CITY OF WINTER GARDEN, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2012

CITY OF WINTER GARDEN, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended

September 30, 2012

Prepared by:

Finance Department

WINTER GARDEN

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TABLE OF CONTENTS

CITY OF WINTER GARDEN, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended September 30, 2012

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	
Independent Auditors' Report	9
Management's Discussion and Analysis	11
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	25
Statement of Activities	26
Fund Financial Statements:	
Balance Sheet—Governmental Funds	28
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	31
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds	32
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	34
Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—General Fund	35
Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Community Redevelopment Agency Fund	36
Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Impact Fee Fund	37
Statement of Net Assets—Proprietary Funds	38
Statement of Revenues, Expenses, and Changes in Fund Net Assets—Proprietary Funds	39
Statement of Cash Flows—Proprietary Funds	41
Statement of Fiduciary Net Assets—Fiduciary Funds	42
Statement of Changes in Fiduciary Net Assets—Fiduciary Funds	43
Notes to the Financial Statements	45

Page

Required Supplementary Information:
Schedules of Funding Progress 75
Schedules of Employer Contributions 76
Combining and Individual Fund Statements and Schedules:
Combining Balance Sheet—Nonmajor Governmental Funds 78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Nonmajor Governmental Funds 80
Schedules of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual:
Downtown Parking District Special Revenue Fund 82
Law Enforcement Trust Special Revenue Fund 83
Law Enforcement Grants Special Revenue Fund 84
Local Option Gas Tax Special Revenue Fund 85
Police and Fire Premium Tax Trust Fund 86
Debt Service Fund 87
Combining Statement of Net Assets—Nonmajor Enterprise Funds 90
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets—Nonmajor Enterprise Funds 91
Combining Statement of Cash Flows—Nonmajor Enterprise Funds 92

III. STATISTICAL SECTION
Net Assets by Component—Last Ten Fiscal Years 94
Change in Net Assets—Last Ten Fiscal Years 96
Governmental Activities Tax Revenues by Source—Last Ten Fiscal Years 98
Fund Balances of Governmental Funds—Last Ten Fiscal Years 100
Changes in Fund Balances of Governmental Funds—Last Ten Fiscal Years 102
General Governmental Tax Revenues by Source—Last Ten Fiscal Years 104
Assessed Value and Estimated Actual Value of Taxable Property—Last Ten Fiscal Years 105
Property Tax Rates—Direct and Overlapping Governments—Last Ten Fiscal Years 106
Principal Property Taxpayers—Current Year and Nine Years Ago 107
Property Tax Levies and Collections—Last Ten Fiscal Years 108
Ratios of Outstanding Debt by Type—Last Ten Fiscal Years 110
Ratios of General Bonded Debt Outstanding—Last Ten Fiscal Years 112
Direct and Overlapping Governmental Activities Debt 113
Legal Debt Margin Information 114
Pledged-Revenue Coverage—Sales Tax Revenue Bonds—Last Ten Fiscal Years 115
Demographic and Economic Statistics—Last Ten Fiscal Years 116
Principal Employers—Current Year and Nine Years Ago 117
Full-Time Equivalent City Government Employees by Function—Last Ten Fiscal Years 118
Operating Indicators by Function—Last Ten Fiscal Years 120

Page

Capital Asset Statistics by Function—Last Ten Fiscal Years 122

IV. COMPLIANCE AND INTERNAL CONTROL SECTION
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* 125
Independent Auditors' Management Letter 127

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INTRODUCTORY SECTION

LETTER OF TRANSMITTAL

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CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

—

ORGANIZATIONAL CHART

—

LIST OF ELECTED AND APPOINTED OFFICIALS

WINTER GARDEN

March 20, 2013

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, 2012 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, 2012, 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, 2012, are fairly presented in all material respects in conformity with GAAP. The Independent Auditor's Report 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 Independent Auditor's Report.

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 slowed considerably for several years, but has now begun to pick up again. The City currently occupies a land area of approximately seventeen square miles and serves a population of 36,063. 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 8.4 percent in 2012, as compared to 10.1 percent in 2011, and is expected to decrease 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 an 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 (the "Mall") 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.

On December 19, 2012, the City Commission approved a change of use within a 54 acre property adjacent to the Mall to allow for a hospital and ancillary uses, emergency department, and medically related professional and business offices, clinics, and laboratories. It is anticipated that construction will be done in phases over the next four to seven years. We believe this project will be a significant positive for our local economy through both the construction phase and after completion and will provide for superior healthcare for our citizenry into the future.

Long-term financial planning

Unassigned fund balance in the General Fund as a percentage of total expenditures was 25 percent as of September 30, 2012, which is 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 1.69 years for the governmental fund portfolio and 1.70 years for the enterprise fund portfolio, and 1.83 years and 1.81 years at the end of the fiscal year, respectively.

The City provides postemployment 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 24 retired employees receiving these benefits, of which the City was paying a portion of the premiums for 20. These benefits are financed on a pay-as-you-go basis. The Governmental Accounting Standards Board (GASB) statement number 45 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 2012 for these benefits is $1,734,128.

Major initiatives

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

- Construction continued 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 $12,119,716.
- Construction work was completed on the widening of Sessions Road. Total design and construction costs were $2,480,837. Of this, $2,479,227 was reimbursed back to the City under a developer agreement, as the road improvement was necessitated by their development.
- Median landscaping on State Road 50 was substantially completed during the fiscal year. As of the end of the current fiscal year, $1,336,247 had been expended on this project.

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, 2011. This was the ninth 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

Laura L. Zielonka
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Winter Garden Florida

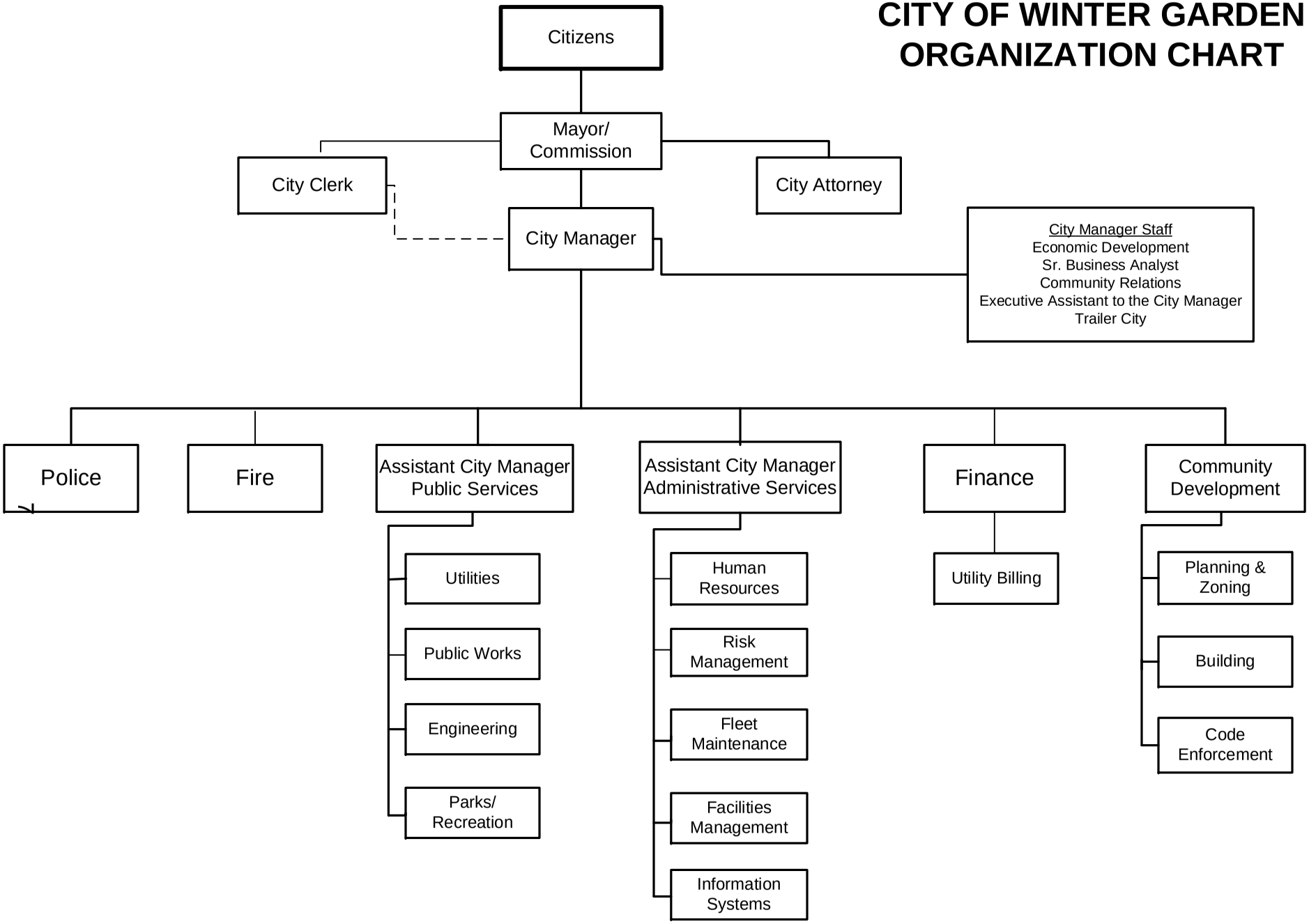
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2011

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



8/28/12

CITY OF WINTER GARDEN, FLORIDA
LIST OF ELECTED AND APPOINTED OFFICIALS
As of September 30, 2012

Elected Officials

Mayor	John Rees
City Commissioner—District 1	Kent W. Makin
City Commissioner—District 2	James R. Buchanan
City Commissioner—District 3	Robert M. Olszewski
City Commissioner—District 4	Colin P. Sharman

Appointed Officials

City Manager	Michael L. Bollhoefer
Assistant City Manager—Administrative Services	Frank M. Gilbert
Assistant City Manager—Public Services	Donald R. Cochran
City Clerk	Kathy Golden
City Attorney	A. Kurt Ardaman
Economic Development Director	Tanja D. Gerhartz
Finance Director	Laura L. Zielonka
Community Development Director	Ed Williams
Police Chief	George A. Brennan
Fire Chief	John W. Williamson, II
Recreation Director	Joseph H. Conn

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

—

MANAGEMENT'S DISCUSSION AND ANALYSIS

—

BASIC FINANCIAL STATEMENTS

—

REQUIRED SUPPLEMENTARY INFORMATION

—

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Sines Blakeslee Madyda
certified public accountants, p.a.

Independent Auditors' Report

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, 2012, 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, 2012, and the respective changes in financial position and, where applicable, cash flows, 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 20, 2013 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

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

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

Sines Blakeslee Madyda

Sines Blakeslee Madyda
Certified Public Accountants, P.A.
March 20, 2013

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, 2012. 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, 2012 by $199,343,169. The unrestricted net assets on this date were $22,381,389. These funds are available to meet the ongoing obligations of the City.
- The net assets of governmental activities on September 30, 2012 equaled $111,323,337. Of this amount, $6,246,039 was unrestricted. The net assets of business-type activities equaled $88,019,832. Of this amount $16,135,350 was unrestricted.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $27,353,759. Of this amount, $5,442,857 is available for spending at the City's discretion (unassigned fund balance).
- Unassigned fund balance in the General Fund was $5,457,922 at the end of the fiscal year, or 25 percent of total expenditures.
- Net assets in the Pension Trust Fund for General Employees increased $2,658,574. Net assets in the Pension Trust Fund for Firefighters and Police Officers increased $3,486,059.

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 25-27 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 nine 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 six 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 28-37 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, solid waste collection operation, stormwater utility, 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 38-41 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 42-43 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 45-74 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 75-76 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 78-92 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 $199,343,169 at the close of the most recent fiscal year. The City's increase in net assets for this fiscal year amounts to $5,764,147.

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 $145,536,308 or 73 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	
	2012	2011	2012	2011	2012	2011
Current and other assets	$ 31,880,697	$ 31,169,173	$ 29,348,819	$31,094,048	$ 61,229,516	$ 62,263,221
Capital assets	95,282,592	95,108,969	71,111,711	67,924,704	166,394,303	163,033,673
Total assets	127,163,289	126,278,142	100,460,530	97,328,212	227,623,819	225,296,894
Long-term liabilities outstanding	13,551,139	13,636,497	10,100,823	10,710,650	23,651,962	24,347,147
Other liabilities	2,288,813	3,513,731	2,339,875	3,856,994	4,628,688	7,370,725
Total liabilities	15,839,952	17,150,228	12,440,698	14,567,644	28,280,650	31,717,872
Net assets:						
Invested in capital assets, net of related debt	84,043,498	83,198,158	61,492,810	57,568,018	145,536,308	140,766,176
Restricted	21,033,800	19,723,001	10,391,672	13,430,411	31,425,472	33,153,412
Unrestricted	6,246,039	6,206,755	16,135,350	13,452,679	22,381,389	19,659,434
Total net assets	$111,323,337	$109,127,914	$88,019,832	$84,451,108	$199,343,169	$193,579,022

An additional portion of the City's net assets (sixteen percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets ($22,381,389) 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 $5,764,147 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 $2,195,423, thereby accounting for 38 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 $1,288,842 for transportation, police, fire, and recreation impact fees, plus receipt of $2,041,974 from a developer for road improvements necessitated by their development. 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

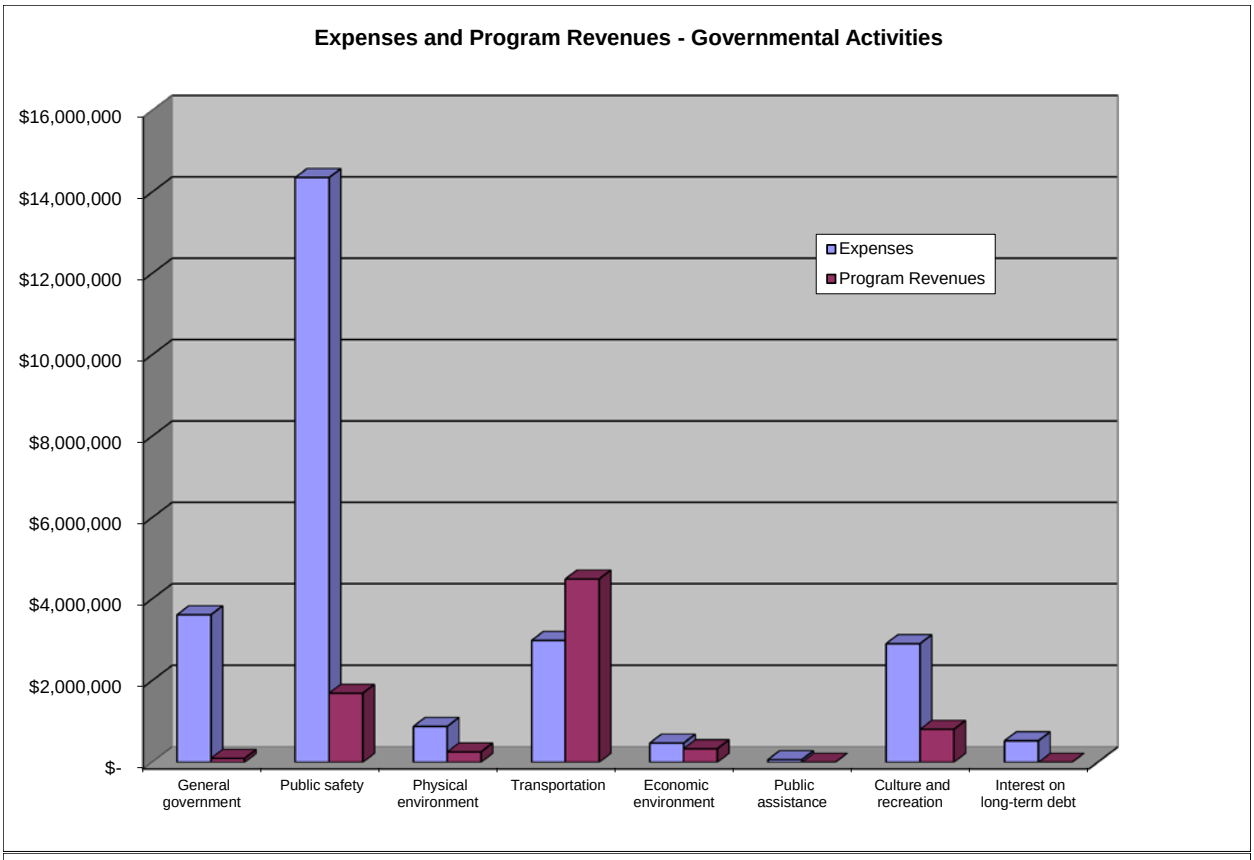
CITY OF WINTER GARDEN'S Changes in Net Assets

