Benefits Plan is a single-employer defined benefit plan administered by the City. The Plan may be amended through recommendations of staff and action from the City Commission. Pursuant to the provisions of section 112.0801, Florida Statutes, former employees and eligible dependents who retire from the City may continue to participate in the City's fully insured health and hospitalization plan for medical and prescription drug coverages. Per the requirements of a local ordinance, employees who retired between October 11, 1990 and June 22, 1994, the City pays 100 percent of the premiums of health coverage for the life of employees who retired with twenty years of full-time service during this time period. The City also provides health benefits, as a matter of policy, for certain retirees who retired after May 14, 1998. The City pays $250 per month of the premiums for health coverage for ten years or until the attainment of age 65, whichever comes first, for those employees who retired under their respective pension plan and who agree to pay the remaining premium. In addition to this, the City subsidizes the premium rates paid by retirees by allowing them to participate in the plans at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The Plan does not issue a stand-alone financial report.

Funding policy. For the Post Employment Health Care Benefits Plan, contribution requirements of the City are established and may be amended through recommendations of staff and action from the City Commission. The City has not advance-funded or established a funding methodology for the annual Other Post Employment Benefit (OPEB) costs or the net OPEB obligation. As of September 30, 2009, there were two employees who had retired with twenty years of full-time service that were receiving the 100 percent health premium-coverage benefit. Additionally, there were seventeen employees who had retired that were receiving the $250 per month health premium-coverage benefit. The City finances the plan on a pay-as-you-go basis. For the year ended September 30, 2009, the City paid $63,153 for these benefits. For the 2009 fiscal year, the City provided contributions of $228,025 toward the annual OPEB costs. Required contributions are based on projected pay-as-you-go financing.

Annual OPEB cost and net OPEB obligation. The following table shows the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for 2009:

Net OPEB obligation at September 30, 2008	$ -
Annual OPEB cost (AOC):	
Annual Required Contribution (ARC)	554,386
Interest credit	-
Adjustments to ARC	-
Total AOC	554,386
Contributions made	(228,025)
Change in NPO	326,361
Net OPEB obligation at September 30, 2009	$ 326,361

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

Fiscal Year Ended	Annual OPEB Cost (AOC)	Percentage of APC Contributed	Net OPEB Obligation
9/30/2009	$ 554,386	41%	$326,361

Funded status and funding progress. As of October 1, 2007, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was $5,555,484, and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability of $5,555,484. The covered payroll (annual payroll for active participating employees) was $11,968,850 for fiscal year 2009, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 46.4%.

Actuarial methods and assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrences of events far into the future. Examples include assumptions about future employment and termination, mortality, and healthcare cost trends. 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 are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating 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 participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspectives of the calculations.

The City's initial OPEB actuarial valuation for fiscal year 2009 used the entry age actuarial cost method to estimate the unfunded actuarial liability and to determine the annual required

contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4.5 percent rate of return on invested assets, which is the City's long-term expectation of investment returns under its investment policy. The actuarial assumptions also included a payroll growth rate of 4.0 percent per year, and an annual healthcare cost trend rate of 10.0 percent initially for fiscal year 2009, reduced by 0.5 percent per year, to an ultimate rate of 5.0 percent for the fiscal year ending September 30, 2019. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The unfunded actuarial accrued liability is being amortized over 30 years in calculating the City's fiscal year 2009 annual required contribution.

F. Employee retirement systems and pension plans

Defined Benefit Plan Descriptions. The City contributes to two single-employer, defined benefit pension plans: Pension Plan for General Employees and Pension Plan for Firefighters and Police Officers. Each Plan is administered by a separate Board of Trustees. All full-time general employees of the City who have not otherwise opted out of the Plan participate in the Pension Plan for General Employees. All full-time firefighters and police officers of the City participate in the Pension Plan for Firefighters and Police Officers. Each plan provides retirement, disability, and death benefits to plan members and beneficiaries. Plan provisions may be established or amended by the City Commission. The Plans do not issue stand-alone financial reports.

Summary of significant accounting policies—basis of accounting and valuation of investments. The financial statements of the Plans are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans. All plan investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price on the City's balance sheet date. Securities without an established market are reported at estimated fair value.

Funding Policy and Annual Pension Cost. The contribution requirements of plan members are established by ordinance and may be amended by the City. The Board of Trustees of each plan establishes and may amend the contribution requirements of the City. The City's annual pension cost for the current year and related information for each plan is as follows:

	Pension Plan for General Employees	**Pension Plan for Firefighters and Police Officers**
Contribution rates:		
City	20.0%	22.5%
Plan members	0.0%	1.0%
Annual pension cost	$1,480,929	$1,639,330
Contributions made	$1,330,900	$1,665,053

Administrative costs of the Plans are financed through investment earnings. For the Pension Plan for Firefighters and Police Officers, annual pension cost and contributions made include State Premium Taxes. On-behalf payments of excise tax proceeds from the state were $479,939. The City also recognized revenues and expenditures in this amount for these on-behalf payments in the Police and Fire Premium Tax Trust Special Revenue Fund.

Net Pension Obligation – NPO:

	Pension Plan for General Employees	**Pension Plan for Firefighters and Police Officers**
NPO at September 30, 2008	$ (642,170)	$(1,366,504)
Annual pension cost:		
Annual Required Contribution (ARC)	1,455,529	1,628,374
Interest credit	(46,557)	(102,488)
Adjustments to ARC	71,957	113,444
Total annual pension cost	1,480,929	1,639,330
Contributions made	(1,330,900)	(1,665,053)
Change in NPO	150,029	(25,723)
NPO at September 30, 2009	$(492,141)	$(1,392,226)

Actuarial methods and assumptions: The following is information as of the most recent actuarial valuation:

	Pension Plan for General Employees	Pension Plan for Firefighters and Police Officers
Actuarial valuation date	10/1/2008	10/1/2008
Actuarial cost method	Aggregate*	Aggregate*
Amortization method	n/a*	n/a*
Remaining amortization period	n/a*	n/a*
Asset valuation method	5-year smoothed market	5-year smoothed market
Actuarial assumptions:		
Price inflation	2.8%	3.0%
Investment rate of return	7.25%	7.5%
Projected salary increases	5.1-15.0%	5.4-14.0%
Post-retirement benefit increases	None	None

*The aggregate actuarial cost method is used to determine the annual required contribution of the employer (ARC). Because the method does not identify or separately amortize unfunded actuarial liabilities, information about funded status is prepared using the entry age actuarial cost method and is intended to serve as a surrogate for the funded status of the plan.

Three-Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
Pension Plan for General Employees			
9/30/2007	$1,038,173	107%	$(564,121)
9/30/2008	1,146,659	107%	(642,170)
9/30/2009	1,480,929	90%	(492,141)
Pension Plan for Firefighters and Police Officers			
9/30/2007	$1,061,737	120%	$(1,183,401)
9/30/2008	1,330,272	114%	(1,366,504)
9/30/2009	1,639,330	102%	(1,392,226)

Funded Status and Funding Progress. The following is funded status information for each plan as of 10/1/2008, the most recent actuarial valuation date:

	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)— Entry Age (b)†	Unfunded AAL (Excess of Assets over AAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL (Excess of Assets over AAL) as a Percentage of Covered Payroll ((b-a)/c)
Pension Plan for General Employees	$14,007,303	$18,636,414	$4,629,111	75.2%	$6,995,952	66.2%
Pension Plan For Firefighters and Police Officers	16,848,543	20,792,719	3,944,176	81.0	6,059,891	65.1

†For purposes of this schedule, the AAL for each plan is determined using the entry age actuarial cost method.

