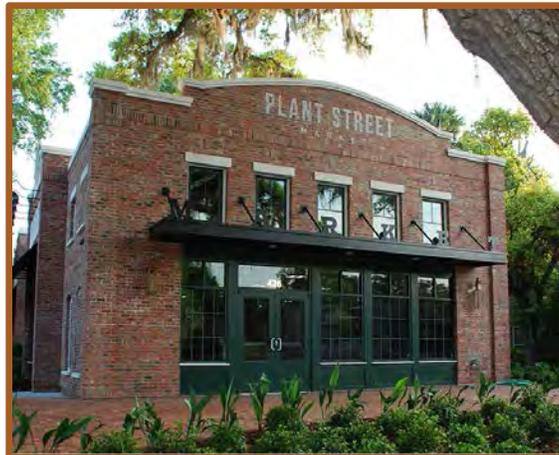




CITY OF WINTER GARDEN, FLORIDA



COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2014

CITY OF WINTER GARDEN, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended
September 30, 2014

Prepared by:
Finance Department

Cover Photo Locations:

Splash Pad – Corner of Lakeview and W Plant Street

Plant Street Market – 426 W Plant Street

Tucker Heritage Park – 100 Avalon Road

CITY OF WINTER GARDEN, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended September 30, 2014

TABLE OF CONTENTS

	Page
I. INTRODUCTORY SECTION	
Letter of Transmittal	7
GFOA Certificate of Achievement	12
Organizational Chart	13
List of Elected and Appointed Officials	14
 II. FINANCIAL SECTION	
Independent Auditors' Report	16
Management's Discussion and Analysis	18
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	31
Statement of Activities	32
Fund Financial Statements:	
Balance Sheet—Governmental Funds	34
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	36
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds	37
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	39
Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—General Fund	40
Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Community Redevelopment Agency Fund	41
Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Impact Fee Fund	42
Statement of Net Position—Proprietary Funds	43
Statement of Revenues, Expenses, and Changes in Fund Net Position—Proprietary Funds	44
Statement of Cash Flows—Proprietary Funds	45
Statement of Fiduciary Net Position—Fiduciary Funds	46
Statement of Changes in Fiduciary Net Position—Fiduciary Funds	47
Notes to the Financial Statements	48

	Page
Required Supplementary Information:	
Schedule of Funding Progress and contributions-OPEB	81
Schedule of Changes in Net Pension Liability	82
Schedule of Contributions – Pension Plan for General Employees	83
Schedule of Contributions – Pension Plan for Firefighters and Police	84
Schedules of Investment Returns – Pension Plans	85
Schedules of Funding Progress – Pension Plans	86
Schedules of Contributions from Employer - Pension Plans	87
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet—Nonmajor Governmental Funds	89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Nonmajor Governmental Funds	91
Schedules of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual:	
Downtown Parking District Special Revenue Fund	93
Law Enforcement Trust Special Revenue Fund	94
Law Enforcement Grants Special Revenue Fund	95
Local Option Gas Tax Special Revenue Fund	96
Police and Fire Premium Tax Trust Fund	97
Debt Service Fund	98
Combining Statement of Net Position—Nonmajor Enterprise Funds	100
Combining Statement of Revenues, Expenses and Changes in Fund Net Position—Nonmajor Enterprise Funds	101
Combining Statement of Cash Flows—Nonmajor Enterprise Funds	102
 III. STATISTICAL SECTION	
Net Position by Component—Last Ten Fiscal Years	105
Change in Net Position—Last Ten Fiscal Years	107
Governmental Activities Tax Revenues by Source—Last Ten Fiscal Years	109
Fund Balances of Governmental Funds—Last Ten Fiscal Years	111
Changes in Fund Balances of Governmental Funds—Last Ten Fiscal Years	113
General Governmental Tax Revenues by Source—Last Ten Fiscal Years	115
Assessed Value and Estimated Actual Value of Taxable Property—Last Ten Fiscal Years	116
Property Tax Rates—Direct and Overlapping Governments—Last Ten Fiscal Years	117
Principal Property Taxpayers—Current Year and Nine Years Ago	118
Property Tax Levies and Collections—Last Ten Fiscal Years	119
Ratios of Outstanding Debt by Type—Last Ten Fiscal Years	120
Ratios of General Bonded Debt Outstanding—Last Ten Fiscal Years	122
Direct and Overlapping Governmental Activities Debt	123
Legal Debt Margin Information	124
Pledged-Revenue Coverage—Sales Tax Revenue Bonds—Last Ten Fiscal Years	125

	Page
Demographic and Economic Statistics—Last Ten Fiscal Years	126
Principal Employers—Current Year and Nine Years Ago	127
Full-Time Equivalent City Government Employees by Function	128
Operating Indicators by Function—Last Ten Fiscal Years	129
Capital Asset Statistics by Function—Last Ten Fiscal Years	131
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 <i>Government Auditing Standards</i>	134
Independent Auditors’ Management Letter	136
Independent Auditors’ Report	138

INTRODUCTORY SECTION



LETTER OF TRANSMITTAL

—

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

—

ORGANIZATIONAL CHART

—

LIST OF ELECTED AND APPOINTED OFFICIALS



March 20, 2015

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, 2014 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, 2014, 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 unmodified opinion that the City’s financial statements for the fiscal year ended September 30, 2014, 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 38,442. 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 5.6 percent in 2014, as compared to 6.2 percent in 2013, 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 33 percent as of September 30, 2014, which is slightly above 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 keep fund balance in line with the target level, 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 1.63 years for the governmental fund portfolio and 1.61 years for the enterprise fund portfolio, and 1.71 years and 1.69 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 25 retired employees receiving these benefits, of which the City was paying a portion of the premiums for 21. 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 2014 for these benefits is \$2,878,781.

Major initiatives

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

- Improvements on East Plant Street continued during the fiscal year to include the roadway between 9th and Dillard Streets. In addition to the roadway improvements, drainage and utility upgrades were done simultaneously along the roadway. A total of \$15,389,825 has been expended by the City for Plant Street improvements between SR 429 and Dillard Street since the design phase began in fiscal year 2007.
- Construction of an equalization tank at the Waste Water Treatment Plant [Crest Avenue] began and was 100% complete as of the end of the fiscal year. This tank improves wastewater inflow and overall capacity in order to allow the plant to better handle heavy rain events. The construction cost was \$2,280,000, and the total project cost was \$2,324,570.
- The design phase of the CR 545 South improvement project continued throughout the fiscal year. Construction is now set to begin during the Summer of 2015 to include signalization of the intersection of CR 545 South and Tilden Road and the widening of CR 545 from Tilden Road to just north of Stoneybrook West Parkway. The total project cost is expected to be \$3,100,000.

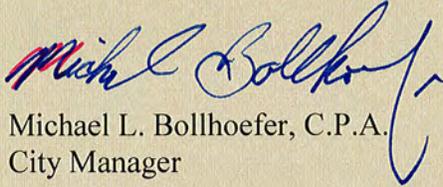
Awards and Acknowledgements

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, 2013. This was the eleventh 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

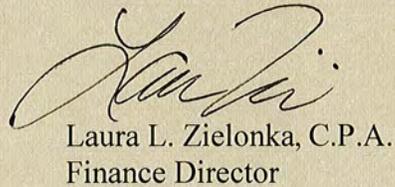
Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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, C.P.A.
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

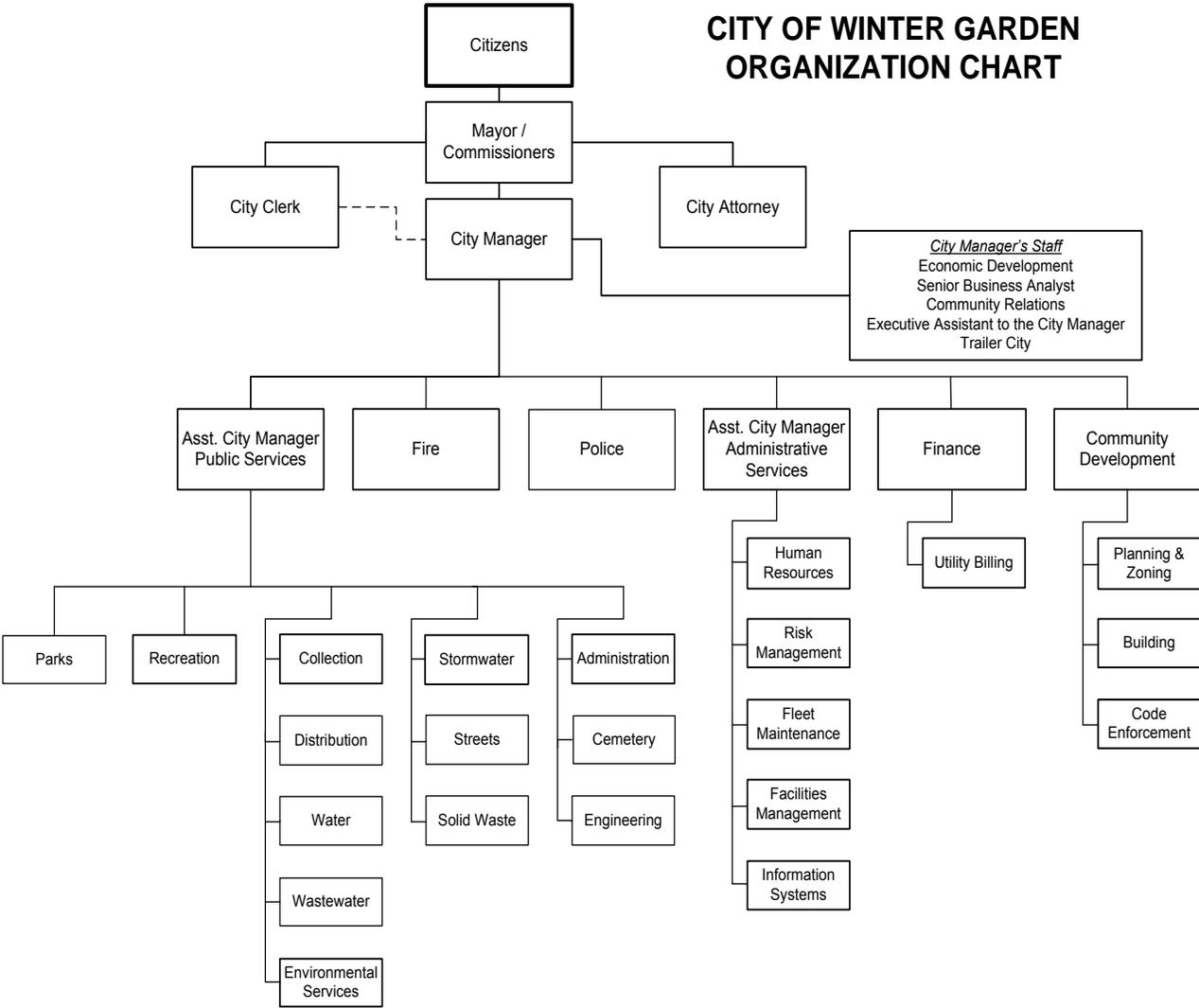
**City of Winter Garden
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

CITY OF WINTER GARDEN ORGANIZATION CHART



8/20/2014

CITY OF WINTER GARDEN, FLORIDA
LIST OF ELECTED AND APPOINTED OFFICIALS
As of September 30, 2014

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	Matt McGrew
Recreation Director	Joseph H. Conn
Parks & Land Operations Director	Laura E. Coar

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 and Members of the City Commission
Winter Garden, Florida

Report on the Financial Statements

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 fiscal year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the general and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The introductory section, combining and individual non-major fund financial statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual major and non-major 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and non-major fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2015, on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



SINES BLAKESLEE MADYDA, P.A.
Certified Public Accountants

Winter Garden, Florida
March 20, 2015

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, 2014. 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 7-11 of this report.

Financial Highlights

- The assets of the City exceeded liabilities on September 30, 2014 by \$215,390,049. The unrestricted net position on this date was \$31,055,484. These funds are available to meet the ongoing obligations of the City.
- The net position of governmental activities on September 30, 2014 equaled \$115,809,645. Of this amount, \$8,305,815 was unrestricted. The net position of business-type activities equaled \$99,580,404. Of this amount \$22,749,669 was unrestricted.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$26,994,006. Of this amount, \$8,230,784 is available for spending at the City's discretion (unassigned fund balance).
- Unassigned fund balance in the General Fund was \$8,235,384 at the end of the fiscal year, or 33 percent of total expenditures.
- Net position in the Pension Trust Fund for General Employees increased \$1,998,883. Net position restricted in the Pension Trust Fund for Firefighters and Police Officers increased \$2,827,311.

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 are comprised of 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 position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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 31-33 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 34-42 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 43-45 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 46-47 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 48-80 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 81-87 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 89-103 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$215,390,049 at the

close of the most recent fiscal year. The City's increase in net position for this fiscal year amounts to \$13,309,534.

The largest portion of the City's net position 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 \$159,968,669 or 74 percent of total net position. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

CITY OF WINTER GARDEN'S Net Position						
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$33,556,252	\$ 31,622,880	\$33,912,374	\$ 32,104,263	\$67,468,626	\$ 63,727,143
Capital assets	100,286,299	96,455,928	77,947,907	71,476,289	178,234,206	167,932,217
Total assets	133,842,551	128,078,808	111,860,281	103,580,552	245,702,832	231,659,360
Long-term liabilities						
outstanding	13,459,787	13,425,470	8,861,666	9,450,002	22,321,453	22,875,472
Other liabilities	4,573,119	4,214,245	3,418,211	2,489,128	7,991,330	6,703,373
Total liabilities	18,032,906	17,639,715	12,279,877	11,939,130	30,312,783	29,578,845
Net position:						
Net investment in						
capital assets	90,186,299	85,907,752	69,782,370	62,613,697	159,968,669	148,521,449
Restricted	17,317,531	18,028,037	7,048,365	9,488,903	24,365,896	27,516,940
Unrestricted	8,305,815	6,503,304	22,749,669	19,538,822	31,055,484	26,042,126
Total net position	\$115,809,645	\$110,439,093	\$99,580,404	\$91,641,422	\$215,390,049	\$202,080,515

An additional portion of the City's net position (eleven percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$31,055,484) 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 position, 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 position increased by \$13,309,534 during the current fiscal year. The majority of this increase represents the degree to which impact fee revenues and developer contributions thereon have outstripped depreciation expense on the related capital assets.

Governmental activities. Governmental activities increased the City's net position by \$5,370,552. A key element of this increase was the developer contributions for subdivision assets which totaled \$2,387,773 and impact fee revenues which totaled \$2,592,909.

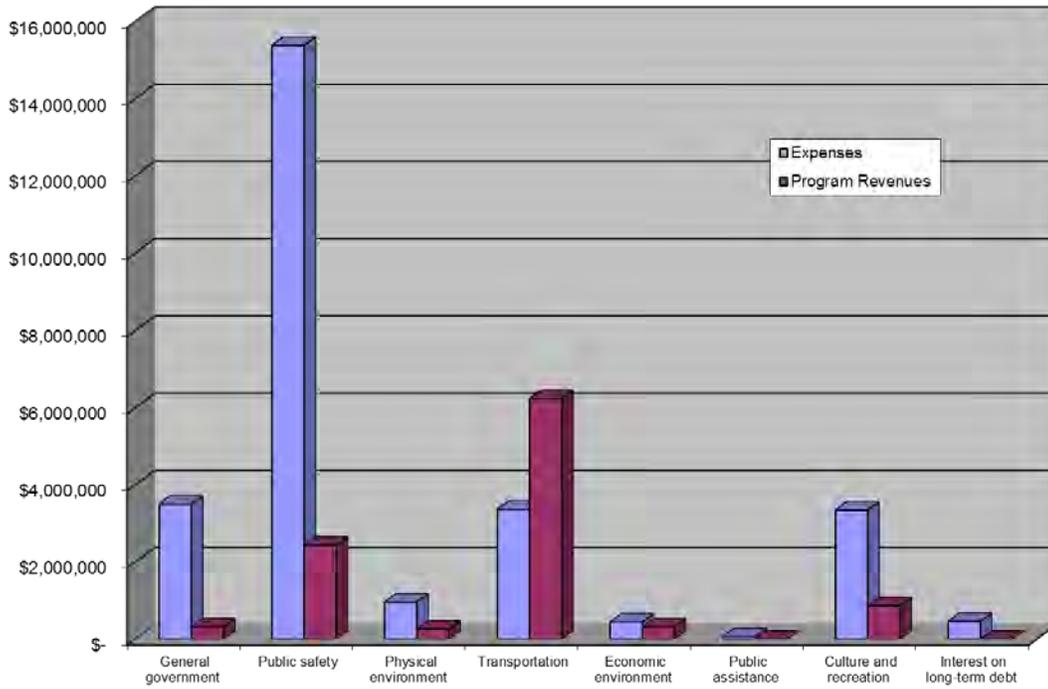
CITY OF WINTER GARDEN'S Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$3,297,765	\$ 2,660,425	\$15,796,663	\$15,361,383	\$19,094,428	\$ 18,021,808
Operating grants and contributions	2,089,704	2,171,833	-	-	2,089,704	2,171,833
Capital grants and contributions	5,049,195	1,264,890	6,862,632	2,423,465	11,911,827	3,688,355
General revenues:						
Ad valorem	8,164,335	7,790,846	-	-	8,164,335	7,790,846
Utility service taxes	3,554,248	3,093,927	-	-	3,554,248	3,093,927
Communication services Taxes	1,291,136	1,313,968	-	-	1,291,136	1,313,968
Local business tax	209,938	189,172	-	-	209,938	189,172
Franchise fees	2,399,459	2,066,681	-	-	2,399,459	2,066,681
Unrestricted intergovernmental	6,715,362	6,142,848	-	-	6,715,362	6,142,848
Investment earnings	41,617	77,619	102,115	58,287	143,732	135,906
Gain on sale of capital assets	23,837	365	-	2,416	23,837	2,781
Other	64,107	238,894	-	-	64,107	238,894
Total revenues	32,900,703	27,011,468	22,761,410	17,845,551	55,662,113	44,857,019
Expenses:						
General government	3,499,783	3,347,842	-	-	3,499,783	3,347,842
Public safety	15,378,649	14,698,706	-	-	15,378,649	14,698,706
Physical environment	961,101	882,923	-	-	961,101	882,923
Transportation	3,363,662	4,860,760	-	-	3,363,662	4,860,760
Economic environment	448,065	384,538	-	-	448,065	384,538
Public assistance	68,815	68,460	-	-	68,815	68,460
Culture and recreation	3,346,135	3,156,005	-	-	3,346,135	3,156,005
Interest on long-term debt	463,941	496,478	-	-	463,941	496,478
Water and sewer	-	-	9,905,026	9,415,688	9,905,026	9,415,688
Solid Waste	-	-	3,984,331	3,846,664	3,984,331	3,846,664
Stormwater	-	-	727,278	733,116	727,278	733,116
Mobile home lot rentals	-	-	205,793	228,493	205,793	228,493
Total expenses	27,530,151	27,895,712	14,822,428	14,223,961	42,352,579	42,119,673
Increase (decrease) in net position	5,370,552	(884,244)	7,938,982	3,621,590	13,309,534	2,737,346
Net position- beginning	110,439,093	111,323,337	91,641,422	88,019,832	202,080,515	199,343,169
Net position- ending	\$115,809,645	\$110,439,093	\$99,580,404	\$91,641,422	\$215,390,049	\$202,080,515