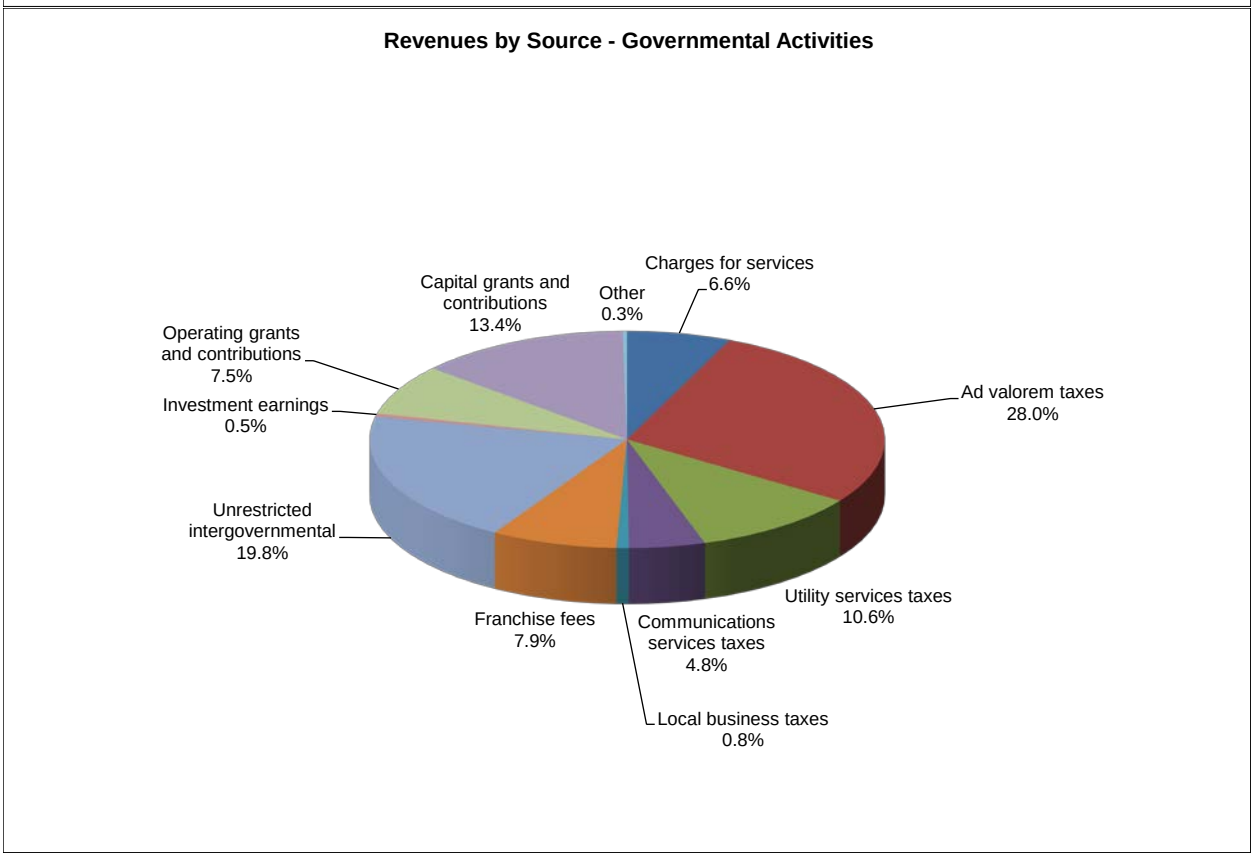
	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	$ 1,836,952	$ 1,646,972	$15,301,875	$15,212,115	$ 17,138,827	$ 16,859,087
Operating grants and contributions	2,109,519	2,119,603	-	-	2,109,519	2,119,603
Capital grants and contributions	3,741,057	2,142,478	2,171,441	721,044	5,912,498	2,863,522
General revenues:						
Ad valorem	7,837,097	8,348,452	-	-	7,837,097	8,348,452
Utility service taxes	2,959,428	3,158,550	-	-	2,959,428	3,158,550
Communication services Taxes	1,335,434	1,309,236	-	-	1,335,434	1,309,236
Local business tax	216,115	142,891	-	-	216,115	142,891
Franchise fees	2,219,911	2,280,401	-	-	2,219,911	2,280,401
Unrestricted intergovernmental	5,546,151	4,930,295	-	-	5,546,151	4,930,295
Investment earnings	128,671	282,625	141,859	123,987	270,530	406,612
Gain on sale of capital assets	-	-	12,369	-	12,369	-
Other	76,238	92,482	-	-	76,238	92,482
Total revenues	28,006,573	26,453,985	17,627,544	16,057,146	45,634,117	42,511,131
Expenses:						
General government	3,613,453	3,866,245	-	-	3,613,453	3,866,245
Public safety	14,358,645	15,081,176	-	-	14,358,645	15,081,176
Physical environment	880,896	926,611	-	-	880,896	926,611
Transportation	2,984,277	2,738,141	-	-	2,984,277	2,738,141
Economic environment	472,447	414,062	-	-	472,447	414,062
Public assistance	66,395	58,415	-	-	66,395	58,415
Culture and recreation	2,906,672	2,846,859	-	-	2,906,672	2,846,859
Interest on long-term debt	528,365	560,482	-	-	528,365	560,482
Water and sewer	-	-	9,328,982	8,894,936	9,328,982	8,894,936
Solid Waste	-	-	3,829,306	3,793,048	3,829,306	3,793,048
Stormwater	-	-	654,299	1,036,094	654,299	1,036,094
Mobile home lot rentals	-	-	246,233	227,000	246,233	227,000
Total expenses	25,811,150	26,491,991	14,058,820	13,951,078	39,869,970	40,443,069
Increase (decrease) in net assets	2,195,423	(38,006)	3,568,724	2,106,068	5,764,147	2,068,062
Net assets- beginning	109,127,914	109,165,920	84,451,108	82,345,040	193,579,022	191,510,960
Net assets- ending	$111,323,337	$109,127,914	$88,019,832	$84,451,108	$199,343,169	$193,579,022

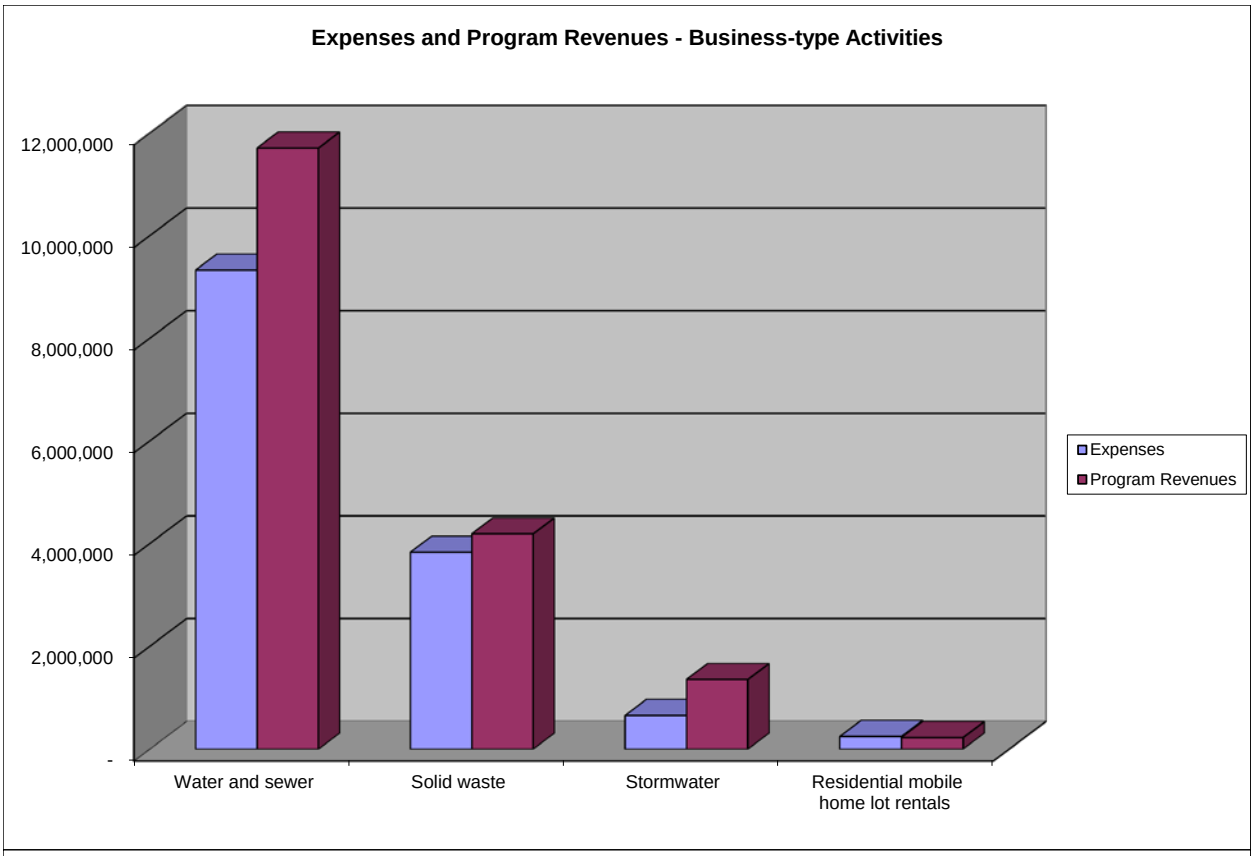
land. Thus, the related expense is largely not recognized in the same year as the revenues are received. During growth periods, this has the effect of increasing net assets.

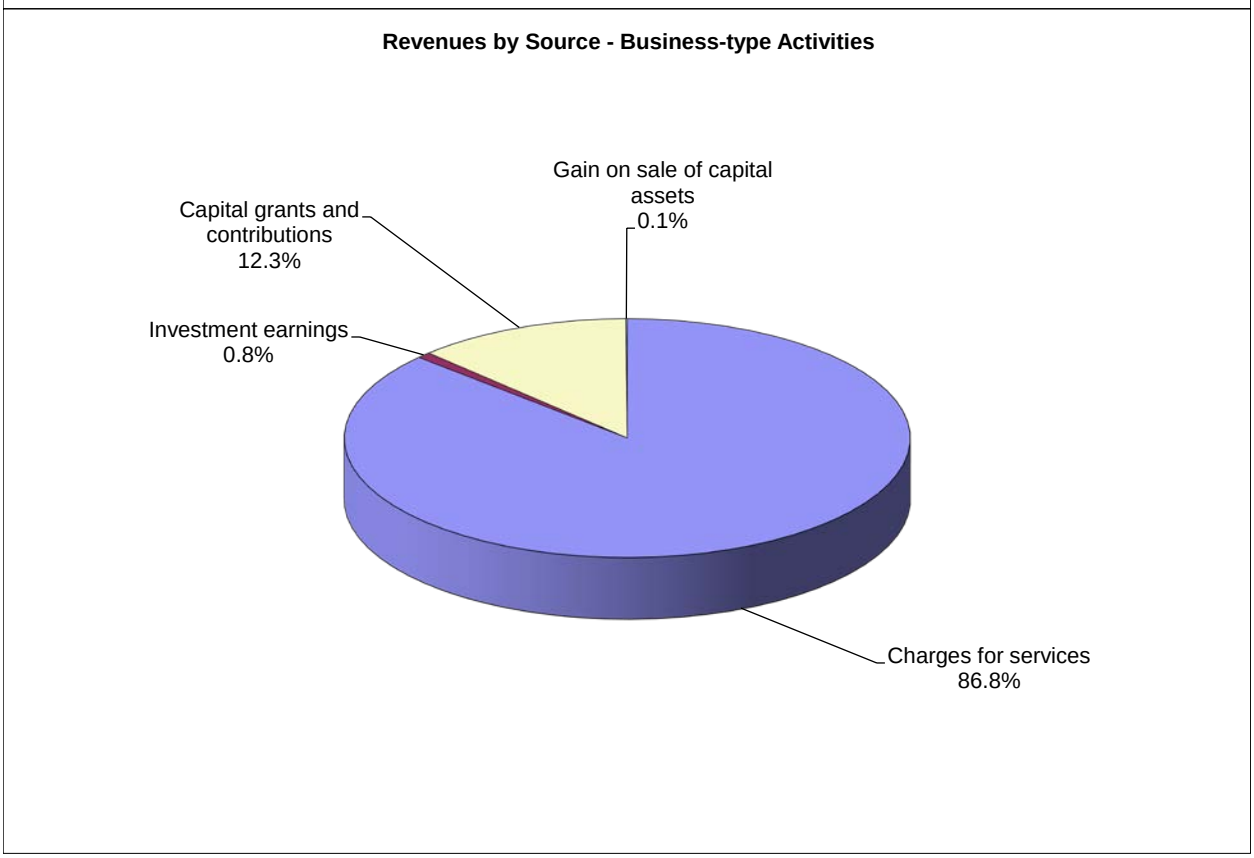
Business-type activities. Business-type activities increased the City's net assets by $3,568,724, accounting for 62 percent of the total growth in the City's net assets. Key elements of this increase are as follows:

- 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 $1,590,284. 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
Charges for services 6.6%
Capital grants and contributions 13.4%
Other 0.3%
Operating grants and contributions 7.5%
Investment earnings 0.5%
Ad valorem taxes 28.0%
Unrestricted intergovernmental 19.8%
Utility services taxes 10.6%
Franchise fees 7.9%
Communications services taxes 4.8%
Local business taxes 0.8%


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 0.1%
Capital grants and contributions 12.3%
Investment earnings 0.8%
Charges for services 86.8%

as deemed necessary, these assets are depreciated over many years, or not depreciated at all in the case of land. Thus, capital outlay expenses 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 $863,002 for water and sewer impact fees, plus receipts of $1,191,483 for developer and intergovernmental cost-share agreements. 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 revenues 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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The City's governmental funds reported combined ending fund balances of $27,353,759 at September 30, 2012, which consisted of $606,371 in nonspendable, $1,949,890 in restricted, $19,354,641 in committed, and $5,442,857 in unassigned fund balance. The fund balance is a net increase of $1,991,533 from the reported fund balance of $25,362,226 in the prior year. The increase is primarily a result of impact fee and developer agreement receipts in excess of project expenditures for the fiscal year.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was $5,457,922, while total fund balance was $6,301,465. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 25 percent of General Fund expenditures, while total fund balance represents 29 percent of the same amount.