The schedules of funding progress, presented as RSI following the notes to the financial statements, present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

Pension Trust Fund Financial Statements. Financial statements for the defined benefit pension plans for the fiscal year ended September 30, 2009 are as follows:

Statement of Net Assets	**General Pension Trust Fund**	**Fire and Police Pension Trust Fund**	**Total Pension Trust Funds**
ASSETS			
Cash and cash equivalents	$ 715,184	$ 1,451,383	$ 2,166,567
Receivables	464,146	492,838	956,984
Investments	12,538,497	15,859,142	28,397,639
Total assets	13,717,827	17,803,363	31,521,190
LIABILITIES			
Accounts payable	12,917	7,197	20,114
Total liabilities	12,917	7,197	20,114
NET ASSETS			
Held in trust for pension benefits	$13,704,910	$17,796,166	$31,501,076

Statement of Changes in Net Assets	General Pension Trust Fund	Fire and Police Pension Trust Fund	Total Pension Trust Funds
ADDITIONS			
Contributions:			
Employer	$ 1,330,900	$ 1,382,025	$ 2,712,925
Plan members	-	59,018	59,018
Excise tax proceeds	-	479,938	479,938
Total contributions	1,330,900	1,920,981	3,251,881
Investment earnings:			
Interest	187,550	259,126	446,676
Dividends	198,091	252,868	450,959
Net (decrease) in the fair value of Investments	(1,087,893)	(409,880)	(1,497,773)
(Loss) on sale of investments	(120,291)	(261,871)	(382,162)
Total investment (loss)	(822,543)	(159,757)	(982,300)
Less investment expense	84,445	94,471	178,916
Net investment (loss)	(906,988)	(254,228)	(1,161,216)
Total additions	423,912	1,666,753	2,090,665
DEDUCTIONS			
Benefits	695,336	814,505	1,509,841
Refunds	-	10,160	10,160
Administrative	30,969	28,615	59,584
Total deductions	726,305	853,280	1,579,585
Change in net assets	(302,393)	813,473	511,080
Net assets—beginning	14,007,303	16,982,693	30,989,996
Net assets—ending	$13,704,910	$17,796,166	$31,501,076

Defined Contribution Plan Description and Funding Requirements. The Florida Municipal Pension Trust Fund is a defined contribution pension plan established and administered by the Florida League of Cities, Inc. to provide retirement benefits for full-time general employees in certain designated positions who have elected to opt out of the Pension Plan for General Employees. At September 30, 2009, there were seven plan members from the City. The City contributes 7.5 percent of the annual covered payroll of plan participants. Plan provisions and contribution requirements are established by ordinance and may be amended by the City Commission. Total contributions for the year ended September 30, 2009 were $37,633.

	General Employees		
Normal Retirement Benefits:	Defined Benefit[1]	Defined Contribution[2]	Firefighters and Police Officers[3]
Age	65	59 ½	55
Years of service (minimum)	5	N/A	10
Accrual-(years 1-25)	2.5%	N/A	3.0%
(over 25)	2.5%	N/A	2.0%
Maximum	100%	N/A	95%
Years to vest	5	5	6

[1]The Pension Plan for General Employees allows retirement after five years of service if 60 or older with a 5% per year benefit penalty for each year before 65, retirement at any age with 30 years of credited service, or at 70 regardless of years of credited service.
[2]A General Employee under the FMPTF earns 20% vesting starting with one year of credited service and another 20% for each successive year of credited service through the fifth year of credited service at which time the employee will be 100% vested.
[3]The Pension Plan for Firefighters and Police Officers allows retirement after six years of service if 50 or older with a 3% per year benefit penalty for each year before 55 or retirement at any age with 25 years of credited service.

Schedules of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)— Entry Age (b)†	Unfunded AAL (Excess of Assets over AAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL (Excess of Assets over AAL) as a Percentage of Covered Payroll ((b-a)/c)
Pension Plan for General Employees						
10/1/2003	$ 9,591,486	$10,648,253	$1,056,767	90.1%	$4,389,139	24.1%
10/1/2004	10,114,598	11,662,964	1,548,366	86.7	4,626,404	33.5
10/1/2005	10,843,473	12,735,941	1,892,468	85.1	5,593,923	33.8
10/1/2006	11,863,516	13,705,409	1,841,893	86.6	5,908,433	31.2
10/1/2007	13,399,869	16,979,680	3,579,811	78.9	6,755,690	53.0
10/1/2008	14,007,303	18,636,414	4,629,111	75.2	6,995,952	66.2
Pension Plan for Firefighters and Police Officers						
10/1/2003	$10,187,320	$11,673,586	$1,486,266	87.3%	$2,879,824	51.6%
10/1/2004	11,081,532	12,815,689	1,734,157	86.5	2,980,775	58.2
10/1/2005	12,220,633	14,211,695	1,991,062	86.0	3,864,547	51.5
10/1/2006	13,738,796	16,707,918	2,969,122	82.2	4,318,899	68.7
10/1/2007	15,814,369	19,071,118	3,256,749	82.9	5,483,008	59.4
10/1/2008	16,848,543	20,792,719	3,944,176	81.0	6,059,891	65.1
Other Post Employment Benefits*						
10/1/2007	$0	$5,555,484	$5,555,484	0.0%	$11,968,850	46.4%

†For purposes of this schedule, the AAL for each plan is determined using the entry age actuarial cost method.

*Other post employment benefits liability was not reported prior to 2009.

CITY OF WINTER GARDEN, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
for the year ended September 30, 2009

Pension Plan for General Employees
Schedule of Employer Contributions

Year Ended September 30	Annual Required Contribution	Percentage Contributed
2004	$ 688,394	105%
2005	709,594	113
2006	875,144	119
2007	1,014,294	110
2008	1,119,967	109
2009	1,455,529	91

Pension Plan for Firefighters and Police Officers
Schedule of Contributions from Employers and Other Contributing Entities

Year Ended September 30	Annual Required Contribution	Percentage Contributed
2004	$ 618,042	132%
2005	744,336	130
2006	851,532	134
2007	1,029,630	124
2008	1,301,285	116
2009	1,628,374	102

Other Post Employment Benefits Plan
Schedule of Employer Contributions

Year Ended September 30	Annual OPEB Cost	Percentage Contributed
2009	$554,386	41%

Nonmajor Governmental Funds

Special Revenue Funds

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

Downtown Parking District Fund—This fund is used to account for parking user fees assessed on new and expanding developments and all changes of use of existing properties within the downtown core. Revenues are restricted for the acquisition, construction, and maintenance of on-street and off-street parking serving land uses in the downtown core.

Law Enforcement Trust Fund—This fund is used to account for law enforcement expenditures financed with forfeited funds originating from illegal activities.

Law Enforcement Grants Fund—This fund is used to account for law enforcement grants.

Local Option Gas Tax Fund—This fund is used to account for specific road improvements and maintenance utilizing the City's portion of the six-cent Local Option Gas Tax.

Police and Fire Premium Tax Trust Fund—This fund is used to account for excise tax imposed on homeowners' insurance premiums collected by the State and remitted to the City. Revenues are restricted to be used as retirement contributions to police and fire pension plans.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general government long-term debt principal and interest.

Capital Projects Fund

New City Hall Fund—This fund is used to account for financial resources to be used for the acquisition and construction of a new city hall site and building.

Permanent Fund

Cemetery Perpetual Care Fund—This fund is used to account for financial resources to be used for the perpetual care of the City's cemetery.

City of Winter Garden, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2009

	Special Revenue			
	Downtown Parking District Fund	**Law Enforcement Trust Fund**	**Law Enforcement Grants Fund**	**Local Option Gas Tax Fund**
ASSETS				
Cash and cash equivalents	$ 24,650	$ 54,595	$ 57,309	$ 124,050
Due from other funds	-	-	-	1,000,000
Due from other governmental units	-	-	-	82,258
Total assets	$ 24,650	$ 54,595	$ 57,309	$ 1,206,308
LIABILITIES				
Accounts payable	$ 1,828	$ -	$ 4,332	$ 22,313
Deferred revenue	-	-	-	-
Total liabilities	1,828	-	4,332	22,313
FUND BALANCES				
Reserved for:				
Encumbrances	-	-	-	4,576
Unreserved, undesignated	22,822	54,595	52,977	1,179,419
Total fund balances	22,822	54,595	52,977	1,183,995
Total liabilities and fund balances	$ 24,650	$ 54,595	$ 57,309	$ 1,206,308

Police and Fire Premium Tax Trust Fund	Total	Debt Service Fund	Capital Projects Fund: New City Hall	Permanent Fund: Perpetual Care	Total Nonmajor Governmental Funds
$ -	$ 260,604	$ -	$ 30,225	$ 30,042	$ 320,871
-	1,000,000	-	-	-	1,000,000
303,546	385,804	-	-	-	385,804
$ 303,546	$ 1,646,408	$ -	$ 30,225	$ 30,042	$ 1,706,675
$ -	$ 28,473	$ -	$ 114	$ -	$ 28,587
303,546	303,546	-	-	-	303,546
303,546	332,019	-	114	-	332,133
-	4,576	-	-	-	4,576
-	1,309,813	-	30,111	30,042	1,369,966
-	1,314,389	-	30,111	30,042	1,374,542
$ 303,546	$ 1,646,408	$ -	$ 30,225	$ 30,042	$ 1,706,675