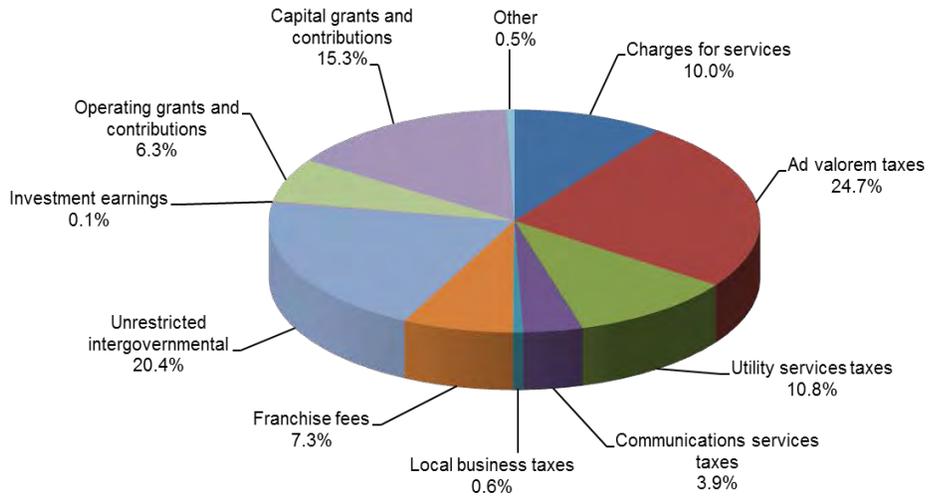
Business-type activities. Business-type activities increased the City's net position by \$7,938,982, accounting for 60 percent of the total growth in the City's net position. Key elements of this increase are as follows:

- 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 \$1,239,096. While the City makes capital improvements and major

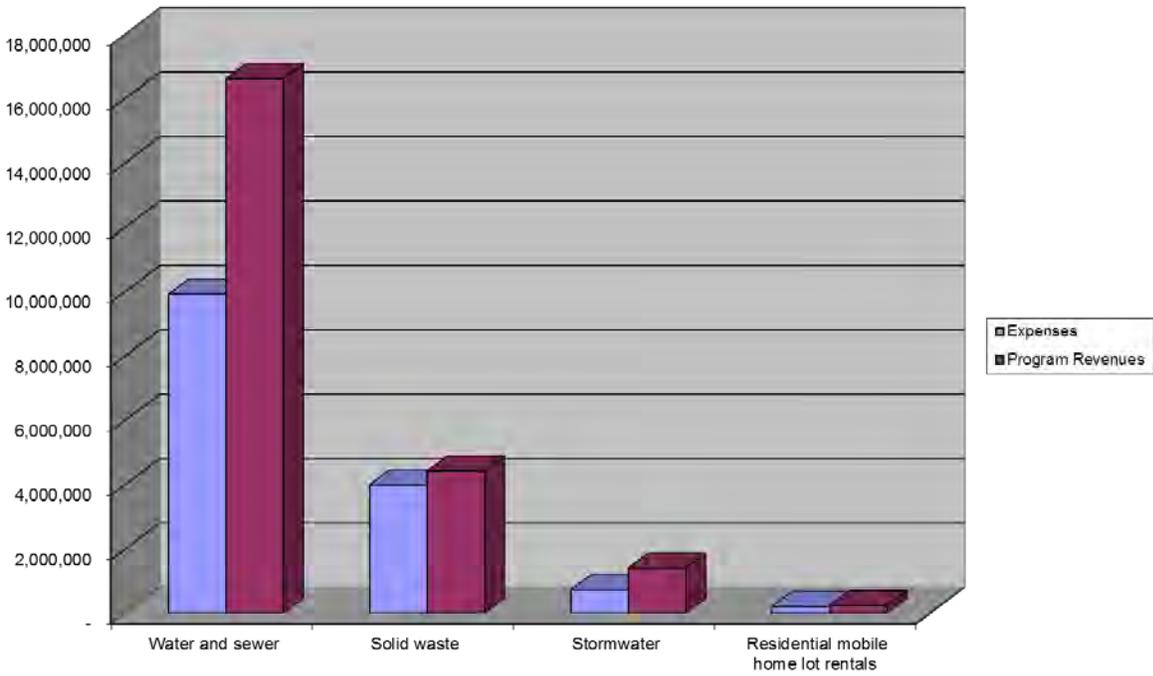
Expenses and Program Revenues - Governmental Activities



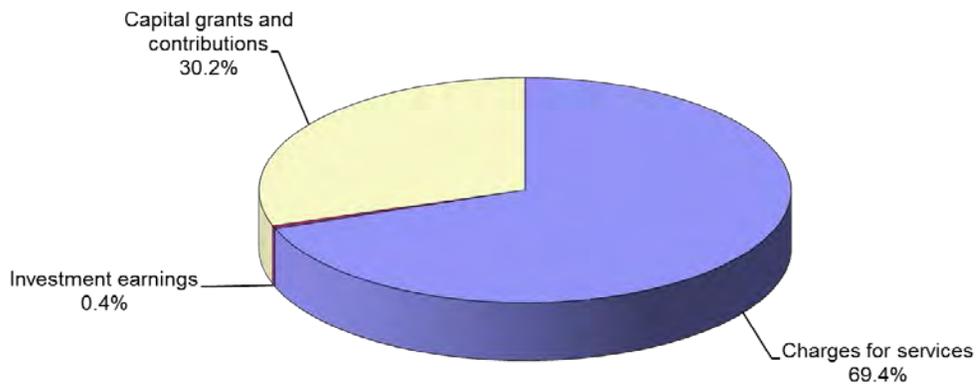
Revenues by Source - Governmental Activities



Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



equipment purchases 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 position.

- The City experienced new construction during the current fiscal year, resulting in the collection of \$2,330,184 for water and sewer impact fees, plus \$4,499,403 for developer contributed subdivision assets. 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.

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 \$26,994,006 at September 30, 2014, which consisted of \$590,346 in nonspendable, \$1,866,574 in restricted, \$16,306,302 in committed, and \$8,230,784 in unassigned fund balance. The fund balance is a net increase of \$1,696,333 from the reported fund balance of \$25,297,673 in the prior year. The increase is primarily a result of increase in revenues over the prior year. Ad valorem taxes were up \$373,489 from FY 2013, the tax rate did not increase, however, taxable property values increased. The utility services taxes were up \$460,321 over the prior year actuals. Permits, fees and special assessments were up \$856,708 over the prior fiscal year due to more permits being issued. Intergovernmental revenues were \$417,798 greater than fiscal year 2013 actuals.

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 \$8,235,384, while total fund balance was \$9,252,044. 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 33 percent of General Fund expenditures, while total fund balance represents 37 percent of the same amount.

The fund balance of the City's General Fund increased by \$2,077,003 during the current fiscal year. The key factors in this increase are as follows:

- General government expenditures were under budget by \$436,247 primarily due to the city hall parking lot that was budgeted and not completed and position vacancies.
- Public safety expenditures were under budget by \$336,405 primarily due to the timing of the purchase of dispatch consoles.

- Transportation expenditures were under budget by \$351,454 due to the timing of ongoing capital projects for the CR545 sidewalk and street light expenditures coming in under budget.
- Culture and recreation expenditures were under budget by \$240,476 due to the timing of budgeted parks improvements not yet completed.

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 \$334,435 in this fund. The key factor in this increase was due to the parking garage debt service payments being budgeted but not expended because the parking garage project has not started yet.

The Impact Fee Fund is used to account for the receipt of police, fire, road, and recreation impact fees. The purpose of an impact fee is to assign, to the extent practical, growth-related capital costs to those new residents and businesses responsible for such costs. These fees are segregated by function (police, fire, road, and recreation) and are required to be used for capital projects and equipment purchases related to growth within each function. Fund balance decreased \$(653,621) in this fund due to the road projects being funded out of the transportation impact fees fund.

The Debt Service Fund ended with a deficit balance of \$(4,600), the deficit was due to a timing error in the amount to transfer from the General Fund to the Debt Service fund at the beginning of the fiscal year. This will be remedied in fiscal year 2015 by monitoring the transfer amount timing throughout the year.

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 position of the Water and Sewer Utility Fund at the end of the year amounted to \$18,099,848. Total growth in net position for this fund was \$5,978,847. Factors concerning this increase have already been addressed in the discussion of the City's business-type activities. Unrestricted net position in the Solid Waste Fund at the end of the year amounted to \$2,781,061, with an increase in net position of \$430,436.

General Fund Budgetary Highlights

The General Fund budget was increased by \$1,896,108 from the original budget to the final amended budget (an increase of eight percent). These increases can be summarized as follows:

- \$475,155 increase in general government activities. This was primarily due to an increase for executive activities for the purchase of land for parking and a parking expansion project (\$260,514). There was also an increase for executive activities for a reappropriation from the prior year for environmental cleanup of a City owned parcel of land (\$176,451).
- \$674,764 increase in public safety activities. This was largely due to increases for law enforcement activities for a reappropriation from the prior year for new dispatch consoles

(\$400,000) and the purchase of a new fire engine (\$448,355) that rolled over from the prior year budget.

The final budget for utility services was \$3,086,307 and the actual amount received was \$3,554,248 resulting in a variance of \$467,941 due to increase in electric tax revenues. The final budget for intergovernmental revenue was \$6,613,905, while the actual amount was \$6,777,107, a variance of \$163,202 due to additional state shared revenue proceeds. The final budget for permits, fees and special assessments was \$3,225,637, which the actual amount was \$4,131,305, a variance of \$905,668 due to increase in building permits. Charges for services had a variance of \$197,504 with actuals totaling \$3,056,284 due to an increase in recreation revenues. These were the main contributors for total revenues of \$27,781,691 to be \$1,920,439 above the final budget of \$25,861,252.

While the final budget provided for the use of \$1,433,965 of fund balance during the year, fund balance increased \$2,077,003. 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, 2014 amounts to \$178,234,206 (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 6.1 percent (a 4 percent increase for governmental activities and a 9.1 percent increase for business-type activities).

CITY OF WINTER GARDEN'S Capital Assets			
	Governmental Activities	Business-type Activities	Total
Land	\$ 24,741,076	\$ 1,024,601	\$ 25,765,677
Buildings	27,967,943	6,566,858	34,534,801
Improvements other than buildings	12,866,299	21,617,587	34,483,866
Machinery and equipment	13,583,015	8,087,659	21,670,674
Infrastructure	56,341,439	65,806,504	122,147,943
Construction work in progress	4,647,482	13,551,314	18,198,796
Less: accumulated depreciation	(39,860,955)	(38,706,616)	(78,567,571)
Net capital assets	<u>\$100,286,299</u>	<u>\$ 77,947,907</u>	<u>\$178,234,206</u>

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

- Improvements on East Plant Street continued during the fiscal year to include the roadway between 9th and Dillard Streets. In addition to the roadway improvements, drainage and utility upgrades were done simultaneously along the roadway. Fiscal year 2014 expenses for Plant Street improvements between SR 429 and Dillard Street were \$3,043,786, and a total of \$15,389,825 had been expended since the design phase began in fiscal year 2007.

- Construction of an equalization tank at the Waste Water Treatment Plant [Crest Avenue] began and was 100% complete as of the end of the fiscal year. This tank improves wastewater inflow and overall capacity in order to allow the plant to better handle heavy rain events. The construction cost was \$2,280,000, and the total project cost was \$2,324,570.
- The roadway and utility improvement project on Vineland Road, between State Road 50 and Palmetto Street, was in the construction phase as of the end of the fiscal year. Fiscal year expenses for this project totaled \$364,844, and a total of \$486,511 had been spent project-to-date.

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 \$18,265,537. 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	\$10,100,000
Sub-total	<u>10,100,000</u>
Business Type:	
2004 SRF Loan	1,181,907
2003 SRF Loan	6,349,729
2001 SRF Loan	633,901
Sub-total	<u>8,165,537</u>
Total	<u><u>\$18,265,537</u></u>

The City’s total debt decreased by \$1,145,232 (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 2015, the City maintained its millage rate of 4.2500. However, the adopted rate was above the rolled-back rate of 3.9458 by 7.71% due to increased property values. During the budget process for fiscal year 2015, department heads focused on controlling costs and were successful in doing so.

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.

BASIC FINANCIAL STATEMENTS

City of Winter Garden, Florida
Statement of Net Position
September 30, 2014

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 4,349,565	\$ 4,109,129	\$ 8,458,694
Receivables (net of allowance for uncollectibles)	408,857	2,231,771	2,640,628
Internal balances	918,940	(918,940)	-
Due from other governmental units	892,080	-	892,080
Inventories	9,338	536,262	545,600
Investments	25,210,789	15,677,123	40,887,912
Prepaid items	114,790	-	114,790
Restricted cash, cash equivalents, and investments	-	12,277,029	12,277,029
Pension assets	1,651,893	-	1,651,893
Capital assets (net of accumulated depreciation):			
Land	24,741,076	1,024,601	25,765,677
Buildings	20,347,772	2,257,622	22,605,394
Improvements other than buildings	8,544,747	9,410,348	17,955,095
Machinery and equipment	2,479,536	3,073,329	5,552,865
Infrastructure	39,525,686	48,630,693	88,156,379
Construction work in progress	4,647,482	13,551,314	18,198,796
Total assets	<u>133,842,551</u>	<u>111,860,281</u>	<u>245,702,832</u>
LIABILITIES AND DEFERRED INFLOWS			
Accounts payable	1,081,662	682,393	1,764,055
Contracts payable	447,402	-	447,402
Due to other governmental units	709,350	23,915	733,265
Accrued wages payable	85,946	18,955	104,901
Deposits	321,280	-	321,280
Unearned revenue	1,017,191	69,398	1,086,589
Other current liabilities	582,392	-	582,392
Liabilities payable from restricted assets	-	2,623,550	2,623,550
Noncurrent liabilities:			
Due within one year	154,109	738,189	892,298
Due in more than one year	13,305,678	8,123,477	21,429,155
Total liabilities	<u>17,705,010</u>	<u>12,279,877</u>	<u>29,984,887</u>
Deferred Inflows:			
Unavailable revenue	<u>327,896</u>	<u>-</u>	<u>327,896</u>
NET POSITION			
Net investment in capital assets	90,186,299	69,782,370	159,968,669
Restricted for:			
Public safety	1,469,357	-	1,469,357
Transportation	15,848,174	-	15,848,174
Debt service	-	560,282	560,282
Capital projects	-	6,488,083	6,488,083
Unrestricted	8,305,815	22,749,669	31,055,484
Total net position	<u>\$ 115,809,645</u>	<u>\$ 99,580,404</u>	<u>\$ 215,390,049</u>

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, 2014

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:					
General government	\$ 4,925,906	\$ (1,426,123)	\$ 251,863	\$ -	\$ 68,513
Public safety	15,378,649	-	1,610,641	513,573	313,431
Physical environment	1,523,064	(561,963)	263,016	-	-
Transportation	3,363,662	-	593,939	1,242,569	4,396,502
Economic environment	448,065	-	-	317,575	-
Public assistance	68,815	-	-	-	-
Culture and recreation	3,346,135	-	578,306	15,987	270,749
Interest on long-term debt	463,941	-	-	-	-
Total governmental activities	<u>29,518,237</u>	<u>(1,988,086)</u>	<u>3,297,765</u>	<u>2,089,704</u>	<u>5,049,195</u>
Business-type activities:					
Water and sewer	8,671,899	1,233,127	9,743,951	-	6,862,632
Solid waste	3,392,756	591,575	4,416,779	-	-
Stormwater	579,120	148,158	1,401,641	-	-
Residential mobile home lot rentals	190,567	15,226	234,292	-	-
Total business-type activities	<u>12,834,342</u>	<u>1,988,086</u>	<u>15,796,663</u>	<u>-</u>	<u>6,862,632</u>
Total Functions/Programs	<u>\$ 42,352,579</u>	<u>\$ -</u>	<u>\$ 19,094,428</u>	<u>\$ 2,089,704</u>	<u>\$ 11,911,827</u>

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 position
Net position—beginning
Net position—ending

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

**Net (Expense) Revenue and
Changes in Net Position**

Governmental	Business-type	
Activities	Activities	Total
\$ (3,179,407)	\$ -	\$ (3,179,407)
(12,941,004)	-	(12,941,004)
(698,085)	-	(698,085)
2,869,348	-	2,869,348
(130,490)	-	(130,490)
(68,815)	-	(68,815)
(2,481,093)	-	(2,481,093)
(463,941)	-	(463,941)
<u>(17,093,487)</u>	<u>-</u>	<u>(17,093,487)</u>
-	6,701,557	6,701,557
-	432,448	432,448
-	674,363	674,363
-	28,499	28,499
<u>-</u>	<u>7,836,867</u>	<u>7,836,867</u>
<u>(17,093,487)</u>	<u>7,836,867</u>	<u>(9,256,620)</u>
8,164,335	-	8,164,335
3,554,248	-	3,554,248
1,291,136	-	1,291,136
209,938	-	209,938
2,399,459	-	2,399,459
6,715,362	-	6,715,362
41,617	102,115	143,732
23,837	-	23,837
64,107	-	64,107
<u>22,464,039</u>	<u>102,115</u>	<u>22,566,154</u>
5,370,552	7,938,982	13,309,534
<u>110,439,093</u>	<u>91,641,422</u>	<u>202,080,515</u>
<u>\$ 115,809,645</u>	<u>\$ 99,580,404</u>	<u>\$ 215,390,049</u>

**City of Winter Garden, Florida
Balance Sheet
Governmental Funds
September 30, 2014**

	General
ASSETS	
Cash and cash equivalents	\$ 2,469,525
Receivables (net of allowance for uncollectibles)	408,857
Due from other funds	-
Advances to other funds	475,556
Due from other governmental units	518,242
Investments	8,981,197
Prepaid items	114,790
Total assets	\$ 12,968,167
 LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 676,668
Contracts payable	-
Due to other governmental units	704,750
Accrued wages payable	85,946
Deposits	321,280
Unearned revenue	1,345,087
Other current liabilities	582,392
Advances from other funds	-
Total liabilities	3,716,123
Deferred Inflows:	
Unavailable revenue	-
Fund balances:	
Nonspendable:	
Advances to other funds	475,556
Prepaid items	114,790
Restricted for:	
Law enforcement	25,653
Television production equipment	28,440
Enforcement of Florida Building Code	372,221
Transportation projects	-
Committed to:	
Law enforcement	-
Fire control	-
Transportation projects	-
Unassigned	8,235,384
Total fund balances	9,252,044
Total liabilities, deferred inflows and fund balances	\$ 12,968,167

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

Community Redevelopment Agency	Impact Fee	Other Governmental Funds	Total Governmental Funds
\$ 904,587	\$ 564,571	\$ 410,882	\$ 4,349,565
-	-	-	408,857
-	-	918,940	918,940
-	-	-	475,556
-	-	373,838	892,080
-	16,229,592	-	25,210,789
-	-	-	114,790
<u>\$ 904,587</u>	<u>\$ 16,794,163</u>	<u>\$ 1,703,660</u>	<u>\$ 32,370,577</u>
\$ -	\$ 165,856	\$ 239,138	\$ 1,081,662
-	435,419	11,983	447,402
-	-	4,600	709,350
-	-	-	85,946
-	-	-	321,280
-	-	-	1,345,087
-	-	-	582,392
<u>475,556</u>	<u>-</u>	<u>-</u>	<u>475,556</u>
<u>475,556</u>	<u>601,275</u>	<u>255,721</u>	<u>5,048,675</u>
-	-	<u>327,896</u>	<u>327,896</u>
-	-	-	475,556
-	-	-	114,790
-	-	201,628	227,281
-	-	-	28,440
-	-	-	372,221
429,031	-	809,601	1,238,632
-	461,526	-	461,526
-	806,203	-	806,203
-	14,925,159	113,414	15,038,573
-	-	(4,600)	8,230,784
<u>429,031</u>	<u>16,192,888</u>	<u>1,120,043</u>	<u>26,994,006</u>
<u>\$ 904,587</u>	<u>\$ 16,794,163</u>	<u>\$ 1,703,660</u>	<u>\$ 32,370,577</u>