The fund balance of the City's General Fund increased by $640,105 during the current fiscal year. The key factors in this increase are as follows:

- General government expenditures were under budget by $235,653 primarily due to position vacancies.
- Culture and recreation expenditures were under budget by $337,245 primarily due to a recreational trail construction project that was not yet completed as of the end of 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 $65,519 in this fund. The key factor in this increase was due to projects budgeted but not expended ($100,000).

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 increased $1,153,740 in this fund. The increase is primarily a result of developer agreement receipts of $2,041,974 for road improvements necessitated by their projects.

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 $13,061,058. Total growth in net assets for this fund was $2,513,491. 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 $1,972,828, with an increase in net assets of $364,620. This is primarily due to a rate increase that was implemented during fiscal year 2008.

General Fund Budgetary Highlights

The General Fund budget was increased by $904,528 from the original budget to the final amended budget (an increase of four percent). These increases can be summarized as follows:

- $309,993 increase in general government activities. This was primarily due to an increase for executive activities for a reappropriation from the prior year for environmental cleanup of a City owned parcel of land ($176,451).
- $438,753 increase in public safety activities. This was primarily due to increases for law enforcement activities for a reappropriation from the prior year for new dispatch consoles ($200,000) and for an appropriation for salaries and benefits for positions that were anticipated to go unfilled in the original budget ($147,075).

The final budget for intergovernmental revenue was $5,909,370, while the actual amount was $5,619,827, a variance of $(289,543). This was primarily due to anticipated grant revenue for the construction of a recreational trail that was not yet received as of the end of the fiscal year ($340,271).

The final budget for culture and recreation expenditures was $2,847,267, while the actual amount was $2,510,022, a variance of $337,245. This was primarily due to a recreational trail construction project that was not yet completed as of the end of the fiscal year ($259,260).

While the final budget provided for the use of $127,160 of fund balance during the year, fund balance increased $640,105. This is primarily due to the budget variances mentioned above.

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, 2012 amounts to $166,394,303 (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 two percent (a 0.2 percent increase for governmental activities and a 4.7 percent increase for business-type activities).

CITY OF WINTER GARDEN'S Capital Assets

	Governmental Activities	Business-type Activities	Total
Land	$ 24,299,989	$ 1,024,601	$ 25,324,590
Buildings	27,779,156	6,553,176	34,332,332
Improvements other than buildings	10,416,679	21,533,497	31,950,176
Machinery and equipment	12,569,669	7,190,599	19,760,268
Infrastructure	48,698,379	56,549,474	105,247,853
Construction work in progress	3,562,285	9,613,483	13,175,768
Less: accumulated depreciation	(32,043,565)	(31,353,119)	(63,396,684)
Net capital assets	$ 95,282,592	$ 71,111,711	$166,394,303

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

- Construction continued 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, $9,144,716 had been expended on this project. Total design, right-of-way acquisition, and construction costs are expected to be $12,119,716.
- Construction was completed on the widening of Sessions Road at a total cost for design and construction of $2,480,837. Of this, $2,479,227 was reimbursed back to the City under a developer agreement, as the road improvement was necessitated by their development.
- Median landscaping on State Road 50 was substantially completed during the fiscal year. As of the end of the current fiscal year, $1,336,247 had been expended on this project.

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 $20,779,382. Of this amount, $589,094 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	$10,650,000
2001 CRA Loan	589,094
Sub-total	11,239,094
Business Type:	
2004 SRF Loan	1,382,946
2003 SRF Loan	7,419,903
2001 SRF Loan	737,439
Sub-total	9,540,288
Total	$20,779,382

The City's total debt decreased by $1,334,497 (six percent) during the current fiscal year due to scheduled principal payments.

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 moderate 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 2013, the City retained its millage rate of 4.2500. However, the adopted rate was below the rolled-back rate of 4.3585 by 2.49% due to decreased property values. During the budget process for fiscal year 2013, department heads focused on controlling costs and were successful in doing so.

On October 25, 2012, the City eliminated the County Road 545 Benefit Overlay Area Impact Fee that assigned an additional traffic impact fee to new development in a designated geographic area surrounding this road and provided for partial refunds of such impact fees previously paid. It is estimated that $2,547,098 will be refunded from the Impact Fee Fund in fiscal year 2013.

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.

WINTER GARDEN

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BASIC FINANCIAL STATEMENTS

WINTER GARDEN

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City of Winter Garden, Florida
Statement of Net Assets
September 30, 2012

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 3,983,060	$ 926,544	$ 4,909,604
Receivables (net of allowance for uncollectibles)	324,983	2,053,475	2,378,458
Internal balances	2,133,066	(2,133,066)	-
Due from other governmental units	1,036,433	-	1,036,433
Inventories	37,128	576,716	613,844
Investments	22,455,404	12,174,209	34,629,613
Prepaid items	37,522	-	37,522
Restricted cash, cash equivalents, and investments	-	15,750,941	15,750,941
Pension assets	1,873,101	-	1,873,101
Capital assets (net of accumulated depreciation):			
Land	24,299,989	1,024,601	25,324,590
Buildings	21,735,708	2,557,917	24,293,625
Improvements other than buildings	7,332,813	10,880,509	18,213,322
Machinery and equipment	2,400,578	2,724,983	5,125,561
Infrastructure	35,951,219	44,310,218	80,261,437
Construction work in progress	3,562,285	9,613,483	13,175,768
Total assets	127,163,289	100,460,530	227,623,819
LIABILITIES			
Accounts payable	938,999	373,979	1,312,978
Contracts payable	35,393	-	35,393
Due to other governmental units	201,570	890	202,460
Accrued interest payable	-	1,421	1,421
Accrued wages payable	505,667	103,376	609,043
Deposits	218,140	-	218,140
Unearned revenue	326,066	68,992	395,058
Other current liabilities	62,978	-	62,978
Liabilities payable from restricted assets	-	1,791,217	1,791,217
Noncurrent liabilities:			
Due within one year	148,289	779,346	927,635
Due in more than one year	13,402,850	9,321,477	22,724,327
Total liabilities	15,839,952	12,440,698	28,280,650
NET ASSETS			
Invested in capital assets, net of related debt	84,043,498	61,492,810	145,536,308
Restricted for:			
Public safety	1,089,638	-	1,089,638
Transportation	19,944,162	-	19,944,162
Debt service	-	560,282	560,282
Capital projects	-	9,831,390	9,831,390
Unrestricted	6,246,039	16,135,350	22,381,389
Total net assets	$ 111,323,337	$ 88,019,832	$ 199,343,169

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, 2012

			Program Revenues		
Functions/Programs	**Expenses**	**Indirect Expenses Allocation**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Governmental activities:					
General government	$ 5,053,710	$ (1,440,257)	$ 96,612	$ 2,500	$ -
Public safety	14,358,645	-	816,653	721,251	156,119
Physical environment	1,331,650	(450,754)	256,631	-	-
Transportation	2,984,277	-	174,518	1,044,915	3,273,767
Economic environment	451,234	21,213	-	335,678	-
Public assistance	66,395	-	-	-	-
Culture and recreation	2,906,672	-	492,538	5,175	311,171
Interest on long-term debt	528,365	-	-	-	-
Total governmental activities	27,680,948	(1,869,798)	1,836,952	2,109,519	3,741,057
Business-type activities:					
Water and sewer	8,169,224	1,159,758	9,535,538	-	2,171,441
Solid waste	3,272,929	556,377	4,187,622	-	-
Stormwater	514,956	139,343	1,354,001	-	-
Residential mobile home lot rentals	231,913	14,320	224,714	-	-
Total business-type activities	12,189,022	1,869,798	15,301,875	-	2,171,441
Total Functions/Programs	$ 39,869,970	$ -	$ 17,138,827	$ 2,109,519	$ 5,912,498

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
$ (3,514,341)	$ -	$ (3,514,341)
(12,664,622)	-	(12,664,622)
(624,265)	-	(624,265)
1,508,923	-	1,508,923
(136,769)	-	(136,769)
(66,395)	-	(66,395)
(2,097,788)	-	(2,097,788)
(528,365)	-	(528,365)
(18,123,622)	-	(18,123,622)
-	2,377,997	2,377,997
-	358,316	358,316
-	699,702	699,702
-	(21,519)	(21,519)
-	3,414,496	3,414,496
(18,123,622)	3,414,496	(14,709,126)
7,837,097	-	7,837,097
2,959,428	-	2,959,428
1,335,434	-	1,335,434
216,115	-	216,115
2,219,911	-	2,219,911
5,546,151	-	5,546,151
128,671	141,859	270,530
-	12,369	12,369
76,238	-	76,238
20,319,045	154,228	20,473,273
2,195,423	3,568,724	5,764,147
109,127,914	84,451,108	193,579,022
$ 111,323,337	$ 88,019,832	$ 199,343,169

City of Winter Garden, Florida
Balance Sheet
Governmental Funds
September 30, 2012

	General	Community Redevelopment Agency
ASSETS		
Cash and cash equivalents	$ 1,737,456	$ 554,544
Receivables (net of allowance for uncollectibles)	324,983	-
Due from other funds	614,957	-
Advances to other funds	568,849	-
Due from other governmental units	500,965	-
Investments	4,668,114	-
Prepaid items	37,522	-
Total assets	$ 8,452,846	$ 554,544
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	$ 832,336	$ 760
Contracts payable	8,897	-
Due to other funds	-	-
Due to other governmental units	201,570	-
Accrued wages payable	501,394	-
Deposits	218,140	-
Deferred revenue	326,066	-
Other current liabilities	62,978	-
Advances from other funds	-	568,849
Total liabilities	2,151,381	569,609
Fund balances:		
Nonspendable:		
Advances to other funds	568,849	-
Prepaid items	37,522	-
Restricted for:		
Law enforcement	38,928	-
Television production equipment	28,440	-
Enforcement of Florida Building Code	88,881	-
Transportation projects	-	-
Committed to:		
Law enforcement	-	-
Fire control	-	-
Transportation projects	-	-
Lulu Creek Trail improvements	80,923	-
Unassigned (deficit)	5,457,922	(15,065)
Total fund balances (deficit)	6,301,465	(15,065)
Total liabilities and fund balances	$ 8,452,846	$ 554,544

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

Impact Fee	Other Governmental Funds	Total Governmental Funds
$ 1,549,867	$ 141,193	$ 3,983,060
-	-	324,983
-	1,518,940	2,133,897
-	-	568,849
-	535,468	1,036,433
17,787,290	-	22,455,404
-	-	37,522
$ 19,337,157	$ 2,195,601	$ 30,540,148
$ 70,502	$ 35,401	$ 938,999
26,496	-	35,393
-	831	831
-	-	201,570
-	4,273	505,667
-	-	218,140
-	327,896	653,962
-	-	62,978
-	-	568,849
96,998	368,401	3,186,389
-	-	568,849
-	-	37,522
-	146,099	185,027
-	-	28,440
-	-	88,881
-	1,647,542	1,647,542
441,211	-	441,211
502,328	-	502,328
18,296,620	33,559	18,330,179
-	-	80,923
-	-	5,442,857
19,240,159	1,827,200	27,353,759
$ 19,337,157	$ 2,195,601	$ 30,540,148

WINTER GARDEN

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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, 2012

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

Fund balances-total governmental funds	$ 27,353,759
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	95,282,592
Inventories are recognized as an expenditure at the time of purchase in the governmental funds.	37,128
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.	1,873,101
Earned but deferred revenue is recognized as a liability in the governmental funds.	327,896
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(13,551,139)
Net assets of governmental activities	$ 111,323,337

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, 2012

	General	Community Redevelopment Agency
REVENUES		
Taxes:		
Ad valorem	$ 7,837,097	$ -
Utility services	2,959,428	-
Communications services	1,335,434	-
Local business	216,115	-
Permits, fees, and special assessments	2,891,714	-
Intergovernmental	5,619,827	335,678
Charges for services	2,741,038	-
Fines and forfeits	74,044	-
Investment earnings	128,446	142
Rents and royalties	253,512	-
Contributions and donations	9,515	-
Other	76,238	-
Total revenues	24,142,408	335,820
EXPENDITURES		
Current:		
General government	4,604,402	-
Public safety	12,573,183	-
Physical environment	1,243,531	-
Transportation	664,335	-
Economic environment	394,444	112,543
Public assistance	66,395	-
Culture and recreation	2,510,022	-
Debt service:		
Principal	-	-
Interest	-	13,562
Total expenditures	22,056,312	126,105
Excess (deficiency) of revenues over (under) expenditures	2,086,096	209,715
OTHER FINANCING SOURCES (USES)		
Transfers in	-	322,287
Transfers out	(1,445,991)	(466,483)
Total other financing sources and (uses)	(1,445,991)	(144,196)
Net change in fund balances	640,105	65,519
Fund balances (deficit)—beginning	5,661,360	(80,584)
Fund balances (deficit)—ending	$ 6,301,465	$ (15,065)

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

Impact Fee	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 7,837,097
-	-	2,959,428
-	-	1,335,434
-	-	216,115
1,288,842	-	4,180,556
200,000	1,713,539	7,869,044
-	-	2,741,038
-	5,531	79,575
182,457	83	311,128
-	-	253,512
2,041,974	-	2,051,489
-	-	76,238
3,713,273	1,719,153	29,910,654
-	-	4,604,402
62,507	625,518	13,261,208
-	-	1,243,531
2,897,006	965,133	4,526,474
-	-	506,987
-	-	66,395
20	-	2,510,042
-	671,717	671,717
-	514,803	528,365
2,959,533	2,777,171	27,919,121
753,740	(1,058,018)	1,991,533
400,000	1,190,187	1,912,474
-	-	(1,912,474)
400,000	1,190,187	-
1,153,740	132,169	1,991,533
18,086,419	1,695,031	25,362,226
$ 19,240,159	$ 1,827,200	$ 27,353,759

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, 2012

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

Net change in fund balances—total governmental funds	$	1,991,533
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.		(13,070)
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.		173,976
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.		(353)
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.		671,717
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.		(617,868)
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.		(10,512)
Change in net assets of governmental activities	$	2,195,423