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

	Special Revenue			
	Downtown Parking District Fund	**Law Enforcement Trust Fund**	**Law Enforcement Grants Fund**	**Local Option Gas Tax Fund**
REVENUES				
Permits and fees	$ 17,600	$ -	$ -	$ -
Intergovernmental	-	-	121,159	996,659
Fines and forfeits	-	19,384	-	-
Investment earnings (loss)	1,402	316	232	3,047
Total revenues	19,002	19,700	121,391	999,706
EXPENDITURES				
Current:				
Public safety	-	32,960	92,521	-
Transportation	514,459	-	-	154,752
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	514,459	32,960	92,521	154,752
Excess (deficiency) of revenues over (under) expenditures	(495,457)	(13,260)	28,870	844,954
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	(495,457)	(13,260)	28,870	844,954
Fund balances—beginning	518,279	67,855	24,107	339,041
Fund balances—ending	$ 22,822	$ 54,595	$ 52,977	$ 1,183,995

Police and Fire Premium Tax Trust Fund	Total	Debt Service Fund	Capital Projects Fund New City Hall	Permanent Fund Perpetual Care	Total Nonmajor Governmental Funds
$ -	$ 17,600	$ -	$ -	$ -	$ 17,600
479,939	1,597,757	-	-	-	1,597,757
-	19,384	-	-	-	19,384
-	4,997	813	(1,026)	-	4,784
479,939	1,639,738	813	(1,026)	-	1,639,525
479,939	605,420	-	-	-	605,420
-	669,211	-	-	-	669,211
-	-	-	137,486	-	137,486
-	-	673,834	-	-	673,834
-	-	608,127	-	-	608,127
479,939	1,274,631	1,281,961	137,486	-	2,694,078
-	365,107	(1,281,148)	(138,512)	-	(1,054,553)
-	-	1,281,148	-	30,042	1,311,190
-	-	1,281,148	-	30,042	1,311,190
-	365,107	-	(138,512)	30,042	256,637
-	949,282	-	168,623	-	1,117,905
$ -	$ 1,314,389	$ -	$ 30,111	$ 30,042	$ 1,374,542

City of Winter Garden, Florida
Downtown Parking District Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
For the Year Ended September 30, 2009

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	$ 2,959	$ 1,402	$ (1,557)
Special Assessments	25,000	17,600	(7,400)
Total revenues	27,959	19,002	(8,957)
EXPENDITURES			
Current:			
Transportation:			
Construction and maintenance	681,000	514,459	166,541
(Deficiency) of revenues (under) expenditures	(653,041)	(495,457)	157,584
Net change in fund balances	(653,041)	(495,457)	-
Fund balances—beginning	518,279	518,279	-
Fund balances (deficiencies)—ending	$ (134,762)	$ 22,822	$ 157,584

City of Winter Garden, Florida
Law Enforcement Trust Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
For the Year Ended September 30, 2009

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Fines and forfeits	$ 41,760	$ 19,384	$ (22,376)
Investment earnings	4,980	316	(4,664)
Total revenues	46,740	19,700	(27,040)
EXPENDITURES			
Current:			
Public safety:			
Law enforcement	33,502	32,960	542
Excess (deficiency) of revenues over (under) expenditures	13,238	(13,260)	(26,498)
Fund balances—beginning	67,855	67,855	-
Fund balances—ending	$ 81,093	$ 54,595	$ (26,498)

City of Winter Garden, Florida
Law Enforcement Grants Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
For the Year Ended September 30, 2009

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	$ 184,983	$ 121,159	$ (63,824)
Investment earnings	-	232	232
Total revenues	184,983	121,391	(63,592)
EXPENDITURES			
Current:			
Public safety:			
Law enforcement	181,061	92,521	88,540
Excess of revenues over expenditures	3,922	28,870	24,948
OTHER FINANCING SOURCES			
Transfers in	2,268	-	(2,268)
Net change in fund balances	6,190	28,870	22,680
Fund balances—beginning	24,107	24,107	-
Fund balances—ending	$ 30,297	$ 52,977	$ 22,680

City of Winter Garden, Florida
Local Option Gas Tax Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
For the Year Ended September 30, 2009

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	$ 900,077	$ 996,659	$ 96,582
Investment earnings	3,260	3,047	(213)
Total revenues	903,337	999,706	96,369
EXPENDITURES			
Current:			
Transportation:			
Construction and maintenance	678,667	154,752	523,915
Excess of revenues over expenditures	224,670	844,954	620,284
Net change in fund balances	224,670	844,954	620,284
Fund balances—beginning	339,041	339,041	-
Fund balances—ending	$ 563,711	$ 1,183,995	$ 620,284

City of Winter Garden, Florida
Police and Fire Premium Tax Trust Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
For the Year Ended September 30, 2009

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	$ 320,000	$ 479,939	$ 159,939
Total revenues	320,000	479,939	159,939
EXPENDITURES			
Current:			
Public safety:			
Law enforcement	200,000	195,835	4,165
Fire control	120,000	284,104	(164,104)
Total public safety	320,000	479,939	(159,939)
Excess of revenues over expenditures	-	-	-
Net change in fund balances	-	-	-
Fund balances—beginning	-	-	-
Fund balances—ending	$ -	$ -	$ -

City of Winter Garden, Florida
Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
For the Year Ended September 30, 2009

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	$ 8,039	$ 813	$ (7,226)
Total revenues	8,039	813	(7,226)
EXPENDITURES			
Debt service:			
Principal	675,717	673,834	1,883
Interest	607,976	608,127	(151)
Total expenditures	1,283,693	1,281,961	1,732
(Deficiency) of revenues (under) expenditures	(1,275,654)	(1,281,148)	(8,958)
OTHER FINANCING SOURCES			
Transfers in	1,275,654	1,281,148	5,494
Net change in fund balances	-	-	(3,464)
Fund balances—beginning	-	-	-
Fund balances—ending	$ -	$ -	$ -

City of Winter Garden, Florida
New City Hall Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual
From inception and for the Year Ended September 30, 2009

	Prior Years	Current Year	Total to Date	Project Authorization
REVENUES				
Investment earnings (loss)	$ 977,063	$ (1,026)	$ 976,037	$ 957,656
Contributions and donations	2,880	-	2,880	-
Total revenues	979,943	(1,026)	978,917	957,656
EXPENDITURES				
Capital outlay:				
General government	16,064,235	137,486	16,201,721	16,493,870
Total expenditures	16,064,235	137,486	16,201,721	16,493,870
(Deficiency) of revenues (under) expenditures	(15,084,292)	(138,512)	(15,222,804)	(15,536,214)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,304,234	-	3,304,234	3,304,234
Issuance of debt	12,025,000	-	12,025,000	12,025,000
Discount on debt issuance	(76,319)	-	(76,319)	(76,319)
Total other financing sources (uses)	15,252,915	-	15,252,915	15,252,915
Net change in fund balances	$ 168,623	(138,512)	$ 30,111	$ (283,299)
Fund balances—beginning		168,623		
Fund balances—ending		$ 30,111		

Nonmajor Enterprise Funds

Stormwater Utility Fund—This fund is used to account for the revenues, expenses, assets, and liabilities associated with the Stormwater Utility.

Trailer City Fund—This fund is used to account for the revenues, expenses, assets, and liabilities associated with residential mobile home lot rentals.

