



# The City of Winter Springs, Florida Comprehensive Annual Financial Report For the Fiscal Year Ended September 30, 2014



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**City of Winter Springs, Florida**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For The Year Ended September 30, 2014**



**Prepared by:**

**Finance and Administrative Services Department**

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## **INTRODUCTORY SECTION**

This section contains the following subsections:

- Table of Contents
- Letter of Transmittal
- GFOA Certificate of Achievement
- List of Principal Officials
- Organizational Chart

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## CITY OF WINTER SPRINGS, FLORIDA

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1126 EAST STATE ROAD 434  
WINTER SPRINGS, FLORIDA 32708-2799  
Telephone (407) 327-1800

March 16, 2015

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

It is with great pleasure that we present to you the City of Winter Springs, Florida Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2014. Florida Statutes, Chapter 166.241 and the rules of the Florida Auditor General, Chapter 10.550 requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and that they be audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed Certified Public Accountants.

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 of Winter Springs has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Winter Springs' financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefit, the City of Winter Springs' comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, to the best of our knowledge and belief, we assert that this financial report is complete and reliable in all material respects.

The City of Winter Springs' financial statements have been audited by McDirmit, Davis & Company, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Winter Springs for the fiscal year ended September 30, 2014 are free of material misstatement. The independent audit involved examination of evidence, on a test basis, supporting the amounts and disclosures in the financial statements; assessment of the accounting principles used and significant estimates made by management; and an evaluation of the overall financial statement presentation. Based upon the audit, the independent auditor concluded that reasonable basis existed to render an unmodified opinion that the City of Winter Springs' financial statements for the fiscal year ended September 30, 2014 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The City of Winter Springs' Management's Discussion and Analysis (MD&A) can be found immediately following the report of the independent auditors and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### **Profile of the Government**

The City of Winter Springs, incorporated in 1959, is located in Seminole County, which is a part of the greater Orlando metropolitan area in East Central Florida. This area is one of the fastest growing areas in the country. The City currently has a land area of 14.81 square miles and a population of approximately 34,000.

The City operates according to a Council/Manager form of government, with an appointed City Manager, five elected City Commissioners and a separately elected Mayor. The Mayor and Commission are elected for four-year terms. The governing body is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City's Manager, Clerk and Attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing body, for overseeing the day-to-day operations of the government, and for hiring the directors of the various departments.

The City of Winter Springs provides a full range of services, including police protection; the construction and maintenance of highways, streets and other infrastructure; and recreational facilities, activities and cultural events. The City maintains both Water and Sewer Utility Fund, a Stormwater Utility Fund, and a Development Services Fund, which function, in essence, as departments of the City of Winter Springs and therefore have been included as an integral part of the City of Winter Springs' financial statements.

The annual budget serves as the foundation for the City of Winter Springs' financial planning and control. All departments of the City of Winter Springs are required to submit requests for appropriation to the City Manager. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents the proposed budget to the City Commission for review on or before July 1. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund (e.g., General Fund), department (e.g., Police Department) and division (e.g., Criminal Investigation). The City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the special approval of the City Commission. Original and final amended budget-to-actual comparisons are provided in this report for each individual governmental fund. The General Fund, the Road Improvements Fund and the Solid Waste/Recycling Fund, are presented on pages 26-29 as part of the basic financial statements for the governmental funds. The TLBD Debt Service Fund and 2003 Debt Service Fund comparisons are presented as other financial information on pages 82-83. The non-major governmental funds budget comparisons are presented in the governmental fund subsection of this report which starts on page 96.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the City of Winter Springs operates.

Seminole County has adopted a one-cent local government infrastructure sales tax which will be in effect from January 1, 2015 through December 31, 2024. The intent of this legislation is to improve the infrastructure of the Seminole County public school system and other public infrastructure within the County and its municipalities. Per the interlocal agreement, 2.99% of net revenues are to be distributed to the City of Winter Springs. It is estimated that this distribution will be nearly \$2M for the fiscal year 2015-2016.

**Local economy.** The City of Winter Springs is primarily a residential area with a small amount of retail, office and light industrial developments. Approximately 87% of the City's tax base is comprised of residential properties. Per the DR 422 (Certificate of Final Taxable Value) and relative to the 2013-2014 fiscal year (tax year 2013), the gross taxable value reflects an increase of 4.28% from the prior year and an increase of 10.62% since fiscal year 2005. During fiscal year 2013-2014 (tax year 2013), through prudent fiscal management, the City was able to maintain operating and voted debt millage rates at 2.43 and 0.1100 mills, respectively.

The local real estate market has recovered substantially from the crash of 2007. New construction in Winter Springs is robust. New housing starts for Seven Oaks, Southern Oaks, & the RiZe, upscale apartment living in the Town Center; are contributing to the growth. At the local level, revenues such as review and permit fees, investment income and state sales tax revenues have rebounded and are showing signs of sustainable growth.

Winter Springs can boast great neighborhood schools. For the 11<sup>th</sup> year in a row, Seminole County Public Schools remains an “A” –rated school district. For the 2013/14 school year, 4 of 5 the elementary and middle schools were awarded an “A” on State FCAT score results, and a Keeth Elementary School student received a perfect score on all 3 FCAT tests (Writing, Reading and Math). Winter Springs is also home to Choices in Learning Charter School, Willow School, and The Primrose School (opening soon), offering choices in education. Nearby Seminole State College and University of Central Florida offer our community an affordable and excellent higher education choice.

Winter Springs continues its partnership with the UCF Incubator to look at ways to make a positive investment into our business community. We have also partnered with Seminole County in the Community Redevelopment Agency to build out neighborhood improvements at Shepard Road as part of the 17-92 corridor redevelopment. This project is funded through a waiver of ad valorem taxes by way of repayment of ad valorem paid to the county.

Winter Springs continues to offer its citizens, the highest quality services and community minded events such as Shop-with-a Cop, and Community Youth Organization for at risk youth. Our therapy pool was awarded the Top Aquatic Program in the United States, selected number 20 in the country, and Top Aquatic Program in the State of Florida awarded by the US Water Fitness Association. Together with the Winter Springs Senior Association, a number of activities and outings are offered to our seniors including yoga, ceramics, the very popular Touch of Class line dancing group and more.

Winter Springs has been host to the Central Florida Scottish Highland Games for thirteen consecutive years and has recently signed a 10-year contract with the Scottish-American Society. The City has been host to the Oviedo-Winter Springs Chamber of Commerce’ ARTtoberFEST offering a variety of both art and music. The city partners with a number of sport leagues and clubs such as Babe Ruth & Pop Warner offering a variety of sports activities. We host a spring break and summer camp program offering affordable day camp options and hold a number of holiday events including Father-Daughter Dance, Spring Family Festival, the Celebration of Freedom, Hometown Harvest, a salute to our veterans in the Veteran’s Day Ceremony, Winter Wonderland, and. This year Sergeant Keith Hale was recognized as the City’s Hometown Hero during the Veterans Day Ceremony. Several of these events are featured on the cover of this report. Highlighted here are some of what makes the City of Winter Springs a top choice for families to choose to live. As a post script, in 2011, Winter Springs was recognized by Money Magazine as one of the top 100 places to live.

**Long-term financial planning.** The City Commission updated and adopted a 5-year Capital Improvements Plan (CIP) on September 2014 for fiscal years 2015 through 2019. The CIP is currently being evaluated and updated through fiscal year 2019. The CIP is a multi-year prioritized schedule of improvements that lists each capital improvement by the year it is intended to be purchased or commenced; the amount to be spent per year; and the method of financing such improvement. Each year during the annual budget process the CIP is reviewed to ensure incorporation of all necessary capital improvements. It should be noted; however, that the CIP is not a static document but a flexible and dynamic one that may change to reflect changing priorities, opportunities, costs, or financing approach.

**Relevant Financial Policies.** In fiscal year 2014, the City has implemented GASB 67: Financial Reporting for Pension Plans.

**Major Initiatives.** During fiscal year 2014, as approved during the budget process, the City anticipates the continued efforts for improving our City services and amenities by means of the following projects:

- Software upgrade or implementation of a new ERP system to allow enhanced customer service capabilities such as e-billing, online customer payments and customer self serve continues on schedule and will be completed in 2015.

## Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winter Springs for its CAFR for the fiscal year ended September 30, 2013. This was the fourteenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently-organized CAFR. This report 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 requirements and will be submitting it to the GFOA to determine its eligibility for another fiscal year.

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 the department who assisted and contributed to its preparation. Other City departments, although not extensively involved in year-end audit activities, contributed significantly by ensuring the accuracy and integrity of accounting information compiled throughout the year. Without their diligence, the work of the Finance Department would have been considerably more difficult. Appreciation must also be expressed to the City's auditors whose suggestions and attention to detail enhanced the quality of this report.

In closing, we would also like to express appreciation to the Mayor and the City Commission for their support and for maintaining high standards of professionalism in management of the City of Winter Springs' finances.

Respectfully submitted,



Kevin L. Smith  
City Manager



Shawn D. Boyle  
Finance and Administrative Services Director



Government Finance Officers Association

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

Presented to

**City of Winter Springs  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2013**

Executive Director/CEO

**CITY OF WINTER SPRINGS, FLORIDA**

**LIST OF PRINCIPAL OFFICIALS**

September 30, 2014

**ELECTED OFFICIALS**

MAYOR	Charles Lacey
COMMISSIONER	Joanne M. Krebs
COMMISSIONER	Cade Resnick
COMMISSIONER	Pam Carroll
DEPUTY MAYOR / COMMISSIONER	Rick Brown
COMMISSIONER	Jean Hovey

**CITY MANAGER**

Kevin L. Smith

**CITY CLERK**

Andrea Lorenzo-Luaces

**LEGAL COUNSEL**

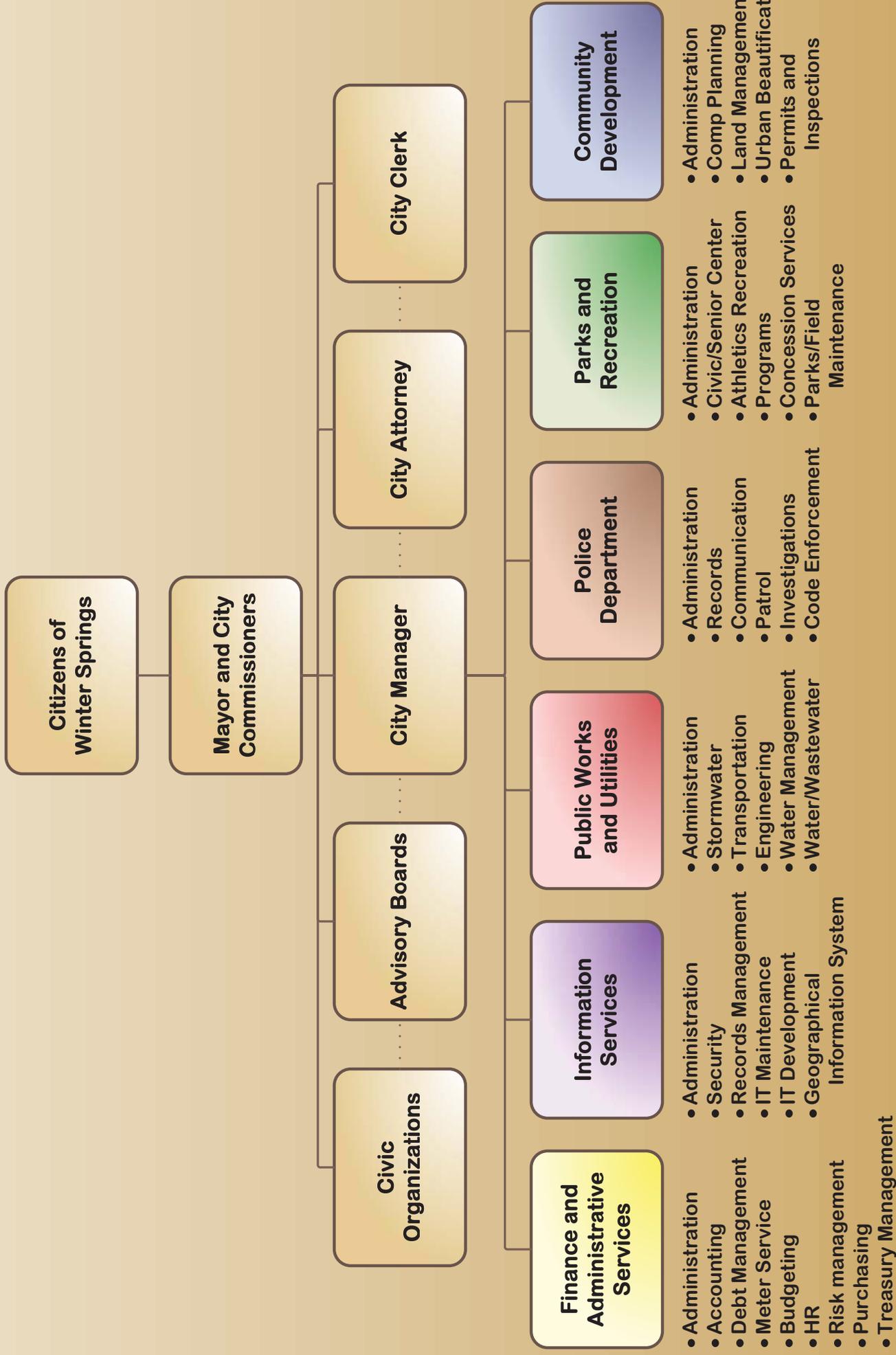
Anthony Garganese

Brown, Garganese, Weiss  
& D'Agresta, P.A.