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, 2012

	Budgeted Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget
REVENUES				
Taxes:				
Ad valorem	$ 7,828,271	$ 7,828,271	$ 7,837,097	$ 8,826
Utility services	3,084,921	3,031,808	2,959,428	(72,380)
Communications services	1,229,036	1,339,967	1,335,434	(4,533)
Local business	185,000	185,000	216,115	31,115
Permits, fees, and special assessments	2,642,339	2,652,964	2,891,714	238,750
Intergovernmental	5,697,355	5,909,370	5,619,827	(289,543)
Charges for services	2,709,796	2,665,728	2,741,038	75,310
Fines and forfeits	135,146	100,892	74,044	(26,848)
Investment earnings	47,671	47,671	128,446	80,775
Rents and royalties	193,636	229,920	253,512	23,592
Contributions and donations	12,596	12,596	9,515	(3,081)
Other	49,250	64,320	76,238	11,918
Total revenues	23,815,017	24,068,507	24,142,408	73,901
EXPENDITURES				
Current:				
General government:				
Legislative	157,341	167,341	126,132	41,209
Executive	1,103,109	1,279,560	1,222,759	56,801
Financial and administrative	2,434,509	2,558,051	2,377,433	180,618
Legal counsel	231,176	231,176	351,894	(120,718)
Comprehensive planning	603,927	603,927	526,184	77,743
Total general government	4,530,062	4,840,055	4,604,402	235,653
Public safety:				
Law enforcement	7,394,524	7,828,010	7,657,381	170,629
Fire control	4,057,519	4,057,519	4,351,939	(294,420)
Protective inspections	662,128	667,395	563,863	103,532
Total public safety	12,114,171	12,552,924	12,573,183	(20,259)
Physical environment:				
Cemetery	193,265	167,765	159,957	7,808
Building maintenance	476,971	476,971	436,797	40,174
Fleet maintenance	394,199	400,088	435,346	(35,258)
Public Services Administration	210,913	213,851	211,431	2,420
Total physical environment	1,275,348	1,258,675	1,243,531	15,144
Transportation:				
Engineering	285,755	285,755	273,789	11,966
Construction and maintenance	525,134	574,394	390,546	183,848
Total transportation	810,889	860,149	664,335	195,814
Economic environment	183,621	195,271	394,444	(199,173)
Public assistance	63,000	63,000	66,395	(3,395)
Culture and recreation	2,735,722	2,847,267	2,510,022	337,245
Reserve for contingencies	150,000	150,000	-	150,000
Total expenditures	21,862,813	22,767,341	22,056,312	711,029
Excess (deficiency) of revenues over (under) expenditures	1,952,204	1,301,166	2,086,096	784,930
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,446,020)	(1,446,020)	(1,445,991)	29
Sale of capital assets	17,694	17,694	-	(17,694)
Total other financing sources and (uses)	(1,428,326)	(1,428,326)	(1,445,991)	(17,665)
Net change in fund balances	523,878	(127,160)	640,105	767,265
Fund balances—beginning	5,661,360	5,661,360	5,661,360	-
Fund balances—ending	$ 6,185,238	$ 5,534,200	$ 6,301,465	$ 767,265

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, 2012

	Budgeted Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget
REVENUES				
Intergovernmental	$ 336,921	$ 336,921	$ 335,678	$ (1,243)
Investment earnings	1,392	1,392	142	(1,250)
Total revenues	338,313	338,313	335,820	(2,493)
EXPENDITURES				
Current:				
Economic environment	213,113	243,113	112,543	130,570
Debt service:				
Interest	13,562	13,562	13,562	-
Total expenditures	226,675	256,675	126,105	130,570
Excess of revenues over expenditures	111,638	81,638	209,715	128,077
OTHER FINANCING SOURCES (USES)				
Transfers in	322,287	322,287	322,287	-
Transfers out	(467,104)	(467,104)	(466,483)	621
Total other financing sources and (uses)	(144,817)	(144,817)	(144,196)	621
Net change in fund balances	(33,179)	(63,179)	65,519	128,698
Fund (deficits)—beginning	(80,584)	(80,584)	(80,584)	-
Fund (deficits)—ending	$ (113,763)	$ (143,763)	$ (15,065)	$ 128,698

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, 2012

	Budgeted Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget
REVENUES				
Permits, fees, and special assessments	$ 1,842,375	$ 820,944	$ 1,288,842	$ 467,898
Intergovernmental	1,040,252	1,040,252	200,000	(840,252)
Investment earnings	183,085	172,262	182,457	10,195
Contributions and donations	-	-	2,041,974	2,041,974
Total revenues	3,065,712	2,033,458	3,713,273	1,679,815
EXPENDITURES				
Current:				
Public safety:				
Law enforcement	-	62,960	62,507	453
Total public safety	-	62,960	62,507	453
Transportation	4,287,000	12,221,019	2,897,006	9,324,013
Culture and recreation	-	-	20	(20)
Total expenditures	4,287,000	12,283,979	2,959,533	9,324,446
Excess (deficiency) of revenues over (under) expenditures	(1,221,288)	(10,250,521)	753,740	11,004,261
OTHER FINANCING SOURCES (USES)				
Transfers in	400,000	400,000	400,000	-
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)	13,512,807	13,512,807	400,000	(13,112,807)
Net change in fund balances	12,291,519	3,262,286	1,153,740	(2,108,546)
Fund balances—beginning	18,086,419	18,086,419	18,086,419	-
Fund balances—ending	$ 56,182,264	$ 38,123,798	$ 19,240,159	$ (18,883,639)

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, 2012

	Business-type Activities—Enterprise Funds			
	Water and Sewer Utility	Solid Waste	Other Enterprise Funds	Totals
ASSETS				
Current assets:				
Cash and cash equivalents	$ 77,911	$ 389,741	$ 458,892	$ 926,544
Accounts receivable (net of allowance for uncollectibles)	1,450,915	425,088	138,985	2,014,988
Due from other funds	-	1,429,007	605,979	2,034,986
Interest receivable	38,487	-	-	38,487
Inventories--materials and supplies	576,716	-	-	576,716
Investments	12,174,209	-	-	12,174,209
Restricted cash, cash equivalents, and investments for payment of current liabilities	6,036,965	-	-	6,036,965
Total current assets	20,355,203	2,243,836	1,203,856	23,802,895
Noncurrent assets:				
Restricted cash, cash equivalents, and investments:				
Capital projects	9,153,694	-	-	9,153,694
Debt service	560,282	-	-	560,282
Total restricted	9,713,976	-	-	9,713,976
Capital assets:				
Land	700,149	261,152	63,300	1,024,601
Buildings	5,869,189	606,760	77,227	6,553,176
Improvements other than buildings	18,463,835	311,145	2,758,517	21,533,497
Machinery and equipment	2,888,562	3,581,616	720,421	7,190,599
Infrastructure	53,554,749	-	2,994,725	56,549,474
Construction work in progress	8,391,652	-	1,221,831	9,613,483
Less accumulated depreciation	(26,058,138)	(2,613,112)	(2,681,869)	(31,353,119)
Total capital assets (net of accumulated depreciation)	63,809,998	2,147,561	5,154,152	71,111,711
Total noncurrent assets	73,523,974	2,147,561	5,154,152	80,825,687
Total assets	93,879,177	4,391,397	6,358,008	104,628,582
LIABILITIES				
Current liabilities:				
Accounts payable	243,955	93,894	36,130	373,979
Due to other funds	600,000	-	-	600,000
Due to other governmental units	890	-	-	890
Compensated absences	13,099	6,055	3,883	23,037
Accrued interest payable	-	-	1,421	1,421
Accrued wages payable	65,479	32,112	5,785	103,376
Unearned revenue	58,530	-	10,462	68,992
Capital leases	-	-	78,613	78,613
Payable from restricted assets:				
Accounts payable	279,662	-	-	279,662
Notes and loans payable	677,696	-	-	677,696
Contracts payable	101,869	-	-	101,869
Due to other funds	3,568,052	-	-	3,568,052
Accrued interest payable	63,282	-	-	63,282
Customer deposits	1,346,404	-	-	1,346,404
Total current liabilities	7,018,918	132,061	136,294	7,287,273
Noncurrent liabilities:				
Notes and loans payable	8,862,592	-	-	8,862,592
Compensated absences	69,156	24,213	20,557	113,926
Other postemployment benefits	206,071	114,734	24,154	344,959
Total noncurrent liabilities	9,137,819	138,947	44,711	9,321,477
Total liabilities	16,156,737	271,008	181,005	16,608,750
NET ASSETS				
Invested in capital assets, net of related debt	54,269,710	2,147,561	5,075,539	61,492,810
Restricted for:				
Capital projects	9,831,390	-	-	9,831,390
Debt service	560,282	-	-	560,282
Unrestricted	13,061,058	1,972,828	1,101,464	16,135,350
Total net assets	$ 77,722,440	$ 4,120,389	$ 6,177,003	$ 88,019,832

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, 2012

	Business-type Activities—Enterprise Funds			
	Water and Sewer Utility	**Solid Waste**	**Other Enterprise Funds**	**Totals**
Operating revenues:				
Permits, fees, and special assessments	$ 4,150	$ -	$ 1,354,001	$ 1,358,151
Charges for services	9,411,098	4,184,562	-	13,595,660
Other	120,290	3,060	224,714	348,064
Total operating revenues	9,535,538	4,187,622	1,578,715	15,301,875
Operating expenses:				
Personal services	1,919,073	1,080,387	198,455	3,197,915
Contractual services	644,520	1,193,642	89,600	1,927,762
Utilities	977,923	-	5,549	983,472
Supplies	482,758	344,720	25,108	852,586
Depreciation	3,051,817	354,157	340,232	3,746,206
Other services and charges	1,933,260	856,400	235,509	3,025,169
Total operating expenses	9,009,351	3,829,306	894,453	13,733,110
Operating income	526,187	358,316	684,262	1,568,765
Nonoperating revenues (expenses):				
Investment earnings	252,450	6,304	61	258,815
Gain on sale of capital assets	-	-	12,369	12,369
Interest expense	(319,631)	-	(6,079)	(325,710)
Total nonoperating revenues (expenses)	(67,181)	6,304	6,351	(54,526)
Income before contributions	459,006	364,620	690,613	1,514,239
Capital contributions:				
Permits, fees, and special assessments	863,002	-	-	863,002
Contributions	1,191,483	-	-	1,191,483
Change in net assets	2,513,491	364,620	690,613	3,568,724
Total net assets—beginning	75,208,949	3,755,769	5,486,390	84,451,108
Total net assets—ending	$ 77,722,440	$ 4,120,389	$ 6,177,003	$ 88,019,832

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

WINTER GARDEN

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City of Winter Garden, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2012

	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	$ 9,612,687	$ 4,191,324	$ 1,584,771	$ 15,388,782
Payments to suppliers	(5,056,531)	(2,498,914)	(432,585)	(7,988,030)
Payments to employees	(1,819,562)	(1,032,198)	(197,781)	(3,049,541)
Payments to other governmental units	(10,551)	-	-	(10,551)
Net cash provided by operating activities	2,726,043	660,212	954,405	4,340,660
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Increase in due to other funds	1,345,570	-	-	1,345,570
Interest paid on deposits	(39,234)	-	-	(39,234)
Net cash provided by noncapital and related financing activities	1,306,336	-	-	1,306,336
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Grants received	1,191,483	-	-	1,191,483
Proceeds from sales of capital assets	-	-	12,369	12,369
Purchases of capital assets	(6,207,147)	(566,512)	(619,327)	(7,392,986)
Principal paid on capital debt	(658,877)	-	(78,909)	(737,786)
Interest paid on capital debt	(284,770)	-	(7,448)	(292,218)
Impact fees received	863,002	-	-	863,002
Net cash (used) by capital and related financing activities	(5,096,309)	(566,512)	(693,315)	(6,356,136)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales and maturities of investments	19,713,884	-	-	19,713,884
Purchase of investments	(18,915,334)	-	-	(18,915,334)
Interest received	333,352	6,304	61	339,717
Net cash provided by investing activities	1,131,902	6,304	61	1,138,267
Net increase in cash and cash equivalents	67,972	100,004	261,151	429,127
Cash and cash equivalents, October 1 (including $43,698 for the water and sewer fund reported in restricted accounts)	53,504	289,737	197,741	540,982
Cash and cash equivalents, September 30 (including $43,564 for the water and sewer fund reported in restricted accounts)	$ 121,476	$ 389,741	$ 458,892	$ 970,109
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$ 526,187	$ 358,316	$ 684,262	$ 1,568,765
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	3,051,817	354,157	340,232	3,746,206
Decrease (Increase) in accounts receivable	22,525	(28,211)	(8,818)	(14,504)
Increase in allowance for uncollectible accounts	65,107	31,913	11,925	108,945
(Increase) in inventories--materials and supplies	(145,110)	-	-	(145,110)
Increase in customer deposits	4,112	-	-	4,112
(Decrease) in accounts payable	(872,960)	(104,152)	(76,819)	(1,053,931)
(Decrease) in due to other governmental units	(29)	-	-	(29)
Increase (decrease) in accrued wages payable	15,210	6,062	(856)	20,416
Increase (decrease) in unearned revenue	(25,117)	-	2,949	(22,168)
Increase (decrease) in compensated absences	16,259	6,216	(6,030)	16,445
Increase in other postemployment benefits	68,042	35,911	7,560	111,513
Total adjustments	2,199,856	301,896	270,143	2,771,895
Net cash provided by operating activities	$ 2,726,043	$ 660,212	$ 954,405	$ 4,340,660
Noncash investing, capital, and financing activities:				
Increase in fair value of investments	10,595	6,234	-	

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, 2012

	Pension Trust Funds
ASSETS	
Cash and cash equivalents	$ 3,673,806
Receivables:	
Employer	234,460
Retiree	2,077
Interest and dividends	117,151
Total receivables	353,688
Investments, at fair value:	
Real estate investment trusts	2,546,073
Fixed income securities	10,403,327
Equities	25,525,603
Total investments	38,475,003
Total assets	42,502,497
LIABILITIES	
Accounts payable	22,500
Total liabilities	22,500
NET ASSETS	
Held in trust for pension benefits	$ 42,479,997

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, 2012

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	$ 1,475,005
Plan members	339,657
Excise tax proceeds	407,306
Total contributions	2,221,968
Investment earnings:	
Interest	391,681
Dividends	626,415
Net (decrease) in the fair value of investments	5,399,590
Total investment earnings	6,417,686
Less investment expense	275,784
Net investment earnings	6,141,902
Total additions	8,363,870
DEDUCTIONS	
Benefits	2,139,151
Refunds	15,561
Administrative	64,525
Total deductions	2,219,237
Change in net assets	6,144,633
Net assets—beginning	36,335,364
Net assets—ending	$ 42,479,997

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

WINTER GARDEN

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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, which is an incremental tax district established pursuant to Florida Statutes and accounted for as a special revenue fund. The fund accounts for the incremental increase in ad valorem tax revenue collected within the

designated community redevelopment area. Revenues must be utilized and expended in accordance with the Community Redevelopment Plan.

The *Impact Fee Fund* accounts for revenue received from impact fees and legal expenditures of these funds.

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 (SBA) Local Government Surplus Funds Trust Fund (Florida PRIME), 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. 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. 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."

Balances of advances between funds, as reported in the fund financial statements, are considered non-spendable fund balances of the respective funds since these balances are not available for appropriation.

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. Sick leave is accrued in the government-wide and proprietary fund financial statements for employees who are expected to become eligible for payment at termination since the City's policy is to only pay these amounts when employees separate from service with the City due to retirement. Vacation pay is accrued when incurred for employees who have met their probationary period 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 balances

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution) of the City Commission. Those committed amounts cannot be used for any other purpose unless the City Commission removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the City Commission, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the City Commission. The City has not adopted a formal policy to delegate this authority.

Unassigned Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other

governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

E. Property taxes

For property taxes budgeted for the fiscal year ended September 30, 2012, all property was assessed according to its fair market value on January 1, 2011, 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 21, 2011. Tax bills were rendered November 1, 2011, and unpaid taxes became delinquent on April 1, 2012. On or prior to June 1, 2012, tax certificates were sold for all delinquent taxes on real property.