City of Winter Garden, Florida
Combining Statement of Net Assets
Nonmajor Enterprise Funds
September 30, 2009

	Stormwater Utility	Trailer City	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	$ 574,875	$ 167,611	$ 742,486
Accounts receivable (net of allowance for uncollectibles)	138,448	903	139,351
Inventories	4,068	-	4,068
Total current assets	717,391	168,514	885,905
Noncurrent assets:			
Capital assets:			
Land	-	63,300	63,300
Buildings	-	29,387	29,387
Improvements other than buildings	2,169,523	116,178	2,285,701
Machinery and equipment	669,026	41,814	710,840
Infrastructure	2,771,574	34,555	2,806,129
Construction work in progress	585,927	-	585,927
Less accumulated depreciation	(1,580,753)	(122,933)	(1,703,686)
Total capital assets (net of accumulated depreciation)	4,615,297	162,301	4,777,598
Total assets	5,332,688	330,815	5,663,503
LIABILITIES			
Current liabilities:			
Accounts payable	60,565	1,461	62,026
Notes and loans payable	7,653	-	7,653
Contracts payable	6,055	-	6,055
Compensated absences	3,806	509	4,315
Accrued interest payable	5,362	-	5,362
Accrued wages payable	4,218	2,222	6,440
Unearned revenue	-	6,886	6,886
Capital leases	68,317	-	68,317
Total current liabilities	155,976	11,078	167,054
Noncurrent liabilities:			
Notes and loans payable	11,085	-	11,085
Compensated absences	4,680	4,445	9,125
Other postemployment benefits	2,251	2,251	4,502
Capital leases	225,194	-	225,194
Advances from other funds	594,021	-	594,021
Total noncurrent liabilities	837,231	6,696	843,927
Total liabilities	993,207	17,774	1,010,981
NET ASSETS			
Invested in capital assets, net of related debt	4,303,048	162,301	4,465,349
Unrestricted	36,433	150,740	187,173
Total net assets	$ 4,339,481	$ 313,041	$ 4,652,522

City of Winter Garden, Florida
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Year Ended September 30, 2009

	Stormwater Utility	Trailer City	Totals
Operating revenues:			
Charges for services	$ 1,339,830	$ -	$ 1,339,830
Other	-	222,138	222,138
Total operating revenues	1,339,830	222,138	1,561,968
Operating expenses:			
Personal services	183,244	109,498	292,742
Contractual services	70,476	5,372	75,848
Utilities	2,005	5,783	7,788
Supplies	16,333	3,561	19,894
Depreciation	302,779	12,884	315,663
Other services and charges	143,598	67,544	211,142
Total operating expenses	718,435	204,642	923,077
Operating income	621,395	17,496	638,891
Nonoperating revenues (expenses):			
Investment earnings	1,784	680	2,464
Contributions	54,775	-	54,775
Loss on sale of capital assets	(22,134)	-	(22,134)
Interest expense	(5,812)	-	(5,812)
Total nonoperating revenues (expenses)	28,613	680	29,293
Change in net assets	650,008	18,176	668,184
Total net assets—beginning	3,689,473	294,865	3,984,338
Total net assets—ending	$ 4,339,481	$ 313,041	$ 4,652,522

City of Winter Garden, Florida
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2009

	Stormwater Utility	Trailer City	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 1,328,039	$ 221,407	$ 1,549,446
Payments to suppliers	(178,525)	(81,617)	(260,142)
Payments to employees	(176,749)	(106,531)	(283,280)
Net cash provided by operating activities	972,765	33,259	1,006,024
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Contributions	54,775	-	54,775
Proceeds from capital debt	375,920	-	375,920
Purchases of capital assets	(861,861)	(4,660)	(866,521)
Principal paid on capital debt	(88,007)	-	(88,007)
Interest paid on capital debt	(2,454)	-	(2,454)
Proceeds from sales of capital assets	4,706	-	4,706
Net cash (used) by capital and related financing activities	(516,921)	(4,660)	(521,581)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	1,784	680	2,464
Net cash provided by investing activities	1,784	680	2,464
Net increase in cash and cash equivalents	457,628	29,279	486,907
Cash and cash equivalents, October 1	117,247	138,332	255,579
Cash and cash equivalents, September 30	$ 574,875	$ 167,611	$ 742,486
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 621,395	$ 17,496	$ 638,891
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	302,779	12,884	315,663
Increase (decrease) in accounts receivable	9,939	(3,239)	6,700
Increase (decrease) in allowance for uncollectible accounts	(21,730)	3,161	(18,569)
Increase in accounts payable	53,887	643	54,530
Increase in accrued wages payable	345	270	615
Decrease in unearned revenue	-	(653)	(653)
Increase in compensated absences payable	3,899	446	4,345
Increase in other postemployment benefits	2,251	2,251	4,502
Total adjustments	351,370	15,763	367,133
Net cash provided by operating activities	$ 972,765	$ 33,259	$ 1,006,024

STATISTICAL SECTION

STATISTICAL SECTION

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

Contents **Page**

Financial Trends 96

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

Revenue Capacity 107

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

Debt Capacity 112

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

Demographic and Economic Information 119

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

Operating Information 121

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

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

City of Winter Garden, Florida
Net Assets by Component
Last Seven Fiscal Years
(accrual basis of accounting)

	2009	2008	2007
Governmental activities			
Invested in capital assets, net of related debt	$ 74,042,719	$ 62,229,762	$ 48,751,070
Restricted	24,220,705	31,054,530	28,296,384
Unrestricted	10,065,887	12,869,395	15,713,022
Total governmental activities net assets	$108,329,311	$106,153,687	$ 92,760,476
Business-type activities			
Invested in capital assets, net of related debt	$ 44,000,691	$ 41,778,162	$ 35,774,224
Restricted	19,069,072	21,015,352	12,665,164
Unrestricted	15,236,480	11,117,583	20,850,291
Total business-type activities net assets	$ 78,306,243	$ 73,911,097	$ 69,289,679
Primary government			
Invested in capital assets, net of related debt	$118,043,410	$104,007,924	$ 84,525,294
Restricted	43,289,777	52,069,882	40,961,548
Unrestricted	25,302,367	23,986,978	36,563,313
Total primary government net assets	$186,635,554	$180,064,784	$162,050,155

Fiscal Year						
2006	2005	2004	2003	2002	2001	2000
$ 34,495,162	$ 23,447,882	$ 20,098,672	$ 16,025,215			
22,822,073	8,036,244	8,875,461	7,675,631			
12,189,529	14,214,099	9,638,873	7,446,446			
$ 69,506,764	$ 45,698,225	$ 38,613,006	$ 31,147,292			
$ 29,848,390	$ 26,238,677	$ 24,490,427	$ 26,182,160	Data is not available for years 2000 to 2002		
13,230,076	11,186,375	6,726,971	8,866,950			
20,011,017	22,608,146	20,333,080	10,266,710			
$ 63,089,483	$ 60,033,198	$ 51,550,478	$ 45,315,820			
$ 64,343,552	$ 49,686,559	$ 44,589,099	$ 42,207,375			
36,052,149	19,222,619	15,602,432	16,542,581			
32,200,546	36,822,245	29,971,953	17,713,156			
$132,596,247	$ 105,731,423	$ 90,163,484	$ 76,463,112			