**City of Winter Garden, Florida
 Reconciliation of the Balance Sheet of
 Governmental Funds to the Statement of Net Position
 September 30, 2014**

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

Fund balances-total governmental funds	\$ 26,994,006
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	100,286,299
Inventories are recognized as an expenditure at the time of purchase in the governmental funds.	9,338
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.	1,651,893
Earned but unavailable revenue is recognized as a deferred inflow 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.	<u>(13,459,787)</u>
Net position of governmental activities	<u>\$ 115,809,645</u>

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, 2014

	<u>General</u>	<u>Community Redevelopment Agency</u>
REVENUES		
Taxes:		
Ad valorem	\$ 8,164,335	\$ -
Utility services	3,554,248	-
Communications services	1,291,136	-
Local business	209,938	-
Permits, fees, and special assessments	4,131,305	-
Intergovernmental	6,777,107	317,575
Charges for services	3,056,281	-
Fines and forfeits	151,614	-
Investment earnings	41,616	-
Rents and royalties	324,044	-
Contributions and donations	17,787	-
Other	62,280	1,828
Total revenues	<u>27,781,691</u>	<u>319,403</u>
EXPENDITURES		
Current:		
General government	4,475,162	-
Public safety	14,569,495	-
Physical environment	1,510,376	-
Transportation	989,512	-
Economic environment	237,339	-
Public assistance	68,815	-
Culture and recreation	2,953,799	-
Debt service:		
Principal	-	-
Interest	-	11,497
Total expenditures	<u>24,804,498</u>	<u>11,497</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,977,193</u>	<u>307,906</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	125,000	328,111
Transfers out	(1,049,027)	(301,582)
Sale of capital assets	23,837	-
Total other financing sources and (uses)	<u>(900,190)</u>	<u>26,529</u>
Net change in fund balances	2,077,003	334,435
Fund balances—beginning	7,175,041	94,595
Fund balances—ending	<u>\$ 9,252,044</u>	<u>\$ 429,030</u>

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

<u>Impact Fee</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ 8,164,335
-	-	3,554,248
-	-	1,291,136
-	-	209,938
2,506,737	44,643	6,682,685
-	1,692,597	8,787,279
-	-	3,056,281
-	45,937	197,551
86,172	1	127,789
-	-	324,044
-	-	17,787
-	-	64,108
<u>2,592,909</u>	<u>1,783,178</u>	<u>32,477,181</u>
-	-	4,475,162
208,988	511,078	15,289,561
-	-	1,510,376
3,037,542	1,330,461	5,357,515
-	-	237,339
-	-	68,815
-	-	2,953,799
-	448,177	448,177
-	452,444	463,941
<u>3,246,530</u>	<u>2,742,160</u>	<u>30,804,685</u>
<u>(653,621)</u>	<u>(958,982)</u>	<u>1,672,496</u>
-	897,498	1,350,609
-	-	(1,350,609)
-	-	23,837
-	897,498	23,837
(653,621)	(61,484)	1,696,333
16,846,510	1,181,527	25,297,673
<u>\$ 16,192,889</u>	<u>\$ 1,120,043</u>	<u>\$ 26,994,006</u>

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, 2014

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

Net change in fund balances—total governmental funds	\$ 1,696,333
Governmental funds report revenues earned during the period but not yet available as a deferred inflow. However, in the statement of activities revenues are reported when earned.	-
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.	3,850,183
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 position differs from the change in fund balance by the cost of the capital assets sold.	(19,812)
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 position.	448,177
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.	(589,625)
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.	<u>(14,704)</u>
Change in net position of governmental activities	<u>\$ 5,370,552</u>

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes:				
Ad valorem	\$ 8,164,646	\$ 8,164,646	\$ 8,164,335	\$ (311)
Utility services	2,912,022	3,086,307	3,554,248	467,941
Communications services	1,322,965	1,322,965	1,291,136	(31,829)
Local business	175,860	175,860	209,938	34,078
Permits, fees, and special assessments	3,154,434	3,225,637	4,131,305	905,668
Intergovernmental	6,613,905	6,613,905	6,777,107	163,202
Charges for services	2,858,777	2,858,777	3,056,281	197,504
Fines and forfeits	102,280	102,280	151,614	49,334
Investment earnings	35,805	35,805	41,616	5,811
Rents and royalties	224,636	224,636	324,044	99,408
Contributions and donations	7,359	7,359	17,787	10,428
Other	43,075	43,075	62,280	19,205
Total revenues	<u>25,615,764</u>	<u>25,861,252</u>	<u>27,781,691</u>	<u>1,920,439</u>
EXPENDITURES				
Current:				
General government:				
Legislative	169,285	169,285	85,463	83,822
Executive	1,046,121	1,469,408	1,265,947	203,461
Financial and administrative	2,577,939	2,626,636	2,432,238	194,398
Legal counsel	234,703	235,703	259,249	(23,546)
Comprehensive planning	408,206	410,377	432,265	(21,888)
Total general government	<u>4,436,254</u>	<u>4,911,409</u>	<u>4,475,162</u>	<u>436,247</u>
Public safety:				
Law enforcement	8,828,999	9,009,935	8,709,524	300,411
Fire control	4,604,588	5,071,822	5,009,962	61,860
Protective inspections	797,549	824,143	850,009	(25,866)
Total public safety	<u>14,231,136</u>	<u>14,905,900</u>	<u>14,569,495</u>	<u>336,405</u>
Physical environment:				
Cemetery	134,140	147,129	153,054	(5,925)
Building maintenance	490,696	604,973	609,509	(4,536)
Fleet maintenance	457,727	472,781	474,958	(2,177)
Public Services Administration	256,697	271,072	272,855	(1,783)
Total physical environment	<u>1,339,260</u>	<u>1,495,955</u>	<u>1,510,376</u>	<u>(14,421)</u>
Transportation:				
Engineering	272,235	350,301	303,685	46,616
Construction and maintenance	800,995	990,665	685,827	304,838
Total transportation	<u>1,073,230</u>	<u>1,340,966</u>	<u>989,512</u>	<u>351,454</u>
Economic environment				
Public assistance	230,524	363,863	237,339	126,524
Culture and recreation	75,600	75,600	68,815	6,785
Reserve for contingencies	3,005,856	3,194,275	2,953,799	240,476
Reserve for contingencies	100,000	100,000	-	100,000
Total expenditures	<u>24,491,860</u>	<u>26,387,968</u>	<u>24,804,498</u>	<u>1,583,470</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,123,904</u>	<u>(526,716)</u>	<u>2,977,193</u>	<u>3,503,909</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	75,000	200,000	125,000	(75,000)
Transfers out	(1,067,116)	(1,117,116)	(1,049,027)	68,089
Sale of capital assets	9,867	9,867	23,837	13,970
Total other financing sources and (uses)	<u>(982,249)</u>	<u>(907,249)</u>	<u>(900,190)</u>	<u>7,059</u>
Net change in fund balances	141,655	(1,433,965)	2,077,003	3,510,968
Fund balances—beginning	7,175,041	7,175,041	7,175,041	-
Fund balances—ending	<u>\$ 7,316,696</u>	<u>\$ 5,741,076</u>	<u>\$ 9,252,044</u>	<u>\$ 3,510,968</u>

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, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
REVENUES				
Intergovernmental	\$ 342,370	\$ 372,370	\$ 317,575	\$ (54,795)
Investment earnings	5	5	-	(5)
Other	-	7,174,710	1,828	(7,172,882)
Total revenues	<u>342,375</u>	<u>7,547,085</u>	<u>319,403</u>	<u>(7,227,682)</u>
EXPENDITURES				
Current:				
Economic environment	85,556	7,260,266	-	7,260,266
Debt service:				
Interest	14,521	14,521	11,497	3,024
Total expenditures	<u>100,077</u>	<u>7,274,787</u>	<u>11,497</u>	<u>7,263,290</u>
Excess of revenues over expenditures	<u>242,298</u>	<u>272,298</u>	<u>307,906</u>	<u>35,608</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	328,111	328,111	328,111	-
Transfers out	(570,409)	(695,409)	(301,582)	393,827
Total other financing sources and (uses)	<u>(242,298)</u>	<u>(367,298)</u>	<u>26,529</u>	<u>393,827</u>
Net change in fund balances	-	(95,000)	334,435	429,435
Fund —beginning	94,595	94,595	94,595	-
Fund (deficit)—ending	<u>\$ 94,595</u>	<u>\$ (405)</u>	<u>\$ 429,030</u>	<u>\$ 429,435</u>

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, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
REVENUES				
Permits, fees, and special assessments	\$ 1,311,797	\$ 1,311,797	\$ 2,506,737	\$ 1,194,940
Investment earnings	66,063	66,063	86,172	20,109
Total revenues	<u>1,377,860</u>	<u>1,377,860</u>	<u>2,592,909</u>	<u>1,215,049</u>
EXPENDITURES				
Current:				
Public safety:				
Law enforcement	198,964	224,148	208,988	15,160
Total public safety	<u>198,964</u>	<u>224,148</u>	<u>208,988</u>	<u>15,160</u>
Transportation	675,000	8,478,376	3,037,542	5,440,834
Total expenditures	<u>873,964</u>	<u>8,702,524</u>	<u>3,246,530</u>	<u>5,455,994</u>
Excess (deficiency) of revenues over (under) expenditures	<u>503,896</u>	<u>(7,324,664)</u>	<u>(653,621)</u>	<u>6,671,043</u>
Net change in fund balances	503,896	(7,324,664)	(653,621)	6,671,043
Fund balances—beginning	16,846,510	16,846,510	16,846,510	-
Fund balances—ending	<u>\$ 17,854,302</u>	<u>\$ 2,197,182</u>	<u>\$ 16,192,889</u>	<u>\$ 13,995,707</u>

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

City of Winter Garden, Florida
Statement of Net Position
Proprietary Funds
For the Year Ended September 30, 2014

Business-type Activities—Enterprise Funds

	Water and Sewer Utility	Solid Waste	Other Enterprise Funds	Totals
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,433,387	\$ 1,306,583	\$ 1,369,159	\$ 4,109,129
Accounts receivable (net of allowance for uncollectibles)	1,643,233	401,562	130,370	2,175,165
Due from other funds	-	1,429,006	605,979	2,034,985
Interest receivable	56,606	-	-	56,606
Inventories--materials and supplies	536,262	-	-	536,262
Investments	15,677,123	-	-	15,677,123
Restricted cash, cash equivalents, and investments for payment of current liabilities	6,255,171	-	-	6,255,171
Total current assets	25,601,782	3,137,151	2,105,508	30,844,441
Noncurrent assets:				
Restricted cash, cash equivalents, and investments:				
Capital projects	5,461,576	-	-	5,461,576
Debt service	560,282	-	-	560,282
Total restricted	6,021,858	-	-	6,021,858
Capital assets:				
Land	700,149	261,152	63,300	1,024,601
Buildings	5,882,871	606,760	77,227	6,566,858
Improvements other than buildings	18,476,151	317,018	2,824,418	21,617,587
Machinery and equipment	3,522,833	3,785,519	779,307	8,087,659
Infrastructure	61,008,125	-	4,798,379	65,806,504
Construction work in progress	12,246,663	-	1,304,651	13,551,314
Less accumulated depreciation	(32,603,904)	(2,746,664)	(3,356,048)	(38,706,616)
Total capital assets (net of accumulated depreciation)	69,232,888	2,223,785	6,491,234	77,947,907
Total noncurrent assets	75,254,746	2,223,785	6,491,234	83,969,765
Total assets	100,856,528	5,360,936	8,596,742	114,814,206
LIABILITIES				
Current liabilities:				
Accounts payable	403,687	126,687	152,019	682,393
Due to other governmental units	831	-	23,084	23,915
Compensated absences	13,140	7,604	477	21,221
Accrued interest payable	-	-	-	-
Accrued wages payable	11,430	6,166	1,359	18,955
Unearned revenue	58,995	-	10,403	69,398
Payable from restricted assets:				
Accounts payable	740,695	-	-	740,695
Notes and loans payable	716,968	-	-	716,968
Contracts payable	336,230	-	-	336,230
Due to other funds	2,953,925	-	-	2,953,925
Accrued interest payable	33,045	-	-	33,045
Customer deposits	1,513,580	-	-	1,513,580
Total current liabilities	6,782,526	140,457	187,342	7,110,325
Noncurrent liabilities:				
Notes and loans payable	7,448,569	-	-	7,448,569
Compensated absences	60,986	25,526	9,385	95,897
Other postemployment benefits	348,882	190,107	40,022	579,011
Total noncurrent liabilities	7,858,437	215,633	49,407	8,123,477
Total liabilities	14,640,963	356,090	236,749	15,233,802
NET POSITION				
Net investment in capital assets	61,067,351	2,223,785	6,491,235	69,782,370
Restricted for:				
Capital projects	6,488,083	-	-	6,488,083
Debt service	560,282	-	-	560,282
Unrestricted	18,099,849	2,781,061	1,868,759	22,749,669
Total net position	\$ 86,215,565	\$ 5,004,846	\$ 8,359,993	\$ 99,580,404

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 Position
Proprietary Funds
For the Year Ended September 30, 2014

	Business-type Activities—Enterprise Funds			
	Water and Sewer Utility	Solid Waste	Other Enterprise Funds	Totals
Operating revenues:				
Permits, fees, and special assessments	\$ 10,300	\$ -	\$ 1,401,333	\$ 1,411,633
Charges for services	9,726,536	4,413,271	-	14,139,807
Other	7,117	3,506	234,600	245,223
Total operating revenues	<u>9,743,953</u>	<u>4,416,777</u>	<u>1,635,933</u>	<u>15,796,663</u>
Operating expenses:				
Personal services	1,845,776	1,043,315	248,251	3,137,342
Contractual services	774,895	1,183,577	70,155	2,028,627
Utilities	896,323	-	5,436	901,759
Supplies	770,039	449,865	30,778	1,250,682
Depreciation	3,349,759	433,569	349,666	4,132,994
Other services and charges	1,974,874	874,005	228,785	3,077,664
Total operating expenses	<u>9,611,666</u>	<u>3,984,331</u>	<u>933,071</u>	<u>14,529,068</u>
Operating income	<u>132,287</u>	<u>432,446</u>	<u>702,862</u>	<u>1,267,595</u>
Nonoperating revenues (expenses):				
Investment earnings	135,160	-	-	135,160
Gain (loss) on sale of capital assets	-	(2,010)	-	(2,010)
Interest expense	(291,350)	-	-	(291,350)
Total nonoperating revenues (expenses)	<u>(156,190)</u>	<u>(2,010)</u>	<u>-</u>	<u>(158,200)</u>
Income before contributions	(23,903)	430,436	702,862	1,109,395
Capital contributions:				
Permits, fees, and special assessments	2,330,184	-	-	2,330,184
Contributions	3,672,568	-	826,835	4,499,403
Change in net position	5,978,849	430,436	1,529,697	7,938,982
Total net position—beginning	80,236,716	4,574,410	6,830,296	91,641,422
Total net position—ending	<u>\$ 86,215,565</u>	<u>\$ 5,004,846</u>	<u>\$ 8,359,993</u>	<u>\$ 99,580,404</u>

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

City of Winter Garden, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2014

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	\$ 9,633,821	\$ 4,417,229	\$ 1,638,719	\$ 15,689,769
Payments to suppliers	(3,832,091)	(2,496,108)	(262,693)	(6,590,892)
Payments to employees	(1,836,724)	(1,033,873)	(267,787)	(3,138,384)
Payments to other governmental units	(9,827)	-	-	(9,827)
Interest paid on deposits	(43,412)	-	-	(43,412)
Net cash provided by operating activities	<u>3,911,767</u>	<u>887,248</u>	<u>1,108,239</u>	<u>5,907,254</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Decrease in due to other funds	-	-	-	-
Net cash (used) by noncapital and related financing activities	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Grants received	-	-	-	-
Proceeds from sales of capital assets	-	15,846	-	15,846
Purchases of capital assets	(4,814,744)	(474,422)	(587,272)	(5,876,438)
Principal paid on capital debt	(697,055)	-	(1)	(697,056)
Interest paid on capital debt	(250,765)	-	-	(250,765)
Impact fees received	2,330,184	-	-	2,330,184
Net cash (used) by capital and related financing activities	<u>(3,432,380)</u>	<u>(458,576)</u>	<u>(587,273)</u>	<u>(4,478,229)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales and maturities of investments	28,971,746	-	-	28,971,746
Purchase of investments	(28,103,123)	-	-	(28,103,123)
Interest received	312,191	-	-	312,191
Net cash provided by investing activities	<u>1,180,814</u>	<u>-</u>	<u>-</u>	<u>1,180,814</u>
Net increase in cash and cash equivalents	1,660,201	428,672	520,966	2,609,839
Cash and cash equivalents, October 1 (including \$1,628,109 for the water and sewer fund reported in restricted accounts)	<u>1,890,389</u>	<u>877,911</u>	<u>848,193</u>	<u>3,616,493</u>
Cash and cash equivalents, September 30 (including \$1,378,751 for the water and sewer fund reported in restricted accounts)	<u>\$ 3,550,590</u>	<u>\$ 1,306,583</u>	<u>\$ 1,369,159</u>	<u>\$ 6,226,332</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 132,287	\$ 432,446	\$ 702,862	\$ 1,267,595
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	3,349,759	433,569	349,666	4,132,994
(Decrease) in accounts receivable	(181,015)	4,386	4,763	(171,866)
(Decrease) in allowance for uncollectible accounts	(4,460)	(3,934)	(1,167)	(9,561)
(Decrease) in inventories--materials and supplies	(62,500)	-	-	(62,500)
Increase in customer deposits	74,295	-	-	74,295
Increase in accounts payable	646,540	11,338	72,461	730,339
(Decrease) in due to other governmental units	(25)	-	-	(25)
(Decrease) in accrued wages payable	(70,664)	(29,987)	(9,110)	(109,761)
(Decrease) in unearned revenue	(8,754)	-	(810)	(9,564)
(Decrease) in compensated absences	6,653	868	(18,544)	(11,023)
Increase in other postemployment benefits	73,063	38,561	8,118	119,742
Total adjustments	<u>3,822,892</u>	<u>454,801</u>	<u>405,377</u>	<u>4,683,070</u>
Net cash provided by operating activities	<u>\$ 3,955,179</u>	<u>\$ 887,247</u>	<u>\$ 1,108,239</u>	<u>\$ 5,950,665</u>
Noncash investing, capital, and financing activities:				
(Decrease) in fair value of investments	(93,225)	-	-	-

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

**City of Winter Garden, Florida
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2014**

	<u>Pension Trust Funds</u>
ASSETS	
Cash and Cash Equivalents	
Short Term Investments	\$ 2,896,761
Total Cash and cash equivalents	<u>2,896,761</u>
Receivables:	
City Contributions in Transit	530,177
Retiree Reimbursement	42
Investment Income	148,091
Total Receivables	<u>678,310</u>
Investments:	
U.S. Treasury/Agency	6,411,899
U.S. Agency Guaranteed Securities	3,500,734
Corporate Bonds	2,450,735
Corporate Stocks	23,105,052
Fixed Income Mutual Funds	2,077,390
Equity Mutual Funds	7,742,794
Real Estate	4,231,117
Total Investments	<u>49,519,721</u>
Total Assets	<u><u>53,094,792</u></u>
LIABILITIES	
Payables:	
Investment Expenses	32,348
Administrative Expenses	1,667
Advanced Member Contributions	49,885
Total Liabilities	<u>83,900</u>
NET POSITION	
Restricted for Pensions	<u><u>\$ 53,010,892</u></u>

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

City of Winter Garden, Florida
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2014

	Pension Trust Funds
ADDITIONS	
Contributions:	
City	\$ 1,876,134
State	449,044
Employee	411,139
Total contributions	2,736,317
Investment Income:	
Net increase in Fair Value of Investments	3,811,841
Interest and Dividends	1,207,170
Less investment expense	(263,779)
Net Investment Income	4,755,232
Total Additions	7,491,549
DEDUCTIONS	
Benefits Paid to Participants	2,261,384
Lump Sum PLOP Distributions	324,907
Refunds of Member Contributions	19,208
Administrative Expense	59,856
Total Investments	2,665,355
Net Increase in Net Position	4,826,194
Net Position Restricted for Pensions	
Net position—beginning of year	48,184,698
Net position—end of year	\$ 53,010,892

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

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

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 position 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

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

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

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

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.