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 $(13,551,138) difference are as follows:

Bonds and notes payable	$(11,239,094)
Compensated absences	(922,876)
Other postemployment benefits	(1,389,168)
Net adjustment to reduce *fund balance—total governmental funds* to arrive at *net assets—governmental activities*	$(13,551,138)

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 $173,976 difference are as follows:

Capital outlay	$ 4,502,108
Depreciation expense	(4,328,132)
Net adjustment to increase *net changes in fund balances—total governmental funds* to arrive at *changes in net assets of governmental activities*	$ 173,976

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 $671,717 difference are as follows:

Principal repayments:	
Revenue notes	$416,717
Revenue bonds	255,000
Net adjustment to decrease *net changes in fund balances—total governmental funds* to arrive at *changes in net assets of governmental activities*	$671,717

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 $(617,867) difference are as follows:

Compensated absences	$(155,426)
Other postemployment benefits	(430,933)
Pension asset	(31,509)
Net adjustment to decrease *net changes in fund balances—total governmental funds* to arrive at *changes in net assets of governmental activities*	$(617,868)

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. 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 $9,715,124 in the governmental funds. These were primarily due to encumbrances outstanding at the end of the 2011 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 committed fund balance and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

B. Deficit fund equity

The Community Redevelopment Agency Fund had a deficit fund balance of $15,065 as of September 30, 2012. 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, 2012, 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	$ 148,097	0.13	$ 3,672,531	0.14
United States Government securities	22,863,473	2.17	1,312,219	13.97
United States Government Agencies	25,685,448	1.59	2,180,427	19.46
Corporate obligations	-	0.00	6,484,645	6.67
Municipal obligations	-	0.00	426,036	24.20
Commercial paper	1,368,974	0.25	-	0.00
SBA:				
Florida PRIME	11,078	0.11	-	0.00
Fund B	259,920	4.08	-	0.00
Total fair value—Government-wide	$50,336,990			
Portfolio weighted average maturity		1.83		8.16
Real estate investment trusts			2,546,073	
Equities			25,525,603	
Total fair value—Pension Trust Funds			$42,147,534	

The SBA administers the Florida PRIME Fund, formerly known as the Local Government Surplus Funds Trust Fund (LGIP), and the Fund B Surplus Funds Trust Fund (Fund B), both of which are governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME and Fund B. The Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant net asset value (NAV) of $1 per share. The fair value of the position in the Florida PRIME is equal to the value of the pool shares. The Fund B does not meet the requirements of an SEC 2a-7 like fund and therefore is accounted for as a fluctuating NAV pool. As of September 30, 2012, the fair value factor for Fund B was 0.94896811 per share. The Fund B is not subject to participant withdrawal requests. Distributions from Fund B, as determined by the

SBA, are affected by transferring eligible cash or securities to the Florida PRIME, consistent with the pro rata allocation of pool shareholders of record at the creation of Fund B. One hundred percent of such distributions from Fund B are available as liquid balance within the Florida PRIME. The investments in the Florida PRIME and Fund B are not insured by the FDIC or any other governmental agency.

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 (S&P/ Moody's)**	**Maximum Percent with a Single Issuer**
	Government-wide		
United States Government Securities	5.00	NA	100
United States Government Agencies	5.00	NA	25
Federal Instrumentalities	5.00	NA	40
Non-negotiable interest bearing time deposit or saving accounts	1.00	NA	15
Repurchase agreements	0.25	NA	25
Commercial paper	0.49	A-1/P-1	15
Corporate obligations (United States Government supported)	3.00	NA	25
Bankers acceptances	0.49	A-1/P-1	15
State and/or local government debt	3.00	AA/Aa or SP-2/MIG-2	20
Registered investment companies (Money market funds)	NA	AAA/Aaa	25
Intergovernmental investment pool	NA	NA	25
	Pension Plan for General Employees		
Equities	NA	NA	5
Fixed income	No Maximum	85% BBB/Baa	3
Money market	No Maximum	A-1/P-1	NA
Pooled funds	No Maximum	NA	NA

Investment Type	Maximum Length to Maturity (Years)	Minimum Credit Quality (Moody's/ S&P)	Maximum Percent with a Single Issuer
	Pension Plan for Firefighters and Police Officers		
Equities	NA	NA	5
Fixed income	No Maximum	BBB/Baa	3
Money market	No Maximum	A-1/P-1	NA

NA=Not Applicable

As of September 30, 2012, 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, $3,571,123 were rated AAAm by S&P and Aaa-mf by Moody's and $101,408 were rated Aaa-mf by Moody's. United States Government Agencies were rated AA+ by S&P. SBA Florida PRIME was rated AAAm by S&P. SBA Fund B was not rated. Corporate obligations reported in the Pension Trust Funds were rated as follows:

S&P	Moody's	Fair Value
AAA	Aaa	$ 159,872
AA	Aa	707,141
AA	A	169,610
A	Aa	572,439
A	A	3,477,216
A	Baa	305,616
A		79,434
BBB	A	153,498
BBB	Baa	859,819

Municipal obligations were rated as follows:

S&P	Moody's	Fair Value
AAA	Aa	$ 128,287
AA	Aa	120,345
AA	A	177,404

Commercial paper was rated A-1 by S&P and P-1 by Moody's.

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, 2012, the City's bank balances were $6,205,127. Of the bank balances, $511,292 was covered by federal depository insurance and $5,693,835 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, 2012, 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 and deferred revenues

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	$ 261,165	$ -	$ -	$ -	$ 261,165
Accounts	263,080	2,008,994	625,637	262,603	3,160,314
Interest	54,661	38,487	-	117,151	210,299
Other	-	-	-	236,537	236,537
Gross receivables	578,906	2,047,481	625,637	616,291	3,868,315
Less: allowance for Uncollectibles	(253,923)	(558,079)	(200,549)	(123,618)	(1,136,169)
Net total receivables	$ 324,983	$1,489,402	$ 425,088	$ 492,673	$2,732,146
Reported in:					
Governmental Activities	$ 324,983	$ -	$ -	$ -	$ 324,983
Business-type Activities	-	1,489,402	425,088	138,985	2,053,475
Fiduciary funds	-	-	-	353,688	353,688
Net total receivables	$ 324,983	$1,489,402	$ 425,088	$ 492,673	$2,732,146

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	$327,896	
Customer credit balances		$ 28,730
Developer agreements		210,114
Developer escrow accounts		87,222
Total deferred revenue for governmental funds	$327,896	$326,066

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	$68,992

C. Capital assets and construction commitments

Capital asset activities for the year ended September 30, 2012 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$23,122,017	$ 1,177,972	$ -	$24,299,989
Construction in progress	5,879,024	2,131,248	(4,447,987)	3,562,285
Total capital assets, not being depreciated	29,001,041	3,309,220	(4,447,987)	27,862,274
Capital assets, being depreciated:				
Buildings	27,727,556	51,600	-	27,779,156
Improvements other than buildings	10,046,058	370,621	-	10,416,679
Machinery and equipment	12,159,559	454,509	(44,399)	12,569,669
Infrastructure	43,934,234	4,764,145	-	48,698,379
Total capital assets, being depreciated	93,867,407	5,640,875	(44,399)	99,463,883
Less accumulated depreciation for:				
Buildings	(5,241,713)	(801,735)	-	(6,043,448)
Improvements other than buildings	(2,549,055)	(534,811)	-	(3,083,866)
Machinery and equipment	(9,076,789)	(1,136,348)	44,046	(10,169,091)
Infrastructure	(10,891,922)	(1,855,238)	-	(12,747,160)
Total accumulated depreciation	(27,759,479)	(4,328,132)	44,046	(32,043,565)
Total capital assets, being depreciated, net	66,107,928	1,312,743	(353)	67,420,318
Governmental activities capital assets, net	$95,108,969	$4,621,963	$(4,448,340)	$95,282,592

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets, not being depreciated:				
Land	$ 1,024,601	$ -	$ -	$ 1,024,601
Construction in progress	14,774,957	5,337,070	(10,498,544)	9,613,483
Total capital assets, not being depreciated	15,799,558	5,337,070	(10,498,544)	10,638,084
Capital assets, being depreciated:				
Buildings and infrastructure	52,764,825	10,337,825	-	63,102,650
Improvements other than buildings	20,774,415	759,082	-	21,533,497
Machinery and equipment	6,210,087	997,780	(17,268)	7,190,599
Total capital assets, being depreciated	79,749,327	12,094,687	(17,268)	91,826,746
Less accumulated depreciation for:				
Buildings and infrastructure	(13,753,242)	(2,481,273)	-	(16,234,515)
Improvements other than buildings	(9,907,030)	(745,958)	-	(10,652,988)
Machinery and equipment	(3,963,909)	(518,975)	17,268	(4,465,616)
Total accumulated depreciation	(27,624,181)	(3,746,206)	17,268	(31,353,119)
Total capital assets, being depreciated, net	52,125,146	8,348,481	-	60,473,627
Business-type activities capital assets, net	$67,924,704	$13,685,551	$(10,498,544)	$71,111,711

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

Governmental activities:	
General government	$ 569,245
Public safety	1,021,168
Physical environment	36,357
Transportation	1,823,846
Economic environment	205,843
Culture and recreation	671,673
Total depreciation expense—governmental activities	$4,328,132
Business-type activities:	
Water and sewer	$3,051,817
Solid waste	354,157
Stormwater	322,306
Residential mobile home lot rentals	17,926
Total depreciation expense—business-type activities	$3,746,206

The City has active construction projects as of September 30, 2012. The projects include recreational trail improvements, median landscape improvements, and reuse system expansion. At year end, the City's commitments with contractors were as follows:

Project	Spent-to-Date	Remaining Commitment
Recreational trail improvements	$ 88,973	$ 80,923
Median landscape improvements	529,920	70,092
Reuse system expansion	2,037,380	60,973
Total	$2,656,273	$211,988

The commitment for the recreational trail improvements is being funded by a Federal grant. The commitment for the median landscape improvements is being funded by road impact fees. The commitment for the reuse system expansion is being funded by water impact fees. At September 30, 2012, the City had encumbrance commitments in the Governmental Funds as follows:

Fund	Encumbrances
General Fund	$ 80,923
Impact Fee Fund	70,092
Total Encumbrances	$151,015

D. Interfund receivables, payables, and transfers

The composition of interfund balances as of September 30, 2012, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General	Water and Sewer Utility	$ 614,126
	Nonmajor governmental fund	831
Nonmajor governmental fund	Water and Sewer Utility	1,518,940
Solid Waste	Water and Sewer Utility	1,429,007
Nonmajor enterprise fund	Water and Sewer Utility	605,979
Total		$4,168,883

The outstanding balances between funds result from expenditures awaiting grant reimbursement in the nonmajor governmental funds and operating and renewal and replacement expenditures in the Water and Sewer Utility Funds.

Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
General	Community Redevelopment Agency	$568,849

Balances reported between the General Fund and the Community Redevelopment Agency Fund were for transfers to fund downtown renovations.

The advance payable from the Community Redevelopment Agency Fund has 22 semi-annual installments remaining.

Interfund transfers:

	Transfer In:			
Transfer out:	Community Redevelopment Agency Fund	Impact Fee Fund	Nonmajor Governmental	Total
General Fund	$322,287	$400,000	$ 723,704	$1,445,991
Community Redevelopment Agency Fund	-	-	466,483	466,483
Total transfers out	$322,287	$400,000	$1,190,187	$1,912,474

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 the Impact Fee Fund were to fund the purchase of land for a park. Transfers from the General Fund to nonmajor governmental funds were for debt service and for City match of law enforcement grants. 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 $146,233 for the year ended September 30, 2012. The future minimum lease payments for these leases are as follows:

Year Ending September 30	Amount
2013	$40,684
2014	11,474
2015	1,704
2016	1,704
Total	$55,566

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, 2012:

Year Ending September 30	Business-type Activities
2013	$ 82,409
Total minimum lease payments	82,409
Less: amount representing interest	(3,796)
Present value of minimum lease payments	$78,613

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 sixteen percent of Local Government Half-Cent Sales Tax revenues. The total principal and interest remaining to be paid on the bonds is $17,337,178. Principal and interest paid for the current year and total Local Government Half-Cent Sales Tax revenues were $720,038 and $4,488,577, respectively. Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Amount
New city hall	4.00%-4.50%	$10,650,000

Revenue bond debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest
2013	$ -	$ 227,419
2014	270,000	449,438
2015	280,000	438,438
2016	290,000	427,038
2017	300,000	415,238
2018-2022	1,700,000	1,881,159
2023-2027	2,075,000	1,490,663
2028-2032	2,565,000	992,266
2033-2037	3,170,000	365,519
	$10,650,000	$6,687,178

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%	$589,094

Revenue note debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest
2013	$ -	$14,521
2014	420,917	18,667
2015	168,177	4,146
	$589,094	$37,334

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 77 percent of

net revenues. The total principal and interest remaining to be paid on the loans is $11,323,766. Principal and interest paid for the current year and total customer net revenues were $947,597 and $1,231,968, respectively.

Loans outstanding at year end are as follows:

Purpose	Interest Rates	Amount
Wastewater treatment pre-construction—Water and Sewer Utility	3.33%	$ 737,439
Wastewater treatment construction—Water and Sewer Utility	2.82%	7,419,903
Water treatment construction—Water and Sewer Utility	2.67%	1,382,946
Total outstanding		9,540,288
Accrued interest		63,282
Total amounts outstanding		$9,603,570

Loan debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest
2013	$ 677,696	$ 265,951
2014	697,055	246,593
2015	716,968	226,679
2016	737,451	206,196
2017	758,522	185,125
2018-2022	4,130,418	587,818
2023-2027	1,822,178	65,116
	$9,540,288	$1,783,478

Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2012, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue bonds	$10,905,000	$ -	$ (255,000)	$10,650,000	$ -
Revenue notes	1,005,811	-	(416,717)	589,094	-
Other postemployment benefits	958,236	553,123	(122,190)	1,389,169	-
Compensated absences	767,450	755,813	(600,387)	922,876	148,289
Governmental activity Long-term liabilities	$13,636,497	$1,308,936	$(1,394,294)	$13,551,139	$148,289

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Loans	$10,203,068	$ -	$ (662,780)	$9,540,288	$677,696
Capital leases	153,618	-	(75,005)	78,613	78,613
Other postemployment benefits	233,446	143,132	(31,619)	344,959	-
Compensated absences	120,518	108,033	(91,588)	136,963	23,037
Business-type activity Long-term liabilities	$10,710,650	$ 251,165	$ (860,992)	$10,100,823	$779,346

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. For governmental activities, other postemployment benefits and compensated absences are generally liquidated 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

On October 25, 2012, the City eliminated the County Road 545 Benefit Overlay Area Impact Fee that assigned an additional traffic impact fee to new development in a designated geographic area surrounding this road and provided for partial refunds of such impact fees previously paid. It is estimated that $2,547,098 will be refunded from the Impact Fee Fund in fiscal year 2013.

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

The City follows GASB Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions*, to account for certain post employment health care benefits provided by the City. A separate audited GAAP-basis postemployment benefit plan report is not prepared for this defined benefit plan.

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, for 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.

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, 2012, 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 eighteen 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, 2012, the City paid $70,342 for these benefits. For the 2012 fiscal year, the City provided contributions of $153,809 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 2012:

Net OPEB obligation at September 30, 2011	$1,191,682
Annual OPEB cost (AOC):	
Annual Required Contribution (ARC)	687,195
Interest on net OPEB obligation	53,626
Adjustments to ARC	(44,566)
Total AOC	696,255
Contributions made	(153,809)
Change in NPO	542,446
Net OPEB obligation at September 30, 2012	$1,734,128

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, 2012, was as follows:

Fiscal Year Ended	Annual OPEB Cost (AOC)	Percentage of APC Contributed	Net OPEB Obligation
9/30/2010	$581,308	39%	$ 681,968
9/30/2011	656,028	22%	1,191,682
9/30/2012	696,255	22%	1,734,128

Funded status and funding progress. As of October 1, 2010, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was $5,076,486, and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability of $5,076,486. The covered payroll (annual payroll for active participating employees) was $13,261,888 for fiscal year 2012, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 38.3%. The required schedule of funding progress immediately following the notes to the financial statements presents multi-year

trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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 projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

For the 2012 fiscal year, the City's actuarial valuation used the entry age normal cost actuarial 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/inflation assumption rate of 4.0 percent per year, and an annual healthcare cost trend rate of 8.0 percent initially for fiscal year 2012, reduced by 1.0 percent per year, to an ultimate rate of 5.0 percent for the fiscal year ending September 30, 2015. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis over 30 years.