**DEPARTMENT  
DIRECTORS**

COMMUNITY DEVELOPMENT	Randy Stevenson
FINANCE/ADMIN SERVICES	Shawn Boyle
INFORMATION SERVICES	Joanne Dalka
PARKS AND RECREATION	Chris Caldwell
POLICE CHIEF	Kevin Brunelle
UTILITY/PUBLIC WORKS	Kipton Lockcuff

# City of Winter Springs Organizational Chart



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**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners  
*City of Winter Springs, 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 Springs, Florida*, as of and for the 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***

*City of Winter Springs'* 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.

### ***Auditor's 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 entity'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 entity'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 City of Winter Springs, 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 fund, road improvements special revenue fund, and solid waste/recycling special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**MCDIRMIT DAVIS & COMPANY, LLC**

934 N. MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803  
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, pension and other postemployment benefits disclosures on page 3 through 17, 82 through 83, and 77 through 81 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 *City of Winter Springs'* basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules and statistical section are the responsibility of management and were derived from and related 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated March 16, 2015 on our consideration of *City of Winter Springs'* 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 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 *City of Winter Springs'* internal control over financial reporting and compliance.

*McDiarmid Davis & Company, LLC*

Orlando, Florida  
March 16, 2015

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Winter Springs we offer readers of the City of Winter Springs' financial statements this narrative overview and analysis of the financial activities of the City of Winter Springs 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 iv - vii of this report.

### **Financial Highlights**

- The assets and deferred outflows of the City of Winter Springs exceeded its liabilities at the close of the most recent fiscal year by \$96,261,251 (net position). Of this amount, \$19,609,407 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$2,062,479 or 2%.
- As of the close of the current fiscal year, the City of Winter Springs' governmental funds reported combined ending fund balances of \$20,164,660. Approximately 37% of this total amount, \$7,474,967, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,646,887, or 50% of total general fund expenditures.
- The City of Winter Springs' total debt decreased by \$2,013,403 (5%) during the current fiscal year.

### **Overview of the Financial Statements**

The financial statements focus on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the City's accountability.

This discussion and analysis are intended to serve as an introduction to the City of Winter Springs' basic financial statements, which 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 of Winter Springs' finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City of Winter Springs' assets, deferred outflows of resources and liabilities, with the difference 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 of Winter Springs is improving or declining.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Overview of the Financial Statements (Continued)

#### **Government-wide financial statements. (Continued)**

The *Statement of Activities* presents information showing how the government's net position changed during the 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 of Winter Springs 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 of Winter Springs include general government, public safety, physical environment and culture and recreation. The business-type activities of the City of Winter Springs include a Water and Sewer Utility, Stormwater Utility and Development Services.

The government-wide financial statements include only the City of Winter Springs itself (known as the *primary government*). The City of Winter Springs had no component units. The Water and Sewer Utility, the Stormwater utility, and Development Services function as departments of the City of Winter Springs, and therefore, have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 18-19 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 of Winter Springs, 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 of Winter Springs can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** *Governmental 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 government'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*.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Overview of the Financial Statements (Continued)

#### **Governmental Funds. (Continued)**

The City of Winter Springs maintains 25 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, Road Improvements Special Revenue Fund, Solid Waste/Recycling Special Revenue Fund, TLBD Debt Service Fund, and 2003 Debt Service Fund all five of which are considered to be major funds. Data from the other 20 governmental 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 of Winter Springs adopts an annual appropriated budget for all governmental funds. Budgetary comparison statements have been provided for the General Fund, Road Improvements Special Revenue Fund, and Solid Waste/Recycling Special Revenue Fund to demonstrate compliance with this budget on pages 26-29. Budgetary comparison schedules have been provided for the TLBD Debt Service Fund, 2003 Debt Service Fund and the nonmajor funds on pages 82-83 and 96-115.

The basic governmental fund financial statements can be found on pages 20-25 of this report.

**Proprietary funds.** The City of Winter Springs maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Winter Springs uses enterprise funds to account for the Water and Sewer Utility, Stormwater Utility and Development Services department.

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, Stormwater Utility, and Development Services.

The basic proprietary fund financial statements can be found on pages 30-33 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 statement 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 34-35 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 36-76 of this report.

**Required Supplementary Information (RSI).** RSI can be found on pages 77-81 of this report.

**Other information.** The budget schedules for the 2 major debt service funds are on pages 82-83 after the RSI. The combining statements referred to earlier in connection with nonmajor governmental funds are presented after this. Combining and individual fund statements and schedules can be found on pages 84-115 of this report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Government-wide Financial Analysis

**Statement of Net Position.** 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 of Winter Springs, assets and deferred outflows of resources exceeded liabilities by \$96,261,251 at the close of the most recent fiscal year.

Of the City of Winter Springs' net position (\$67,367,565 or 70%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related outstanding debt used to acquire those assets. The City of Winter Springs uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the City of Winter Springs' investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net position subject to external restrictions as to how it may be used total \$9,284,279 (10%). The remaining balance of *unrestricted net position* (\$19,609,407 or 20%) may be used to meet the government's ongoing obligations to citizens and creditors.

At September 30, 2014, the City of Winter Springs 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. This was also the case at the close of the prior fiscal year.

The following table reflects the condensed *Statement of Net Position* for the current and prior year. For more detail see the *Statement of Net Position* on page 18.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Government-wide Financial Analysis (Continued)

**City of Winter Springs  
Statement of Net Position  
As of September 30**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
<b>Assets:</b>						
Current and other assets	\$ 26,892,907	\$ 27,917,604	\$ 13,657,526	\$ 11,768,260	\$ 40,550,433	\$ 39,685,864
Restricted assets	333,927	415,024	721,689	732,561	1,055,616	1,147,585
Capital assets	58,048,490	58,531,317	37,860,862	38,334,482	95,909,352	96,865,799
Total assets	85,275,324	86,863,945	52,240,077	50,835,303	137,515,401	137,699,248
<b>Deferred Outflows of Resources</b>						
Deferred charge on refunding	\$ 92,576	\$ 135,945	\$ 568,817	\$ 653,734	\$ 661,393	\$ 789,679
<b>Liabilities:</b>						
Current liabilities	820,640	1,091,424	427,023	488,119	1,247,663	1,579,543
Long term liabilities	17,848,695	18,963,583	21,728,124	22,626,639	39,576,819	41,590,222
Other liabilities	333,414	415,024	757,647	705,366	1,091,061	1,120,390
Total liabilities	19,002,749	20,470,031	22,912,794	23,820,124	41,915,543	44,290,155
<b>Net Position:</b>						
Net investment in capital assets	45,826,335	44,710,711	21,541,230	20,728,675	67,367,565	65,439,386
Restricted	8,801,942	8,963,434	482,337	467,655	9,284,279	9,431,089
Unrestricted	11,736,874	12,855,714	7,872,533	6,472,583	19,609,407	19,328,297
Total net position	\$ 66,365,151	\$ 66,529,859	\$ 29,896,100	\$ 27,668,913	\$ 96,261,251	\$ 94,198,772

**Statement of Changes in Net Position.** The following table reflects the *Statement of Changes in Net Position* for the current and prior year. For more detailed information see the *Statement of Activities* on page 19.

Note that the government's total net position increased by \$2,062,479 or 2% in fiscal year 2014. The previous fiscal year, 2013, net position increased by \$2,984,935.

Governmental activities decreased net position by \$164,708 in fiscal year 2014 compared to an increase of \$834,193 in 2013. The 2013 increase in net position is primarily due to realization of 2013 impact fee revenues without a commensurate realization of capital projects.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Government-wide Financial Analysis (Continued)

#### **Statement of Changes in Net Position. (Continued)**

Business-type activities increased net position by \$2,227,187 in fiscal year 2014 compared to an increase of \$2,150,742 in 2013. This is primarily the result of the Water Sewer Utility Fund (\$1,751,587) which stems from contributed capital (\$548,125), connection fees (\$266,653), grant revenues (\$76,915) and increased user charges (\$699,228). The increase in net position in the Stormwater Utility (\$410,352) results from contributed capital (\$634,317).

Following the *Changes in Net Position* table is a series of bar and pie charts that relay in pictorial form the revenues and expenses for each of the governmental and business-type activities as well as the revenue "source" for each.

Additional information regarding the changes in fund balance of the governmental and business-type activities can be found in the section entitled **Financial Analysis of Government's Funds** on page 12.

Note that the first graph depicts governmental program-specific revenues and expenses. For this graph the revenue does not include property taxes, utility taxes, business tax receipts, intergovernmental revenue, investment income or miscellaneous revenue. This chart is intended to show the amount of program expenses funded by *specific* program revenues.

Note that the Development Services Fund shows direct revenues approximately equal to direct expenses excluding the allocation of overhead as transfers out. Increase in water and sewer revenues are due in part to increased consumption and rates and decreases in operational expenditures and the refinancing of debt.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Government-wide Financial Analysis (Continued)**