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.

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

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, deferred inflows, and net position or fund balance

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.

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

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 position 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 position 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 \$1,000 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.

CITY OF WINTER GARDEN, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended September 30, 2014

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 position.

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.

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

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) 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) 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, or committed.

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.

CITY OF WINTER GARDEN, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended September 30, 2014

E. Property taxes

For property taxes budgeted for the fiscal year ended September 30, 2014, all property was assessed according to its fair market value on January 1, 2013, 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 24, 2013. Tax bills were rendered November 1, 2013, and unpaid taxes became delinquent on April 1, 2014. On or prior to June 1, 2014, 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 position

The governmental fund balance sheet includes a reconciliation between *fund balance—total governmental funds* and *net position—governmental activities* as reported in the government-wide statement of net position. 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 \$(13,459,787) difference are as follows:

Bonds and notes payable	\$(10,100,000)
Compensated absences	(1,060,016)
Other postemployment benefits	<u>(2,299,771)</u>
 Net adjustment to reduce <i>fund balance—total governmental funds</i> to arrive at <i>net position—governmental activities</i>	 <u>\$(13,459,787)</u>

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 position 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 \$3,850,183 difference are as follows:

Capital outlay	\$ 8,212,412
Depreciation expense	<u>(4,362,229)</u>

CITY OF WINTER GARDEN, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended September 30, 2014

Net adjustment to increase *net changes in fund balances—total governmental funds* to arrive at *changes in net position of governmental activities* \$ 3,850,183

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 position.” The details of this \$448,177 difference are as follows:

Principal repayments:		
Revenue notes		\$168,177
Revenue bonds		<u>280,000</u>

Net adjustment to decrease *net changes in fund balances—total governmental funds* to arrive at *changes in net position of governmental activities* \$448,177

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 \$(589,625) difference are as follows:

Compensated absences		\$(12,658)
Other postemployment benefits		(469,836)
Pension asset		<u>(107,131)</u>

Net adjustment to decrease *net changes in fund balances—total governmental funds* to arrive at *changes in net position of governmental activities* \$(589,625)

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.

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

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 \$12,556,410 in the governmental funds. These were primarily due to encumbrances outstanding at the end of the 2013 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.

IV. Detailed notes on all funds

A. Deposits and investments

As of September 30, 2014, the City had the following investments:

<u>Investment Type</u>	<u>Government-wide</u>		<u>Pension Trust Funds</u>	
	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Money market funds	\$ -	-	\$ 1,535,009	0.00
United States Government securities	8,629,750	1.86	4,585,042	14.19
United States Government Agencies	36,014,908	1.86	1,870,409	0.96
Corporate obligations	-	-	2,471,268	7.85
Mortgage Pools	-	-	3,514,357	2.51
Municipal obligations	2,819,347	1.41	-	-
Commercial paper	4,098,587	0.18	-	-
Fixed Income Mutual Funds	-	-	5,874,052	3.36
SBA:				
Florida PRIME	126,484	0.11	-	-
Total fair value—Government-Wide	<u>\$51,689,076</u>			
Portfolio weighted average Maturity		1.78		4.93
Equities			<u>32,702,155</u>	
Total fair value—Pension Trust Funds			<u>\$52,552,292</u>	

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

The SBA administers the Florida PRIME Fund, formerly known as the Local Government Surplus Funds Trust Fund (LGIP), which is 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. 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.

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:

<u>Investment Type</u>	<u>Maximum Length to Maturity (Years)</u>	<u>Minimum Credit Quality (S&P/Moody's)</u>	<u>Maximum Percent with a Single Issuer</u>
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

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

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
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, 2014, the City's investments in U.S. Treasury Bonds reported in the government-wide statements were rated AA+ by Standard & Poor's (S&P) and Aaa by Moody's Investors Service (Moody's). Municipal Bonds were rated AA by S&P and Aa2 by Moody's. SBA Florida PRIME was rated AAAm by S&P. Corporate obligations reported in the Pension Trust Funds were rated as follows:

<u>S&P</u>	<u>Moody's</u>	<u>Fair Value</u>
AA	Aa	\$ 451,881
A	A	1,708,385
BBB	Baa	311,003

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, 2014, the City's bank balances were \$9,868,328. Of the bank balances, \$500,000 was covered by federal depository insurance and \$9,368,328 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, 2014, 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.

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

B. Receivables, deferred inflows, and unearned 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:

	<u>General</u>	<u>Water and Sewer Utility</u>	<u>Solid Waste</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$ 254,909	\$ -	\$ -	\$ -	\$ 254,909
Accounts	286,974	2,067,417	604,882	784,257	3,743,530
Interest	<u>52,810</u>	<u>56,606</u>	<u>-</u>	<u>148,091</u>	<u>257,506</u>
Gross receivables	594,693	2,124,022	604,882	932,348	4,255,945
Less: allowance for					
Uncollectibles	<u>(185,837)</u>	<u>(424,183)</u>	<u>(203,320)</u>	<u>(123,669)</u>	<u>(937,008)</u>
Net total receivables	<u>\$ 408,857</u>	<u>\$1,699,839</u>	<u>\$ 401,562</u>	<u>\$ 808,680</u>	<u>\$3,318,938</u>
Reported in:					
Governmental					
Activities	\$ 408,857	\$ -	\$ -	\$ -	\$ 408,857
Business-type					
Activities	-	1,699,839	401,562	130,370	2,231,771
Fiduciary funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>678,310</u>	<u>678,310</u>
Net total receivables	<u>\$ 408,857</u>	<u>\$1,699,839</u>	<u>\$ 401,562</u>	<u>\$ 808,680</u>	<u>\$3,318,938</u>

Governmental funds report *deferred inflows* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of *deferred inflows and unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Police and fire premium taxes	\$327,896	
Customer credit balances		\$ 23,116
Developer agreements		1,027,666
Developer escrow accounts		<u>294,305</u>
Total deferred inflows and unearned revenue for governmental funds	<u>\$327,896</u>	<u>\$1,345,087</u>

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

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	\$69,398

C. Capital assets and construction commitments

Capital asset activities for the year ended September 30, 2014 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$24,554,384	\$ 186,692	\$ -	\$24,741,076
Construction in progress	2,895,644	3,310,777	(1,558,939)	4,647,482
Total capital assets, not being depreciated	27,450,028	3,497,469	(1,558,939)	29,388,558
Capital assets, being depreciated:				
Buildings	27,866,823	101,120	-	27,967,943
Improvements other than buildings	11,106,496	1,759,803	-	12,866,299
Machinery and equipment	12,872,074	1,125,088	(414,147)	13,583,015
Infrastructure	53,053,568	3,287,871	-	56,341,439
Total capital assets, being depreciated	104,898,961	6,273,882	(414,147)	110,758,696
Less accumulated depreciation for:				
Buildings	(6,832,012)	(788,159)	-	(7,620,171)
Improvements other than buildings	(3,638,697)	(682,855)	-	(4,321,552)
Machinery and equipment	(10,654,541)	(843,273)	394,335	(11,103,479)
Infrastructure	(14,767,811)	(2,047,942)	-	(16,815,753)
Total accumulated depreciation	(35,893,061)	(4,362,229)	394,335	(39,860,955)
Total capital assets, being depreciated, net	69,005,900	1,911,653	(19,812)	70,897,741
Governmental activities capital assets, net	\$96,455,928	\$5,409,122	\$(1,578,751)	\$100,286,299

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

	Ending Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 1,024,601	\$ -	\$ -	\$1,024,601
Construction in progress	12,172,196	4,675,492	(3,296,374)	13,551,314
Total capital assets, not being depreciated	<u>13,196,797</u>	<u>4,675,492</u>	<u>(3,296,374)</u>	<u>14,575,915</u>
Capital assets, being depreciated:				
Buildings and infrastructure	64,108,495	8,264,867	-	72,373,362
Improvements other than buildings	21,495,989	121,598	-	21,617,587
Machinery and equipment	7,990,661	856,883	(759,885)	8,087,659
Total capital assets, being depreciated	<u>93,595,145</u>	<u>9,243,348</u>	<u>(759,885)</u>	<u>102,078,608</u>
Less accumulated depreciation for:				
Buildings and infrastructure	(18,844,407)	(2,640,641)	-	(21,485,048)
Improvements other than buildings	(11,429,184)	(778,054)	-	(12,207,238)
Machinery and equipment	(5,042,062)	(714,297)	742,029	(5,014,330)
Total accumulated depreciation	<u>(35,315,653)</u>	<u>(4,132,992)</u>	<u>742,029</u>	<u>(38,706,616)</u>
Total capital assets, being depreciated, net	<u>58,279,492</u>	<u>5,110,356</u>	<u>(17,856)</u>	<u>63,371,992</u>
Business-type activities capital assets, net	<u>\$71,476,289</u>	<u>\$9,785,848</u>	<u>(\$3,314,230)</u>	<u>\$77,947,907</u>

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

Governmental activities:	
General government	\$ 554,224
Public safety	757,329
Physical environment	53,791
Transportation	2,119,341
Economic environment	205,870
Culture and recreation	<u>671,674</u>
Total depreciation expense—governmental activities	<u>\$4,362,229</u>
Business-type activities:	
Water and sewer	\$3,349,757
Solid waste	433,569
Stormwater	329,345
Residential mobile home lot rentals	<u>20,321</u>
Total depreciation expense—business-type activities	<u>\$4,132,992</u>

The City has active construction projects as of September 30, 2014. The projects include recreational trail improvements, and median landscape improvements. At year end, the City's commitments with contractors were as follows:

CITY OF WINTER GARDEN, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended September 30, 2014

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Vineland road – road, utility, drainage improvements	\$ 298,210	\$ 481,522
Plant Street Segment 2 improvements	5,074,318	1,752,817
Crest Ave WWTP Flow Equalization Basin improvements	2,148,259	133,347
Total	<u>\$ 7,520,787</u>	<u>\$ 2,367,686</u>

The commitment for the recreational trail improvements is being funded by local option gas Tax Revenues and water and sewer impact fees. The commitment for the Plant St. segment 2 improvements is being funded by road, water and sewer impact fees. The commitment for the Crest Ave. WWTP flow equalization basin improvements is being funded by sewer impact fees. At September 30, 2014, the City had encumbrance commitments as follows:

<u>Fund</u>	<u>Encumbrances</u>
Local Option Gas Tax	\$ 11,983
Governmental Impact Fees	435,419
Utilities	25,149
Utility Impact Fees	355,057
Utility Renewal and Replacement	1,173
Stormwater	23,084
Total Encumbrances	<u>\$851,865</u>

D. Interfund receivables, payables, and transfers

The composition of interfund balances as of September 30, 2014, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor governmental fund	Water and Sewer Utility	\$ 918,940
Solid Waste	Water and Sewer Utility	1,429,006
Nonmajor enterprise fund	Water and Sewer Utility	605,979
Total		<u>\$2,953,925</u>

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

CITY OF WINTER GARDEN, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended September 30, 2014

Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
General	Community Redevelopment Agency	\$475,556

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 18 semi-annual installments remaining.

Interfund transfers:

	Transfer In:			Total
	General Fund	Community Redevelopment Agency Fund	Nonmajor Governmental	
Transfer out:				
General Fund	\$ -	\$328,111	\$ 720,916	\$1,049,027
Community Redevelopment Agency Fund	125,000	-	176,582	301,582
Total transfers out	\$125,000	\$328,111	\$897,498	\$1,350,609

Transfers from the General Fund to the Community Redevelopment Agency Fund were for the City's contribution of tax increment revenues. Transfers from the General Fund to nonmajor governmental funds were for debt service and for City match of law enforcement grants. Transfers from the Community Redevelopment Agency Fund to the General Fund were for CRA match of the Community Development Block Grant. 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 \$75,305 for the year ended September 30, 2014. The future minimum lease payments for these leases are as follows:

Year Ending September 30	Amount
2015	\$78,951
2016	49,930
2017	20,379
2018	14,966
Total	<u>\$164,226</u>

CITY OF WINTER GARDEN, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended September 30, 2014

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 \$15,888,302. Principal and interest paid for the current year and total Local Government Half-Cent Sales Tax revenues were \$724,038 and \$5,209,592, respectively. Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Amount
New city hall	4.00%-4.50%	\$10,100,000

Revenue bond debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest
2015	\$ -	\$ 216,419
2016	290,000	427,038
2017	300,000	415,238
2018	315,000	402,938
2019	325,000	390,138
2020-2024	1,840,000	1,736,922
2025-2029	2,255,000	1,305,450
2030-2034	2,790,000	758,094
2035-2037	1,985,000	136,066
	<u>\$10,100,000</u>	<u>\$5,788,302</u>

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. Rate Coverage for the loans require that the Pledged Revenues equal or exceed 1.15 times the sum of the Semiannual Loan Payments due in the Fiscal Year. The total principal and interest remaining to be paid on the loans is \$9,436,474. The total semi-annual principal and interest

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

paid for the current year and total pledged revenues were \$471,823 and \$8,676,308, respectively.

Loans outstanding at year end are as follows:

Purpose	Interest Rates	Amount
Wastewater treatment pre-construction—Water and Sewer Utility	3.33%	\$ 633,901
Wastewater treatment construction—Water and Sewer Utility	2.82%	6,349,729
Water treatment construction—Water and Sewer Utility	2.67%	1,181,907
Total outstanding		8,165,537
Accrued interest		33,045
Total amounts outstanding		<u>\$8,198,582</u>

Loan debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest
2015	\$ 716,968	\$ 226,679
2016	737,451	206,196
2017	758,523	185,125
2018	780,197	163,451
2019	802,491	141,155
2020-2024	4,369,907	348,328
	<u>\$8,165,537</u>	<u>\$1,270,935</u>

Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2014, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue bonds	\$10,380,000	\$ -	\$ (280,000)	\$10,100,000	\$ -
Revenue notes	168,177	-	(168,177)	0	-
Other postemployment benefits	1,829,935	655,716	(185,880)	2,299,771	-
Compensated absences	1,047,358	632,968	(620,310)	1,060,016	154,109
Governmental activity Long-term liabilities	<u>\$13,425,470</u>	<u>\$1,288,684</u>	<u>\$(1,254,367)</u>	<u>\$13,459,787</u>	<u>\$154,109</u>

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Loans	\$8,862,592	\$ -	\$ (697,055)	\$8,165,537	\$716,969
Other postemployment benefits	459,269	167,116	(47,373)	579,012	-
Compensated absences	128,141	68,398	(79,422)	117,117	21,220
Business-type activity Long-term liabilities	\$9,450,002	\$ 235,514	\$ (823,850)	\$8,861,666	\$738,189

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 23, 2014, the City approved an Interlocal Agreement for Police Dispatching Services for the City of Ocoee. The City of Winter Garden currently handles this service for the town of Oakland, this new agreement will allow for the city of Winter Garden, Oakland and Ocoee to be on the same software system and fully exchange information.

On January 22, 2015, the City approved to move forward with a parking garage RFQ package proposal to design/build a parking garage that is two stories with three levels located on the site of the existing parking lot south of Tremaine Street. As of the date of this report, the RFQ has not been awarded, the cost of the total project will not be decided on until the

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

bid responses are received and analyzed. The CRA approved \$6 million out of the CRA funds to go towards the project. This project will require a debt issuance which both the City and the CRA Funds will make the annual payments.

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

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

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, 2014, there were three 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, 2014, the City paid \$91,049 for these benefits. For the 2014 fiscal year, the City provided contributions of \$233,253 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 2014:

Net OPEB obligation at September 30, 2013	\$2,289,202
Annual OPEB cost (AOC):	
Annual Required Contribution (ARC)	808,985
Interest on net OPEB obligation	103,014
Adjustments to ARC	(89,167)
Total AOC	822,832
Contributions made	(233,253)
Change in NOPEBO	589,579
Net OPEB obligation at September 30, 2014	\$2,878,781

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, 2014, was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Percentage of APC Contributed</u>	<u>Net OPEB Obligation</u>
9/30/2012	\$696,255	22%	\$1,734,128
9/30/2013	775,896	29%	2,289,202
9/30/2014	822,832	28%	2,878,781

Funded status and funding progress. As of October 1, 2013, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$6,956,075, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$6,956,075. The estimated covered payroll (annual payroll for active

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

accrued liability of \$6,956,075. The estimated covered payroll (annual payroll for active participating employees) was \$12,946,418 for fiscal year 2014, and the estimated ratio of the unfunded actuarial accrued liability to the covered payroll was 53.7%. 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 2014 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 inflation assumption rate of 4.0 percent per year, an underlying inflation rate assumption of 3%, and an annual healthcare cost trend rate of 7.5 percent initially for fiscal year 2014, reduced by 1.0 percent per year, to an ultimate rate of 4.5 percent for the fiscal year ending September 30, 2017. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis over 30 years. The methodology for amortization of new gains or losses each year is a "30 year closed amortization period". So each year a new gain or loss is created and this base is amortized over 30 years. However in the following year, the amortization period for that base decreases by 1 year. The Initial Unfunded AAL Base is now at 25 years remaining. But the most recently created based as of 10/1/13 is amortized over 30 years.

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

F. Employee retirement systems and pension plans

Defined Benefit Plans

1. *Plan Description, Membership and Plan Benefits, and Contribution Requirements*

Plan Description

The City contributes to two single-employer, defined benefit pension plans: Pension Plan for General Employees (GEP) and Pension Plan for Firefighters and Police Officers (FPP) All full-time general employees of the City who have not otherwise opted out participate in the GEP. All full-time firefighters and police officers of the City participate in the FPP. Plan provisions may be established or amended by the City Commission. The plans do not issue stand-alone financial reports, and are reported as pension trust funds in the City's financial statements 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.