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	10.3%	12.5%
Plan members	2.5%	3.5%
Annual pension cost	$642,632	$1,091,417
Contributions made	$632,769	$1,069,771

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 $407,306. 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, 2011	$ (572,479)	$(1,332,131)
Annual pension cost:		
Annual Required Contribution (ARC)	632,769	1,069,772
Interest credit	(41,505)	(99,910)
Adjustments to ARC	51,368	121,555
Total annual pension cost	642,632	1,091,417
Contributions made	(632,769)	(1,069,771)
Change in NPO	9,863	21,646
NPO at September 30, 2012	$ (562,616)	$(1,310,485)

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	10/1/2011	10/1/2011
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	3.0%	3.0%
Investment rate of return	7.25%	7.5%
Projected salary increases	0.0-10.0%	0.0-9.0%
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			
9/30/2010	$1,535,176	99%	$(594,332)
9/30/2011	1,439,410	98%	(572,479)
9/30/2012	642,632	98%	(562,616)
Pension Plan for Firefighters and Police Officers			
9/30/2010	$1,871,191	98%	$(1,362,250)
9/30/2011	1,858,205	98%	(1,332,131)
9/30/2012	1,091,417	98%	(1,310,485)

Funded Status and Funding Progress. The following is funded status information for each plan as of 10/1/2011, 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	$17,434,265	$18,956,601	$1,522,336	92.0%	$6,300,803	24.2%
Pension Plan For Firefighters and Police Officers	22,552,147	24,189,021	1,636,874	93.2%	6,533,385	25.1%

†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, 2012 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	$ 1,008,079	$ 2,665,727	$ 3,673,806
Receivables	150,907	202,781	353,688
Investments	17,389,687	21,085,316	38,475,003
Total assets	18,548,673	23,953,824	42,502,497
LIABILITIES			
Accounts payable	17,441	5,059	22,500
Total liabilities	17,441	5,059	22,500
NET ASSETS			
Held in trust for pension benefits	$18,531,232	$23,948,765	$42,479,997

Statement of Changes in Net Assets	General Pension Trust Fund	Fire and Police Pension Trust Fund	Total Pension Trust Funds
ADDITIONS			
Contributions:			
Employer	$ 654,764	$ 820,241	$ 1,475,005
Plan members	136,711	202,946	339,657
Excise tax proceeds	-	407,306	407,306
Total contributions	791,475	1,430,493	2,221,968
Investment earnings:			
Interest	161,557	230,124	391,681
Dividends	285,725	340,690	626,415
Net increase in the fair value of investments	2,628,194	2,888,242	5,516,436
Gain (loss) on sale of investments	(63,751)	(53,095)	(116,846)
Total investment earnings	3,011,725	3,405,961	6,417,686
Less investment expense	115,708	160,076	275,784
Net investment earnings	2,896,017	3,245,885	6,141,902
Total additions	3,687,492	4,676,378	8,363,870
DEDUCTIONS			
Benefits	1,003,334	1,135,817	2,139,151
Refunds	242	15,319	15,561
Administrative	25,343	39,182	64,525
Total deductions	1,028,919	1,190,318	2,219,237
Change in net assets	2,658,573	3,486,060	6,144,633
Net assets—beginning	15,872,659	20,462,705	36,335,364
Net assets—ending	$18,531,232	$23,948,765	$42,479,997

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, 2012, 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, 2012 were $55,521.

	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	6
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						
10/1/2006	$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
10/1/2009	15,260,457	20,125,132	4,864,675	75.8	7,270,219	66.9
10/1/2010	16,530,052	17,922,988	1,392,936	92.2	6,604,647	21.1
10/1/2011	17,434,265	18,956,601	1,522,336	92.0	6,300,803	24.2
Pension Plan for Firefighters and Police Officers						
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
10/1/2009	18,719,481	22,446,778	3,727,297	83.4	6,612,922	56.4
10/1/2010	20,931,764	22,587,002	1,655,238	92.7	6,692,884	24.7
10/1/2011	22,552,147	24,189,021	1,636,874	93.2	6,533,385	25.1
Other Post Employment Benefits*						
10/1/2007	$0	$5,555,484	$5,555,484	0.0%	$11,968,850	46.4%
10/1/2010	0	5,076,486	5,076,486	0.0	13,261,888	38.3

†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, 2012

Pension Plan for General Employees
Schedule of Employer Contributions

Year Ended September 30	Annual Required Contribution	Percentage Contributed
2007	$1,014,294	110%
2008	1,119,967	109
2009	1,330,900	100
2010	1,512,738	100
2011	1,417,557	100
2012	632,769	100

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
2007	$1,029,630	124%
2008	1,301,285	116
2009	1,628,374	102
2010	1,841,214	100
2011	1,828,086	100
2012	1,069,772	100

Other Post Employment Benefits Plan
Schedule of Employer Contributions

Year Ended September 30	Annual Required Contribution	Percentage Contributed
2009	$554,386	41%
2010	578,274	39
2011	649,687	23
2012	687,195	22

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.

City of Winter Garden, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2012

	Downtown Parking District Fund	Law Enforcement Trust Fund	Special Law Enforcement Grants Fund
ASSETS			
Cash and cash equivalents	$ 34,635	$ 17,334	$ -
Due from other funds	-	-	-
Due from other governmental units	-	-	133,869
Total assets	$ 34,635	$ 17,334	$ 133,869
LIABILITIES			
Accounts payable	$ 1,076	$ -	$ -
Due to other funds	-	-	831
Accrued wages payable	-	-	4,273
Deferred revenue	-	-	-
Total liabilities	1,076	-	5,104
FUND BALANCES			
Restricted for:			
Public Safety	-	17,334	128,765
Transportation	-	-	-
Committed to:			
Transportation	33,559	-	-
Total fund balances	33,559	17,334	128,765
Total liabilities and fund balances	$ 34,635	$ 17,334	$ 133,869

Revenue				Total
Local Option Gas Tax Fund	Police and Fire Premium Tax Trust Fund	Total	Debt Service Fund	Nonmajor Governmental Funds
$ 89,224	$ -	$ 141,193	$ -	$ 141,193
1,518,940	-	1,518,940	-	1,518,940
73,703	327,896	535,468	-	535,468
$ 1,681,867	$ 327,896	$ 2,195,601	$ -	$ 2,195,601
$ 34,325	$ -	$ 35,401	$ -	$ 35,401
-	-	831	-	831
-	-	4,273	-	4,273
-	327,896	327,896	-	327,896
34,325	327,896	368,401	-	368,401
-	-	146,099	-	146,099
1,647,542	-	1,647,542	-	1,647,542
-	-	33,559	-	33,559
1,647,542	-	1,827,200	-	1,827,200
$ 1,681,867	$ 327,896	$ 2,195,601	$ -	$ 2,195,601

City of Winter Garden, Florida
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2012

	Downtown Parking District Fund	Law Enforcement Trust Fund	Special Law Enforcement Grants Fund
REVENUES			
Permits, fees, and special assessments	$ -	$ -	$ -
Intergovernmental	-	-	293,787
Fines and forfeits	-	5,531	-
Investment earnings	9	5	12
Total revenues	9	5,536	293,799
EXPENDITURES			
Current:			
Public safety	-	14,039	204,173
Transportation	24,899	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	24,899	14,039	204,173
Excess (deficiency) of revenues over (under) expenditures	(24,890)	(8,503)	89,626
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	3,695
Total other financing sources (uses)	-	-	3,695
Net change in fund balances	(24,890)	(8,503)	93,321
Fund balances (deficit)—beginning	58,449	25,837	35,444
Fund balances—ending	$ 33,559	$ 17,334	$ 128,765

Revenue				Total
Local Option Gas Tax Fund	Police and Fire Premium Tax Trust Fund	Total	Debt Service Fund	Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -
1,012,446	407,306	1,713,539	-	1,713,539
-	-	5,531	-	5,531
29	-	55	28	83
1,012,475	407,306	1,719,125	28	1,719,153
-	407,306	625,518	-	625,518
940,234	-	965,133	-	965,133
-	-	-	671,717	671,717
-	-	-	514,803	514,803
940,234	407,306	1,590,651	1,186,520	2,777,171
72,241	-	128,474	(1,186,492)	(1,058,018)
-	-	3,695	1,186,492	1,190,187
-	-	3,695	1,186,492	1,190,187
72,241	-	132,169	-	132,169
1,575,301	-	1,695,031	-	1,695,031
$ 1,647,542	$ -	$ 1,827,200	$ -	$ 1,827,200

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, 2012

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Permits, fees, and special assessments	$ 35,827	$ -	$ (35,827)
Investment earnings	182	9	(173)
Total revenues	36,009	9	(36,000)
EXPENDITURES			
Current:			
Transportation:			
Construction and maintenance	10,270	24,899	(14,629)
Excess (deficiency) of revenues over (under) expenditures	25,739	(24,890)	(50,629)
Net change in fund balances	25,739	(24,890)	-
Fund balances—beginning	58,449	58,449	-
Fund balances—ending	$ 84,188	$ 33,559	$ (50,629)

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, 2012

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Fines and forfeits	$ 8,061	$ 5,531	$ (2,530)
Investment earnings	36	5	(31)
Total revenues	8,097	5,536	(2,561)
EXPENDITURES			
Current:			
Public safety:			
Law enforcement	14,469	14,039	430
(Deficiency) of revenues (under) expenditures	(6,372)	(8,503)	(2,131)
Fund balances—beginning	25,837	25,837	-
Fund balances—ending	$ 19,465	$ 17,334	$ (2,131)

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, 2012

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	$ 225,185	$ 293,787	$ 68,602
Investment earnings	56	12	(44)
Total revenues	225,241	293,799	68,558
EXPENDITURES			
Current:			
Public safety:			
Law enforcement	228,241	204,173	24,068
Excess (Deficiency) of revenues over (under) expenditures	(3,000)	89,626	92,626
OTHER FINANCING SOURCES			
Transfers in	3,695	3,695	-
Net change in fund balances	695	93,321	92,626
Fund balance—beginning	35,444	35,444	-
Fund balance—ending	$ 36,139	$ 128,765	$ 92,626

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, 2012

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	$ 1,015,351	$ 1,012,446	$ (2,905)
Investment earnings	187	29	(158)
Total revenues	1,015,538	1,012,475	(3,063)
EXPENDITURES			
Current:			
Transportation:			
Construction and maintenance	2,735,397	940,234	1,795,163
Excess (deficiency) of revenues over (under) expenditures	(1,719,859)	72,241	1,792,100
Net change in fund balances	(1,719,859)	72,241	1,792,100
Fund balances—beginning	1,575,301	1,575,301	-
Fund balance (deficit)—ending	$ (144,558)	$ 1,647,542	$ 1,792,100

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, 2012

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	$ 454,621	$ 407,306	$ (47,315)
Total revenues	454,621	407,306	(47,315)
EXPENDITURES			
Current:			
Public safety:			
Law enforcement	206,900	202,646	4,254
Fire control	247,721	204,660	43,061
Total public safety	454,621	407,306	47,315
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, 2012

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	$ 401	$ 28	$ (373)
Total revenues	401	28	(373)
EXPENDITURES			
Debt service:			
Principal	672,518	671,717	801
Interest	514,624	514,803	(179)
Total expenditures	1,187,142	1,186,520	622
(Deficiency) of revenues (under) expenditures	(1,186,741)	(1,186,492)	249
OTHER FINANCING SOURCES			
Transfers in	1,187,142	1,186,492	(650)
Net change in fund balances	401	-	(401)
Fund balances—beginning	-	-	-
Fund balances—ending	$ 401	$ -	$ (401)

WINTER GARDEN

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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, 2012

	Stormwater Utility	Trailer City	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	$ 341,337	$ 117,555	$ 458,892
Accounts receivable (net of allowance for uncollectibles)	138,250	735	138,985
Due from other funds	605,979	-	605,979
Total current assets	1,085,566	118,290	1,203,856
Noncurrent assets:			
Capital assets:			
Land	-	63,300	63,300
Buildings	-	77,227	77,227
Improvements other than buildings	2,565,750	192,767	2,758,517
Machinery and equipment	677,606	42,815	720,421
Infrastructure	2,960,170	34,555	2,994,725
Construction work in progress	1,221,831	-	1,221,831
Less accumulated depreciation	(2,515,732)	(166,137)	(2,681,869)
Total capital assets (net of accumulated depreciation)	4,909,625	244,527	5,154,152
Total assets	5,995,191	362,817	6,358,008
LIABILITIES			
Current liabilities:			
Accounts payable	17,761	18,369	36,130
Compensated absences	2,627	1,256	3,883
Accrued interest payable	1,421	-	1,421
Accrued wages payable	2,550	3,235	5,785
Unearned revenue	-	10,462	10,462
Capital leases	78,613	-	78,613
Total current liabilities	102,972	33,322	136,294
Noncurrent liabilities:			
Compensated absences	14,286	6,271	20,557
Other postemployment benefits	12,077	12,077	24,154
Total noncurrent liabilities	26,363	18,348	44,711
Total liabilities	129,335	51,670	181,005
NET ASSETS			
Invested in capital assets, net of related debt	4,831,012	244,527	5,075,539
Unrestricted	1,034,844	66,620	1,101,464
Total net assets	$ 5,865,856	$ 311,147	$ 6,177,003

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, 2012

	Stormwater Utility	Trailer City	Totals
Operating revenues:			
Permits, fees, and special assessments	$ 1,354,001	$ -	$ 1,354,001
Other	-	224,714	224,714
Total operating revenues	1,354,001	224,714	1,578,715
Operating expenses:			
Personal services	87,004	111,451	198,455
Contractual services	35,258	54,342	89,600
Utilities	-	5,549	5,549
Supplies	21,354	3,754	25,108
Depreciation	322,306	17,926	340,232
Other services and charges	182,298	53,211	235,509
Total operating expenses	648,220	246,233	894,453
Operating income (loss)	705,781	(21,519)	684,262
Nonoperating revenues (expenses):			
Investment earnings	38	23	61
Gain on sale of capital assets	-	12,369	12,369
Interest expense	(6,079)	-	(6,079)
Change in net assets	699,740	(9,127)	690,613
Total net assets—beginning	5,166,116	320,274	5,486,390
Total net assets—ending	$ 5,865,856	$ 311,147	$ 6,177,003

City of Winter Garden, Florida
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2012