City of Winter Garden, Florida
Change in Net Assets
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Expenses										
Governmental activities:										
General government	$ 3,899,034	$ 2,932,260	$ 2,701,941	$ 2,565,945	$ 2,095,732	$ 1,713,712	$ 1,723,324			
Public safety	14,902,345	13,736,706	11,898,442	9,998,835	8,786,447	7,152,781	5,779,190			
Physical environment	943,939	736,565	843,671	850,605	535,512	542,696	458,625			
Transportation	2,580,474	3,282,627	2,505,649	2,302,093	2,258,355	2,038,644	1,724,625			
Economic environment	481,303	877,845	641,944	214,813	158,183	149,425	84,710			
Public assistance	119,971	82,630	101,330	88,909	88,871	391,384	653,862			
Culture and recreation	2,357,923	2,236,885	2,328,830	2,082,868	1,766,330	1,873,007	1,937,778			
Interest and long-term debt	645,030	814,781	838,981	424,215	494,844	644,748	594,557			
Total government activities expenses	25,930,019	24,700,299	21,860,788	18,528,283	16,184,274	14,506,397	12,956,671			
Business-type activities:										
Water and Sewer	8,696,615	9,141,484	8,765,465	9,404,856	6,975,769	5,852,648	4,934,858			
Sanitation	3,224,466	3,285,187	3,455,158	3,140,333	2,673,105	2,449,158	2,122,438			
Stormwater	746,381	912,188	785,573	641,121	497,173	350,936	379,743			
Residential mobile home lot rentals	204,642	195,725	237,896	214,403	275,438	184,199	199,123			
Total business-type activities expenses	12,872,104	13,534,584	13,244,092	13,400,713	10,421,485	8,836,941	7,636,162			
Total primary government expenses	$ 38,802,123	$38,234,883	$35,104,880	$31,928,996	$26,605,759	$23,343,338	$ 20,592,833			
Program Revenues								**Data is not available for years 2000 to 2002**		
Governmental activities:										
Charges for services:										
General government	$ 95,675	$ 143,695	$ -	$ 522,068	$ 608,267	$ 674,970	$ 264,050			
Public safety	1,178,952	1,697,235	3,453,966	3,015,971	2,168,160	2,616,511	1,717,290			
Transportation	57,067	401,577	770,351	701,585	744,528	346,157	-			
Other activities	574,520	482,155	514,874	411,549	345,812	298,133	309,161			
Operating grants and contributions	2,085,928	1,911,035	1,935,703	1,549,023	1,456,767	1,716,165	640,597			
Capital grants and contributions	3,573,081	13,286,270	18,410,818	19,154,514	5,374,448	5,337,203	3,967,578			
Total government activities program revenues	7,565,223	17,921,967	25,085,712	25,354,710	10,697,982	10,989,139	6,898,676			
Business-type activities:										
Charges for services:										
Water and Sewer	9,344,622	9,708,145	9,320,260	8,220,991	7,898,591	6,732,207	5,617,145			
Sanitation	4,051,487	3,774,996	3,254,113	2,925,319	2,550,085	2,317,124	2,200,544			
Stormwater	1,339,830	1,293,968	1,025,423	855,282	706,782	558,857	497,345			
Residential mobile home lot rentals	222,138	217,694	212,291	186,377	253,075	235,938	248,423			
Operating grants and contributions	-	-	-	23,259	(12,912)	197,359	-			
Capital grants and contributions	1,715,627	2,652,612	5,052,885	5,144,437	7,338,743	4,958,553	5,354,065			
Total business-type activities program revenues	16,673,704	17,647,415	18,864,972	17,355,665	18,734,364	15,000,038	13,917,522			
Total primary government program revenues	$ 24,238,927	$35,569,382	$43,950,684	$42,710,375	$29,432,346	$25,989,177	$ 20,816,198			
Net (expense)/revenue										
Governmental activities	$(18,364,796)	$ (6,778,332)	$ 3,224,924	$ 6,826,427	$ (5,486,292)	$ (3,517,258)	$ (6,057,995)			
Business-type activities:	3,801,600	4,112,831	5,620,880	3,954,952	8,312,879	6,163,097	6,281,360			
Total primary government net expense	$(14,563,196)	$ (2,665,501)	$ 8,845,804	$10,781,379	$ 2,826,587	$ 2,645,839	$ 223,365			

	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Ad Valorem	$ 8,722,152	$ 8,351,424	$ 8,297,193	$ 5,777,996	$ 4,507,982	$ 3,770,795	$ 3,098,149			
Franchise taxes	2,242,640	1,906,941	1,773,927	1,563,590	1,191,851	1,008,447	903,925			
Utility taxes	2,710,435	2,615,227	2,432,494	2,138,583	1,798,561	1,571,435	1,480,323			
Communication services	1,455,478	1,386,894	1,323,649	1,214,940	1,055,864	925,309	855,324			
Local business tax	228,320	206,343	-	-	-	-	-			
Licenses and permits	-	-	-	-	-	-	514,603			
Intergovernmental	4,394,094	4,712,786	4,432,087	4,185,961	3,801,533	3,105,896	3,562,921			
Investment earnings	543,291	986,053	1,668,231	706,182	266,479	166,875	269,759			
Gain (loss) on sale of capital assets	155,656	5,875	-	-	13,099	239,065	(41,930)			
Miscellaneous	88,354	-	101,207	90,626	82,622	133,169	79,426			
Transfers	-	-	-	1,304,234	(146,480)	61,981	64,310			
Total governmental activities	20,540,420	20,171,543	20,028,788	16,982,112	12,571,511	10,982,972	10,786,810			
Business-type activities:										
Investment earnings	587,924	432,272	564,484	385,411	142,967	122,842	159,094			
Gain (loss) on sale of capital assets	5,622	76,315	14,832	20,156	(119,606)	10,700	40,000			
Transfers	-	-	-	(1,304,234)	146,480	(61,981)	(64,310)			
Total business-type activities	593,546	508,587	579,316	(898,667)	169,841	71,561	134,784			
Total primary government	$ 21,133,966	$ 20,680,130	$ 20,608,104	$ 16,083,445	$ 12,741,352	$ 11,054,533	$ 10,921,594			
Changes in Net Assets										
Governmental activities	$ 2,175,624	$ 13,393,211	$ 23,253,712	$ 23,808,539	$ 7,085,219	$ 7,465,714	$ 4,728,815			
Business-type activities	4,395,146	4,621,418	6,200,196	3,056,285	8,482,720	6,234,658	6,416,144			
Total primary government	$ 6,570,770	$ 18,014,629	$ 29,453,908	$ 26,864,824	$ 15,567,939	$ 13,700,372	$ 11,144,959			

City of Winter Garden, Florida
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Ad Valorem	Utility Services	Communications Services	Local Business Tax
2009	$ 8,722,152	$ 2,710,435	$ 1,455,478	$ 228,320
2008	8,351,424	2,615,227	1,386,894	206,343[2]
2007	8,297,193	2,432,494	1,323,649	-
2006	5,777,996	2,138,583	1,214,940	-
2005	4,507,982	1,798,561	1,055,864	-
2004	3,770,795	1,571,435	925,309	-
2003	3,098,149	1,480,323	855,324	-
2002	2,456,306	1,297,581[1]	756,005[1]	-
2001	1,961,339	1,414,148	-	-
2000	1,737,378	1,196,001	-	-

[1]Utility Service Taxes on telecommunications were eliminated and the Communication Services Tax was created by State Statute

[2]Local business tax, formerly referred to as occupational licenses, was reclassified in the State of Florida Uniform Accounting System Manual from permits and fees to taxes

Franchise Fees	Total
$ 2,242,640	$ 15,359,025
1,906,941	14,466,829
1,773,927	13,827,263
1,563,590	10,695,109
1,191,851	8,554,258
1,008,447	7,275,986
903,925	6,337,721
864,047	5,373,939
889,590	4,265,077
712,040	3,645,419

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

	2009	2008	2007	2006
General fund				
Reserved	$ 3,226,357	$ 2,868,594	$ 3,613,214	$ 2,137,040
Unreserved	5,179,291	8,164,181	9,628,932	9,621,567
Total general fund	$ 8,405,648	$ 11,032,775	$ 13,242,146	$ 11,758,607
All other governmental funds				
Reserved	$ 1,612,743	$ 2,497,257	$ 7,037,951	$ 6,685,770
Unreserved, reported in:				
Special revenue funds	22,290,020	28,625,460	27,225,893	15,731,030
Debt service fund	-	-	8,079	-
Capital projects funds	30,111	168,623	1,205,154	12,959,202
Permanent funds	30,042	-	-	-
Total all other governmental funds	$ 23,962,916	$ 31,291,340	$ 35,477,077	$ 35,376,002

Fiscal Year					
2005	**2004**	**2003**	**2002**	**2001**	**2000**
$ 2,108,976	$ 2,149,535	$ 2,361,289	$ 1,739,842	$ 1,775,166	$ 453,496
9,086,094	7,492,876	5,244,645	6,180,327	5,228,703	4,968,084
$ 11,195,070	$ 9,642,411	$ 7,605,934	$ 7,920,169	$ 7,003,869	$ 5,421,580
$ 453,776	$ 60,572	$ 174,404	$ 7,879,740	$ 7,877,255	$ 4,336,123
9,995,418	7,930,656	6,642,164	(893,765)	-	-
-	-	-	-	-	-
-	285,039	291,499	-	-	-
-	-	-	-	-	-
$ 10,449,194	$ 8,276,267	$ 7,108,067	$ 6,985,975	$ 7,877,255	$ 4,336,123