The GEP is administered by a five-member Board of Trustees. Two trustees are City Commission appointees, two are members of the GEP elected by the membership, and a fifth trustee is elected by a majority of the other four Board members. The FPP is administered by a five-member Board of Trustees. Two trustees are legal residents of the City appointed by the City Commission, two trustees are members of the FPP (one from the police department and one from the fire department) elected by the FPP membership, and a fifth trustee is elected by a majority of the other four Board members.

Membership and Plan Benefits – GEP

As of October 1, 2013, there were 130 active members in the GEP, 65 inactive members entitled to benefits but not receiving yet, and 54 inactive plan members or beneficiaries receiving benefits. The GEP provides retirement, termination, disability and death benefits. The normal retirement benefit is 2.5% of average final compensation times credited service. Normal retirement is calculated as the earlier of age 65 with five years of credited service, completion of 30 years of credited service regardless of age, or attainment of age 70 regardless of credited service. The early retirement benefit is the member's accrued benefit reduced 5% per year that the benefit commencement date precedes age 65. Early retirement eligibility requires five years of credited service after age 60. Member vesting reaches 100% after five years of credited service. The member will receive the vested portion of their accrued benefit payable at the early or normal retirement date.

Disability benefit is 2% of average final compensation for the first 20 years of credited service, plus 1% of average final compensation for credited service in excess of 20 years. The minimum benefit is the greater of \$100 or 40% of average final compensation. Disability eligibility requires 10 years of credited service.

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

Death benefit is the monthly accrued benefit payable to their designated beneficiary for 10 years at otherwise early or normal retirement date. Members are eligible for death benefit after 5 years of credited service.

Membership and Plan Benefits – FPP

As of October 1, 2013, there were 112 active members in the FPP, 38 inactive members entitled to benefits but not receiving yet, and 36 inactive plan members or beneficiaries receiving benefits. The FPP provides retirement, termination, disability and death benefits. The FPP was established and operates within the parameters of Florida Statutes 175 and 185, which govern police and fire pension plans in the State of Florida.

The normal retirement benefit is 3% of average final compensation times credited service up to 25 years, plus 2% of average final compensation times credited service for each year after 25 years. The maximum benefit is 95% of average final compensation. Normal retirement is calculated as the earlier of age 55 with six years of credited service or 25 years of credited service regardless of age. The early retirement benefit is the member's accrued benefit reduced 3% per year that the benefit commencement date precedes age 55. Early retirement eligibility requires six years of credited service by age 50. Member vesting reaches 100% after six years of credited service. The member will receive the vested portion of their accrued benefit payable at the early or normal retirement date.

Disability benefit is accrued to the date of the disability but not less than 42% of average final compensation (25% for non-service incurred). The maximum benefit is 95% of average final compensation. For service incurred disability, the member is covered from the date of employment. For non-service incurred disability, the member is covered after 10 years of credited service.

Death benefits for members with less than 10 years of credited service is a refund of the member contributions. Benefits for members with 10 or more years of credited service, the beneficiary receives the monthly accrued benefit payable at otherwise early or normal retirement date.

Contribution Requirements

The City Commission has the authority to establish or amend the contribution rates for the GEP and the FPP. For the GEP and FPP, the required contribution is the amount required in order to pay current costs and amortize the unfunded past service cost, if any, as provided for in Chapter 112, Florida Statutes. For the GEP, the current required contribution rate is 13.5% of annual covered payroll and the City contributed \$883,975 for the year ended September 30, 2014. For the FPP, the current required contribution rate is 18% of annual covered payroll and the City contributed \$1,269,966 for the year ended September 30, 2014.

CITY OF WINTER GARDEN, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended September 30, 2014

Florida Statutes, Chapters 175 and 185, require FPP members to contribute not less than .5% of their annual salary. The FPP, as approved by the City Commission, requires members to contribute 3.5% of their annual salary. The City is required to contribute to the FPP at an actuarially determined rate, which includes the State's premium tax proceeds. Employer contributions for firefighters and police officers include on-behalf payments from the State of Florida related to state excise taxes collected on homeowner's insurance policies. The on-behalf payment amounts are recorded as revenue in the City's Police and Fire Premium Tax Trust Fund, and as an operating expenditure for the amounts contributed to the pension funds. These revenues, taken as a whole, amounted to \$449,045 for the year ended September 30, 2014.

2. *Pension Plan Investments*

The GEP and FPP follow investment policies adopted by their respective Boards of Trustees, which have the authority for establishing and amending Plan investment policy decisions for the GEP and FPP. The policies outline suitable authorized investments along with asset allocations. The following table presents the adopted asset allocation policies as of September 30, 2014.

<u>Asset Class</u>	<u>Target Allocation</u>	
	<u>GEP</u>	<u>FPP</u>
Domestic Equity	45%	50%
International Equity	15%	10%
Broad Market Fixed Income	30%	30%
Global Fixed Income	5%	N/A
TIPS	N/A	5%
Real Estate	5%	5%
	100%	100%

The GEP and FPP's investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Securities without an established market are reported at estimates fair value. Independent investments managers and an independent custodian handle all pension investments and disbursements for each plan. The GEP and FPP did not hold investments in any one organization that represent 5% or more of the fiduciary net position.

For the year ended September 30, 2014, the annual money-weighted rate of return on the GEP's investments, net of pension investment expense, was 10.97%. For the year ended September 30, 2014, the annual money-weighted rate of return on the FPP's investments, net of pension investment expense, was 9.2%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

3. *Net Pension Liability, Significant Assumptions, and Discount Rate*

The components of the net pension liability of the City as of September 30, 2014 were as follows:

	GEP	FPP
Total Pension Liability	\$ 22,557,246	\$ 29,818,780
Plan Fiduciary Net Position	(22,902,812)	(30,108,080)
City's Net Pension Liability	\$ (345,566)	\$ (289,300)
Plan Fiduciary Net Position as a % of Total Pension Liability	101.53%	100.97%

The total pension liability was determined by an actuarial valuation as of October 1, 2013 updated to September 30, 2014 using the following actuarial assumptions applied to all measurement periods for both the GEP and FPP.

Inflation	3%
Salary Increases	3-13%
GEP Investment Rate of Return	7.25%
FPP Investment Rate of Return	7.5%

For the GEP, mortality rates were based on the RP-2000 Combined Healthy Table projected to the valuation date with Schedule AA. Disabled lives are set forward five years. For the FPP, mortality rates were based on the RP-2000 Table (with no projection) which is based on a study of over 650 public safety funds. This table reflects a 10% margin for future mortality improvements. Disabled lives are set forward five years.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the GEP and FPP's target asset allocations as of September 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>	
	GEP	FPP
Domestic Equity	7.5%	7.5%
International Equity	8.5%	8.5%
Broad Market Fixed Income	2.5%	2.5%
Global Fixed Income	3.5%	N/A
TIPS	N/A	2.5%
Real Estate	4.5%	4.5%

CITY OF WINTER GARDEN, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended September 30, 2014

The discount rate used to measure the total pension liability for the GEP was 7.25% and the FPP was 7.5%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the GEP and FPP's fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the net pension liability.

The following table presents the sensitivity of the net pension liability to changes in the discount rate for each plan.

	1% Decrease to 6.25%	Current Discount Rate of 7.25%	1% Increase to 8.25%
GEP Net Pension Liability	\$ 2,586,977	\$ (345,566)	\$ (2,795,543)

	1% Decrease to 6.5%	Current Discount Rate of 7.5%	1% Increase to 8.5%
FPP Net Pension Liability	\$ 3,525,208	\$ (289,300)	\$ (3,465,607)

4. Annual Pension Cost, Net Pension Obligation, Funding Status and Actuarial Assumptions in accordance with GASB 27

The calculation of the Net Pension Obligation (Asset) and annual pension cost for the GEP and FPP is as follows:

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

GEP	<u>As of 9/30/14</u>	<u>As of 9/30/13</u>	<u>As of 9/30/12</u>
Actuarially Determined Contribution (A)	\$ 883,975	\$ 694,026	\$ 632,769
Interest on NPO	(38,269)	(40,790)	(41,505)
Adjustment to (A)	<u>70,886</u>	<u>75,554</u>	<u>51,368</u>
Annual Pension Cost	916,592	728,790	642,632
Contributions Made	<u>883,975</u>	<u>694,026</u>	<u>632,769</u>
Decrease in NPO	32,617	34,764	9,863
NPO Beginning of Year	<u>(527,852)</u>	<u>(562,616)</u>	<u>(572,479)</u>
NPO End of Year	<u>\$ (495,235)</u>	<u>\$ (527,852)</u>	<u>\$ (562,616)</u>
FPP	<u>As of 9/30/14</u>	<u>As of 9/30/13</u>	<u>As of 9/30/12</u>
Actuarially Determined Contribution (A)	\$ 1,269,967	\$ 1,114,048	\$ 1,069,772
Interest on NPO	(92,338)	(98,286)	(99,910)
Adjustment to (A)	<u>166,851</u>	<u>177,599</u>	<u>121,555</u>
Annual Pension Cost	1,344,480	1,193,361	1,091,417
Contributions Made	<u>1,269,966</u>	<u>1,114,048</u>	<u>1,069,771</u>
Decrease in NPO	74,514	79,313	21,646
NPO Beginning of Year	<u>(1,231,172)</u>	<u>(1,310,485)</u>	<u>(1,332,131)</u>
NPO End of Year	<u>\$ (1,156,658)</u>	<u>\$ (1,231,172)</u>	<u>\$ (1,310,485)</u>

Three Year Trend Information:

Plan	Fiscal Year Ended	Annual Pension Cost	Percentage of APC Contributed	Net Pension Obligation
GEP	09/30/12	\$ 642,632	100%	\$ (562,616)
	09/30/13	728,790	100%	(527,852)
	09/30/14	916,592	100%	(495,235)
FPP	09/30/12	\$ 1,091,417	100%	\$ (1,310,485)
	09/30/13	1,193,361	100%	(1,231,172)
	09/30/14	1,344,480	100%	(1,156,658)

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

Funded Status and Funding Progress

As of October 1, 2013, the actuarial accrued liability (AAL) for benefits of the GEP was \$21,723,576. Assets of the Plan are valued at market, and the current value is \$19,370,058, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,353,518 or 89.2% funded ratio. The covered annual payroll was \$6,288,440. The ratio of the UAAL to the covered payroll was 37.4%. As of October 1, 2013, the actuarial accrued liability (AAL) for benefits of the FPP was \$28,080,990. Assets of the Plan are valued at market, and the current value is \$25,938,276, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,142,714 or 92.4% funded ratio. The covered annual payroll was \$6,923,351. The ratio of the UAAL to the covered payroll was 31.0%. The Schedules of Funding Progress for the GEP and FPP immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan net position is increasing or decreasing relative to the actuarial accrued liability for benefits over time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial Methods and Significant Assumptions

Contribution rates:	GEP	FPP
Employer	13.5%	18.0%
Employee	2.5%	3.5%
Actuarial valuation date	10/01/12	10/01/12
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar, Closed	Level Dollar, Closed
Remaining amortization period	20 Years	19 Years
Asset valuation method	5 year smooth	5 year smooth
Actuarial assumptions:		
Investment rate of return	7.25%	7.50%
Projected salary increases (a)	3-13%	3.4-12%
(a) Includes inflation at	3%	3%
Post-retirement benefit increases	N/A	N/A

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

5. *Combining Financial Statements for the Pension Trust Funds*

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2014**

	PENSION PLAN FOR GENERAL EMPLOYEES	PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS	TOTAL PENSION TRUST FUNDS
ASSETS			
Cash and Cash Equivalents:			
Short Term Investments	\$ 1,191,399	\$ 1,705,362	\$ 2,896,761
Total Cash and Cash Equivalents	<u>1,191,399</u>	<u>1,705,362</u>	<u>2,896,761</u>
Receivables:			
City Contributions in Transit	259,430	270,747	530,177
Retiree Reimbursement	-	42	42
Investment Income	<u>65,290</u>	<u>82,801</u>	<u>148,091</u>
Total Receivables	<u>324,720</u>	<u>353,590</u>	<u>678,310</u>
Investments:			
U.S. Treasury/Agency	2,507,684	3,904,215	6,411,899
U.S. Agency Guaranteed Securities	2,042,356	1,458,378	3,500,734
Corporate Bonds	1,121,864	1,328,871	2,450,735
Corporate Stocks	13,271,107	9,833,945	23,105,052
Fixed Income Mutual Funds	1,003,668	1,073,722	2,077,390
Equity Mutual Funds	66,496	7,676,298	7,742,794
Real Estate	<u>1,399,490</u>	<u>2,831,627</u>	<u>4,231,117</u>
Total Investments	<u>21,412,665</u>	<u>28,107,056</u>	<u>49,519,721</u>
Total Assets	<u>22,928,784</u>	<u>30,166,008</u>	<u>53,094,792</u>
LIABILITIES			
Payables:			
Investment Expenses	24,129	8,219	32,348
Administrative Expenses	1,667	-	1,667
Advanced Member Contributions	<u>176</u>	<u>49,709</u>	<u>49,885</u>
Total Liabilities	<u>25,972</u>	<u>57,928</u>	<u>83,900</u>
NET POSITION RESTRICTED FOR PENSIONS			
	<u>\$ 22,902,812</u>	<u>\$ 30,108,080</u>	<u>\$ 53,010,892</u>

CITY OF WINTER GARDEN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
for the year ended September 30, 2014

The net position restricted for pensions was restated for both Pension Trust Funds as a result of implementation of the GASB Statement No. 67 *Financial Reporting for Pension Plans*. The elements of this restatement are as follows:

Statement of Net Position	General Pension <u>Trust Fund</u>	Fire and Police Pension <u>Trust Fund</u>	Total Pension Trust <u>Funds</u>
Ending Net Position as of September 30, 2013	\$ 20,917,193	\$ 27,342,796	\$ 48,259,989
Restatements from full accrual modification	<u>(13,264)</u>	<u>(62,027)</u>	<u>(75,291)</u>
Beginning Net Position as of October 1, 2013	<u>\$ 20,903,929</u>	<u>\$ 27,280,796</u>	<u>\$48,184,698</u>

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	PENSION PLAN FOR GENERAL EMPLOYEES	PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS	TOTAL PENSION TRUST FUNDS
ADDITIONS			
Contributions:			
City	\$ 883,975	\$ 992,159	\$ 1,876,134
State	-	449,044	449,044
Employee	<u>164,064</u>	<u>247,075</u>	<u>411,139</u>
Total Contributions	<u>1,048,039</u>	<u>1,688,278</u>	<u>2,736,317</u>
Investment Income:			
Net Increase in Fair Value of Investments	1,838,940	1,972,901	3,811,841
Interest and Dividends	556,952	650,218	1,207,170
Less Investment Expense ¹	<u>(136,463)</u>	<u>(127,316)</u>	<u>(263,779)</u>
Net Investment Income	<u>2,259,429</u>	<u>2,495,803</u>	<u>4,755,232</u>
Total Additions	<u>3,307,468</u>	<u>4,184,081</u>	<u>7,491,549</u>
DEDUCTIONS			
Benefits Paid to Participants	1,072,300	1,189,084	2,261,384
Lump Sum PLOP Distributions	208,496	116,411	324,907
Refunds of Member Contributions	3,335	15,873	19,208
Administrative Expense	<u>24,454</u>	<u>35,402</u>	<u>59,856</u>
Total Deductions	<u>1,308,585</u>	<u>1,356,770</u>	<u>2,665,355</u>
Net Increase in Net Position	1,998,883	2,827,311	4,826,194
Net Position Restricted for Pensions			
Beginning of Year	<u>20,903,929</u>	<u>27,280,769</u>	<u>48,184,698</u>
End of Year	<u>\$ 22,902,812</u>	<u>\$ 30,108,080</u>	<u>\$ 53,010,892</u>

¹ Investment related expenses include investment advisory, custodial and performance monitoring fees.

CITY OF WINTER GARDEN, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended September 30, 2014

6. *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, 2014, there were three 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, 2014 were \$23,552.19.

Normal Retirement Benefits:	Defined Contribution ¹
Age	59 ½
Years of service (minimum)	N/A
Accrual-(years 1-25)	N/A
(over 25)	N/A
Maximum	N/A
Years to vest	5

¹A 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.

CITY OF WINTER GARDEN, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 for the year ended September 30, 2014

**OTHER POST EMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial 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)
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
10/1/2012	0	6,393,532	6,393,532	0.0	12,448,479	51.4
10/1/2013	0	6,956,075	6,956,075	0.0	12,946,418	53.7

†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.

**OTHER POST EMPLOYMENT BENEFITS PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Year Ended September 30	Annual Required Contribution	Percentage Contributed
2011	649,687	23
2012	687,195	22
2013	764,109	29
2014	808,985	28

CITY OF WINTER GARDEN, FLORIDA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS

	PENSION PLAN FOR GENERAL EMPLOYEES 2014	PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS 2014
	<u>2014</u>	<u>2014</u>
Total Pension Liability		
Service Cost	\$ 772,422	\$ 1,170,789
Interest	1,568,252	2,055,663
Change in Excess State Money	-	171,237
Benefit Payments, Including Refunds of Member Contributions	<u>(1,284,131)</u>	<u>(1,321,368)</u>
Net Change in Total Pension Liability	1,056,543	2,076,321
Total Pension Liability - Beginning	<u>21,500,703</u>	<u>27,742,459</u>
Total Pension Liability - Ending (a)	<u>\$ 22,557,246</u>	<u>\$ 29,818,780</u>
 Plan Fiduciary Net Position		
Contributions - City	\$ 883,975	\$ 992,159
Contributions - State	-	449,044
Contributions - Employee	164,064	247,075
Net Investment Income	2,259,429	2,495,803
Benefit Payments, Including Refunds of Member Contributions	(1,284,131)	(1,321,368)
Administrative Expense	(24,454)	(35,402)
Other	<u>-</u>	<u>-</u>
Net Change in Plan Fiduciary Net Position	1,998,883	2,827,311
Plan Fiduciary Net Position - Beginning	<u>20,903,929</u>	<u>27,280,769</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 22,902,812</u>	<u>\$ 30,108,080</u>
 City's Net Pension Liability - ending (a) - (b)	<u>\$ (345,566)</u>	<u>\$ (289,300)</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.53%	100.97%
 Covered Employee Payroll	\$ 6,562,550	\$ 7,059,293
 Net Pension Liability as a Percentage of Covered Employee Payroll	-5.27%	-4.10%

Note to the Schedule:

Plan information is only available for 2014. Subsequent years will be added for a full ten-year trend to be presented.

**CITY OF WINTER GARDEN, FLORIDA
SCHEDULE OF CONTRIBUTIONS
PENSION PLAN FOR GENERAL EMPLOYEES
LAST 10 FISCAL YEARS**

	2014
Actuarially Determined Contribution	\$ 883,975
Contributions in Relation to the Actuarially Determined Contribution	883,975
Contribution Deficiency (Excess)	\$ -
Covered Employee Payroll	\$ 6,562,550
Contributions as a Percentage of Covered Employee Payroll	13.47%

Note to the Schedule:

Plan information is only available for 2014. Subsequent years will be added for a full ten-year trend to be presented.

Valuation Date: 10/1/2012

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method Entry Age Normal Actuarial Cost Method
 Amortization Method Level Percentage of Pay, Closed
 Remaining Amortization Method 20 Years
 Asset Valuation Method The actuarial value of assets utilizes a five-year smoothing methodology. The annual difference between expected and actual investment earnings (market value net of related expenses) is phased-in over a five-year period.