**Statement of Changes in Net Position. (Continued)**

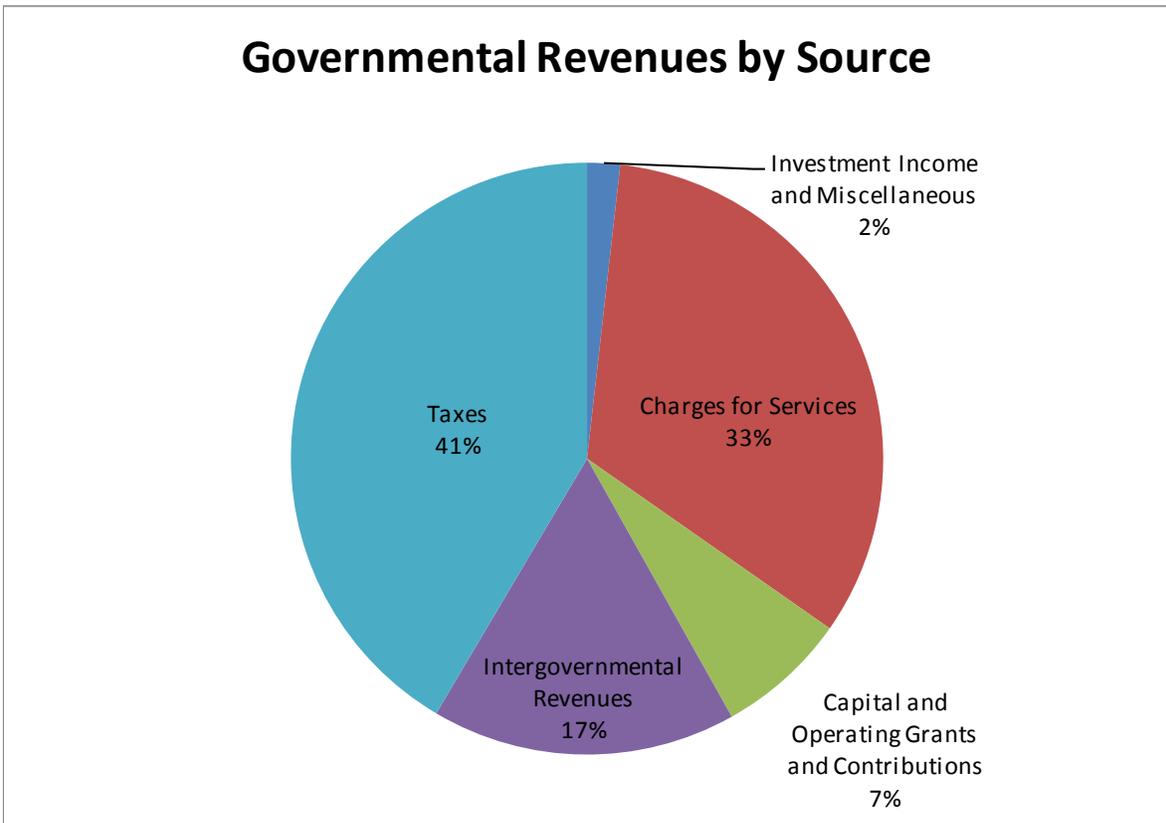
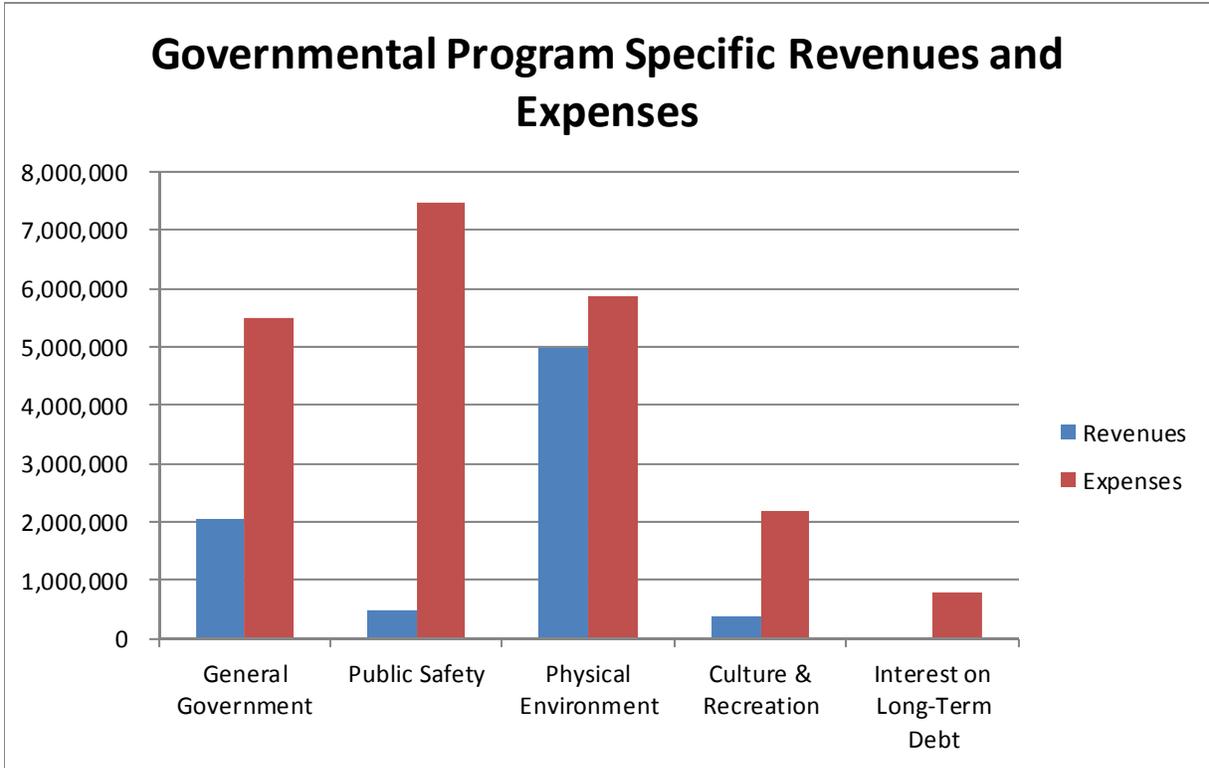
**City of Winter Springs  
Changes in Net Position  
For the Year Ended September 30**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for services	\$ 6,469,268	\$ 6,076,393	\$ 11,158,094	\$ 10,634,861	\$ 17,627,362	\$ 16,711,254
Operating grants and contributions	22,530	-	-	-	22,530	-
Capital grants and contributions	1,382,211	2,042,887	1,526,010	2,062,483	2,908,221	4,105,370
<b>General Revenues:</b>						
Property taxes	4,014,680	3,852,812	-	-	4,014,680	3,852,812
Utility taxes	4,034,667	3,923,336	-	-	4,034,667	3,923,336
Business tax receipts	105,558	108,849	-	-	105,558	108,849
Intergovernmental-unrestricted	3,268,732	3,099,562	-	-	3,268,732	3,099,562
Investment income and miscellaneous	353,384	487,682	31,537	87,571	384,921	575,253
Total revenues	19,651,030	19,591,521	12,715,641	12,784,915	32,366,671	32,376,436
<b>Expenses:</b>						
General government	5,498,396	4,902,507	-	-	5,498,396	4,902,507
Public safety	7,476,644	7,415,423	-	-	7,476,644	7,415,423
Physical environment	5,873,522	5,658,075	-	-	5,873,522	5,658,075
Culture and recreation	2,170,169	2,078,389	-	-	2,170,169	2,078,389
Interest and other fiscal charges on long-term debt	781,732	772,994	-	-	781,732	772,994
Water and sewer	-	-	6,944,763	7,039,986	6,944,763	7,039,986
Development services	-	-	409,295	369,454	409,295	369,454
Stormwater	-	-	1,149,671	1,154,673	1,149,671	1,154,673
Total expenses	21,800,463	20,827,388	8,503,729	8,564,113	30,304,192	29,391,501
Increase (Decrease) In Net Position Before Transfers	(2,149,433)	(1,235,867)	4,211,912	4,220,802	2,062,479	2,984,935
Transfers	1,984,725	2,070,060	(1,984,725)	(2,070,060)	-	-
Increase In Net Position	(164,708)	834,193	2,227,187	2,150,742	2,062,479	2,984,935
Net Position- October 1	66,529,859	65,768,641	27,668,913	25,656,500	94,198,772	91,425,141
Restatement of Net Position	-	(72,975)	-	(138,329)	-	(211,304)
Net Position- September 30	\$ 66,365,151	\$ 66,529,859	\$ 29,896,100	\$ 27,668,913	\$ 96,261,251	\$ 94,198,772

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Government-wide Financial Analysis (Continued)**

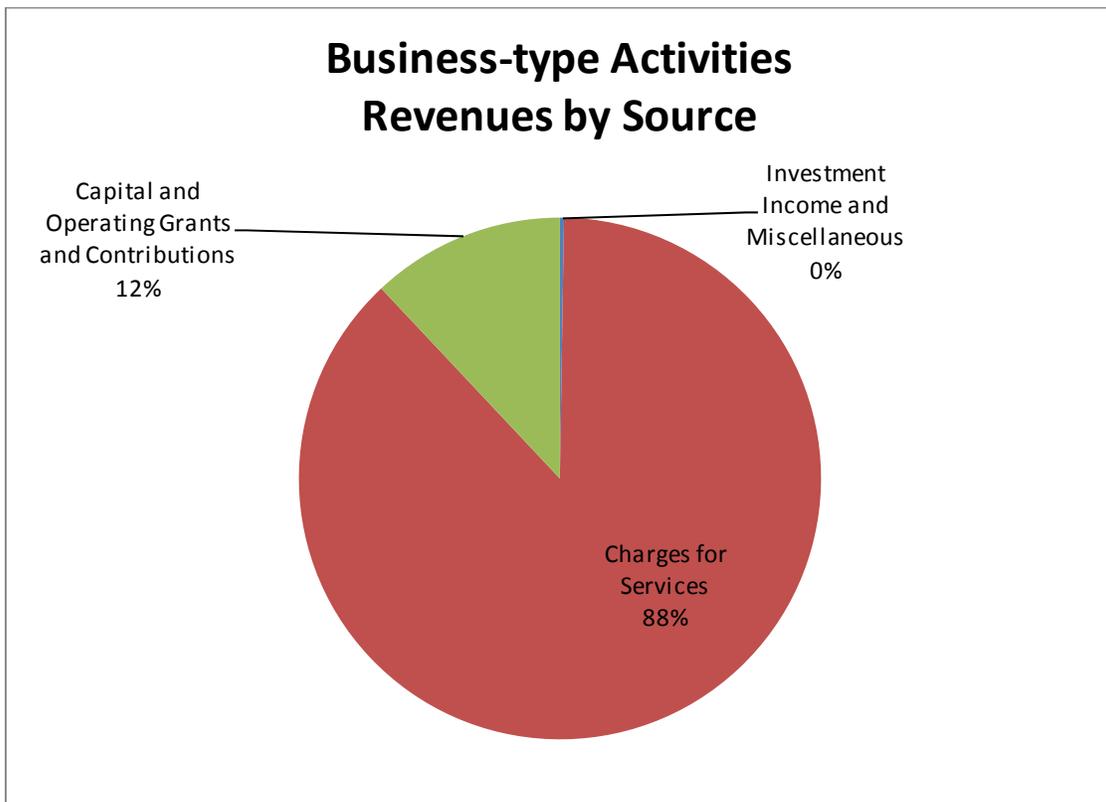
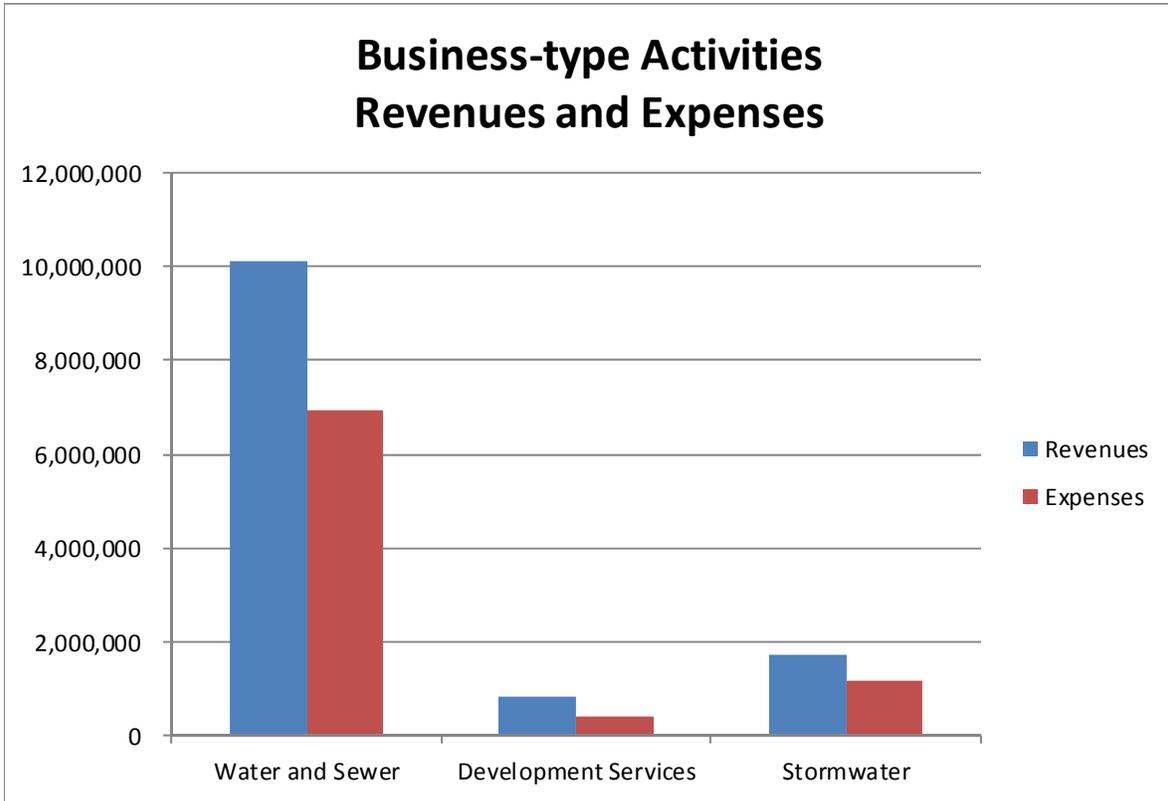
**Statement of Changes in Net Position. (Continued)**



MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Analysis (Continued)

Statement of Changes in Net Position. (Continued)



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Financial Analysis of the Government's Funds

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

**Governmental Funds.** The focus of the City of Winter Springs' *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Winter Springs' 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.