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

	2009	2008	2007	2006	2005
Revenues					
Taxes	$ 13,116,385	$ 12,559,888	$ 13,827,263	$ 10,695,109	$ 8,554,258
Permits and fees	4,697,746[1]	3,257,290	3,354,710	3,305,453	2,827,208
Intergovermental	6,734,345	7,337,697	6,200,862	5,866,003	5,819,142
Charges for services	2,909,532	2,943,724	2,758,255	2,955,962	1,801,451
Fines and forfeits	346,495	448,516	374,414	391,774	248,986
Investment earnings	1,865,706	2,219,381	2,598,817	1,365,403	409,339
Rents and royalties	154,128	130,532	164,239	152,813	144,304
Special assessments	-[1]	70,000	-	-	-
Impact fees	-[1]	3,103,937	13,871,394	8,374,862	4,738,914
Contributions and donations	3,290	2,279,139	2,684,350	9,961,672	38,895
Miscellaneous	88,354	-	322,457	90,781	82,622
Total revenues	29,915,981	34,350,104	46,156,761	43,159,832	24,665,119
Expenditures					
General government	4,818,700	4,487,698	4,769,353	4,481,830	2,905,301
Public safety	17,143,109	16,681,387	13,402,701	10,575,014	9,301,897
Physical environment	1,291,287	1,190,697	1,313,892	1,258,938	820,150
Transportation	5,352,512	4,548,554	13,985,729	7,553,859	3,881,560
Economic environment	1,857,734	675,283	451,178	805,516	(32,137)
Public assistance	119,971	82,630	101,330	88,909	88,871
Culture and recreation	6,295,070	3,388,784	3,827,013	2,310,870	1,839,973
Debt Service					
Principal	2,883,904	653,247	588,534	2,012,062	1,623,416
Interest	1,000,696	676,539	740,535	548,850	375,445
Total expenditures	40,762,983	32,384,819	39,180,265	29,635,848	20,804,476
Excess of revenues over (under) expenditures	(10,847,002)	1,965,285	6,976,496	13,523,984	3,860,643
Other financing sources (uses)					
Transfers in	1,674,090	2,162,439	1,640,803	747,574	1,396,357
Transfers out	(1,674,090)	(3,162,439)	(1,640,803)	(1,747,574)	(1,259,474)
Sale of capital assets	1,029,963	16,460	21,844	7,160	13,099
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	1,029,963	(983,540)	21,844	(992,840)	149,982
Net change in fund balances	$ (9,817,039)	$ 981,745	$ 6,998,340	$ 12,531,144	$ 4,010,625
Debt service as a percentage of noncapital expenditures	14.3%	5.5%	6.0%	12.2%	11.7%

Note: Includes general, special revenue, debt service, and permanent funds

[1]Special Assessments and Impact fees were reclassified in the State of Florida Uniform Accounting System Manual to permits and fees

Fiscal Year				
2004	**2003**	**2002**	**2001**	**2000**
$ 7,275,986	$ 6,337,721	$ 5,373,939	$ 4,265,077	$ 3,645,419
2,770,604	1,888,809	1,728,142	1,253,702	1,271,089
5,291,960	4,752,209	3,374,757	3,421,630	3,232,655
1,635,726	1,275,651	81,232	82,973	436,323
246,132	236,761	213,470	368,315	329,968
262,405	410,488	688,298	708,842	504,011
128,048	133,972	135,228	120,813	102,216
-	-	-	-	-
4,294,620	3,051,048	2,249,181	1,514,295	2,012,190
72,427	88,680	-	-	-
133,169	79,426	1,059,504	886,237	678,804
22,111,077	18,254,765	14,903,751	12,621,884	12,212,675
2,336,743	3,325,686	2,286,599	1,480,434	1,259,904
7,024,451	6,180,979	5,486,185	4,626,435	4,337,820
780,387	626,594	489,171	411,689	457,576
3,563,224	4,791,484	3,202,055	6,535,475	1,754,786
131,623	93,696	180,904	1,134,956	74,333
391,384	653,862	14,112	14,140	14,196
1,861,015	2,048,901	1,411,558	1,064,600	1,041,353
2,119,883	288,843	391,168	374,388	317,769
1,321,064	241,155	252,915	69,030	78,658
19,529,774	18,251,200	13,714,667	15,711,147	9,336,395
2,581,303	3,565	1,189,084	(3,089,263)	2,876,280
1,433,414	1,057,204	1,136,368	1,080,877	727,719
(1,250,640)	(2,192,894)	(1,060,670)	(800,087)	(831,754)
247,544	1,106,080	-	9,176	905,000
118,531	1,230,083	997,039	8,299,327	19,327
548,849	1,200,473	1,072,737	8,589,293	820,292
$ 3,130,152	$ 1,204,038	$ 2,261,821	$ 5,500,030	$ 3,696,572
20.7%	4.3%	6.5%	5.3%	5.3%

City of Winter Garden, Florida
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Ad Valorem	Franchise Fees	Utility Services	Communications Services	Local Business Tax	Total
2009	$ 8,722,152	$ -	$ 2,710,435	$ 1,455,478	$ 228,320	$ 13,116,385
2008	8,351,424	-[2]	2,615,227	1,386,894	206,343[3]	12,559,888
2007	8,297,193	1,773,927	2,432,494	1,323,649	-	13,827,263
2006	5,777,996	1,563,590	2,138,583	1,214,940	-	10,695,109
2005	4,507,982	1,191,851	1,798,561	1,055,864	-	8,554,258
2004	3,770,795	1,008,447	1,571,435	925,309	-	7,275,986
2003	3,098,149	903,925	1,480,323	855,324	-	6,337,721
2002	2,456,306	864,047	1,297,581[1]	756,005[1]	-	3,320,353
2001	1,961,339	889,590	1,414,148	-	-	4,265,077
2000	1,737,378	712,040	1,196,001	-	-	3,645,419

[1]Utility Service Taxes on telecommunications were eliminated and the Communication Services Tax was created by State Statute

[2]Franchise fees were reclassified in the State of Florida Uniform Accounting System Manual from taxes to permits and fees

[3]Local business tax, formerly referred to as occupational licenses, was reclassified in the State of Florida Uniform Accounting System Manual from permits and fees to taxes

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

Fiscal Year Ended September 30[1]	Real Property	Personal Property	Less Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2009	$3,359,553,306	$211,129,665	$ 922,172,422	$ 2,648,510,549	3.3866	$ 3,570,682,971	74.17%
2008	3,238,428,147	175,381,966	861,979,717	2,551,830,396	3.3866	3,413,810,113	74.75%
2007	2,507,435,607	153,446,526	662,295,114	1,998,587,019	4.3040	2,660,882,133	75.11%
2006	1,658,489,839	121,482,460	388,305,142	1,391,667,157	4.3040	1,779,972,299	78.18%
2005	1,264,462,015	126,634,722	306,664,368	1,084,432,369	4.3040	1,391,096,737	77.96%
2004	1,036,271,956	133,126,163	261,279,230	908,118,889	4.3040	1,169,398,119	77.66%
2003	872,639,284	104,061,370	229,050,652	747,650,002	4.3040	976,700,654	76.55%
2002	687,911,009	87,361,064	182,532,322	592,739,751	4.3040	775,272,073	76.46%
2001	548,155,187	74,421,403	150,280,206	472,296,384	4.3040	622,576,590	75.86%
2000	475,712,432	74,501,339	140,839,800	409,373,971	4.3040	550,213,771	74.40%

Source: Orange County Property Appraiser's Office

[1]Information is reported based on the fiscal year in which associated tax revenue is recognized - e.g., the 2008 tax roll data is reported here for Fiscal Year 2009, as that is the period of collection and revenue recognition

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

Millage Rates (dollars per $1,000 of assessed value)

		Overlapping Rates					
Fiscal Year	City of Winter Garden Millage	County Millage	School District Millage	Library Millage	St. Johns River Water Mgmt. District Millage	Health Central (WOHD) Millage	Total Direct & Overlapping Rates
2009	3.3866	4.4347	7.1500	0.3748	0.4158	-	15.7619
2008	3.3866	4.4347	7.1210	0.3748	0.4158	-	15.7329
2007	4.3040	5.1639	7.1690	0.4325	0.4620	-	17.5314
2006	4.3040	5.1639	7.7610	0.4325	0.4620	-	18.1234
2005	4.3040	5.1639	7.5400	0.4352	0.4620	-	17.9051
2004	4.3040	5.1639	7.8880	0.4365	0.4620	-	18.2544
2003	4.3040	5.1639	7.8780	0.4371	0.4620	-	18.2450
2002	4.3040	5.1639	8.4320	0.4383	0.4620	-	18.8002
2001	4.3040	5.1639	8.5770	0.4412	0.4720	-	18.9581
2000	4.3040	5.2264	8.6120	0.4412	0.4820	0.3221	19.3877