	Stormwater Utility	Trailer City	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 1,357,843	$ 226,928	$ 1,584,771
Payments to suppliers	(332,019)	(100,566)	(432,585)
Payments to employees	(91,331)	(106,450)	(197,781)
Net cash provided by operating activities	934,493	19,912	954,405
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sales of capital assets	-	12,369	12,369
Purchases of capital assets	(578,526)	(40,801)	(619,327)
Principal paid on capital debt	(78,909)	-	(78,909)
Interest paid on capital debt	(7,448)	-	(7,448)
Net cash (used) by capital and related financing activities	(664,883)	(28,432)	(693,315)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	38	23	61
Net cash provided by investing activities	38	23	61
Net increase (decrease) in cash and cash equivalents	269,648	(8,497)	261,151
Cash and cash equivalents, October 1	71,689	126,052	197,741
Cash and cash equivalents, September 30	$ 341,337	$ 117,555	$ 458,892
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	$ 705,781	$ (21,519)	$ 684,262
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	322,306	17,926	340,232
(Increase) in accounts receivable	(8,083)	(735)	(8,818)
Increase in allowance for uncollectible accounts	11,925	-	11,925
Increase (decrease) in accounts payable	(93,109)	16,290	(76,819)
Increase (decrease) in accrued wages payable	(882)	26	(856)
Increase in unearned revenue	-	2,949	2,949
Increase (decrease) in compensated absences payable	(7,225)	1,195	(6,030)
Increase in other postemployment benefits	3,780	3,780	7,560
Total adjustments	228,712	41,431	270,143
Net cash provided by operating activities	$ 934,493	$ 19,912	$ 954,405

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 94

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 105

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

Debt Capacity 110

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 116

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 118

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 Ten Fiscal Years
(accrual basis of accounting)

	2012	2011	2010
Governmental activities			
Invested in capital assets, net of related debt	$ 84,043,498	$ 83,198,158	$ 76,625,652
Restricted	21,033,800	19,723,001	24,149,817
Unrestricted	6,246,039	6,206,755	8,390,451
Total governmental activities net assets	$111,323,337	$109,127,914	$109,165,920
Business-type activities			
Invested in capital assets, net of related debt	$ 61,492,810	$ 57,568,018	$ 53,906,667
Restricted	10,391,672	13,430,411	15,315,140
Unrestricted	16,135,350	13,452,679	13,123,233
Total business-type activities net assets	$ 88,019,832	$ 84,451,108	$ 82,345,040
Primary government			
Invested in capital assets, net of related debt	$145,536,308	$140,766,176	$130,532,319
Restricted	31,425,472	33,153,412	39,464,957
Unrestricted	22,381,389	19,659,434	21,513,684
Total primary government net assets	$199,343,169	$193,579,022	$191,510,960

Fiscal Year						
2009	2008	2007	2006	2005	2004	2003
$ 74,042,719	$ 62,229,762	$ 48,751,070	$ 34,495,162	$ 23,447,882	$ 20,098,672	$ 16,025,215
24,220,705	31,054,530	28,296,384	22,822,073	8,036,244	8,875,461	7,675,631
10,065,887	12,869,395	15,713,022	12,189,529	14,214,099	9,638,873	7,446,446
$ 108,329,311	$ 106,153,687	$ 92,760,476	$ 69,506,764	$ 45,698,225	$ 38,613,006	$ 31,147,292
$ 44,000,691	$ 41,778,162	$ 35,774,224	$ 29,848,390	$ 26,238,677	$ 24,490,427	$ 26,182,160
19,069,072	21,015,352	12,665,164	13,230,076	11,186,375	6,726,971	8,866,950
15,236,480	11,117,583	20,850,291	20,011,017	22,608,146	20,333,080	10,266,710
$ 78,306,243	$ 73,911,097	$ 69,289,679	$ 63,089,483	$ 60,033,198	$ 51,550,478	$ 45,315,820
$ 118,043,410	$ 104,007,924	$ 84,525,294	$ 64,343,552	$ 49,686,559	$ 44,589,099	$ 42,207,375
43,289,777	52,069,882	40,961,548	36,052,149	19,222,619	15,602,432	16,542,581
25,302,367	23,986,978	36,563,313	32,200,546	36,822,245	29,971,953	17,713,156
$ 186,635,554	$ 180,064,784	$ 162,050,155	$ 132,596,247	$ 105,731,423	$ 90,163,484	$ 76,463,112

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

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses										
Governmental activities:										
General government	$ 3,613,453	$ 3,866,245	$ 4,204,008	$ 3,899,034	$ 2,932,260	$ 2,701,941	$ 2,565,945	$ 2,095,732	$ 1,713,712	$ 1,723,324
Public safety	14,358,645	15,081,176	15,694,684	14,902,345	13,736,706	11,898,442	9,998,835	8,786,447	7,152,781	5,779,190
Physical environment	880,896	926,611	896,501	943,939	736,565	843,671	850,605	535,512	542,696	458,625
Transportation	2,984,277	2,738,141	3,307,541	2,580,474	3,282,627	2,505,649	2,302,093	2,258,355	2,038,644	1,724,625
Economic environment	472,447	414,062	579,934	481,303	877,845	641,944	214,813	158,183	149,425	84,710
Public assistance	66,395	58,415	49,692	119,971	82,630	101,330	88,909	88,871	391,384	653,862
Culture and recreation	2,906,672	2,846,859	2,578,911	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	528,365	560,482	592,295	645,030	814,781	838,981	424,215	494,844	644,748	594,557
Total government activities expenses	25,811,150	26,491,991	27,903,566	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	9,328,982	8,894,936	8,491,442	8,696,615	9,141,484	8,765,465	9,404,856	6,975,769	5,852,648	4,934,858
Solid waste	3,829,306	3,793,048	3,345,376	3,224,466	3,285,187	3,455,158	3,140,333	2,673,105	2,449,158	2,122,438
Stormwater	654,299	1,036,094	860,946	746,381	912,188	785,573	641,121	497,173	350,936	379,743
Residential mobile home lot rentals	246,233	227,000	209,187	204,642	195,725	237,896	214,403	275,438	184,199	199,123
Total business-type activities expenses	14,058,820	13,951,078	12,906,951	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	$ 39,869,970	$ 40,443,069	$ 40,810,517	$ 38,802,123	$ 38,234,883	$ 35,104,880	$ 31,928,996	$ 26,605,759	$ 23,343,338	$ 20,592,833
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 96,612	$ 104,751	$ 114,377	$ 95,675	$ 143,695	$ -	$ 522,068	$ 608,267	$ 674,970	$ 264,050
Public safety	816,653	809,341	1,103,146	1,178,952	1,697,235	3,453,966	3,015,971	2,168,160	2,616,511	1,717,290
Transportation	174,518	22,733	38,239	57,067	401,577	770,351	701,585	744,528	346,157	-
Other activities	749,169	710,147	659,558	574,520	482,155	514,874	411,549	345,812	298,133	309,161
Operating grants and contributions	2,109,519	2,119,603	2,027,849	2,085,928	1,911,035	1,935,703	1,549,023	1,456,767	1,716,165	640,597
Capital grants and contributions	3,741,057	2,142,478	3,711,145	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	7,687,528	5,909,053	7,654,314	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	9,535,538	9,494,183	9,503,437	9,344,622	9,708,145	9,320,260	8,220,991	7,898,591	6,732,207	5,617,145
Solid waste	4,187,622	4,143,071	4,119,340	4,051,487	3,774,996	3,254,113	2,925,319	2,550,085	2,317,124	2,200,544
Stormwater	1,354,001	1,352,635	1,348,220	1,339,830	1,293,968	1,025,423	855,282	706,782	558,857	497,345
Residential mobile home lot rentals	224,714	222,226	220,549	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	2,171,441	721,044	1,427,272	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	17,473,316	15,933,159	16,618,818	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	$ 25,160,844	$ 21,842,212	$ 24,273,132	$ 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	$(18,123,622)	$(20,582,938)	$ (20,249,252)	$ (18,364,796)	$ (6,778,332)	$ 3,224,924	$ 6,826,427	$ (5,486,292)	$ (3,517,258)	$ (6,057,995)
Business-type activities:	3,414,496	1,982,081	3,711,867	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	$(14,709,126)	$(18,600,857)	$ (16,537,385)	$ (14,563,196)	$ (2,665,501)	$ 8,845,804	$ 10,781,379	$ 2,826,587	$ 2,645,839	$ 223,365

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes:										
Ad valorem	$ 7,837,097	$ 8,348,452	$ 8,741,248	$ 8,722,152	$ 8,351,424	$ 8,297,193	$ 5,777,996	$ 4,507,982	$ 3,770,795	$ 3,098,149
Utility services	2,959,428	3,158,550	3,254,555	2,710,435	2,615,227	2,432,494	2,138,583	1,798,561	1,571,435	1,480,323
Communications services	1,335,434	1,309,236	1,386,589	1,455,478	1,386,894	1,323,649	1,214,940	1,055,864	925,309	855,324
Local business	216,115	142,891	203,056	228,320	206,343	-	-	-	-	-
Franchise fees	2,219,911	2,280,401	2,445,559	2,242,640	1,906,941	1,773,927	1,563,590	1,191,851	1,008,447	903,925
Licenses and permits	-	-	-	-	-	-	-	-	-	514,603
Unrestricted intergovernmental	5,546,151	4,930,295	4,500,340	4,394,094	4,712,786	4,432,087	4,185,961	3,801,533	3,105,896	3,562,921
Investment earnings	128,671	282,625	358,149	543,291	986,053	1,668,231	706,182	266,479	166,875	269,759
Gain (loss) on sale of capital assets	-	-	32,032	155,656	5,875	-	-	13,099	239,065	(41,930)
Other	76,238	92,482	164,333	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	20,319,045	20,544,932	21,085,861	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	141,859	123,987	301,818	587,924	432,272	564,484	385,411	142,967	122,842	159,094
Gain (loss) on sale of capital assets	12,369	-	25,112	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	154,228	123,987	326,930	593,546	508,587	579,316	(898,667)	169,841	71,561	134,784
Total primary government	$ 20,473,273	$ 20,668,919	$ 21,412,791	$ 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	$ 2,195,423	$ (38,006)	$ 836,609	$ 2,175,624	$ 13,393,211	$ 23,253,712	$ 23,808,539	$ 7,085,219	$ 7,465,714	$ 4,728,815
Business-type activities	3,568,724	2,106,068	4,038,797	4,395,146	4,621,418	6,200,196	3,056,285	8,482,720	6,234,658	6,416,144
Total primary government	$ 5,764,147	$ 2,068,062	$ 4,875,406	$ 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
2012	$ 7,837,097	$ 2,959,428	$ 1,335,434	$ 216,115
2011	8,348,452	3,158,550	1,309,236	142,891
2010	8,741,248	3,254,555	1,386,589	203,056
2009	8,722,152	2,710,435	1,455,478	228,320
2008	8,351,424	2,615,227	1,386,894	206,343[1]
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	-

[1]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

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

Franchise Fees	Total
$ -	$ 12,348,074
-	12,959,129
-	13,585,448
-	13,116,385
-[2]	12,559,886
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

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

	2012	2011	2010	2009
General Fund				
Non-spendable	$ 606,371	$ 872,198	$ -	$ -
Restricted	156,249	310,372	-	-
Committed	80,923	-	-	-
Unassigned	5,457,922	4,478,790	-	-
Reserved	-	-	1,906,721	3,226,357
Unreserved	-	-	5,418,984	5,179,291
Total General Fund	$ 6,301,465	$ 5,661,360	$ 7,325,705	$ 8,405,648
All other governmental funds				
Restricted for:				
Law enforcement	$ 146,099	$ 61,281	$ -	$ -
Transportation projects	1,647,542	1,575,301	-	-
Committed to:				
Law enforcement	441,211	435,073	-	-
Fire control	502,328	414,944	-	-
Transportation	18,330,179	17,294,851	-	-
Unassigned (deficit):	(15,065)	(80,584)	-	-
Reserved	-	-	-	1,612,743
Unreserved, reported in:				
Special revenue funds	-	-	23,988,770	22,290,020
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	30,111
Permanent funds	-	-	30,114	30,042
Total all other governmental funds	$ 21,052,294	$ 19,700,866	$ 24,018,884	$ 23,962,916

Note: GASB 54 was implemented in 2011 and reflects new fund balance classifications for 2011. The new classifications have not been restated for 2010 and prior.

Fiscal Year					
2008	**2007**	**2006**	**2005**	**2004**	**2003**
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,868,594	3,613,214	2,137,040	2,108,976	2,149,535	2,361,289
8,164,181	9,628,932	9,621,567	9,086,094	7,492,876	5,244,645
$ 11,032,775	$ 13,242,146	$ 11,758,607	$ 11,195,070	$ 9,642,411	$ 7,605,934
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,497,257	7,037,951	6,685,770	453,776	60,572	174,404
28,625,460	27,225,893	15,731,030	9,995,418	7,930,656	6,642,164
-	8,079	-	-	-	-
168,623	1,205,154	12,959,202	-	285,039	291,499
-	-	-	-	-	-
$ 31,291,340	$ 35,477,077	$ 35,376,002	$ 10,449,194	$ 8,276,267	$ 7,108,067

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

	2012	2011	2010	2009	2008
Revenues					
Taxes	$ 12,348,074	$ 12,959,129	$ 13,585,448	$ 13,116,385	$ 12,559,888
Permits, fees, and special assessments	4,180,556	4,452,634	4,902,083	4,697,746[1]	3,257,290
Intergovermental	7,869,044	7,222,284	6,672,663	6,734,345	7,337,697
Charges for services	2,741,038	2,699,080	2,793,277	2,909,532	2,943,724
Fines and forfeits	79,575	124,675	184,688	346,495	448,516
Investment earnings	311,128	611,514	853,684	1,865,706	2,219,381
Rents and royalties	253,512	224,426	167,579	154,128	130,532
Special assessments	-	-	-	-[1]	70,000
Impact fees	-	-	-	-[1]	3,103,937
Contributions and donations	2,051,489	15,677	1,111,622	3,290	2,279,139
Other	76,238	92,482	164,333	88,354	-
Total revenues	29,910,654	28,401,901	30,231,040	29,915,981	34,350,104
Expenditures					
General government	4,604,402	4,751,328	4,954,865	4,818,700	4,487,698
Public safety	13,261,208	13,654,417	14,617,230	17,143,109	16,681,387
Physical environment	1,243,531	1,263,198	1,241,023	1,291,287	1,190,697
Transportation	4,526,474	5,649,128	5,403,945	5,352,512	4,548,554
Economic environment	506,987	215,570	425,799	1,857,734	675,283
Public assistance	66,395	58,415	49,692	119,971	82,630
Culture and recreation	2,510,042	7,560,152	3,549,299	6,295,070	3,388,784
Debt Service					
Principal	671,717	685,574	667,197	2,883,904	653,247
Interest	528,365	560,482	592,295	1,000,696	676,539
Total expenditures	27,919,121	34,398,264	31,501,345	40,762,983	32,384,819
Excess (deficiency) of revenues over (under) expenditures	1,991,533	(5,996,363)	(1,270,305)	(10,847,002)	1,965,285
Other financing sources (uses)					
Transfers in	1,912,474	1,630,942	1,691,092	1,674,090	2,162,439
Transfers out	(1,912,474)	(1,630,942)	(1,660,959)	(1,674,090)	(3,162,439)
Sale of capital assets	-	14,000	41,971	1,029,963	16,460
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	-	14,000	72,104	1,029,963	(983,540)
Net change in fund balances	$ 1,991,533	$ (5,982,363)	$ (1,198,201)	$ (9,817,039)	$ 981,745
Debt service as a percentage of noncapital expenditures	5.1%	5.2%	5.0%	14.3%	5.5%

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, fees, and special assessments