As of September 30, 2014, the City of Winter Springs' governmental funds reported combined ending fund balances of \$20,164,660, a decrease of \$716,895 over the prior year. Approximately 37% or \$7,474,967 of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted, committed or assigned to indicate that it is not available for new spending because it has already been committed for such purposes as debt service, capital projects, inventories and prepaid costs.

The general fund is the chief operating fund of the City of Winter Springs. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$7,646,887, while total fund balance was \$8,495,663. 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 and total fund balance represents 50 and 56% respectively, of total General Fund expenditures. The increase in fund balance of \$7,908 was less than the budgeted decrease as a result of favorable variances in non-payroll related operations accounts, transfers, and favorable revenue variances in electric taxes and franchise fees.

The Road Improvements Fund balance decreased \$542,602 due to capital projects expenditures exceeding current year revenues.

The 2003 Debt Service fund balance decreased \$536,580 due to expenditures related to the current refunding of the outstanding bonds and issuance of a new note payable.

**Proprietary Funds.** The City of Winter Springs' proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

Unrestricted net position of the Water and Sewer Utility Fund at the end of the year amounted to \$6,757,528 and total net position increased \$1,751,587 to \$21,016,975. This increase is primarily due to an increased demand, reduced indirect overhead expenses and contributed capital.

The Development Services Fund net position increased \$65,248 to \$209,510 at the end of the fiscal year. New construction permits have sustained improved levels resulting in net income.

The Stormwater Utility Fund net position increased \$410,352 to \$8,669,615 at the end of the fiscal year. Increased net position is a result of increase in user revenues and greater operating efficiencies resulting in decreased operating expenses.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### General Fund Budgetary Highlights

Differences between the original General Fund budget and the final amended General Fund budget resulted in \$5,902 less in appropriations from fund balance during the year from an appropriation from fund balance of \$581,068 in the original budget to appropriations from fund balance of \$575,166 in the final budget.

The actual results of General Fund for the year show an appropriation to fund balance of \$7,908 compared to a final budgeted appropriation from fund balance of \$575,166. The favorable variance of \$583,074 results from savings in non-payroll related operating accounts per the Department list below:

Executive & Legislative	\$ 6,502
General Government	24,643
Finance & Admin Services	26,811
Information Services	20,658
Community Development	14,083
Police	51,628
Public Works	24,673
Parks & Recreation	33,188
Total	<u>\$202,186</u>

Additionally, there was a favorable transfer variance of \$202,000 due to the determination that a portion of the budgeted transfer to the debt service fund would not be necessary. The proactive decision to pay down \$300,000 of the unfunded pension liability only resulted in an unfavorable payroll variance of (\$84,000). A favorable capital variance of \$250,000 resulted from a CRA (Community Redevelopment Agency) District project (\$175,000) that did not materialize in FY2014 and a Byrne grant project which fell on the cusp of two fiscal years and necessitated a \$54,000 rollover into FY15. Because these capital projects were 100% reimbursable there was a commensurate negative effect of \$262,000 on the revenue variance. This, however, was mitigated by electricity taxes and electricity franchise fees which outperformed budgeted estimates by \$437,000 and contributed to by Communication Service Taxes which came shy of budget by \$146,000. All in all, the general fund ended with a net favorable revenue and transfers in variance of \$12,000.

The comparison of budgeted results to actual results for the General Fund is shown on pages 26-27.

### Capital Asset and Debt Administration

**Capital assets.** The City of Winter Springs' investment in capital assets for its governmental and business-type activities as of September 30, 2014, amounts to \$95,909,352 (net of accumulated depreciation), for a decrease of \$956,447 over the prior year. This investment in capital assets includes land, buildings, improvements, machinery and equipment, intangibles, park facilities, roads, highways, and bridges. The total decrease in the City of Winter Springs' investment in capital assets for the current fiscal year was 0.99% (a 0.82% decrease for governmental activities, and a 1.24% increase for business-type activities).

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**Capital Asset and Debt Administration (Continued)**

**Capital assets. (Continued)**

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

- The completion and capitalization of the following projects:
  - Road reconstruction and resurfacing totaling almost \$689,000;
  - The purchase of new vehicles for the Police Department at a cost of almost \$277,000;
  - Water system pipe relining at a cost of almost \$181,000;
  - Beautification renovation project at a cost of almost \$116,000;
  - Upgrade of Police Department radios and system at a cost of almost \$131,000;
  - Tractor for Public Works Department at a cost of almost \$57,000;
  - New VM Server at a cost of \$40,000.
- The capitalization of donated assets as a result of new residential and commercial building projects including:
  - Additions to storm water system infrastructure at a value of almost \$634,000;
  - Additions to sewer system infrastructure at a value of almost \$635,000.
- Continued construction on the following projects:
  - Road safety projects including deceleration lanes and realignment of Market Square at a cost of almost \$240,000 (\$95,000 spent in prior years);
  - Customer Service initiative to include upgrade software at a cost of almost \$85,000 (almost \$247,000 spent in prior years);
  - Improvements at Central Winds Park at a cost of \$34,000 (almost \$12,000 spent in prior years).
- The ongoing construction of new projects:
  - Police Department Emergency Operations Center at a cost of almost \$39,000;
  - Homeland Security monitoring cameras at the water plants at a cost of almost \$30,000.

Additional information on the City of Winter Springs’ capital assets can be found in Note 6 on pages 54-56 of this report.

**City of Winter Springs  
Capital Assets (Net of Depreciation)  
As of September 30**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Land	\$ 9,946,795	\$ 9,946,795	\$ 7,170,177	\$ 7,170,177	\$ 17,116,972	\$ 17,116,972
Buildings	7,276,050	7,684,649	163,138	188,153	7,439,188	7,872,802
Improvements other than buildings	6,992,645	7,298,722	29,695,026	30,103,312	36,687,671	37,402,034
Machinery and equipment	1,367,719	1,334,506	552,489	571,562	1,920,208	1,906,068
Intangibles	182,182	182,413	84,278	105,524	266,460	287,937
Infrastructure	31,310,749	31,541,167	-	-	31,310,749	31,541,167
Construction in progress	972,350	543,065	195,754	195,754	1,168,104	738,819
<b>Total</b>	<b>\$ 58,048,490</b>	<b>\$ 58,531,317</b>	<b>\$ 37,860,862</b>	<b>\$ 38,334,482</b>	<b>\$ 95,909,352</b>	<b>\$ 96,865,799</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Capital Asset and Debt Administration (Continued)

**Long-term debt.** At September 30, 2014, the City of Winter Springs had total debt outstanding of \$39,576,819, a decrease of \$2,013,403 from \$41,590,222 at September 30, 2013. Total *bonded* debt of the City at the end of the current fiscal year was \$9,168,161 for a decrease of \$4,730,000 over the prior year. This amount does not include accreted interest of \$8,989,604.

The City of Winter Springs' bonded debt represents bonds and notes secured solely by specified revenue sources (i.e., revenue bonds and notes).

There are no limitations placed on the amount of debt the City may issue either by the City's charter, code of ordinances or by the Florida State Statutes.

Additional information on the City of Winter Springs' long-term debt can be found in Note 7 on pages 56-61 of this report.

#### City of Winter Springs Long Term Debt As of September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Improvement Refunding Revenue Bonds, Series 1999	\$ 3,498,970	\$ 3,498,970	\$ -	\$ -	\$ 3,498,970	\$ 3,498,970
Water & Sewer Refunding Revenue Bonds, Series 2000	-	-	5,669,191	5,669,191	5,669,191	5,669,191
Improvement Refunding Revenue Bonds, Series 2003	-	4,730,000	-	-	-	4,730,000
Capital Improvement Revenue Note, Series 2006	87,333	114,959	-	-	87,333	114,959
Revenue Refunding Note Series 2011	1,043,285	1,204,160	-	-	1,043,285	1,204,160
Special Assessment Revenue Notes, Series 2011	1,657,310	1,735,122	-	-	1,657,310	1,735,122
Limited General Obligation Note, Series 2012	2,533,833	2,638,521	-	-	2,533,833	2,638,521
Improvement Refunding Revenue Note, Series 2014	3,494,000	-	-	-	3,494,000	-
Revenue Refunding Note Series 2011A	-	-	5,900,689	6,778,750	5,900,689	6,778,750
Revenue Refunding Note Series 2011B	-	-	641,179	721,065	641,179	721,065
Revenue Refunding Note Series 2011C	-	-	3,058,761	3,397,010	3,058,761	3,397,010
State Revolving Fund Loan	-	-	1,635,498	1,711,448	1,635,498	1,711,448
Accreted Interest Payable	4,432,678	4,003,092	4,556,926	4,081,821	8,989,604	8,084,913
Compensated Absences	766,961	726,850	172,074	194,367	939,035	921,217
Other Post Employment Benefits	334,325	277,090	110,675	90,910	445,000	368,000
Adjustments for Issuance Discounts and Deferred Refunding Costs	-	34,819	(16,869)	(17,923)	(16,869)	16,896
Total	\$ 17,848,695	\$ 18,963,583	\$ 21,728,124	\$ 22,626,639	\$ 39,576,819	\$ 41,590,222

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### **Economic Factors and Next Year's Budgets and Rates**

Winter Springs is primarily a residential community serving more than 34,000 residents and is just 15 miles north of the City of Orlando, one of Florida's largest metropolitan statistical areas. Winter Springs was also recognized by Money Magazine in 2011 as one of our country's "Best Places to Live."

Where many municipal and county governments have raised property taxes, through conservative fiscal policies and aggressive management of the budget, the City Manager and City Commission have been able to maintain the property tax rate for the upcoming fiscal year while improving services.

Community Development is focused on a strong, strategic economic development plan to attract commercial growth within the city. Particular attention is directed to the area known as Seminole Way. With its close proximity to the University of Central Florida and Research Park, Winter Springs offers excellent opportunities for the development of high technology industries. Situated on the eastern edge of the City, Seminole Way is a strategic economic development initiative focused on attracting high value jobs and businesses to Seminole County. The State Road 417 (Central Florida GreeneWay) corridor defines the boundaries of the Seminole Way district, spanning the length of Seminole County and connecting to both Orange County's "Innovation Way" and the "Medical City" located at Lake Nona. The City has targeted this GreeneWay Interchange District (GID) for technology industry development complemented by commercial and retail establishments. It is expected to become a premier employment center with professional and high-tech office buildings, conference facilities, and hotel rooms. The City's ability to expand and diversify its tax base will be a major factor in providing additional financial resources to fund an increasing demand for services.

The city is experiencing new growth and rising property values in both the residential and commercial construction market with projects such as:

- The RiZe – 244 luxury apartments
- Pollack Shores – 300 apartments with mixed use/commercial buildings
- Jesup's Landing – 171 townhomes in the Town Center
- Winding Hollow Office Complex
  - West Side – 5 buildings constructed and occupied, 2 future buildings
  - East Side – 2 buildings under construction

### **Long Term Financial Planning**

The total taxable assessed property value in Winter Springs increased 6.6% from for fiscal year 2014 to 2015, \$1,639,667,121 to \$1,748,258,752. In fiscal year 2015-2016 property assessed values are anticipated to increase approximately 4.5-5.0%. The real estate market has rebounded and the City will continue to benefit from several geographic and competitive advantages. The primary factors are:

- Significant undeveloped land, both residential and commercial
- Comparatively low tax rates
- Current commercial and residential development presently under construction and in planning

The national and state economies play a key role in assessing the City's financial future. While economic changes at the state and national level often lead to reduction in tax receipts the City has remained vigilant, flexible and proactive with corresponding changes in expenditures.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### **Requests for Information**

This financial report is designed to provide a general overview of the City of Winter Springs' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance and Administrative Services Director, 1126 East State Road 434, Winter Springs, Florida, 32708. The Comprehensive Annual Financial Report is also available at the City of Winter Springs' website located at [www.winterspringsfl.org](http://www.winterspringsfl.org).