Inflation	3.0% per year		
Salary Increases	<u>Age</u>	<u>Rate</u>	<u>Age</u>
	20	13.00%	45
	25	10.00%	50
	30	8.35%	55
	35	7.75%	60
	40	6.95%	65

Interest Rate 7.25% per year compounded annually, net of investment related expenses.

Retirement Age	<u>Eligibility Date</u>	<u>Probability</u>	
	First eligible	40%	
	After first, until age 69	20%	
	Age 70 and later	100%	
Early Retirement	<u>Age</u>	<u>Rate</u>	<u>Age</u>
	60	3.4%	63
	61	3.2%	64
	62	3.0%	

Terminal Leave Pay	<u>Present Value of Retirement Liability</u>	<u>% Increase to Liability (Hired Before 10/1/00)</u>	<u>% Increase to Liability (Hired After 09/30/00)</u>
	Normal	6.0%	3.0%
	Early	3.0%	1.5%
	Vesting	3.0%	1.5%
	Death	3.0%	1.5%
	Disability	3.0%	1.5%

Mortality RP-2000 Combined Healthy projected to the valuation date with Schedule AA. Disable lives set forward five years.

Termination & Disability Rates	<u>Age</u>	<u>Termination Rate</u>	<u>Disability Probability</u>
	20	22.7%	0.07%
	25	18.2%	0.09%
	30	15.5%	0.11%
	35	12.9%	0.14%
	40	11.2%	0.19%
	45	8.1%	0.30%
	50	6.1%	0.51%
	55	4.9%	0.96%
	60		1.66%

CITY OF WINTER GARDEN, FLORIDA
SCHEDULE OF CONTRIBUTIONS
PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS
LAST 10 FISCAL YEARS

		2014
Actuarially Determined Contribution	\$	1,269,966
Contributions in Relation to the Actuarially Determined Contribution		1,269,966
Contribution Deficiency (Excess)	\$	-
Covered Employee Payroll	\$	7,059,293
Contributions as a Percentage of Covered Employee Payroll		17.99%

Note to the Schedule:

Plan information is only available for 2014. Subsequent years will be added for a full ten-year trend to be presented.

Valuation Date: 10/1/2012

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method Entry Age Normal Actuarial Cost Method
Amortization Method Level Percentage of Pay, Closed
Remaining Amortization Method 19 Years
Asset Valuation Method The actuarial value of assets utilizes a five-year smoothing methodology. The annual difference between expected and actual investment earnings (market value net of related expenses) is phased-in over a five-year period.
Inflation 3.0% per year

	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
Salary Increases	20	12.0%	40	5.4%
	25	10.2%	45	4.4%
	30	7.8%	50	3.4%
	35	6.4%		

Interest Rate 7.5% per year compounded annually, net of investment related expenses.

	<u>Eligibility Date</u>	<u>Probability</u>
Retirement Age	First eligible	80%
	After first, until age 66	20%
	Age 67 and later	100%

	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
Early Retirement	50	2.4%	53	1.8%
	51	2.2%	54	1.6%
	52	2.0%		

	<u>Present Value of Retirement Liability</u>	<u>% Increase to Liability (Hired Before 07/1/01)</u>	<u>% Increase to Liability (Hired Between 7/1/01-7/1/06)</u>	<u>% Increase to Liability (Hired After 07/1/06)</u>
Terminal Leave Pay	Normal	5.0%	3.750%	2.50%
	Early	2.5%	1.875%	1.25%
	Vesting	2.5%	1.875%	1.25%
	Death	2.5%	1.875%	1.25%
	Disability	2.5%	1.875%	1.25%

Mortality RP 2000 Table with no projection. Disabled lives set forward five years. Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements.

	<u>Age</u>	<u>Termination Rate</u>	<u>Disability Probability</u>
Termination/Disability Rates	20	12.0%	0.14%
	25	10.8%	0.15%
	30	9.4%	0.18%
	35	6.6%	0.23%
	40	4.4%	0.30%
	45	3.4%	0.51%
	50	2.4%	1.00%

**CITY OF WINTER GARDEN, FLORIDA
SCHEDULE OF INVESTMENT RETURNS
LAST 10 FISCAL YEARS**

PENSION PLAN FOR GENERAL EMPLOYEES

	<u>2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	10.97%

PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS

	<u>2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	9.20%

Note to the Schedule:

Plan information is only available for 2014. Subsequent years will be added for a full ten-year trend to be presented.

**CITY OF WINTER GARDEN, FLORIDA
SCHEDULES OF FUNDING PROGRESS
PENSION PLAN FOR GENERAL EMPLOYEES**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (1) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as % of Covered Payroll ((b-a)/c)
10/1/2013	\$ 19,370,058	\$ 21,723,576	\$ 2,353,518	89.17%	\$ 6,288,440	37.43%
10/1/2012	18,177,671	20,608,909	2,431,238	88.20%	6,287,734	38.67%
10/1/2011	17,434,265	18,956,601	1,522,336	91.97%	6,300,803	24.16%
10/1/2010	16,530,052	17,922,988	1,392,936	92.23%	6,604,647	21.09%
10/1/2009	15,260,457	20,125,132	4,864,675	75.83%	7,270,219	66.91%
10/1/2008	14,007,303	18,636,414	4,629,111	75.16%	6,995,952	66.17%

(1) GASB Statement 50 requires that plans utilizing the aggregate actuarial cost method disclose the funded ratio the plan would have if it were utilizing the entry age normal cost method.

PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (1) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as % of Covered Payroll ((b-a)/c)
10/1/2013	\$ 25,938,276	\$ 28,080,990	\$ 2,142,714	92.37%	\$ 6,923,351	30.95%
10/1/2012	23,946,074	25,941,563	1,995,489	92.31%	6,806,435	29.32%
10/1/2011	22,552,147	24,189,021	1,636,874	93.23%	6,533,385	25.05%
10/1/2010	20,931,764	22,587,002	1,655,238	92.67%	6,692,884	24.73%
10/1/2009	18,719,481	22,446,778	3,727,297	83.39%	6,612,922	56.36%
10/1/2008	16,848,543	20,792,719	3,944,176	81.03%	6,059,891	65.09%

(1) GASB Statement 50 requires that plans utilizing the aggregate actuarial cost method disclose the funded ratio the plan would have if it were utilizing the entry age normal cost method.

CITY OF WINTER GARDEN, FLORIDA
SCHEDULES OF CONTRIBUTIONS FROM EMPLOYER AND OTHER CONTRIBUTING ENTITIES
PENSION PLAN FOR GENERAL EMPLOYEES

Year Ended September 30	Annual Required Contribution	City Contribution	Percentage Contributed
2014	\$ 883,975	883,975	100%
2013	694,769	694,769	100%
2012	632,769	632,769	100%
2011	1,417,557	1,417,557	100%
2010	1,512,738	1,512,738	100%
2009	1,330,900	1,330,900	100%

PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS

Year Ended September 30	Annual Required Contribution	City Contribution (1)	Percentage Contributed
2014	\$ 1,269,967	1,269,966	100%
2013	1,114,048	1,114,048	100%
2012	1,069,772	1,069,772	100%
2011	1,828,086	1,828,086	100%
2010	1,841,214	1,841,214	100%
2009	1,628,374	1,628,374	100%

(1) Includes contributions from the Funding Standard Account.

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, 2014**

	Downtown Parking District Fund	Law Enforcement Trust Fund
ASSETS		
Cash and cash equivalents	\$ 113,726	\$ 67,550
Due from other funds	-	-
Due from other governmental units	-	-
Total assets	<u>\$ 113,726</u>	<u>\$ 67,550</u>
LIABILITIES		
Accounts payable	\$ 312	\$ 3,450
Contracts Payable	-	-
Due to other governmental units	-	-
Total liabilities	<u>312</u>	<u>3,450</u>
Deferred inflows		
Unavailable revenue	<u>-</u>	<u>-</u>
FUND BALANCES		
Restricted for:		
Public Safety	-	64,100
Transportation	-	-
Committed to:		
Transportation	113,414	-
Unassigned	-	-
Total fund balances	<u>113,414</u>	<u>64,100</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 113,726</u>	<u>\$ 67,550</u>

Special Revenue				Total	
Law Enforcement Grants Fund	Local Option Gas Tax Fund	Police and Fire Premium Tax Trust Fund	Total	Debt Service Fund	Nonmajor Governmental Funds
\$ 137,528	\$ 92,078	\$ -	\$ 410,882	\$ -	\$ 410,882
-	918,940	-	918,940	-	918,940
-	45,942	327,896	373,838	-	373,838
<u>\$ 137,528</u>	<u>\$ 1,056,960</u>	<u>\$ 327,896</u>	<u>\$ 1,703,660</u>	<u>\$ -</u>	<u>\$ 1,703,660</u>
\$ -	\$ 235,376	\$ -	\$ 239,138	\$ -	\$ 239,138
-	11,983	-	11,983	-	11,983
-	-	-	-	4,600	4,600
<u>-</u>	<u>247,359</u>	<u>-</u>	<u>251,121</u>	<u>4,600</u>	<u>255,721</u>
-	-	327,896	327,896	-	327,896
137,528	-	-	201,628	-	201,628
-	809,601	-	809,601	-	809,601
-	-	-	113,414	-	113,414
-	-	-	-	(4,600)	(4,600)
<u>137,528</u>	<u>809,601</u>	<u>-</u>	<u>1,124,643</u>	<u>(4,600)</u>	<u>1,120,043</u>
<u>\$ 137,528</u>	<u>\$ 1,056,960</u>	<u>\$ 327,896</u>	<u>\$ 1,703,660</u>	<u>\$ -</u>	<u>\$ 1,703,660</u>

City of Winter Garden, Florida
Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2014

	Special		
	Downtown Parking District Fund	Law Enforcement Trust Fund	Law Enforcement Grants Fund
REVENUES			
Permits, fees, and special assessments	\$ 44,643	\$ -	\$ -
Intergovernmental	-	-	29,273
Fines and forfeits	-	45,937	-
Investment earnings	-	-	-
Total revenues	<u>44,643</u>	<u>45,937</u>	<u>29,273</u>
EXPENDITURES			
Current:			
Public safety	-	33,441	28,592
Transportation	3,917	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>3,917</u>	<u>33,441</u>	<u>28,592</u>
Excess (deficiency) of revenues over (under) expenditures	<u>40,726</u>	<u>12,496</u>	<u>681</u>
OTHER FINANCING SOURCES			
Transfers in	-	-	1,478
Total other financing sources	<u>-</u>	<u>-</u>	<u>1,478</u>
Net change in fund balances	40,726	12,496	2,159
Fund balances—beginning	<u>72,688</u>	<u>51,604</u>	<u>135,369</u>
Fund balances (deficit)—ending	<u>\$ 113,414</u>	<u>\$ 64,100</u>	<u>\$ 137,528</u>

Revenue			Total	
Local Option Gas Tax Fund	Police and Fire Premium Tax Trust Fund	Total	Debt Service Fund	Nonmajor Governmental Funds
\$ -	\$ -	\$ 44,643	\$ -	\$ 44,643
1,214,279	449,045	1,692,597	-	1,692,597
-	-	45,937	-	45,937
-	-	-	1	1
<u>1,214,279</u>	<u>449,045</u>	<u>1,783,177</u>	<u>1</u>	<u>1,783,178</u>
-	449,045	511,078	-	511,078
1,326,544	-	1,330,461	-	1,330,461
-	-	-	448,177	448,177
-	-	-	452,444	452,444
<u>1,326,544</u>	<u>449,045</u>	<u>1,841,539</u>	<u>900,621</u>	<u>2,742,160</u>
<u>(112,265)</u>	<u>-</u>	<u>(58,362)</u>	<u>(900,620)</u>	<u>(958,982)</u>
-	-	1,478	896,020	897,498
-	-	1,478	896,020	897,498
(112,265)	-	(56,884)	(4,600)	(61,484)
<u>921,866</u>	<u>-</u>	<u>1,181,527</u>	<u>-</u>	<u>1,181,527</u>
<u>\$ 809,601</u>	<u>\$ -</u>	<u>\$ 1,124,643</u>	<u>\$ (4,600)</u>	<u>\$ 1,120,043</u>

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, 2014

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Permits, fees, and special assessments	\$ 46,750	\$ 44,643	\$ (2,107)
Investment earnings	<u>1,433</u>	<u>-</u>	<u>(1,433)</u>
Total revenues	<u>48,183</u>	<u>44,643</u>	<u>(3,540)</u>
EXPENDITURES			
Current:			
Transportation:			
Construction and maintenance	<u>5,000</u>	<u>3,917</u>	<u>1,083</u>
Excess (deficiency) of revenues over (under) expenditures	<u>43,183</u>	<u>40,726</u>	<u>(2,457)</u>
Net change in fund balances	43,183	40,726	-
Fund balances—beginning	<u>72,688</u>	<u>72,688</u>	<u>-</u>
Fund balances—ending	<u>\$ 115,871</u>	<u>\$ 113,414</u>	<u>\$ (2,457)</u>

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, 2014

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Fines and forfeits	\$ 13,056	\$ 45,937	\$ 32,881
Total revenues	<u>13,056</u>	<u>45,937</u>	<u>32,881</u>
EXPENDITURES			
Current:			
Public safety:			
Law enforcement	<u>34,926</u>	<u>33,441</u>	<u>1,485</u>
(Deficiency) of revenues (under) expenditures	<u>(21,870)</u>	<u>12,496</u>	<u>34,366</u>
Fund balances—beginning	<u>51,604</u>	<u>51,604</u>	<u>-</u>
Fund balances—ending	<u>\$ 29,734</u>	<u>\$ 64,100</u>	<u>\$ 34,366</u>

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, 2014

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Intergovernmental	\$ 23,512	\$ 29,273	\$ 5,761
Total revenues	<u>23,512</u>	<u>29,273</u>	<u>5,761</u>
EXPENDITURES			
Current:			
Public safety:			
Law enforcement	<u>28,353</u>	<u>28,592</u>	<u>(239)</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(4,841)</u>	<u>681</u>	<u>5,522</u>
OTHER FINANCING SOURCES			
Transfers in	<u>1,478</u>	<u>1,478</u>	<u>-</u>
Net change in fund balances	(3,363)	2,159	5,522
Fund balance—beginning	<u>135,369</u>	<u>135,369</u>	<u>-</u>
Fund balance—ending	<u>\$ 132,006</u>	<u>\$ 137,528</u>	<u>\$ 5,522</u>

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, 2014

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Intergovernmental	\$ 1,221,768	\$ 1,214,279	\$ (7,489)
Investment earnings	-	-	-
Total revenues	<u>1,221,768</u>	<u>1,214,279</u>	<u>(7,489)</u>
EXPENDITURES			
Current:			
Transportation:			
Construction and maintenance	<u>2,015,637</u>	<u>1,326,544</u>	<u>689,093</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(793,869)</u>	<u>(112,265)</u>	<u>681,604</u>
Net change in fund balances	(793,869)	(112,265)	681,604
Fund balances—beginning	<u>921,866</u>	<u>921,866</u>	-
Fund balance—ending	<u>\$ 127,997</u>	<u>\$ 809,601</u>	<u>\$ 681,604</u>

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, 2014

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Intergovernmental	\$ 449,409	\$ 449,045	\$ (364)
Total revenues	<u>449,409</u>	<u>449,045</u>	<u>(364)</u>
EXPENDITURES			
Current:			
Public safety:			
Law enforcement	236,483	231,707	4,776
Fire control	<u>212,926</u>	<u>217,338</u>	<u>(4,412)</u>
Total public safety	<u>449,409</u>	<u>449,045</u>	<u>364</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-
Fund balances—beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2014

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES			
Investment earnings	\$ 1	\$ 1	\$ -
Total revenues	<u>1</u>	<u>1</u>	<u>-</u>
EXPENDITURES			
Debt service:			
Principal	690,916	448,177	242,739
Interest	<u>523,929</u>	<u>452,444</u>	<u>71,485</u>
Total expenditures	<u>1,214,845</u>	<u>900,621</u>	<u>314,224</u>
(Deficiency) of revenues (under) expenditures	<u>(1,214,844)</u>	<u>(900,620)</u>	<u>314,224</u>
OTHER FINANCING SOURCES			
Transfers in	<u>1,258,030</u>	<u>896,020</u>	<u>(362,010)</u>
Net change in fund balances	43,186	(4,600)	(47,786)
Fund balances—beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit)—ending	<u>\$ 43,186</u>	<u>\$ (4,600)</u>	<u>\$ (47,786)</u>

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 Position
Nonmajor Enterprise Funds
September 30, 2014

	<u>Stormwater Utility</u>	<u>Trailer City</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,263,393	\$ 105,766	\$ 1,369,159
Accounts receivable (net of allowance for uncollectibles)	130,239	131	130,370
Due from other funds	<u>605,979</u>	<u>-</u>	<u>605,979</u>
Total current assets	<u>1,999,611</u>	<u>105,897</u>	<u>2,105,508</u>
Noncurrent assets:			
Capital assets:			
Land	-	63,300	63,300
Buildings	-	77,227	77,227
Improvements other than buildings	2,567,358	257,062	2,824,420
Machinery and equipment	743,464	35,843	779,307
Infrastructure	4,763,823	34,556	4,798,379
Construction work in progress	1,304,651	-	1,304,651
Less accumulated depreciation	<u>(3,165,934)</u>	<u>(190,115)</u>	<u>(3,356,049)</u>
Total capital assets (net of accumulated depreciation)	<u>6,213,362</u>	<u>277,873</u>	<u>6,491,235</u>
Total assets	<u>8,212,973</u>	<u>383,770</u>	<u>8,596,743</u>
LIABILITIES			
Current liabilities:			
Accounts payable	151,100	919	152,019
Contracts payable	23,084	-	23,084
Compensated absences	161	316	477
Accrued wages payable	560	799	1,359
Unearned revenue	<u>-</u>	<u>10,403</u>	<u>10,403</u>
Total current liabilities	<u>174,905</u>	<u>12,437</u>	<u>187,342</u>
Noncurrent liabilities:			
Compensated absences	3,362	6,023	9,385
Other postemployment benefits	<u>20,011</u>	<u>20,011</u>	<u>40,022</u>
Total noncurrent liabilities	<u>23,373</u>	<u>26,034</u>	<u>49,407</u>
Total liabilities	<u>198,278</u>	<u>38,471</u>	<u>236,749</u>
NET POSITION			
Net investment in capital assets	6,213,362	277,873	6,491,235
Unrestricted	<u>1,801,333</u>	<u>67,426</u>	<u>1,868,759</u>
Total net position	<u>\$ 8,014,695</u>	<u>\$ 345,299</u>	<u>\$ 8,359,994</u>

City of Winter Garden, Florida
Combining Statement of Revenues, Expenses, and Changes
in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended September 30, 2014

	<u>Stormwater Utility</u>	<u>Trailer City</u>	<u>Totals</u>
Operating revenues:			
Permits, fees, and special assessments	\$ 1,401,333	\$ -	\$ 1,401,333
Other	<u>308</u>	<u>234,292</u>	<u>234,600</u>
Total operating revenues	<u>1,401,641</u>	<u>234,292</u>	<u>1,635,933</u>
Operating expenses:			
Personal services	129,669	118,582	248,251
Contractual services	63,214	6,941	70,155
Utilities	-	5,436	5,436
Supplies	29,015	1,763	30,778
Depreciation	329,345	20,321	349,666
Other services and charges	<u>176,035</u>	<u>52,750</u>	<u>228,785</u>
Total operating expenses	<u>727,278</u>	<u>205,793</u>	<u>933,071</u>
Operating income	<u>674,363</u>	<u>28,499</u>	<u>702,862</u>
Total nonoperating revenues (expenses)	-	-	-
Income before contributions	674,363	28,499	702,862
Capital contributions:			
Contributions	<u>826,835</u>	-	<u>826,835</u>
Change in net position	1,501,198	28,499	1,529,697
Total net position—beginning	<u>6,513,496</u>	<u>316,800</u>	<u>6,830,296</u>
Total net position—ending	<u>\$ 8,014,694</u>	<u>\$ 345,299</u>	<u>\$ 8,359,993</u>

City of Winter Garden, Florida
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2014

	<u>Stormwater Utility</u>	<u>Trailer City</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 1,405,368	\$ 233,351	\$ 1,638,719
Payments to suppliers	(194,904)	(67,789)	(262,693)
Payments to employees	(148,732)	(119,055)	(267,787)
Net cash provided by operating activities	<u>1,061,732</u>	<u>46,507</u>	<u>1,108,239</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sales of capital assets	-	-	-
Purchases of capital assets	(549,825)	(37,447)	(587,272)
Principal paid on capital debt	(1)	-	(1)
Interest paid on capital debt	-	-	-
Net cash (used) by capital and related financing activities	<u>(549,826)</u>	<u>(37,447)</u>	<u>(587,273)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	-	-	-
Net cash provided by investing activities	-	-	-
Net increase (decrease) in cash and cash equivalents	511,906	9,060	520,966
Cash and cash equivalents, October 1	<u>751,486</u>	<u>96,707</u>	<u>848,193</u>
Cash and cash equivalents, September 30	<u>\$ 1,263,392</u>	<u>\$ 105,767</u>	<u>\$ 1,369,159</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 674,363	\$ 28,499	\$ 702,862
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	329,345	20,321	349,666
(Increase) in accounts receivable	4,894	(131)	4,763
Increase in allowance for uncollectible accounts	(1,167)	-	(1,167)
Increase (decrease) in accounts payable	73,360	(899)	72,461
Increase (decrease) in accrued wages payable	(5,028)	(4,082)	(9,110)
Increase in unearned revenue	-	(810)	(810)
Increase (decrease) in compensated absences payable	(18,094)	(450)	(18,544)
Increase in other postemployment benefits	4,059	4,059	8,118
Total adjustments	<u>387,369</u>	<u>18,008</u>	<u>405,377</u>
Net cash provided by operating activities	<u>\$ 1,061,732</u>	<u>\$ 46,507</u>	<u>\$ 1,108,239</u>

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

Financial Trends – Pages 105 - 114

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 – Pages 115 - 119

These schedules contain information to help the reader assess a significant local revenue source for the City, the property tax.