Fiscal Year				
2007	2006	2005	2004	2003
$ 13,827,263	$ 10,695,109	$ 8,554,258	$ 7,275,986	$ 6,337,721
3,354,710	3,305,453	2,827,208	2,770,604	1,888,809
6,200,862	5,866,003	5,819,142	5,291,960	4,752,209
2,758,255	2,955,962	1,801,451	1,635,726	1,275,651
374,414	391,774	248,986	246,132	236,761
2,598,817	1,365,403	409,339	262,405	410,488
164,239	152,813	144,304	128,048	133,972
-	-	-	-	-
13,871,394	8,374,862	4,738,914	4,294,620	3,051,048
2,684,350	9,961,672	38,895	72,427	88,680
322,457	90,781	82,622	133,169	79,426
46,156,761	43,159,832	24,665,119	22,111,077	18,254,765
4,769,353	4,481,830	2,905,301	2,336,743	3,325,686
13,402,701	10,575,014	9,301,897	7,024,451	6,180,979
1,313,892	1,258,938	820,150	780,387	626,594
13,985,729	7,553,859	3,881,560	3,563,224	4,791,484
451,178	805,516	(32,137)	131,623	93,696
101,330	88,909	88,871	391,384	653,862
3,827,013	2,310,870	1,839,973	1,861,015	2,048,901
588,534	2,012,062	1,623,416	2,119,883	288,843
740,535	548,850	375,445	1,321,064	241,155
39,180,265	29,635,848	20,804,476	19,529,774	18,251,200
6,976,496	13,523,984	3,860,643	2,581,303	3,565
1,640,803	747,574	1,396,357	1,433,414	1,057,204
(1,640,803)	(1,747,574)	(1,259,474)	(1,250,640)	(2,192,894)
21,844	7,160	13,099	247,544	1,106,080
-	-	-	118,531	1,230,083
21,844	(992,840)	149,982	548,849	1,200,473
$ 6,998,340	$ 12,531,144	$ 4,010,625	$ 3,130,152	$ 1,204,038
6.0%	12.2%	11.7%	20.7%	4.3%

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
2012	$ 7,837,097	$ -	$ 2,959,428	$ 1,335,434	$ 216,115	$ 12,348,074
2011	8,348,452	-	3,158,550	1,309,236	142,891	12,959,129
2010	8,741,248	-	3,254,555	1,386,589	203,056	13,585,448
2009	8,722,152	-	2,710,435	1,455,478	228,320	13,116,385
2008	8,351,424	-[1]	2,615,227	1,386,894	206,343[2]	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

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

[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

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
2012	$2,355,772,909	$184,152,336	$ 634,121,843	$ 1,905,803,402	4.2500	$ 2,539,925,245	75.03%
2011	2,461,883,108	198,393,995	628,770,830	2,031,506,273	4.2500	2,660,277,103	76.36%
2010	2,921,457,010	215,114,811	725,044,206	2,411,527,615	3.7500	3,136,571,821	76.88%
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%

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 2011 tax roll data is reported here for Fiscal Year 2012, 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)

	City Direct Rates		Overlapping Rates				
Fiscal Year	Basic Millage	Total Direct	County Millage	School District Millage	Library Millage	St. Johns River Water Mgmt. District Millage	Total Direct & Overlapping Rates
2012	4.2500	4.2500	4.4347	8.5450	0.3748	0.3313	17.9358
2011	4.2500	4.2500	4.4347	7.8940	0.3748	0.4158	17.3693
2010	3.7500	3.7500	4.4347	7.6730	0.3748	0.4158	16.6483
2009	3.3866	3.3866	4.4347	7.1500	0.3748	0.4158	15.7619
2008	3.3866	3.3866	4.4347	7.1210	0.3748	0.4158	15.7329
2007	4.3040	4.3040	5.1639	7.1690	0.4325	0.4620	17.5314
2006	4.3040	4.3040	5.1639	7.7610	0.4325	0.4620	18.1234
2005	4.3040	4.3040	5.1639	7.5400	0.4352	0.4620	17.9051
2004	4.3040	4.3040	5.1639	7.8880	0.4365	0.4620	18.2544
2003	4.3040	4.3040	5.1639	7.8780	0.4371	0.4620	18.2450

Source: Orange County Property Appraiser's Office

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

	2012			2003		
Taxpayer	**Assessed Valuation**	**Rank**	**Percentage of Total Assessed Valuation**	**Assessed Valuation**	**Rank**	**Percentage of Total Assessed Valuation**
Cole MT Winter Garden LLC	$117,325,038	1	5.78 %	$ -	-	-
Progress Energy Florida	20,320,162	2	1.00	-	-	-
West Pointe Villas LTD	12,806,141	3	0.63	8,677,719	3	0.95 %
El-Ad Promenade LLC	11,070,203	4	0.54	-	-	-
Embarq	10,552,657	5	0.52	-	-	-
Target Corp	8,637,552	6	0.43	-	-	-
Hyde Park Communities	8,344,624	7	0.41	6,203,940	6	0.68
Stoneybrook West LLC	7,973,636	8	0.39	-	-	-
Castle & Cooke Florida LTD	7,583,312	9	0.37	-	-	-
Advanced Drainage System	7,111,909	10	0.35	-	-	-
Stoneybrook Joint Venture	-	-	-	16,148,929	1	1.77
Agree Limited Partnership	-	-	-	10,422,783	2	1.15
BRH Berkshire West LLC	-	-	-	8,657,522	4	0.95
4000 Goldenrod LLC	-	-	-	7,436,540	5	0.82
Winter Country Garden Assoc	-	-	-	5,304,568	7	0.58
Manheim Remarketing L P	-	-	-	4,984,056	8	0.55
Winter Garden RV LLC	-	-	-	4,224,366	9	0.46
M/I Homes of Orlando LLC	-	-	-	3,199,797	10	0.35
Totals	$211,725,234		10.42 %	$75,260,220		8.26 %

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
2012	$ 8,102,282	$ 7,796,124	96.2%	$ -	$ 7,796,124	96.2%
2011	8,674,809	8,327,773	96.0%	-	8,327,773	96.0%
2010	9,045,633	8,689,850	96.1%	7,439	8,697,289	96.1%
2009	8,973,852	8,641,588	96.3%	23,565	8,665,153	96.6%
2008	8,646,566	8,272,820	95.7%	79,184	8,352,004	96.6%
2007	8,608,324	8,269,756	96.1%	43,120	8,312,876	96.6%
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%	10,467	4,497,210	96.3%
2004	3,911,478	3,760,894	96.2%	6,165	3,767,059	96.3%
2003	3,221,921	3,084,610	95.7%	22,151	3,106,761	96.4%

WINTER GARDEN

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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
2012	$ 10,650,000	$ 589,094	$ -	$ -	$ -	$ 9,540,288	$ 78,613
2011	10,905,000	1,005,811	-	-	-	10,203,068	153,618
2010	11,155,000	1,441,384	-	-	-	10,850,340	225,194
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	-

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]
$ 20,857,995	1.60%	$ 578
22,267,497	1.75%	631
23,671,918	1.96%	685
25,038,371	2.41%	808
28,239,867	2.54%	916
29,481,807	2.74%	981
30,612,089	3.09%	1,076
20,926,838	2.60%	850
21,591,152	3.16%	971
15,666,865	2.63%	769

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]
2012	$ -	$ -	$ -	-	$ -
2011	-	-	-	-	-
2010	-	-	-	-	-
2009	-	-	-	-	-
2008	-	-	-	-	-
2007	-	-	-	-	-
2006	-	-	-	-	-
2005	-	-	-	-	-
2004	-	-	-	-	-
2003	-	-	-	-	-

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, 2012

Jurisdiction	Debt Outstanding	Estimated Percentage Applicable[1]	Estimated Share of Overlapping Debt
Debt repaid with property taxes: County	$ -	2.3%	$ -
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, 2012

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
Sales Tax Revenue Bonds, Series 2006
Last Ten Fiscal Years

Year	Local Government Half-cent Sales Tax Revenues	Debt Service		Coverage
		Principal	Interest	
2012	$ 4,488,577	$ 255,000	$ 465,038	6.23
2011	3,979,791	250,000	475,038	5.49
2010	3,637,662	240,000	484,638	5.02
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

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]
2012	36,063	1,172,493	$ 1,304,396,907	$ 36,170	637,823	584,475	53,348	8.4
2011	35,281	1,157,342	1,269,763,190	35,990	609,366	547,964	61,402	10.1
2010	34,568	1,145,956	1,206,976,288	34,916	609,900	537,799	72,101	11.8
2009	30,987	1,108,882	1,036,856,007	33,461	604,165	535,531	68,634	11.4
2008	30,838	1,114,979	1,113,745,208	36,116	612,686	573,838	38,848	6.3
2007	30,065	1,105,603	1,075,244,660	35,764	601,260	578,008	23,252	3.9
2006	28,440	1,079,524	991,560,600	34,865	586,102	568,257	17,845	3.0
2005	24,610	1,043,437	805,411,470	32,727	560,375	540,809	19,566	3.5
2004	22,242	1,013,937	683,474,418	30,729	569,814	544,606	25,208	4.4
2003	20,378	980,195	595,057,978	29,201	538,962	511,926	27,036	5.0

[1]Source: University of Florida, Bureau of Economic and Business Research
[2]Source: University of Florida, Bureau of Economic and Business Research (2003-2011), 2012 estimated.
Note: Personal income information is only available for Orange County [not City specific].
[3]Source: Florida Agency for Workforce Innovation
[4]Countywide

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

		2012			2003		
Employer	**Location**	**Employees**[1]	**Rank**	**Percentage of Total City Employment**[2]	**Employees**	**Rank**	**Percentage of Total City Employment**
Orange County Public Schools	Various (9)	917	1	9.37%	Data is not available for 2003		
Target Super Center	Daniels Rd	300	2	3.07%			
City of Winter Garden	Plant Street	289	3	2.95%			
Health Central Park	N Dillard Street	282	4	2.88%			
Heller Bros Packing Co	9th Street	275	5	2.81%			
Publix Super Markets	SR 50/SBW	250	6	2.55%			
Ranger Construction	Elboc Way	170	7	1.74%			
Louis Dreyfus Citrus	9th Street	148	8	1.51%			
Orange County National Golf	Phil Ritson Way	115	9	1.18%			
Encore Construction	Crown Park Circle	114	10	1.17%			
Total		2,860		29.23%			

[1]Source: Surveys of employers listed.
[2]Source: Total City employment estimated based on 2010 Economic Census data :: US Census Bureau.

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									
	2012	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**
Function										
General government	42	35	35	37	33	31	33	28	23	23
Public Safety										
Police										
Officers	71	66	66	64	63	58	58	56	47	43
Civilians	23	16	16	16	16	17	20	18	13	15
Fire										
Firefighters and officers	44	45	45	43	39	35	38	38	34	31
Civilians	2	2	2	2	2	2	1	1	-	-
Building	16	8	8	10	15	17	19	14	10	11
Public Works	15	25	28	31	31	31	36	34	34	21
Sanitation	19	19	19	18	18	18	15	16	16	16
Culture and recreation	8	8	8	8	8	7	9	8	6	15
Engineering	5	5	5	5	5	6	8	7	5	3
Administration	4	2	2	2	2	5	5	6	5	6
Water	14	12	11	12	11	14	14	15	15	13
Sewer	19	16	13	13	13	13	17	17	17	17
Environmental Services	3	2	2	3	2	-	-	-	-	-
Stormwater	2	2	3	3	4	5	4	3	2	2
Trailer park	2	2	2	2	2	2	1	1	3	5
Total	289	265	265	269	264	261	278	262	230	221

Source: City of Winter Garden Human Resource Department

WINTER GARDEN

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

					Fiscal
	2012	**2011**	**2010**	**2009**	**2008**
Function					
Police					
Physical arrests	1,273	1,525	1,216	1,084	1,142
Parking violations	115	114	321	380	644
Traffic violations	5,211	7,491	9,082	9,427	10,813
Fire					
Number of calls answered	4,280	4,049	3,880	3,851	3,714
Inspections	1,244	1,270	1,226	1,126	1,172
Public Works					
Street resurfacing	7,132	14,838	17,034	11,195	3,873
Potholes repaired	107	134	220	172	245
Sanitation					
Refuse collected (tons/day)	88	89	133	84	87
Recyclables collected	5	6	8	8	6
Culture and recreation					
Field permits issued	1,024	1,139	376	905	226
Facility rentals	493	335	294	319	151
Water					
New connections	176	338	373	209	602
Water main breaks	9	11	55	7	6
Average daily consumption	5,695,000	5,966,000	5,308,000	5,935,000	6,100,858
Wastewater					
Average daily sewage treatment	2,490,000	2,380,000	2,410,000	2,500,000	2,420,000

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

Year				
2007	**2006**	**2005**	**2004**	**2003**
1,170	1,878	2,093	1,903	1,604
802	80	362	299	518
12,216	7,448	8,994	6,918	6,402
3,642	3,427	3,231	2,998	2,556
1,442	1,258	1,222	1,111	919
21,336	43,357	22,551	34,332	29,412
945	890	1,000	1,200	1,005
117	51	50	50	50
8	4	4	4	3
254	156	85	92	83
196	194	182	175	182
699	1,095	676	533	593
8	3	3	5	2
6,670,000	5,985,678	4,616,786	4,354,230	4,236,041
2,350,000	1,990,000	2,010,000	1,870,000	1,790,000

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

Function	2012	2011	2010	2009
Public Safety				
Police:				
Stations	1	1	1	1
Patrol units	39	39	38	38
Fire stations	3	3	3	3
Sanitation				
Collection trucks	16	18	17	24
Public Works				
Streets (miles)	129	170	176	176
Streetlights	2,496	2,462	2,429	2,419
Traffic signals	29	28	20	16
Culture Recreation				
Parks acreage	301	297	90	90
Parks	12	12	11	11
Swimming pools	2	2	2	2
Tennis courts	6	6	6	6
Community centers	1	1	1	1
Water				
Water mains (miles)	190	190	190	186
Fire hydrants	1,403	1,403	1,380	1,366
Maximum daily capacity	12,912,000	12,912,000	12,912,000	10,368,000
Sewer				
Sanitary sewers (miles)	175	175	175	164
Maximum daily treatment capacity	4,000,000	4,000,000	4,000,000	4,000,000
Stormwater				
Storm sewers (miles)	121	121	117	112

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

Fiscal Year					
2008	**2007**	**2006**	**2005**	**2004**	**2003**
1	1	1	1	1	1
38	38	36	32	29	27
3	2	2	2	2	2
21	18	15	15	14	14
176	171	137	119	103	90
2,304	2,279	2,266	2,017	1,795	1,598
22	19	14	13	11	10
60	60	55	55	55	55
9	9	8	8	8	8
2	2	2	2	2	2
6	6	6	6	6	6
1	1	1	1	1	1
186	186	105	98	90	83
1,300	1,300	1,300	1,215	1,116	1,029
10,368,000	10,368,000	10,368,000	10,368,000	10,368,000	10,368,000
164	139	135	127	118	110
4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
112	102	63	56	50	44

WINTER GARDEN

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COMPLIANCE AND INTERNAL CONTROL SECTION

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

Independent Auditor's Report 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, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents and have issued our report thereon dated March 20, 2013. 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

Management of the City, is responsible for establishing and maintaining effective 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 *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

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*.

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

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 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 20, 2013

Sines Blakeslee Madyda
certified public accountants, p.a.

Independent Auditors' 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, 2012, and have issued our report thereon dated March 20, 2013.

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. We have issued our Independent Auditor's Report 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 20, 2013, 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.

- Section 10.554(1)(i)4., Rules of the Auditor General, requires, that we address violations of contracts or grant agreements, fraud, illegal acts or abuse, that have occurred, or are likely to have occurred that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

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- 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) deficiencies in internal control 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, 2012, filed with the Florida 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, 2012. 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.

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the City Commission and management 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 20, 2013