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## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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CITY OF WINTER SPRINGS, FLORIDA

**STATEMENT OF NET POSITION**

September 30, 2014

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,143,320	\$ 899,021	\$ 2,042,341
Investments	19,420,890	11,834,367	31,255,257
Receivables, net	3,637,113	893,298	4,530,411
Inventories - at cost	7,510	23,545	31,055
Prepaid Costs	210,920	7,295	218,215
Restricted Assets:			
Cash and cash equivalents	333,927	-	333,927
Investments	-	721,689	721,689
Pension Assets	297,032	-	297,032
Receivables, long-term	2,176,122	-	2,176,122
Capital Assets			
Capital assets not being depreciated	10,919,145	7,365,931	18,285,076
Capital assets being depreciated, net of accumulated depreciation	47,129,345	30,494,931	77,624,276
Total Assets	<u>85,275,324</u>	<u>52,240,077</u>	<u>137,515,401</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Charge on Refunding	92,576	568,817	661,393
<b>LIABILITIES</b>			
Accounts Payable and Accrued Expenses	657,053	192,421	849,474
Due to Other Governments	83,399	14,413	97,812
Accrued Interest Payable	68,468	220,189	288,657
Unearned Revenues	11,720	-	11,720
Liabilities Payable from Restricted Assets	333,414	757,647	1,091,061
Noncurrent Liabilities:			
Due within one year	762,942	1,438,060	2,201,002
Due in more than one year	17,085,753	20,290,064	37,375,817
Total Liabilities	<u>19,002,749</u>	<u>22,912,794</u>	<u>41,915,543</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	45,826,335	21,541,230	67,367,565
Restricted for:			
Capital projects	2,988,442	-	2,988,442
Debt service	281,171	4,814	285,985
Renewal and replacement	-	477,523	477,523
Physical environment	5,395,107	-	5,395,107
Public safety	137,222	-	137,222
Unrestricted	11,736,874	7,872,533	19,609,407
Total Net Position	<u>\$ 66,365,151</u>	<u>\$ 29,896,100</u>	<u>\$ 96,261,251</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

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CITY OF WINTER SPRINGS, FLORIDA

**STATEMENT OF ACTIVITIES**

For The Year Ended September 30, 2014

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Operating		Capital Grants and Contributions	Primary Government		
		Charges for Services	Grants and Contributions		Governmental Activities	Business-type Activities	Total
<b>Primary Government</b>							
Governmental activities							
General government	\$ 5,498,396	\$ 2,058,398	\$ -	\$ -	\$ (3,439,998)	\$ -	\$ (3,439,998)
Public safety	7,476,644	457,705	20,030	-	(6,998,909)	-	(6,998,909)
Physical environment	5,873,522	3,589,850	-	1,382,211	(901,461)	-	(901,461)
Culture and recreation	2,170,169	363,315	2,500	-	(1,804,354)	-	(1,804,354)
Interest on long-term debt	781,732	-	-	-	(781,732)	-	(781,732)
Total governmental activities	<u>21,800,463</u>	<u>6,469,268</u>	<u>22,530</u>	<u>1,382,211</u>	<u>(13,926,454)</u>	<u>-</u>	<u>(13,926,454)</u>
Business-type activities:							
Water and sewer	6,944,763	9,239,558	-	891,693	-	3,186,488	3,186,488
Development services	409,295	821,278	-	-	-	411,983	411,983
Stormwater	1,149,671	1,097,258	-	634,317	-	581,904	581,904
Total business-type activities	<u>8,503,729</u>	<u>11,158,094</u>	<u>-</u>	<u>1,526,010</u>	<u>-</u>	<u>4,180,375</u>	<u>4,180,375</u>
Total primary government	<u>\$ 30,304,192</u>	<u>\$ 17,627,362</u>	<u>\$ 22,530</u>	<u>\$ 2,908,221</u>	<u>(13,926,454)</u>	<u>4,180,375</u>	<u>(9,746,079)</u>
General Revenues:							
Property taxes					4,014,680	-	4,014,680
Utility taxes					4,034,667	-	4,034,667
Business tax receipts					105,558	-	105,558
Intergovernmental-unrestricted					3,268,732	-	3,268,732
Investment income and miscellaneous					336,000	31,537	367,537
Gain on Sale of Asset					17,384	-	17,384
Transfers					1,984,725	(1,984,725)	-
Total general revenues and transfers					<u>13,761,746</u>	<u>(1,953,188)</u>	<u>11,808,558</u>
Change in net position					<u>(164,708)</u>	<u>2,227,187</u>	<u>2,062,479</u>
Net Position - beginning					<u>66,529,859</u>	<u>27,668,913</u>	<u>94,198,772</u>
Net Position - ending					<u>\$ 66,365,151</u>	<u>\$ 29,896,100</u>	<u>\$ 96,261,251</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

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**FUND FINANCIAL STATEMENTS**

CITY OF WINTER SPRINGS, FLORIDA

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**

September 30, 2014

	<u>General Fund</u>	<u>Special Revenue</u>	
		<u>Road Improvements Fund</u>	<u>Solid Waste/Recycling</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 285,553	\$ 65,744	\$ 206,139
Investments	8,127,576	865,589	2,714,020
Receivables, net	128,007	3,503,434	4,776
Inventories, at cost	7,510	-	-
Prepays	210,920	-	-
Special assessments receivable	-	-	-
Advances to other funds	197,602	-	-
Restricted assets:			
Cash and cash equivalents	333,414	-	-
Total assets	<u>\$ 9,290,582</u>	<u>\$ 4,434,767</u>	<u>\$ 2,924,935</u>
<b>Liabilities and Fund Balances:</b>			
Accounts payable	\$ 152,054	\$ 11,002	\$ 191,922
Accrued liabilities	214,332	-	-
Retainage payable	-	-	-
Due to other funds	-	-	-
Due to other governments	95,119	-	-
Payable from restricted assets	333,414	-	-
Total liabilities	<u>794,919</u>	<u>11,002</u>	<u>191,922</u>
Deferred Inflows of Resources			
Unavailable revenue-county taxes	-	3,503,434	-
Unavailable revenue-special assessments	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>3,503,434</u>	<u>-</u>
Fund Balances:			
Nonspendable	416,032	-	-
Restricted	-	920,331	-
Committed	-	-	981,158
Assigned	432,744	-	1,751,855
Unassigned	7,646,887	-	-
Total fund balances	<u>8,495,663</u>	<u>920,331</u>	<u>2,733,013</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,290,582</u>	<u>\$ 4,434,767</u>	<u>\$ 2,924,935</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**Debt Service**

<b>TLBD Debt Service</b>	<b>2003 Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 16,264	\$ 19,739	\$ 549,881	\$ 1,143,320
214,125	259,876	7,239,704	19,420,890
-	-	896	3,637,113
-	-	-	7,510
-	-	-	210,920
1,597,310	-	578,812	2,176,122
-	-	-	197,602
-	-	513	333,927
<u>\$ 1,827,699</u>	<u>\$ 279,615</u>	<u>\$ 8,369,806</u>	<u>\$ 27,127,404</u>
\$ 3,955	\$ 3,500	\$ 64,303	\$ 426,736
-	-	-	214,332
-	-	15,985	15,985
-	-	197,602	197,602
-	-	-	95,119
-	-	-	333,414
<u>3,955</u>	<u>3,500</u>	<u>277,890</u>	<u>1,283,188</u>
-	-	-	3,503,434
1,597,310	-	578,812	2,176,122
<u>1,597,310</u>	<u>-</u>	<u>578,812</u>	<u>5,679,556</u>
-	-	-	416,032
226,434	-	4,151,743	5,298,508
-	-	303,509	1,284,667
-	276,115	3,229,772	5,690,486
-	-	(171,920)	7,474,967
<u>226,434</u>	<u>276,115</u>	<u>7,513,104</u>	<u>20,164,660</u>
<u>\$ 1,827,699</u>	<u>\$ 279,615</u>	<u>\$ 8,369,806</u>	<u>\$ 27,127,404</u>

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CITY OF WINTER SPRINGS, FLORIDA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION**

September 30, 2014

Total fund balance, governmental funds	\$ 20,164,660
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	58,048,490
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	5,679,556
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(17,824,587)
The cumulative net pension contribution which is more than the annual required contribution is presented as an asset on the statement of net position.	297,032
Net Position of Governmental Activities in the Statement of Net Position	<u>\$ 66,365,151</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF WINTER SPRINGS, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS**

For The Year Ended September 30, 2014

	<u>General Fund</u>	<u>Special Revenue</u>	
		<u>Road Improvements Fund</u>	<u>Solid Waste/Recycling</u>
<b>Revenues:</b>			
Taxes:			
Property taxes	\$ 3,840,804	\$ -	\$ -
Utility taxes	4,034,667	-	-
Business tax receipts	105,558	-	-
Permits and fees	1,870,175	-	102,625
Intergovernmental revenues	3,196,409	188,132	94,853
Charges for services	618,902	-	2,437,733
Fines and forfeitures	106,875	-	-
Impact fees/assessments	-	-	-
Investment income	30,988	3,195	6,848
Miscellaneous	154,950	-	-
Total revenues	<u>13,959,328</u>	<u>191,327</u>	<u>2,642,059</u>
<b>Expenditures:</b>			
Current:			
General government	4,963,130	-	-
Public safety	6,947,133	-	-
Physical environment	1,001,795	-	2,444,356
Culture and recreation	1,786,708	-	-
Debt Service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Capital Outlay:			
General government	108,070	-	-
Public safety	407,245	-	-
Physical environment	-	755,715	-
Culture and recreation	54,193	-	-
Total expenditures	<u>15,268,274</u>	<u>755,715</u>	<u>2,444,356</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(1,308,946)</u>	<u>(564,388)</u>	<u>197,703</u>
<b>Other Financing Sources (Uses)</b>			
Notes payable	-	-	-
Transfers in	2,468,354	21,786	-
Transfers out	(1,151,500)	-	(137,339)
Total other financing sources(uses)	<u>1,316,854</u>	<u>21,786</u>	<u>(137,339)</u>
<b>Net Change in Fund Balances</b>	7,908	(542,602)	60,364
<b>Fund Balances - beginning</b>	<u>8,487,755</u>	<u>1,462,933</u>	<u>2,672,649</u>
<b>Fund Balances - ending</b>	<u>\$ 8,495,663</u>	<u>\$ 920,331</u>	<u>\$ 2,733,013</u>

<u>Debt Service</u>			
<u>TLBD Debt Service</u>	<u>2003 Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ 173,876	\$ 4,014,680
-	-	-	4,034,667
-	-	-	105,558
-	-	20,125	1,992,925
-	-	579,900	4,059,294
-	-	14,845	3,071,480
-	-	174,483	281,358
77,812	-	1,169,406	1,247,218
55,748	885	41,043	138,707
33,466	-	31,036	219,452
<u>167,026</u>	<u>885</u>	<u>2,204,714</u>	<u>19,165,339</u>
-	-	3,712	4,966,842
-	-	39,569	6,986,702
4,328	-	723,445	4,173,924
-	-	-	1,786,708
77,812	4,730,000	293,189	5,101,001
55,127	235,465	133,732	424,324
-	-	125,672	233,742
-	-	118,887	526,132
67,214	-	239,629	1,062,558
-	-	48,667	102,860
<u>204,481</u>	<u>4,965,465</u>	<u>1,726,502</u>	<u>25,364,793</u>
<u>(37,455)</u>	<u>(4,964,580)</u>	<u>478,212</u>	<u>(6,199,454)</u>
-	3,494,000	-	3,494,000
-	934,000	217,500	3,641,640
(500)	-	(363,742)	(1,653,081)
<u>(500)</u>	<u>4,428,000</u>	<u>(146,242)</u>	<u>5,482,559</u>
(37,955)	(536,580)	331,970	(716,895)
<u>264,389</u>	<u>812,695</u>	<u>7,181,134</u>	<u>20,881,555</u>
<u>\$ 226,434</u>	<u>\$ 276,115</u>	<u>\$ 7,513,104</u>	<u>\$ 20,164,660</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

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CITY OF WINTER SPRINGS, 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