Debt Capacity – Pages 120 - 125

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 – Pages 126 - 127

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 – Pages 128- 132

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 financial reports for the relevant year.

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental activities			
Net investment in capital assets	\$ 90,186,299	\$ 85,907,752	\$ 84,043,498
Restricted	17,317,531	18,028,037	21,033,800
Unrestricted	<u>8,305,815</u>	<u>6,503,304</u>	<u>6,246,039</u>
Total governmental activities net position	<u>\$115,809,645</u>	<u>\$110,439,093</u>	<u>\$111,323,337</u>
Business-type activities			
Net invested in capital assets	\$ 69,782,370	\$ 62,613,697	\$ 61,492,810
Restricted	7,048,365	9,488,903	10,391,672
Unrestricted	<u>22,749,669</u>	<u>19,538,822</u>	<u>16,135,350</u>
Total business-type activities net position	<u>\$ 99,580,404</u>	<u>\$ 91,641,422</u>	<u>\$ 88,019,832</u>
Primary government			
Net invested in capital assets	\$159,968,669	\$148,521,449	\$145,536,308
Restricted	24,365,896	27,516,940	31,425,472
Unrestricted	<u>31,055,484</u>	<u>26,042,126</u>	<u>22,381,389</u>
Total primary government net position	<u>\$215,390,049</u>	<u>\$202,080,515</u>	<u>\$199,343,169</u>

Fiscal Year

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 83,198,158	\$ 76,625,652	\$ 74,042,719	\$ 62,229,762	\$ 48,751,070	\$ 34,495,162	\$ 23,447,882
19,723,001	24,149,817	24,220,705	31,054,530	28,296,384	22,822,073	8,036,244
<u>6,206,755</u>	<u>8,390,451</u>	<u>10,065,887</u>	<u>12,869,395</u>	<u>15,713,022</u>	<u>12,189,529</u>	<u>14,214,099</u>
<u>\$ 109,127,914</u>	<u>\$ 109,165,920</u>	<u>\$ 108,329,311</u>	<u>\$ 106,153,687</u>	<u>\$ 92,760,476</u>	<u>\$ 69,506,764</u>	<u>\$ 45,698,225</u>
\$ 57,568,018	\$ 53,906,667	\$ 44,000,691	\$ 41,778,162	\$ 35,774,224	\$ 29,848,390	\$ 26,238,677
13,430,411	15,315,140	19,069,072	21,015,352	12,665,164	13,230,076	11,186,375
<u>13,452,679</u>	<u>13,123,233</u>	<u>15,236,480</u>	<u>11,117,583</u>	<u>20,850,291</u>	<u>20,011,017</u>	<u>22,608,146</u>
<u>\$ 84,451,108</u>	<u>\$ 82,345,040</u>	<u>\$ 78,306,243</u>	<u>\$ 73,911,097</u>	<u>\$ 69,289,679</u>	<u>\$ 63,089,483</u>	<u>\$ 60,033,198</u>
\$ 140,766,176	\$ 130,532,319	\$ 118,043,410	\$ 104,007,924	\$ 84,525,294	\$ 64,343,552	\$ 49,686,559
33,153,412	39,464,957	43,289,777	52,069,882	40,961,548	36,052,149	19,222,619
<u>19,659,434</u>	<u>21,513,684</u>	<u>25,302,367</u>	<u>23,986,978</u>	<u>36,563,313</u>	<u>32,200,546</u>	<u>36,822,245</u>
<u>\$ 193,579,022</u>	<u>\$ 191,510,960</u>	<u>\$ 186,635,554</u>	<u>\$ 180,064,784</u>	<u>\$ 162,050,155</u>	<u>\$ 132,596,247</u>	<u>\$ 105,731,423</u>

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

	Fiscal Year									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenses										
Governmental activities:										
General government	\$ 3,499,783	\$ 4,805,546	\$ 3,613,453	\$ 3,866,245	\$ 4,204,008	\$ 3,899,034	\$ 2,932,260	\$ 2,701,941	\$ 2,565,945	\$ 2,095,732
Public safety	15,378,649	14,698,706	14,358,645	15,081,176	15,694,684	14,902,345	13,736,706	11,898,442	9,998,835	8,786,447
Physical environment	961,101	1,350,793	880,896	926,611	896,501	943,939	736,565	843,671	850,605	535,512
Transportation	3,363,662	4,860,760	2,984,277	2,738,141	3,307,541	2,580,474	3,282,627	2,505,649	2,302,093	2,258,355
Economic environment	448,065	363,154	472,447	414,062	579,934	481,303	877,845	641,944	214,813	158,183
Public assistance	68,815	68,460	66,395	58,415	49,692	119,971	82,630	101,330	88,909	88,871
Culture and recreation	3,346,135	3,156,005	2,906,672	2,846,859	2,578,911	2,357,923	2,236,885	2,328,830	2,082,868	1,766,330
Interest and long-term debt	463,941	496,478	528,365	560,482	592,295	645,030	814,781	838,981	424,215	494,844
Total government activities expenses	<u>27,530,151</u>	<u>29,799,902</u>	<u>25,811,150</u>	<u>26,491,991</u>	<u>27,903,566</u>	<u>25,930,019</u>	<u>24,700,299</u>	<u>21,860,788</u>	<u>18,528,283</u>	<u>16,184,274</u>
Business-type activities:										
Water and Sewer	9,905,026	8,245,758	9,328,982	8,894,936	8,491,442	8,696,615	9,141,484	8,765,465	9,404,856	6,975,769
Solid waste	3,984,331	3,264,385	3,829,306	3,793,048	3,345,376	3,224,466	3,285,187	3,455,158	3,140,333	2,673,105
Stormwater	727,278	592,206	654,299	1,036,094	860,946	746,381	912,188	785,573	641,121	497,173
Residential mobile home lot rentals	205,793	217,422	246,233	227,000	209,187	204,642	195,725	237,896	214,403	275,438
Total business-type activities expenses	<u>14,822,428</u>	<u>12,319,771</u>	<u>14,058,820</u>	<u>13,951,078</u>	<u>12,906,951</u>	<u>12,872,104</u>	<u>13,534,584</u>	<u>13,244,092</u>	<u>13,400,713</u>	<u>10,421,485</u>
Total primary government expenses	<u>\$ 42,352,579</u>	<u>\$ 42,119,673</u>	<u>\$ 39,869,970</u>	<u>\$ 40,443,069</u>	<u>\$ 40,810,517</u>	<u>\$ 38,802,123</u>	<u>\$ 38,234,883</u>	<u>\$ 35,104,880</u>	<u>\$ 31,928,996</u>	<u>\$ 26,605,759</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 251,863	\$ 168,104	\$ 96,612	\$ 104,751	\$ 114,377	\$ 95,675	\$ 143,695	\$ -	\$ 522,068	\$ 608,267
Public safety	1,610,641	1,257,015	816,653	809,341	1,103,146	1,178,952	1,697,235	3,453,966	3,015,971	2,168,160
Transportation	263,016	415,181	174,518	22,733	38,239	57,067	401,577	770,351	701,585	744,528
Other activities	1,172,245	820,125	749,169	710,147	659,558	574,520	482,155	514,874	411,549	345,812
Operating grants and contributions	2,089,704	2,171,833	2,109,519	2,119,603	2,027,849	2,085,928	1,911,035	1,935,703	1,549,023	1,456,767
Capital grants and contributions	5,049,195	1,264,890	3,741,057	2,142,478	3,711,145	3,573,081	13,286,270	18,410,818	19,154,514	5,374,448
Total government activities program revenues	<u>10,436,664</u>	<u>6,097,148</u>	<u>7,687,528</u>	<u>5,909,053</u>	<u>7,654,314</u>	<u>7,565,223</u>	<u>17,921,967</u>	<u>25,085,712</u>	<u>25,354,710</u>	<u>10,697,982</u>
Business-type activities:										
Charges for services:										
Water and Sewer	9,743,951	9,449,881	9,535,538	9,494,183	9,503,437	9,344,622	9,708,145	9,320,260	8,220,991	7,898,591
Solid waste	4,416,779	4,300,684	4,187,622	4,143,071	4,119,340	4,051,487	3,774,996	3,254,113	2,925,319	2,550,085
Stormwater	1,401,641	1,380,755	1,354,001	1,352,635	1,348,220	1,339,830	1,293,968	1,025,423	855,282	706,782
Residential mobile home lot rentals	234,292	230,063	224,714	222,226	220,549	222,138	217,694	212,291	186,377	253,075
Operating grants and contributions	-	-	-	-	-	-	-	-	23,259	(12,912)
Capital grants and contributions	6,862,632	2,423,465	2,171,441	721,044	1,427,272	1,715,627	2,652,612	5,052,885	5,144,437	7,338,743
Total business-type activities program revenues	<u>22,659,295</u>	<u>17,784,848</u>	<u>17,473,316</u>	<u>15,933,159</u>	<u>16,618,818</u>	<u>16,673,704</u>	<u>17,647,415</u>	<u>18,864,972</u>	<u>17,355,665</u>	<u>18,734,364</u>
Total primary government program revenues	<u>\$ 33,095,959</u>	<u>\$ 23,881,996</u>	<u>\$ 25,160,844</u>	<u>\$ 21,842,212</u>	<u>\$ 24,273,132</u>	<u>\$ 24,238,927</u>	<u>\$ 35,569,382</u>	<u>\$ 43,950,684</u>	<u>\$ 42,710,375</u>	<u>\$ 29,432,346</u>
Net (expense)/revenue										
Governmental activities	\$(17,093,487)	\$(23,702,754)	\$(18,123,622)	\$(20,582,938)	\$(20,249,252)	\$(18,364,796)	\$(6,778,332)	\$ 3,224,924	\$ 6,826,427	\$ (5,486,292)
Business-type activities:	7,836,867	5,465,077	3,414,496	1,982,081	3,711,867	3,801,600	4,112,831	5,620,880	3,954,952	8,312,879
Total primary government net expense/revenue	<u>\$ (9,256,620)</u>	<u>\$(18,237,677)</u>	<u>\$(14,709,126)</u>	<u>\$(18,600,857)</u>	<u>\$(16,537,385)</u>	<u>\$(14,563,196)</u>	<u>\$(2,665,501)</u>	<u>\$ 8,845,804</u>	<u>\$ 10,781,379</u>	<u>\$ 2,826,587</u>

	Fiscal Year									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Ad valorem	\$ 8,164,335	\$ 7,790,846	\$ 7,837,097	\$ 8,348,452	\$ 8,741,248	\$ 8,722,152	\$ 8,351,424	\$ 8,297,193	\$ 5,777,996	\$ 4,507,982
Utility services	3,554,248	3,093,927	2,959,428	3,158,550	3,254,555	2,710,435	2,615,227	2,432,494	2,138,583	1,798,561
Communications services	1,291,136	1,313,968	1,335,434	1,309,236	1,386,589	1,455,478	1,386,894	1,323,649	1,214,940	1,055,864
Local business	209,938	189,172	216,115	142,891	203,056	228,320	206,343	-	-	-
Franchise fees	2,399,459	2,066,681	2,219,911	2,280,401	2,445,559	2,242,640	1,906,941	1,773,927	1,563,590	1,191,851
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Unrestricted intergovernmental	6,715,362	6,142,848	5,546,151	4,930,295	4,500,340	4,394,094	4,712,786	4,432,087	4,185,961	3,801,533
Investment earnings	41,617	77,619	128,671	282,625	358,149	543,291	986,053	1,668,231	706,182	266,479
Gain (loss) on sale of capital assets	23,837	365	-	-	32,032	155,656	5,875	-	-	13,099
Other	64,107	238,894	76,238	92,482	164,333	88,354	-	101,207	90,626	82,622
Transfers	-	-	-	-	-	-	-	-	1,304,234	(146,480)
Total governmental activities	<u>22,464,039</u>	<u>20,914,320</u>	<u>20,319,045</u>	<u>20,544,932</u>	<u>21,085,861</u>	<u>20,540,420</u>	<u>20,171,543</u>	<u>20,028,788</u>	<u>16,982,112</u>	<u>12,571,511</u>
Business-type activities:										
Investment earnings	102,115	58,287	141,859	123,987	301,818	587,924	432,272	564,484	385,411	142,967
Gain (loss) on sale of capital assets	-	2,416	12,369	-	25,112	5,622	76,315	14,832	20,156	(119,606)
Transfers	-	-	-	-	-	-	-	-	(1,304,234)	146,480
Total business-type activities	<u>102,115</u>	<u>60,703</u>	<u>154,228</u>	<u>123,987</u>	<u>326,930</u>	<u>593,546</u>	<u>508,587</u>	<u>579,316</u>	<u>(898,667)</u>	<u>169,841</u>
Total primary government	<u>\$ 22,566,154</u>	<u>\$ 20,975,023</u>	<u>\$ 20,473,273</u>	<u>\$ 20,668,919</u>	<u>\$ 21,412,791</u>	<u>\$ 21,133,966</u>	<u>\$ 20,680,130</u>	<u>\$ 20,608,104</u>	<u>\$ 16,083,445</u>	<u>\$ 12,741,352</u>
Change in Net Position										
Governmental activities	\$ 5,370,552	\$ (2,788,434)	\$ 2,195,423	\$ (38,006)	\$ 836,609	\$ 2,175,624	\$ 13,393,211	\$ 23,253,712	\$ 23,808,539	\$ 7,085,219
Business-type activities	<u>7,938,982</u>	<u>5,525,780</u>	<u>3,568,724</u>	<u>2,106,068</u>	<u>4,038,797</u>	<u>4,395,146</u>	<u>4,621,418</u>	<u>6,200,196</u>	<u>3,056,285</u>	<u>8,482,720</u>
Total primary government	<u>\$ 13,309,534</u>	<u>\$ 2,737,346</u>	<u>\$ 5,764,147</u>	<u>\$ 2,068,062</u>	<u>\$ 4,875,406</u>	<u>\$ 6,570,770</u>	<u>\$ 18,014,629</u>	<u>\$ 29,453,908</u>	<u>\$ 26,864,824</u>	<u>\$ 15,567,939</u>

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
2014	\$ 8,164,335	\$ 3,554,248	\$ 1,291,136	\$ 209,938
2013	7,790,846	3,093,927	1,313,968	189,172
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	-

¹Local 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

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

<u>Franchise Fees</u>	<u>Total</u>
\$ -	\$ 13,219,657
-	12,387,913
-	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

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund				
Non-spendable	\$ 590,346	\$ 910,500	\$ 606,371	\$ 872,198
Restricted	426,314	236,198	156,249	310,372
Committed	-	-	80,923	-
Unassigned	8,235,384	6,028,343	5,457,922	4,478,790
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total General Fund	<u>\$ 9,252,044</u>	<u>\$ 7,175,041</u>	<u>\$ 6,301,465</u>	<u>\$ 5,661,360</u>
All other governmental funds				
Restricted for:				
Law enforcement	\$ 201,628	\$ 186,973	\$ 146,099	\$ 61,281
Transportation projects	1,238,632	1,016,461	1,647,542	1,575,301
Committed to:				
Law enforcement	461,526	533,612	441,211	435,073
Fire control	806,203	629,674	502,328	414,944
Transportation	15,038,573	15,755,912	18,330,179	17,294,851
Unassigned (deficit):	-	-	(15,065)	(80,584)
Reserved	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Debt service fund	(4,600)	-	-	-
Capital projects funds	-	-	-	-
Permanent funds	-	-	-	-
Total all other governmental funds	<u>\$ 17,741,962</u>	<u>\$ 18,122,632</u>	<u>\$ 21,052,294</u>	<u>\$ 19,700,866</u>

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

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,906,721	3,226,357	2,868,594	3,613,214	2,137,040	2,108,976
5,418,984	5,179,291	8,164,181	9,628,932	9,621,567	9,086,094
<u>\$ 7,325,705</u>	<u>\$ 8,405,648</u>	<u>\$ 11,032,775</u>	<u>\$ 13,242,146</u>	<u>\$ 11,758,607</u>	<u>\$ 11,195,070</u>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,612,743	2,497,257	7,037,951	6,685,770	453,776
23,988,770	22,290,020	28,625,460	27,225,893	15,731,030	9,995,418
-	-	-	8,079	-	-
-	30,111	168,623	1,205,154	12,959,202	-
30,114	30,042	-	-	-	-
<u>\$ 24,018,884</u>	<u>\$ 23,962,916</u>	<u>\$ 31,291,340</u>	<u>\$ 35,477,077</u>	<u>\$ 35,376,002</u>	<u>\$ 10,449,194</u>