Source: Orange County Property Appraiser's Office

City of Winter Garden, Florida
Principal Property Taxpayers
September 30, 2009

	2009			2000		
Taxpayer	**Assessed Valuation**	**Rank**	**Percentage of Total Assessed Valuation**	**Assessed Valuation**	**Rank**	**Percentage of Total Assessed Valuation**
Cole MT Winter Garden LLC	$147,551,241	1	5.57%	Data is not available for 2000		
Misty Ridge Ventures LLC	14,917,100	2	0.56%			
Manheim Remarketing L P	13,143,101	3	0.50%			
Barclay Stoneybrook LLC	11,500,000	4	0.43%			
West Pointe Villas LTD	11,498,893	5	0.43%			
Target Corp	11,291,528	6	0.43%			
Hyde Park Communities	11,137,725	7	0.42%			
El-Ad Promenade LLC	11,100,000	8	0.42%			
Castle & Cooke Florida LTD	10,206,574	9	0.39%			
Gar Shing Realty Corp	9,658,729	10	0.36%			
Totals	$252,004,891		9.51%			

Source: Orange County Property Appraiser's Office

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

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	$ 8,973,852	$ 8,641,588	96.3%	$ -	$ 8,641,588	96.3%
2008	8,646,566	8,272,820	95.7%	48,279	8,321,099	96.2%
2007	8,608,324	8,269,756	96.1%	20,280	8,290,036	96.3%
2006	5,993,040	5,760,164	96.1%	17,066	5,777,230	96.4%
2005	4,669,183	4,486,743	96.1%	18,780	4,505,523	96.5%
2004	3,911,478	3,760,894	96.2%	6,166	3,767,060	96.3%
2003	3,221,921	3,084,610	95.7%	22,151	3,106,761	96.4%
2002	2,553,121	2,445,791	95.8%	11,665	2,457,456	96.3%
2001	2,033,887	1,955,874	96.2%	1,196	1,957,070	96.2%
2000	1,763,357	1,696,576	96.2%	7,105	1,703,681	96.6%

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

	Governmental Activities				Business-Type Activities		
Fiscal Year	Revenue Bonds	Revenue Notes	Agreements	Capital Leases	Water/ Sewer Bonds	Loans	Capital Leases
2009	$ 11,395,000	$ 1,868,581	$ -	$ -	$ -	$ 11,481,279	$ 293,511
2008	11,625,000	2,312,416	2,210,070	-	-	12,092,381	-
2007	11,845,000	2,717,163	2,210,070	28,500	-	12,681,074	-
2006	12,025,000	3,102,866	2,210,070	51,331	-	13,222,822	-
2005	-	3,378,426	3,922,936	74,966	-	13,550,510	-
2004	173,370	3,551,479	5,177,551	97,344	26,630	12,564,778	-
2003	474,646	3,700,000	6,826,450	-	52,165	4,613,604	-
2002	763,489	3,700,000	5,596,366	-	76,971	194,633	-
2001	1,154,657	3,700,000	4,599,327	-	650,682	184,400	-
2000	1,529,045	-	-	-	819,299	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
[1]See the schedule of Demographic and Economic Statistics for personal income and population data.

Total Primary Government	Percentage of Personal Income	Per Capita[1]
$ 25,038,371	3.02%	$ 808
28,239,867	3.60%	916
29,481,807	4.04%	981
30,612,089	4.66%	1,076
20,926,838	3.87%	850
21,591,152	4.63%	971
15,666,865	3.85%	769
10,331,459	2.97%	565
10,289,066	3.47%	639
2,348,344	0.92%	165

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

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value[1] of Property	Per Capita[2]
2009	$ -	$ -	$ -	-	$ -
2008	-	-	-	-	-
2007	-	-	-	-	-
2006	-	-	-	-	-
2005	-	-	-	-	-
2004	-	-	-	-	-
2003	-	-	-	-	-
2002	-	-	-	-	-
2001	-	-	-	-	-
2000	-	-	-	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
[1]See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
[2]Population data can be found in the Schedule of Demographic and Economic Statistics.

City of Winter Garden, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2009

Jurisdiction	Debt Outstanding	Estimated Percentage Applicable[1]	Estimated Share of Overlapping Debt
Debt repaid with property taxes: County	$ -	2.5%	$ -
Subtotal, overlapping debt			-
City of Winter Garden direct debt			-
Total direct and overlapping debt			$ -

Sources: Assessed value data used to estimate applicable percentages provided by the County Property Appraiser. Debt outstanding data provided by the County.

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

[1]The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the City's bounderies and dividing it by the County's total taxable assessed value.

City of Winter Garden, Florida
Legal Debt Margin Information
September 30, 2009

Neither the City of Winter Garden Charter or Code of Ordinances nor the Florida Statutes limit the amount of debt the City of Winter Garden can issue.

City of Winter Garden, Florida
Pledged-Revenue Coverage
Water and Sewer Revenue Bonds
Last Ten Fiscal Years

Year	Charges[1]	Less: Operating Expenses[2]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2009	$ 9,984,041	$ 6,205,528	$ 3,778,513	$ -	$ -	N/A
2008	10,370,908	6,746,718	3,624,190	-	-	N/A
2007	9,880,373	6,575,741	3,304,632	-	-	N/A
2006	8,747,495	7,264,721	1,482,774	-	-	N/A
2005	7,928,757	5,568,578	2,360,179	-	-	N/A
2004	6,974,607	4,658,418	2,316,189	-	-	N/A
2003	5,799,376	3,809,422	1,989,954	-	-	N/A
2002	5,784,679	3,227,291	2,557,388	16,000	27,500	58.79
2001	4,968,544	2,823,265	2,145,279	146,000	36,100	11.78
2000	3,866,695	2,376,380	1,490,315	135,000	44,050	8.32

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

[1]Total revenues exclusive of impact fees and investment earnings thereon
[2]Total operating expenses exclusive of depreciation

City of Winter Garden, Florida
Pledged-Revenue Coverage
Sales Tax Revenue Bonds, Series 2006
Last Ten Fiscal Years

Year	Local Government Half-cent Sales Tax Revenues	Debt Service		Coverage
		Principal	Interest	
2009	$ 3,530,583	$ 230,000	$ 494,125	4.88
2008	3,779,419	220,000	503,475	5.22
2007	3,456,635	180,000	545,680	4.76
2006	3,237,896	-	-	N/A
2005	2,912,563	-	-	N/A
2004	2,454,241	-	-	N/A
2003	2,112,477	-	-	N/A
2002	1,858,106	-	-	N/A
2001	1,850,346	-	-	N/A
2000	1,757,140	-	-	N/A

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

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

Fiscal Year	Population[1] City of Winter Garden	Population[1] Orange County	Personal Income[2] City of Winter Garden Annual Income	Personal Income[2] City of Winter Garden Per Capita	Labor Force (Countywide)[3] Civilian Labor Force	Labor Force (Countywide)[3] Employed	Labor Force (Countywide)[3] Unemployed	Unemployment Rate[4]
2009	30,987	1,108,882	$ 828,419,688	$ 26,734	604,165	535,531	68,634	11.4
2008	30,838	1,114,979	785,177,389	25,461	612,686	573,838	38,848	6.3
2007	30,065	1,105,603	729,043,579	24,249	601,260	578,008	23,252	3.9
2006	28,440	1,079,524	656,799,138	23,094	586,102	568,257	17,845	3.0
2005	24,610	1,043,437	541,284,133	21,994	560,375	540,809	19,566	3.5
2004	22,242	1,013,937	465,905,911	20,947	569,814	544,606	25,208	4.4
2003	20,378	980,195	406,533,784	19,950	538,962	511,926	27,036	5.0
2002	18,301	955,865	347,712,743	19,000	511,641	485,262	26,379	5.2
2001	16,097	930,034	296,929,608	18,446	506,910	484,146	22,764	4.5
2000	14,251	896,344	255,221,159	17,909	519,131	505,459	13,672	2.6

[1]Source: University of Florida, Bureau of Economics and Business Research
[2]Source: Metro Orlando Ecomonic Development Commission (2000),
Note: Per capita income information is not available 2001-2009; amounts shown are estimated.
[3]Source: Florida Department of Labor and Employment Security (2000-2002)
Florida Agency for Workforce Innovation (2003-2009)
[4]Countywide

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

		2009			2000		
Employer	**Location**	**Employees[1]**	**Rank**	**Percentage of Total City Employment[2]**	**Employees**	**Rank**	**Percentage of Total City Employment**
Orange County Public Schools	Various (9)	999	1	11.64%	Data is not available for 2000		
City of Winter Garden	Plant Street	277	2	3.23%			
Health Central Park	N Dillard Street	266	3	3.10%			
Publix Super Markets	SR 50/SBW	223	4	2.60%			
Heller Bros Packing Co	9th Street	220	5	2.56%			
Target Super Center	Daniels Rd	218	6	2.54%			
Ranger Construction	Elboc Way	153	7	1.78%			
Louis Dreyfus Citrus	9th Street	145	8	1.69%			
Encore Construction	Crown Park Circle	141	9	1.64%			
C & W Trucking Inc	Hennis Road	140	10	1.63%			
Total		2,782		32.42%			

[1]Source: Florida Research and Economic Database and surveys of employers listed.
[2]Source: Total City Employment estimated using 2000 Census and projected growth rate for the Orlando Metropolitan Statistical Area.