Net change in fund balances - total governmental funds: \$ (716,895)

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets 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 (1,079,962)

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins and disposals) is to decrease net position (4,775)

The issuance of long-term debt 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. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items 1,607,001

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds 8,435

Special assessment revenue reported in the funds must be eliminated from the statement of activities since revenue was recognized in a prior year (123,713)

Pension expenses recorded in the statement of activities which are in excess of the annual required pension contribution are considered to be assets and not expenses of the period (1,955)

Contributions of capital assets are not reported as revenues in the governmental funds 605,744

Transfers of capital assets to proprietary funds (3,834)

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds. (454,754)

Change in net position of governmental activities \$ (164,708)

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF WINTER SPRINGS, FLORIDA

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**

For The Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
<b>Revenues:</b>				
Taxes:				
Property Taxes	\$ 3,830,853	\$ 3,830,853	\$ 3,840,804	\$ 9,951
Utility taxes	3,900,000	3,900,000	4,034,667	134,667
Business tax receipts	125,000	125,000	105,558	(19,442)
	<u>7,855,853</u>	<u>7,855,853</u>	<u>7,981,029</u>	<u>125,176</u>
Permits and fees:				
Permits	25,000	25,000	20,335	(4,665)
Franchise fees	1,710,000	1,710,000	1,849,840	139,840
	<u>1,735,000</u>	<u>1,735,000</u>	<u>1,870,175</u>	<u>135,175</u>
Intergovernmental revenues:				
Sales tax	2,055,000	2,055,000	2,097,107	42,107
State revenue sharing	990,000	990,000	1,037,638	47,638
Other state shared revenue	35,000	35,000	34,134	(866)
Other county shared revenue	180,000	180,000	7,500	(172,500)
Federal grants	-	86,513	20,030	(66,483)
	<u>3,260,000</u>	<u>3,346,513</u>	<u>3,196,409</u>	<u>(150,104)</u>
Charges for services:				
Program activity fees	199,500	199,500	213,034	13,534
Rental and other	385,718	390,394	405,868	15,474
	<u>585,218</u>	<u>589,894</u>	<u>618,902</u>	<u>29,008</u>
Fines and forfeitures	<u>100,000</u>	<u>100,000</u>	<u>106,875</u>	<u>6,875</u>
Investment income	<u>85,000</u>	<u>85,000</u>	<u>30,988</u>	<u>(54,012)</u>
Miscellaneous	<u>55,002</u>	<u>128,735</u>	<u>154,950</u>	<u>26,215</u>
Total revenues	<u>13,676,073</u>	<u>13,840,995</u>	<u>13,959,328</u>	<u>118,333</u>

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
General government:				
Executive	\$ 701,775	\$ 623,505	\$ 614,210	\$ 9,295
General government	643,400	389,400	364,757	24,643
Finance and administrative services	1,824,059	1,786,882	1,721,764	65,118
Information services	1,033,795	934,470	905,169	29,301
Community development	1,691,643	1,647,394	1,465,300	182,094
	<u>5,894,672</u>	<u>5,381,651</u>	<u>5,071,200</u>	<u>310,451</u>
Public Safety:				
Police	6,876,838	7,330,636	7,299,131	31,505
Fire	65,500	55,500	55,247	253
	<u>6,942,338</u>	<u>7,386,136</u>	<u>7,354,378</u>	<u>31,758</u>
Physical environment:				
Public works	1,002,900	1,008,861	1,001,795	7,066
Culture and recreation:				
Parks and recreation	1,896,491	1,860,921	1,840,901	20,020
Total expenditures	<u>15,736,401</u>	<u>15,637,569</u>	<u>15,268,274</u>	<u>369,295</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(2,060,328)</u>	<u>(1,796,574)</u>	<u>(1,308,946)</u>	<u>487,628</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,580,760	2,574,408	2,468,354	(106,054)
Transfers out	<u>(1,101,500)</u>	<u>(1,353,000)</u>	<u>(1,151,500)</u>	<u>201,500</u>
Net other financing sources	<u>1,479,260</u>	<u>1,221,408</u>	<u>1,316,854</u>	<u>95,446</u>
<b>Net Change in Fund Balances</b>	(581,068)	(575,166)	7,908	583,074
<b>Fund Balances - Beginning</b>	8,487,755	8,487,755	8,487,755	-
<b>Fund Balances - Ending</b>	<u>\$ 7,906,687</u>	<u>\$ 7,912,589</u>	<u>\$ 8,495,663</u>	<u>\$ 583,074</u>

CITY OF WINTER SPRINGS, FLORIDA

**ROAD IMPROVEMENTS SPECIAL REVENUE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 1,275,000	\$ 283,000	\$ 188,132	\$ (94,868)
Investment income	8,400	8,400	3,195	(5,205)
Total revenues	<u>1,283,400</u>	<u>291,400</u>	<u>191,327</u>	<u>(100,073)</u>
<b>Expenditures:</b>				
Capital Outlay				
Physical environment	<u>1,175,000</u>	<u>821,834</u>	<u>755,715</u>	<u>66,119</u>
Total expenditures	<u>1,175,000</u>	<u>821,834</u>	<u>755,715</u>	<u>66,119</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>108,400</u>	<u>(530,434)</u>	<u>(564,388)</u>	<u>(33,954)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	21,786	21,786	-
Transfers out	<u>(300,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(300,000)</u>	<u>21,786</u>	<u>21,786</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>(191,600)</u>	<u>(508,648)</u>	<u>(542,602)</u>	<u>(33,954)</u>
<b>Fund Balances - beginning</b>	<u>1,462,933</u>	<u>1,462,933</u>	<u>1,462,933</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 1,271,333</u>	<u>\$ 954,285</u>	<u>\$ 920,331</u>	<u>\$ (33,954)</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF WINTER SPRINGS, FLORIDA

**SOLID WASTE / RECYCLING SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**

For The Year Ended September 30, 2014

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget - Positive (Negative)</b>
<b>Revenues:</b>				
Permits and fees	\$ 95,000	\$ 95,000	\$ 102,625	\$ 7,625
Intergovernmental revenues	115,000	115,000	94,853	(20,147)
Charges for services	2,387,000	2,387,000	2,437,733	50,733
Investment income	16,500	16,500	6,848	(9,652)
Total revenues	<u>2,613,500</u>	<u>2,613,500</u>	<u>2,642,059</u>	<u>28,559</u>
<b>Expenditures:</b>				
Current:				
Physical environment	<u>2,428,500</u>	<u>2,453,500</u>	<u>2,444,356</u>	<u>9,144</u>
Total expenditures	<u>2,428,500</u>	<u>2,453,500</u>	<u>2,444,356</u>	<u>9,144</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>185,000</u>	<u>160,000</u>	<u>197,703</u>	<u>37,703</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(185,000)</u>	<u>(185,000)</u>	<u>(137,339)</u>	<u>47,661</u>
Total other financing sources (uses)	<u>(185,000)</u>	<u>(185,000)</u>	<u>(137,339)</u>	<u>47,661</u>
<b>Net Change in Fund Balances</b>	-	(25,000)	60,364	85,364
<b>Fund Balances - beginning</b>	<u>2,672,649</u>	<u>2,672,649</u>	<u>2,672,649</u>	-
<b>Fund Balances - ending</b>	<u>\$ 2,672,649</u>	<u>\$ 2,647,649</u>	<u>\$ 2,733,013</u>	<u>\$ 85,364</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF WINTER SPRINGS, FLORIDA

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

September 30, 2014

	Business-type Activities - Enterprise Funds			Total
	Water and Sewer Utility Fund	Development Services Fund	Stormwater Utility Fund	
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 807,031	\$ 19,372	\$ 72,618	\$ 899,021
Investments	10,623,230	255,054	956,083	11,834,367
Receivables, net	893,298	-	-	893,298
Inventories	23,545	-	-	23,545
Prepaid expenses	6,000	1,295	-	7,295
Total current assets	12,353,104	275,721	1,028,701	13,657,526
Noncurrent assets:				
Restricted investments	721,689	-	-	721,689
Capital Assets:				
Land, buildings and equipment	60,600,864	160,092	12,334,281	73,095,237
Construction in Progress	127,557	-	68,197	195,754
Less Accumulated depreciation	(30,631,679)	(110,267)	(4,688,183)	(35,430,129)
Total capital assets (net of accumulated depreciation)	30,096,742	49,825	7,714,295	37,860,862
Total noncurrent assets	30,818,431	49,825	7,714,295	38,582,551
Total assets	43,171,535	325,546	8,742,996	52,240,077
<b>Deferred Outflows of Resources</b>				
Deferred charge on refunding	568,817	-	-	568,817
Total deferred outflows of resources	568,817	-	-	568,817
<b>Liabilities</b>				
Current Liabilities:				
Accounts payable	99,926	71,833	20,085	191,844
Accrued liabilities	46,412	7,176	12,520	66,108
Compensated absences - current	27,989	2,071	4,355	34,415
Customer deposits payable	692,116	-	-	692,116
Due to other governments	-	14,413	-	14,413
Notes payable - current	1,403,645	-	-	1,403,645
Accrued interest payable	220,189	-	-	220,189
Total current liabilities	2,490,277	95,493	36,960	2,622,730
Noncurrent Liabilities:				
Notes payable	9,832,482	-	-	9,832,482
Revenue bonds payable	5,652,322	-	-	5,652,322
Accreted interest payable	4,556,926	-	-	4,556,926
Compensated absences	111,958	8,283	17,418	137,659
Other noncurrent liabilities	79,412	12,260	19,003	110,675
Total noncurrent liabilities	20,233,100	20,543	36,421	20,290,064
Total liabilities	22,723,377	116,036	73,381	22,912,794
<b>NET POSITION</b>				
Net investment in capital assets	13,777,110	49,825	7,714,295	21,541,230
Restricted for debt service	4,814	-	-	4,814
Restricted for renewal and replacement	477,523	-	-	477,523
Unrestricted	6,757,528	159,685	955,320	7,872,533
Total net position	\$ 21,016,975	\$ 209,510	\$ 8,669,615	\$ 29,896,100

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF WINTER SPRINGS, FLORIDA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**

For The Year Ended September 30, 2014

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water and Sewer Utility Fund</b>	<b>Development Services Fund</b>	<b>Stormwater Utility Fund</b>	<b>Total</b>
<b>Operating Revenues:</b>				
User charges	\$ 9,239,558	\$ 821,278	\$ 1,078,961	\$ 11,139,797
Other revenue	-	-	18,297	18,297
Total operating revenues	<u>9,239,558</u>	<u>821,278</u>	<u>1,097,258</u>	<u>11,158,094</u>
<b>Operating Expenses:</b>				
Salaries and benefits	2,035,078	279,744	565,268	2,880,090
Materials and supplies	884,805	7,620	202,723	1,095,148
Depreciation and amortization	1,932,103	15,394	343,984	2,291,481
Other operating expenses	1,078,787	106,537	37,696	1,223,020
Total Operating Expenses	<u>5,930,773</u>	<u>409,295</u>	<u>1,149,671</u>	<u>7,489,739</u>
Operating income (loss)	<u>3,308,785</u>	<u>411,983</u>	<u>(52,413)</u>	<u>3,668,355</u>
<b>Nonoperating Revenue (Expenses):</b>				
Investment income	22,560	105	2,221	24,886
Interest expense	(538,885)	-	-	(538,885)
Accreted interest expense	(475,105)	-	-	(475,105)
Proceeds from auction and insurance	6,564	60	27	6,651
Total nonoperating revenue (expenses)	<u>(984,866)</u>	<u>165</u>	<u>2,248</u>	<u>(982,453)</u>
Income (loss) before contributions and transfers	2,323,919	412,148	(50,165)	2,685,902
<b>Capital Contributions:</b>				
Connection fees	266,653	-	-	266,653
Capital contribution	628,874	-	634,317	1,263,191
Transfers In	21,696	-	-	21,696
Transfers Out	<u>(1,489,555)</u>	<u>(346,900)</u>	<u>(173,800)</u>	<u>(2,010,255)</u>
Change in net position	1,751,587	65,248	410,352	2,227,187
Total Net Position - beginning	19,265,388	144,262	8,259,263	27,668,913
Total Net Position - ending	<u>\$ 21,016,975</u>	<u>\$ 209,510</u>	<u>\$ 8,669,615</u>	<u>\$ 29,896,100</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF WINTER SPRINGS, FLORIDA