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Revenues				
Taxes	\$ 13,219,657	\$ 12,387,913	\$ 12,348,074	\$ 12,959,129
Permits, fees, and special assessments	6,682,685	5,002,350	4,180,556	4,452,634
Intergovernmental	8,787,279	9,117,076	7,869,044	7,222,284
Charges for services	3,056,281	2,900,804	2,741,038	2,699,080
Fines and forfeits	197,551	201,500	79,575	124,675
Investment earnings	127,789	140,985	311,128	611,514
Rents and royalties	324,044	295,471	253,512	224,426
Special assessments	-	-	-	-
Impact fees	-	-	-	-
Contributions and donations	17,787	36,233	2,051,489	15,677
Other	64,108	237,910	76,238	92,482
Total revenues	<u>32,477,181</u>	<u>30,320,242</u>	<u>29,910,654</u>	<u>28,401,901</u>
Expenditures				
General government	4,475,162	4,599,049	4,604,402	4,751,328
Public safety	15,289,561	13,827,039	13,261,208	13,654,417
Physical environment	1,510,376	1,455,848	1,243,531	1,263,198
Transportation	5,357,515	8,243,322	4,526,474	5,649,128
Economic environment	237,339	174,414	506,987	215,570
Public assistance	68,815	68,460	66,395	58,415
Culture and recreation	2,953,799	2,820,801	2,510,042	7,560,152
Debt Service				
Principal	448,177	690,917	671,717	685,574
Interest	463,941	496,478	528,365	560,482
Total expenditures	<u>30,804,685</u>	<u>32,376,328</u>	<u>27,919,121</u>	<u>34,398,264</u>
Excess (deficiency) of revenues over (under) expenditures	1,672,496	(2,056,086)	1,991,533	(5,996,363)
Other financing sources (uses)				
Transfers in	1,350,609	1,887,726	1,912,474	1,630,942
Transfers out	(1,350,609)	(1,887,726)	(1,912,474)	(1,630,942)
Sale of capital assets	23,837	-	-	14,000
Issuance of debt	-	-	-	-
Total other financing sources (uses)	<u>23,837</u>	<u>-</u>	<u>-</u>	<u>14,000</u>
Net change in fund balances	<u>\$ 1,696,333</u>	<u>\$ (2,056,086)</u>	<u>\$ 1,991,533</u>	<u>\$ (5,982,363)</u>
Debt service as a percentage of noncapital expenditures	4.0%	4.4%	5.1%	5.2%

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

¹Special Assessments and Impact fees were reclassified in the State of Florida Uniform Accounting System Manual to permits, fees, and special assessments

Fiscal Year					
<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 13,585,448	\$ 13,116,385	\$ 12,559,888	\$ 13,827,263	\$ 10,695,109	\$ 8,554,258
4,902,083	4,697,746 ¹	3,257,290	3,354,710	3,305,453	2,827,208
6,672,663	6,734,345	7,337,697	6,200,862	5,866,003	5,819,142
2,793,277	2,909,532	2,943,724	2,758,255	2,955,962	1,801,451
184,688	346,495	448,516	374,414	391,774	248,986
853,684	1,865,706	2,219,381	2,598,817	1,365,403	409,339
167,579	154,128	130,532	164,239	152,813	144,304
-	- ¹	70,000	-	-	-
-	- ¹	3,103,937	13,871,394	8,374,862	4,738,914
1,111,622	3,290	2,279,139	2,684,350	9,961,672	38,895
164,333	88,354	-	322,457	90,781	82,622
<u>30,231,040</u>	<u>29,915,981</u>	<u>34,350,104</u>	<u>46,156,761</u>	<u>43,159,832</u>	<u>24,665,119</u>
4,954,865	4,818,700	4,487,698	4,769,353	4,481,830	2,905,301
14,617,230	17,143,109	16,681,387	13,402,701	10,575,014	9,301,897
1,241,023	1,291,287	1,190,697	1,313,892	1,258,938	820,150
5,403,945	5,352,512	4,548,554	13,985,729	7,553,859	3,881,560
425,799	1,857,734	675,283	451,178	805,516	(32,137)
49,692	119,971	82,630	101,330	88,909	88,871
3,549,299	6,295,070	3,388,784	3,827,013	2,310,870	1,839,973
667,197	2,883,904	653,247	588,534	2,012,062	1,623,416
592,295	1,000,696	676,539	740,535	548,850	375,445
<u>31,501,345</u>	<u>40,762,983</u>	<u>32,384,819</u>	<u>39,180,265</u>	<u>29,635,848</u>	<u>20,804,476</u>
(1,270,305)	(10,847,002)	1,965,285	6,976,496	13,523,984	3,860,643
1,691,092	1,674,090	2,162,439	1,640,803	747,574	1,396,357
(1,660,959)	(1,674,090)	(3,162,439)	(1,640,803)	(1,747,574)	(1,259,474)
41,971	1,029,963	16,460	21,844	7,160	13,099
-	-	-	-	-	-
<u>72,104</u>	<u>1,029,963</u>	<u>(983,540)</u>	<u>21,844</u>	<u>(992,840)</u>	<u>149,982</u>
<u>\$ (1,198,201)</u>	<u>\$ (9,817,039)</u>	<u>\$ 981,745</u>	<u>\$ 6,998,340</u>	<u>\$ 12,531,144</u>	<u>\$ 4,010,625</u>
5.0%	14.3%	5.5%	6.0%	12.2%	11.7%

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
2014	\$ 8,164,335	\$ -	\$ 3,554,248	\$ 1,291,136	\$ 209,938	\$ 13,219,657
2013	7,790,846	-	3,093,927	1,313,968	189,172	12,387,913
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

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

²Local 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 30¹	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
2014	2,460,586,841	190,013,845	663,125,367	1,987,475,319	4.2500	2,650,660,686	74.98%
2013	2,355,808,219	185,392,987	641,224,613	1,899,976,593	4.2500	2,541,201,206	74.77%
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%

Source: Orange County Property Appraiser's Office

¹Information is reported based on the fiscal year in which associated tax revenue is recognized - e.g., the 2014 tax roll data is reported here for Fiscal Year 2015, 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)

Fiscal Year	City Direct Rates		Overlapping Rates				Total Direct & Overlapping Rates
	Basic Millage	Total Direct	County Millage	School District Millage	Library Millage	St. Johns River Water Mgmt. District Millage	
2014	4.2500	4.2500	4.4347	8.3620	0.3748	0.3283	17.7498
2013	4.2500	4.2500	4.4347	8.4780	0.3748	0.3313	17.8688
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

Source: Orange County Property Appraiser's Office

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

Taxpayer	2014			2005		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
DDR Winter Garden LLC	\$123,191,888	1	6.48 %	\$ -	-	-
Duke Energy Florida	24,943,917	2	1.31	-	-	-
West Pointe Villas LTD	14,003,230	3	0.74	9,694,363	1	0.70 %
Embarq	12,122,024	4	0.64	-	-	-
El-Ad Promenade LLC	11,927,486	5	0.63	-	-	-
Standard Pacific of Florida	11,457,490	6	0.60	-	-	-
Dewitt Excavating Inc	11,453,305	7	0.60	-	-	-
Louis Dreyfus Citrus Inc	10,437,711	8	0.55	-	-	-
Adventist Health Systems	10,113,891	9	0.53	-	-	-
Target Corp	9,086,996	10	0.48	-	-	-
West Point Commons LLC	-	-	-	9,538,365	2	0.69
KB Homes Orlando LLC	-	-	-	9,262,050	3	0.67
BRH Berkshire West LLC	-	-	-	9,024,818	4	0.65
Stoneybrook Joint Venture	-	-	-	8,920,587	5	0.64
Gar Shing Realty Corp	-	-	-	8,183,336	6	0.59
Amera Winter Garden LTD	-	-	-	7,340,520	7	0.53
Hyde Park Communities	-	-	-	6,926,294	8	0.50
M/I Homes of Orlando LLC	-	-	-	6,783,392	9	0.49
Winter Country Garden Assoc.	-	-	-	6,189,888	10	0.44
Totals	\$238,737,938		12.56 %	\$ 81,863,613		5.90 %

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
2014	\$ 8,450,436	\$ 8,131,862	96.2%	\$ -	\$ 8,131,862	96.2%
2013	8,077,121	7,763,437	96.1%	-	7,763,437	96.1%
2012	8,102,282	7,796,124	96.2%	16,741	7,812,865	96.4%
2011	8,674,809	8,327,773	96.0%	9,383	8,337,156	96.1%
2010	9,045,633	8,689,850	96.1%	17,771	8,707,621	96.3%
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%

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

Fiscal Year	Governmental Activities				Business-Type Activities		
	Revenue Bonds	Revenue Notes	Agreements	Capital Leases	Water/Sewer Bonds	Loans	Capital Leases
2014	\$ 10,100,000	\$ -	\$ -	\$ -	\$ -	\$ 8,165,538	\$ -
2013	10,380,000	168,177	-	-	-	8,862,592	\$ -
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	-

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

¹See the schedule of Demographic and Economic Statistics for personal income and population data.

Total Primary Government	Percentage of Personal Income	Per Capita¹
\$ 18,265,538	1.31%	\$ 475
19,410,769	1.39%	505
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

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 Value¹ of Property	Per Capita²
2014	\$ -	\$ -	\$ -	-	\$ -
2013	-	-	-	-	-
2012	-	-	-	-	-
2011	-	-	-	-	-
2010	-	-	-	-	-
2009	-	-	-	-	-
2008	-	-	-	-	-
2007	-	-	-	-	-
2006	-	-	-	-	-
2005	-	-	-	-	-

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

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

²Population 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, 2014

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes: County	\$ -	2.4%	\$ -
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.

¹The 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 boundaries and dividing it by the County's total taxable assessed value.

**City of Winter Garden, Florida
Legal Debt Margin Information
September 30, 2014**

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**

<u>Year</u>	<u>Local Government Half-cent Sales</u>		<u>Debt Service</u>		<u>Coverage</u>
	<u>Tax Revenues</u>		<u>Principal</u>	<u>Interest</u>	
2014	\$ 5,209,592	\$	280,000	\$ 444,038	7.20
2013	4,823,757		270,000	454,838	6.65
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	N/A
2006	3,237,896		-	-	N/A
2005	2,912,563		-	-	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		Personal Income ²		Labor Force (Countywide) ³			Unemployment Rate ⁴
	City of Winter Garden	Orange County	City of Winter Garden		Civilian Labor Force	Employed	Unemployed	
			Annual Income	Per Capita				
2014	38,442	1,227,995	\$ 1,398,802,547	\$ 36,387	681,320	643,006	38,314	5.6
2013	37,172	1,202,978	1,351,239,372	36,351	649,312	608,781	40,531	6.2
2012	36,063	1,172,493	1,304,398,710	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

¹Source: University of Florida, Bureau of Economic and Business Research

²Source: University of Florida, Bureau of Economic and Business Research (2005-2011), 2014 estimated.

Note: Personal income information is only available for Orange County [not City specific].

³Source: Florida Agency for Workforce Innovation

⁴Countywide

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

<u>Employer</u>	<u>Location</u>	<u>2014</u>			<u>2005</u>		
		<u>Employees</u> ¹	<u>Rank</u>	<u>Percentage of Total City Employment</u> ²	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Orange County Public Schools	Various (9)	1,195	1	6.29%	Data is not available for 2005		
Heller Bros Packing Co	9th Street	310	2	1.63%			
City of Winter Garden	Plant Street	298	3	1.57%			
Health Central Park	N Dillard Street	288	4	1.51%			
Publix Super Markets	SR 50/SBW	284	5	1.49%			
Target Super Center	Daniels Rd	-	6	0.00%			
Ranger Construction	Elboc Way	236	7	1.24%			
Encore Construction	Crown Park Circle	198	8	1.04%			
Louis Dreyfus Citrus	9th Street	120	9	0.63%			
Orange County National Golf	Phil Ritson Way	115	10	<u>0.60%</u>			
Total				<u>16.01%</u>			

¹Source: Surveys of employers listed.

²Source: Total City employment - Florida Department of Economic Opportunity.

³Source: Target Super Center did not disclose their employee count information. Ranked based on retail trend and past reported counts.

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

Function	Full-time Equivalent Employees as of September 30									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General government	42	42	42	35	35	37	33	31	33	28
Public Safety										
Police										
Officers	75	71	71	66	66	64	63	58	58	56
Civilians	22	23	23	16	16	16	16	17	20	18
Fire										
Firefighters and officers	43	44	44	45	45	43	39	35	38	38
Civilians	2	2	2	2	2	2	2	2	1	1
Building	18	16	16	8	8	10	15	17	19	14
Public Works	14	14	15	25	28	31	31	31	36	34
Sanitation	19	19	19	19	19	18	18	18	15	16
Culture and recreation	8	8	8	8	8	8	8	7	9	8
Engineering	5	4	5	5	5	5	5	6	8	7
Administration	4	5	4	2	2	2	2	5	5	6
Water	17	14	14	12	11	12	11	14	14	15
Sewer	22	19	19	16	13	13	13	13	17	17
Environmental Services	3	3	3	2	2	3	2	-	-	-
Stormwater	2	2	2	2	3	3	4	5	4	3
Trailer park	2	2	2	2	2	2	2	2	1	1
Total	298	288	289	265	265	269	264	261	278	262

Source: City of Winter Garden Human Resource Department

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

Function	Fiscal				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Police					
Physical arrests	1,405	1,320	1,273	1,525	1,216
Parking violations	83	87	115	114	321
Traffic violations	5,527	4,592	5,211	7,491	9,082
Fire					
Number of calls answered	4,449	4,252	4,280	4,049	3,880
Inspections	1,223	1,127	1,244	1,270	1,226
Public Works					
Street resurfacing	44,961	61,063	7,132	14,838	17,034
Potholes repaired	144	149	107	134	220
Sanitation					
Refuse collected (tons/day)	102	93	88	89	133
Recyclables collected	5	5	5	6	8
Culture and recreation					
Field permits issued	1,206	981	1,024	1,139	376
Facility rentals	519	481	493	335	294
Water					
New connections	928	506	176	338	373
Water main breaks	5	8	9	11	55
Average daily consumption	4,996,986	5,092,583	5,695,000	5,966,000	5,308,000
Wastewater					
Average daily sewage treatment	2,750,000	2,560,000	2,490,000	2,380,000	2,410,000

Sources: Various City departments.

Note: Indicators are not available for the general government function.

Year

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
1,084	1,142	1,170	1,878	2,093
380	644	802	80	362
9,427	10,813	12,216	7,448	8,994
3,851	3,714	3,642	3,427	3,231
1,126	1,172	1,442	1,258	1,222
11,195	3,873	21,336	43,357	22,551
172	245	945	890	1,000
84	87	117	51	50
8	6	8	4	4
905	226	254	156	85
319	151	196	194	182
209	602	699	1,095	676
7	6	8	3	3
5,935,000	6,100,858	6,670,000	5,985,678	4,616,786
2,500,000	2,420,000	2,350,000	1,990,000	2,010,000

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

Function	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Public Safety				
Police:				
Stations	1	1	1	1
Patrol units	43	39	39	39
Fire stations	3	3	3	3
Sanitation				
Collection trucks	18	15	16	18
Public Works				
Streets (miles)	131	127	129	170
Sidewalks	154	147	141	133
Streetlights	2,666	2,590	2,496	2,462
Traffic signals	31	29	29	28
Culture Recreation				
Parks acreage	307	307	301	297
Parks	12	12	12	12
Swimming pools	2	2	2	2
Tennis courts	6	6	6	6
Community centers	1	1	1	1
Water				
Water mains (miles)	200	195	190	190
Reclaim Mains (miles)	80	78	77	73
Fire hydrants	1,472	1,447	1,403	1,403
Maximum daily capacity	12,912,000	12,912,000	12,912,000	12,912,000
Sewer				
Sanitary sewers (miles)	186	182	175	175
Maximum daily treatment capacity	4,750,000	4,000,000	4,000,000	4,000,000
Stormwater				
Storm sewers (miles)	70	67	121	121

Sources: Various City departments.

Note: No capital asset indicators are available for the general government function.

Fiscal Year						
<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	
1	1	1	1	1	1	1
38	38	38	38	38	36	32
3	3	3	2	2	2	2
17	24	21	18	15	15	15
176	176	176	171	137	119	119
130	129	129	119	112	94	94
2,429	2,419	2,304	2,279	2,266	2,017	2,017
20	16	22	19	14	13	13
90	90	60	60	55	55	55
11	11	9	9	8	8	8
2	2	2	2	2	2	2
6	6	6	6	6	6	6
1	1	1	1	1	1	1
190	186	186	186	105	98	98
72	69	65	62	55	44	44
1,380	1,366	1,300	1,300	1,300	1,215	1,215
12,912,000	10,368,000	10,368,000	10,368,000	10,368,000	10,368,000	10,368,000
175	164	164	139	135	127	127
4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
117	112	112	102	63	56	56

COMPLIANCE AND INTERNAL CONTROL SECTION





Sines Blakeslee Madyda

certified public accountants, p.a.

INDEPENDENT AUDITORS' 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 and Members of the
City Commission
Winter Garden, Florida

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Winter Garden, Florida (the "City"), as of and for the fiscal year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise City's basic financial statements and have issued our report thereon dated March 20, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of 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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

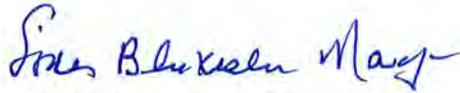
As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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*.

Pursuant to provisions of Chapter 10.550, *Rules of the Auditor General*, we reported certain matters to management in a separate management letter and Independent Accountant's Report dated March 20, 2015.

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Sines Blakeslee Madyda". The signature is written in a cursive style.

SINES BLAKESLEE MADYDA, P.A.
Certified Public Accountants

Winter Garden, Florida
March 20, 2015



INDEPENDENT AUDITORS' MANAGEMENT LETTER

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

Report on Financial Statements

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, 2014, and have issued our report thereon dated March 20, 2015.

Auditor's Responsibility

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; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

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*, and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 20, 2015, should be considered in conjunction with this management letter.

Prior Audit Findings

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. In conjunction with our audit, there were no audit findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *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. The legal authority of the City and its blended component unit are disclosed in the notes to the financial statements.

Financial Condition

Section 10.554(1)(i)5.a., *Rules of the Auditor General*, requires that we report the results of our determination as to whether or not the City 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.

Honorable Mayor and Members of the Commission
Winter Garden, Florida

Financial Condition - continued

Pursuant to sections 10.554(1)(i)5.c. and 10.556(8), 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. The assessment prepared as of fiscal year end.

Annual Financial Report

Section 10.554(1)(i)5.b., *Rules of the Auditor General*, requires that we report that we reports of our determine as to whether the annual financial report for the City for the fiscal year ended September 30, 2014, 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, 2014. In connection with our audit, we determined that these two reports were in agreement.

Special District Component Units

Section 10.554(1)(i)5.d., *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component of a county, municipality, or special district, provided the financial information necessary for proper recording of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special districts, component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Other Matters

Section 10.554(1)(i)2., *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)3., *Rules of the Auditor General*, requires, that we address noncompliance with contracts or grant agreements, 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 which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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, P.A.
Certified Public Accountants

Winter Garden, Florida
March 20, 2015



Sines Blakeslee Madyda

certified public accountants, p.a.

INDEPENDENT AUDITORS' REPORT

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

We have examined the City of Winter Garden, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2014. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2014.

A handwritten signature in blue ink that reads "Sines Blakeslee Madyda".

SINES BLAKESLEE MADYDA, P.A.
Certified Public Accountants

Winter Garden, Florida
March 20, 2015