City of Winter Garden, Florida
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	Full-time Equivalent Employees as of September 30									
	2009	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**	**2000**
Function										
General government	37	33	31	33	28	23	23	19	13	12
Public Safety										
Police										
Officers	64	63	58	58	56	47	43	39	36	35
Civilians	24	16	17	20	18	13	15	14	13	12
Fire										
Firefighters and officers	43	39	35	38	38	34	31	25	21	21
Civilians	2	2	2	1	1	-	-	-	-	-
Building	10	15	17	19	14	10	11	9	9	7
Public Works	31	31	31	36	34	34	21	20	19	17
Sanitation	18	18	18	15	16	16	16	15	16	16
Culture and recreation	8	8	7	9	8	6	15	13	12	14
Engineering	5	5	6	8	7	5	3	1	1	2
Utilities Administration	2	2	5	5	6	5	6	5	8	6
Water	12	11	14	14	15	15	13	11	10	9
Sewer	13	13	13	17	17	17	17	17	15	15
Environmental Services	3	2	-	-	-	-	-	-	-	-
Stormwater	3	4	5	4	3	2	2	2	2	2
Trailer park	2	2	2	1	1	3	5	4	4	1
Total	277	264	261	278	262	230	221	194	179	169

Source: City of Winter Garden Finance Department

City of Winter Garden, Florida
Operating Indicators by Function
Last Ten Fiscal Years

					Fiscal
	2009	**2008**	**2007**	**2006**	**2005**
Function					
Police					
Physical arrests	1,084	1,142	1,170	1,878	2,093
Parking violations	380	644	802	80	362
Traffic violations	9,427	10,813	12,216	7,448	8,994
Fire					
Number of calls answered	3,851	3,714	3,642	3,427	3,231
Inspections	1,126	1,172	1,442	1,258	1,222
Public Works					
Street resurfacing	11,195	3,873	21,336	43,357	22,551
Potholes repaired	172	245	945	890	1,000
Sanitation					
Refuse collected (tons/day)	84	87	117	51	50
Recyclables collected	8	6	8	4	4
Culture and recreation					
Field permits issued	905	226	254	156	85
Facility rentals	319	151	196	194	182
Water					
New connections	209	602	699	1,095	676
Water main breaks	7	6	8	3	3
Average daily consumption (thousands of gallons)	5,935,000	6,100,858	6,670,000	5,985,678	4,616,786
Wastewater					
Average daily sewage treatment (thousands of gallons)	2,500,000	2,420,000	2,350,000	1,990,000	2,010,000

Sources: Various City departments.
Note: Indicators are not available for the general government function.

Year				
2004	**2003**	**2002**	**2001**	**2000**
1,903	1,604	981	3,006	2,190
299	518	571	249	304
6,918	6,402	5,684	5,775	6,425
2,998	2,556	2,500	2,499	2,201
1,111	919	766	639	556
34,332	29,412	42,549	48,010	39,252
1,200	1,005	1,116	1,239	1,375
50	50	48	46	45
4	3	2	2	2
92	83	97	101	86
175	182	182	137	128
533	593	630	499	241
5	2	5	3	1
4,354,230	4,236,041	3,289,789	2,828,219	2,923,186
1,870,000	1,790,000	1,620,000	1,370,000	1,390,000

City of Winter Garden, Florida
Capital Asset Statistics by Function
Last Ten Fiscal Years

	2009	2008	2007	2006
Function				
Public Safety				
Police:				
Stations	1	1	1	1
Patrol units	38	38	38	36
Fire stations	3	3	2	2
Sanitation				
Collection trucks	24	21	18	15
Public Works				
Streets (miles)	176	176	171	137
Streetlights	2,419	2,304	2,279	2,266
Traffic signals	16	22	19	14
Culture Recreation				
Parks acreage	90	60	60	55
Parks	11	9	9	8
Swimming pools	2	2	2	2
Tennis courts	6	6	6	6
Community centers	1	1	1	1
Water				
Water mains (miles)	186	186	186	105
Fire hydrants	1,366	1,300	1,300	1,300
Maximum daily capacity (thousands of gallons)	10,368,000	10,368,000	10,368,000	10,368,000
Sewer				
Sanitary sewers (miles)	164	164	139	135
Maximum daily treatment capacity	4,000,000	4,000,000	4,000,000	4,000,000
Stormwater				
Storm sewers (miles)	112	112	102	63

Sources: Various City departments.
Note: No capital asset indicators are available for the general government function.

Fiscal Year					
2005	**2004**	**2003**	**2002**	**2001**	**2000**
1	1	1	1	1	1
32	29	27	26	26	25
2	2	2	1	1	1
15	14	14	13	11	11
119	103	90	78	69	60
2,017	1,795	1,598	1,422	1,266	1,127
13	11	10	9	8	8
55	55	55	55	55	55
8	8	8	8	8	8
2	2	2	2	2	2
6	6	6	6	6	6
1	1	1	1	1	1
98	90	83	75	68	60
1,215	1,116	1,029	930	843	744
10,368,000	10,368,000	10,368,000	8,064,000	8,064,000	8,064,000
127	118	110	101	93	84
4,000,000	4,000,000	4,000,000	2,000,000	2,000,000	2,000,000
56	50	44	40	35	31

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COMPLIANCE AND INTERNAL CONTROL SECTION

SBM Sines Blakeslee Madyda
certified public accountants, p.a.

Report of Independent Certified Public Accountants on Internal Control Over Financial Reporting and on Compliance and Other Matters Based On An Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Mayor, Members of the
City Commission and City Manager
Winter Garden, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Winter Garden, Florida, ("the City") as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents and have issued our report thereon dated March 29, 2010. 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.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

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

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

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Honorable Mayor, Members of the
City Commission and City Manager
Winter Garden, Florida

Compliance and Other Matters

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

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

Sines Blakeslee Madyda
Certified Public Accountants, P.A.
March 29, 2010

SBM Sines Blakeslee Madyda
certified public accountants, p.a.

Independent Certified Public Accountants' Management Letter

Honorable Mayor and Members of the
City Commission and City Manager
Winter Garden, Florida

We have audited the financial statements of the City of Winter Garden, Florida (the "City"), as of and for the fiscal year ended September 30, 2009, and have issued our report thereon dated March 29, 2010.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Report of Independent Certified Public Accountants on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, which is dated March 29, 2010, and should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information which is not included in the aforementioned auditors' reports or schedule:

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

- Section 10.554(1) (i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the City complied with Section 218.415, Florida Statutes.

- Section 10.554(1)(i)3., Rules of the Auditor General, require that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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- Section 10.554(1)(i)4., Rules of the Auditor General, requires, that we address violations of contracts or grant agreements that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

- Section 10.554(1)(i)5., Rules of the Auditor General, provide that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) control deficiencies that are not significant deficiencies. In connection with our audit, we did not have any such findings.

- Section 10.554(1)(i)6., Rules of the Auditor General requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Legal authority of the City and it's blended component unit are disclosed in the notes to the financial statements.

- Section 10.554(1) (i) 7.a., Rules of the Auditor General, requires a statement to be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

- Section 10.554(1) (i) 7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the City for the fiscal year ended September 30, 2009, filed with the Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2009. In connection with our audit, we determined that these two reports were in agreement.

- Pursuant to sections 10.554(1)(i) 7.c and 10.556(7)), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and it's distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the City Commission, management, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Sines Blakeslee Madyda

Sines Blakeslee Madyda
Certified Public Accountants, P.A.
March 29, 2010

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