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**

For The Year Ended September 30, 2014

	<b>Business-type Activities - Enterprise Funds</b>			<b>Total</b>
	<b>Water and Sewer Utility Fund</b>	<b>Development Services Fund</b>	<b>Stormwater Utility Fund</b>	
<b>Cash Flows from Operating Activities:</b>				
Receipts from customers	\$ 9,150,215	\$ 821,278	\$ 1,097,258	\$ 11,068,751
Payments to suppliers	(1,969,493)	(85,624)	(249,185)	(2,304,302)
Payments to employees	(2,059,338)	(267,226)	(554,207)	(2,880,771)
Net cash provided by operating activities	<u>5,121,384</u>	<u>468,428</u>	<u>293,866</u>	<u>5,883,678</u>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Transfers in	21,696	-	-	21,696
Transfers out	(1,489,555)	(346,900)	(173,800)	(2,010,255)
Increase (decrease) in due to other funds	(82,459)	-	16,861	(65,598)
Net cash provided (used) by noncapital financing activities	<u>(1,550,318)</u>	<u>(346,900)</u>	<u>(156,939)</u>	<u>(2,054,157)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Proceeds from insurance	6,564	60	27	6,651
Acquisition of capital assets	(612,366)	(4,884)	(14,335)	(631,585)
Principal paid on revenue bonds & leases	(1,372,146)	-	-	(1,372,146)
Interest paid on revenue bonds	(469,468)	-	-	(469,468)
Grant revenue	76,915	-	-	76,915
Connection fees	266,653	-	-	266,653
Net cash provided (used) by capital and related financing activities	<u>(2,103,848)</u>	<u>(4,824)</u>	<u>(14,308)</u>	<u>(2,122,980)</u>
<b>Cash Flows from Investing Activities:</b>				
Purchase of investments	(1,668,442)	(105,165)	(96,536)	(1,870,143)
Investment income	22,560	105	2,221	24,886
Net cash provided (used) by investing activities	<u>(1,645,882)</u>	<u>(105,060)</u>	<u>(94,315)</u>	<u>(1,845,257)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(178,664)	11,644	28,304	(138,716)
<b>Cash and Cash Equivalents - beginning</b>	985,695	7,728	44,314	1,037,737
<b>Cash and Cash Equivalents - end</b>	<u>\$ 807,031</u>	<u>\$ 19,372</u>	<u>\$ 72,618</u>	<u>\$ 899,021</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

	<b>Business-type Activities - Enterprise Funds</b>			<b>Total</b>
	<b>Water and Sewer Utility Fund</b>	<b>Development Services Fund</b>	<b>Stormwater Utility Fund</b>	
<b>Reconciliation of Operating Income(Loss) to Net Cash Provided by Operating Activities</b>				
Operating income(loss)	\$ 3,308,785	\$ 411,983	\$ (52,413)	\$ 3,668,355
<b>Adjustments Not Affecting Cash:</b>				
Depreciation and amortization	1,932,103	15,394	343,984	2,291,481
<b>Change in Assets and Liabilities:</b>				
Decrease in accounts receivable	(76,093)	-	-	(76,093)
Decrease in inventories	(4,081)	-	-	(4,081)
Increase in prepaid costs	100	(1,295)	-	(1,195)
Increase (decrease) in accounts payable	(1,920)	50,284	(8,766)	39,598
Increase in due to other governments	-	(20,456)	-	(20,456)
Increase (decrease) in accrued liabilities	(3,744)	3,315	2,276	1,847
Increase in customer deposits	(13,250)	-	-	(13,250)
Increase (decrease) in accrued compensated absences	(34,928)	7,556	5,079	(22,293)
Increase in OPEB obligation	14,412	1,647	3,706	19,765
Total adjustments	<u>(119,504)</u>	<u>41,051</u>	<u>2,295</u>	<u>(76,158)</u>
<b>Net Cash Provided By Operating Activities</b>	<u>\$ 5,121,384</u>	<u>\$ 468,428</u>	<u>\$ 293,866</u>	<u>\$ 5,883,678</u>
<b>Noncash Capital and Financing Activities:</b>				
Contributed capital assets	\$ 548,125	\$ -	\$ 634,317	\$ 1,182,442
Net transfers of capital assets	\$ 3,834	\$ -	\$ -	\$ 3,834

CITY OF WINTER SPRINGS, FLORIDA

**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**

September 30, 2014

	<b>Defined Benefit Pension Trust Fund</b>
	<u>                    </u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 4,133,794
Receivables:	
Employee contributions	12,457
Employer contributions	382,603
Total receivables	<u>395,060</u>
Investments, at fair value:	
Common funds - equity	22,185,809
Common funds - bonds	7,120,058
Other investments	2,986,539
Total Investments	<u>32,292,406</u>
Total assets	<u>36,821,260</u>
 <b>Liabilities</b>	 -
 <b>Net Position:</b>	
Held in trust for pension benefits	<u>\$ 36,821,260</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF WINTER SPRINGS, FLORIDA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**

For The Year Ended September 30, 2014

	<b>Defined Benefit Pension Trust Fund</b>
	<u>                    </u>
<b>Additions:</b>	
Contributions:	
Employer	\$ 2,561,415
Plan Members	<u>335,594</u>
Total contributions	<u>2,897,009</u>
Investment income:	
Net increase in fair value of investments	3,414,891
Interest	<u>470,452</u>
Net investment income	<u>3,885,343</u>
Total additions	<u>6,782,352</u>
<b>Deductions:</b>	
Benefits	1,974,208
Administrative expenses	<u>159,425</u>
Total deductions	<u>2,133,633</u>
Change in net position	4,648,719
Net Position - beginning	<u>32,172,541</u>
Net Position - ending	<u><u>\$ 36,821,260</u></u>

The accompanying Notes to Financial Statements are an integral part of these statements.

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**NOTES TO FINANCIAL STATEMENTS**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 1 - Summary of Significant Accounting Policies:**

***A. Reporting Entity***

The *City of Winter Springs, Florida* (the City) is a political subdivision of the state of Florida located in Seminole County, and was established by the Laws of Florida 59-1614. The legislative branch of the City is comprised of a five-member elected Commission and a separately elected mayor, which is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy; the execution of such policy is the responsibility of the City Manager appointed by the Commission.

In evaluating how to define the government, for financial reporting purposes, the City has considered all potential component units. The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body, and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organizations' resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. In applying the above criteria, management has determined that there are no component units to be included within the reporting entity.

***B. Government-Wide and Fund Financial Statements***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. 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.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 1 - Summary of Significant Accounting Policies (Continued):**

***B. Government-Wide and Fund Financial Statements (Continued)***

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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 government 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 taxes, 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 1 - Summary of Significant Accounting Policies (Continued):**

***C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)***

The government reports the following funds:

**Major Governmental Funds**

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

The *Road Improvements Special Revenue Fund* accounts for collected one-cent sales tax revenues restricted for use for transportation-related improvements.

The *Solid Waste/Recycling Special Revenue Fund* accounts for proceeds from billed solid waste and recycling services performed by contract vendors. Proceeds are committed to pay monthly vendor charges for providing solid waste and recycling services.

The *TLBD Debt Service Fund* was established to account for the accumulation of resources and payment of principal and interest for the 2001 special assessment bond issue which was refinanced in October 2011 with a private placement note payable.

The *2003 Debt Service Fund* was established to account for the accumulation of resources and payment of principal and interest for the 2003 bond issue which was refinanced in July 2014 with a private placement note payable.

**Nonmajor Governmental Fund Types**

*Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted or committed to expenditure for specified purposes other than debt service or capital projects.

*Debt Service Funds* account for the accumulation of resources for and the payment of principal and interest on certain general governmental obligations.

*Capital Projects Funds* account for financial resources segregated for the acquisition or construction of major capital facilities.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 1 - Summary of Significant Accounting Policies (Continued):**

***C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)***

**Major Proprietary Funds**

The *Water and Sewer Utility Fund* is used to account for the operations of the City's water and wastewater systems, which are financed in a manner similar to private business enterprises, where the costs, including depreciation, of providing services to the general public on an ongoing basis are financed primarily through user charges.

The *Development Services Fund* is used to account for the operations of the City's building and other permits department, where the costs, including depreciation, of providing services to the general public are financed primarily through user charges.

The *Stormwater Utility Fund* is used to account for the City's operation and maintenance of the stormwater system, where the costs, including depreciation, of providing services to the general public are financed primarily through user charges.

**Fiduciary Fund**

The Pension Trust Fund accounts for contributions to the defined benefit plan.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the City's water and sewer function and various other functions of the government. 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.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 1 - Summary of Significant Accounting Policies (Continued):**

***C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)***

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's water, sewer and stormwater utility funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting 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 nonoperating revenues and expenses.

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

***D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance***

**1. Deposits and Investments**

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments of the City are reported at fair value. The City's investments consist of investments authorized per their investment policy adopted in accordance with Section 218.415, Florida Statutes.

**2. Receivables and Payables**

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

Advances between funds, as reported in the fund financial statements, are offset by a non-spendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 1 - Summary of Significant Accounting Policies (Continued):**

***D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)***

**2. Receivables and Payables (Continued)**

All receivables are shown net of an allowance for uncollectibles. The County bills and collects property taxes and remits them to the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

All property is reassessed according to its fair value on the lien date, or January 1 of each year. Taxes are levied on October 1 of each year. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. On or around May 31 following the tax year, certificates are sold for all delinquent taxes on real property.

**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 consumed rather than when purchased.

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 are recorded as expenditures when consumed rather than when purchased.

**4. Restricted Assets**

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. Assets so designated are identified as restricted assets on the balance sheet.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 1 - Summary of Significant Accounting Policies (Continued):**

***D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)***

**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 City as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year. 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 asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the City are depreciated using the straight line method over the following estimated useful lives:

<b><u>Assets</u></b>	<b><u>Years</u></b>
Buildings	30
Improvements	20-50
Infrastructure	30-50
Intangible Assets	3-10
Equipment	3-10

**6. Compensated absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. For governmental activities, compensated absences, other post-employment benefits and net pension obligation are generally liquidated by the General Fund.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 1 - Summary of Significant Accounting Policies (Continued):**

***D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)***

**7. Long-term obligations**

In the government-wide financial statements, and for 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. Bond premiums and discounts (including deep-discount or capital appreciation bonds), are deferred and amortized over the life of the bonds and notes using the effective interest method. Bonds payable and notes payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuances costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**8. Deferred outflows/inflows of resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has only one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the enterprise and government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 1 - Summary of Significant Accounting Policies (Continued):**

***D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)***

**8. Deferred outflows/inflows of resources (continued)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: county taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**9. Net position flow assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

**10. Fund balance flow assumption**

Sometimes the city will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 1 - Summary of Significant Accounting Policies (Continued):**

***D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance (Continued)***

**11. Fund balance policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision making authority. The City Commission is the highest level of decision making authority for the City that can, by adoption of a Resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

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 committed. The commission may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily.

**12. New GASB Statements Implemented**

In fiscal year 2014, the City implemented GASB Statement No. 67, *Financial Reporting for Pension Plans*. This statement replaces the requirements of GASB Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and Statement No. 50, *Pension Disclosures*, as they related to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. The City has implemented the disclosure requirements in Notes 9 and 10, and the Required Supplementary Information for the City's Defined Benefit and Defined Contribution Retirement Plans.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 2 - 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 (\$17,824,587) difference are as follows:

Bonds Payable	\$ (3,498,970)
Accreted Interest Payable	(4,432,678)
Notes Payable	(8,815,761)
Less: Deferred charge on refunding (to be amortized as interest expense)	92,576
Accrued Interest Payable	(68,468)
Other Post Employment Benefits	(334,325)
Compensated Absences	(766,961)
Net Adjustment to Reduce Fund Balance - total governmental funds to arrive at net position - governmental activities	<u>\$ (17,824,587)</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 (\$1,079,962) difference are as follows:

Capital Outlay	\$ 1,925,292
Depreciation Expense	<u>(3,005,254)</u>
Net Adjustment to Decrease Net Changes in Fund Balances - total governmental funds to arrive at changes in net position - governmental activities	<u>\$ (1,079,962)</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 2 - Reconciliation of Government-Wide and Fund Financial Statements (Continued):**

***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 (Continued)***

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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$1,607,001 difference are as follows:

Debt Issued or Incurred:	
Notes payable	\$ (3,494,000)
Principal repayment	<u>5,101,001</u>
Net Adjustment to Increase Net Changes in Fund Balances - total governmental funds to arrive at changes in net position - governmental activities	<u>\$ 1,607,001</u>

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 (\$454,754) difference are as follows:

Compensated Absences	\$ (40,111)
Amortization of Loss on Refunding	(15,513)
Amortization of Bond Discounts	6,963
Accrued Interest Payable	80,728
Other Post Employment Benefits	(57,235)
Accreted Interest Payable	<u>(429,586)</u>
Net Adjustment to Decrease Net Changes in Fund Balances- total governmental funds to arrive at changes in net position - governmental activities	<u>\$ (454,754)</u>

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 3 - Stewardship, 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. The City follows these procedures set forth below in establishing the budgetary data reflected in the financial statements.

1. On or before July 1<sup>st</sup> of each year, the City Manager submits a Proposed Budget to the City Commission for the fiscal year beginning the following October 1<sup>st</sup>. The budget includes proposed revenues, expenditures and a description of capital activities for the ensuing fiscal year.
2. The City Commission then holds informal workshops, wherein the public is invited to attend.
3. On or before September 30<sup>th</sup> of each year, two public hearings are convened and the Commission establishes the ad valorem tax millage followed by the adoption of the final budget.
4. The budget may be formally amended by the City Commission at any time. Budgeted amounts presented in the accompanying financial statements have been adjusted for any legally authorized revisions of the annual budgets during the year.
5. The City Manager is authorized to transfer budgeted amounts between accounts within a department. At any time during the fiscal year, the City Manager may transfer part or all of any unencumbered appropriations among programs within one department. The legal level of budgetary control is the departmental level.

***B. Appropriations in Excess of Funds Available***

Appropriations for the Tusawilla Phase III Special Revenue Fund and Oak Forest Debt Service Fund were in excess of anticipated revenue and prior years' fund balance.

***C. Deficit Fund Equity***

The Tusawilla Phase III Special Revenue Fund has a deficit fund balance of \$53,671 at September 30, 2014.

The Oak Forest Debt Service Fund has a deficit fund balance of \$118,249 at September 30, 2014.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 4 - Deposits and Investments:**

**Deposits**

At year-end, the carrying amount of the City's deposits was \$2,379,270 and the bank balance was \$3,697,244. Petty cash funds of \$1,810 are not on deposit with a financial institution, and fiduciary fund cash of \$4,133,794 held by the pension fund is not in the City's bank. All bank deposits were covered by Federal Depository Insurance or held in banks that are members of the State of Florida's Collateral Pool as specified under Florida law. Florida Statutes provide for collateral pooling by banks and savings and loans. This limits local government deposits to "authorized depositories".

**Investments**

The City's investment policies are governed by State Statutes and City ordinances. City ordinance allows investments in any financial institution that is a qualified public depository of the State of Florida as identified by the State Treasurer, in accordance with Chapter 280 of the Florida Statutes. Authorized investments are:

1. Florida Local Government Surplus Funds Trust Fund Investment Pool (SBA LGIP)
2. U.S. Government securities
3. U.S. Government Agency securities
4. Federal Instrumentalities (U.S. Government sponsored agencies)
5. Interest bearing time deposit or savings accounts
6. Repurchase agreements
7. Commercial paper
8. Bankers' acceptances
9. State and/or local government taxable and/or tax-exempt debt
10. Registered investment companies (money market mutual funds)
11. Intergovernmental investment pool

The City's investment policy limits credit risk by restricting authorized investment to those described above. The policy requires that the investment in federal instrumentalities be guaranteed by the full faith and credit of the U.S. Government sponsored agency and that investments in money market mutual funds have a Standard & Poors (S & P) rating of AAm or AAm-G. Investments in commercial paper and bankers' acceptances must be rated, at a minimum, "P-1" by Moody's Investors Services and "A-1" by S & P. Investment in state and/or local government taxable and/or tax-exempt debt must be rated at least "Aa" by Moody's and "AA" by S & P for long-term debt, or rated at least "MIG-2" by Moody's and "SP-2" by S & P for short-term debt.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 4 - Deposits and Investments (Continued):**

**Investments (Continued)**

**Custodial Credit Risk**

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's investment policy requires that the bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2014, all of the city's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2014, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

**Concentration of Credit Risk**

The City's investment policy requires diversification, and places limits on the percentage of funds that may be invested with an individual issuer and type of investment.

**Interest Rate Risk**

The policy limits investment in U.S. Government securities and agencies and federal instrumentalities to a maximum length to maturity of five years. The maximum length to maturity for an investment in any state or local government debt security is three years. Certificates of deposit maximum maturity is one year and commercial paper and bankers' acceptances are 180 days. The maximum length to maturity for repurchase agreements is 90 days.

**Additional Investment Information**

The SBA is not a registrant with the Securities and Exchange Commission (SEC); however, the State of Florida does provide regulatory oversight. The Board has adopted operating procedures consistent with the requirements for a 2a-7 like fund for the Florida Prime Fund. Therefore, the pool account balance can be used as fair value for financial reporting.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 4 - Deposits and Investments (Continued):**

Investments held by the City at September 30, 2014 are detailed below.

<u>Investments</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>
Commercial Paper	\$ 5,794,413	A-1+	36 days
US Treasury Notes	14,963,296	TSY	383 days
Municipal Obligations	974,571	AA	457 days
Federal Agency Bond Note	9,522,979	AA+	480 days
Fidelity Institutional Money Market Government Portfolio	716,875	Not rated	
	<u>\$ 31,972,134</u>		

**Investments: Pension Funds**

The City's Pension Trust Fund (Trust) investment policies are governed by State Statutes and City ordinances. City ordinance allows investments in any financial institution that is a qualified public depository of the State of Florida as identified by the State Treasurer, in accordance with Chapter 280 of the Florida Statutes. Authorized investments are:

1. Equities traded on a national exchange
2. Fixed income investments having a minimum rating of investment grade or higher as determined by at least one major credit rating service
3. Money market fund or STIF provided by the Plan's custodian
4. Real estate limited to commingled funds
5. Alternatives
6. Foreign securities limited to fully and easily negotiable securities or commingled funds with investments in such securities
7. Commingled funds/mutual funds and exchange traded funds

The investments held by the City's Pension Trust Fund at September 30, 2014 are detailed below:

<u>Investments</u>	<u>Fair Value</u>	<u>Average Duration (Years)</u>
Stocks	\$ 22,185,809	N/A
Bonds	7,120,058	1.49 years
Real Estate	2,986,539	N/A
Total Investments	<u>32,292,406</u>	
Cash and Cash Equivalents	4,133,794	
Total Cash and Investments	<u>\$ 36,426,200</u>	

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 4 - Deposits and Investments (Continued):**

**Investments: Pension Funds (Continued)**

**Credit Risk**

The City's Trust investment policy limits credit risk by restricting authorized investment to those described above. The policy requires that the investments in: federal instrumentalities be guaranteed by the full faith and credit of the U.S. Government sponsored agency; deposit accounts be insured by the Federal Deposit Insurance Corporation and may not exceed maximum insured amount; commercial paper be rated in the highest category by a nationally recognized rating service; Letters of Credit (LOC) backing commercial paper, the long-term debt of the LOC provider be rated A or better by at least two nationally recognized rating services; bankers' acceptances of the United States Banks or federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System, be rated in the highest category by a nationally recognized rating service; General Obligation and/or Revenue Bonds of state or local government taxable or tax-exempt debt be rated A, for long-term debt, by a nationally recognized rating service or rated "MIG-2" or "SP-2", for short term debt, by a nationally recognized rating service; intergovernmental investment pools be authorized to the Florida Interlocal Cooperation Act provided in Section 163.01, Florida Statutes; equities be traded on a national exchange; money market mutual funds have a rating of "A1" by Standard & Poor's (S&P) or "P1" by Moody's Investor Services (Moody's); fixed income securities be investment grade as measured by S&P or Moody's; and any bonds or notes that fall below investment quality must be liquidated immediately.

**Custodial Credit Risk**

Custodial risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2014, none of the Trust investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

**Concentration of Credit Risk**

The City's Trust investment policy requires diversification, and places limits on the percentage of funds that may be invested with an individual issuer and type of investment. The policy limits an individual issuer of common or capital stock to no more than 5% of the fund's assets; the aggregate investment in any one stock issuing company to no more than 5% of the outstanding capital stock of the company; and the value of bonds issued by any single corporation to no more than 3% of the total fund. The policy limits investments in corporate common stock and convertible bonds to no more than 75% of the fund assets at market value; foreign securities to no more than 20% of fund assets at market value; and alternative investments, such as timber and real estate, to no more than 15% of the fund assets at market value. At September 30, 2014, there were no security investments in the Trust that were over their respective limitations.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 4 - Deposits and Investments (Continued):**

**Investments: Pension Funds (Continued)**

**Interest Rate Risk**

The Pension investment policy allows for investment in commingled funds administered by national or state banks, and mutual funds. Authorized investments criteria with the exception of commingled funds, apply to security level investments. All fixed income investments in the Pension portfolio are commingled funds.

The Pension fixed income portfolio may be invested in securities with a maturity up to (30) years, as long as the average duration of the portfolio will not exceed +/- 125% of the duration of the Policy benchmark. There were no security level fixed income investments in the Pension Portfolio.

**Note 5 - Receivables:**

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

<u>Fund</u>	<u>Accounts Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivable</u>
General	\$ 128,007	\$ -	\$ 128,007
Road Improvements Special Revenue	3,503,434	-	3,503,434
Solid Waste/Recycling Special Revenue	4,776	-	4,776
Water & Sewer Utility	944,919	(51,621)	893,298
Nonmajor Governmental	896	-	896
	<u>\$ 4,582,032</u>	<u>\$ (51,621)</u>	<u>\$ 4,530,411</u>

There is an amount of \$3,503,434 included in accounts receivable above in the Road Improvements Special Revenue Fund that is not considered to be available to liquidate liabilities of the current period. There are also special assessments receivable of \$2,176,122 that are not available to liquidate liabilities of the current period. These receivables totaling \$5,679,556 are reported as deferred inflows of resources in the governmental funds balance sheet.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 6 - Capital Assets:**

Capital asset activity for the year ended September 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 9,946,795	\$ -		\$ 9,946,795
Construction in Progress	543,065	1,233,792	(804,507)	972,350
Total capital assets, not being depreciated	<u>10,489,860</u>	<u>1,233,792</u>	<u>(804,507)</u>	<u>10,919,145</u>
Capital assets, being depreciated:				
Buildings	12,778,646	14,686	-	12,793,332
Improvements	12,383,008	115,988	-	12,498,996
Intangible assets	953,788	77,364	(2,400)	1,028,752
Machinery and equipment	6,518,752	595,459	(300,818)	6,813,393
Infrastructure	60,397,531	1,298,254	-	61,695,785
Total capital assets, being depreciated	<u>93,031,725</u>	<u>2,101,751</u>	<u>(303,218)</u>	<u>94,830,258</u>
Less accumulated depreciation for:				
Buildings	(5,093,997)	(423,285)	-	(5,517,282)
Improvements	(5,084,286)	(422,065)	-	(5,506,351)
Intangible assets	(771,375)	(77,595)	2,400	(846,570)
Machinery and equipment	(5,184,246)	(553,637)	292,209	(5,445,674)
Infrastructure	<u>(28,856,364)</u>	<u>(1,528,672)</u>	<u>-</u>	<u>(30,385,036)</u>
Total accumulated depreciation	<u>(44,990,268)</u>	<u>(3,005,254)</u>	<u>294,609</u>	<u>(47,700,913)</u>
Total capital assets, being depreciated, net	<u>48,041,457</u>	<u>(903,503)</u>	<u>(8,609)</u>	<u>47,129,345</u>
Governmental activities capital assets, net	<u>\$ 58,531,317</u>	<u>\$ 330,289</u>	<u>\$ (813,116)</u>	<u>\$ 58,048,490</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 6 - Capital Assets (Continued):**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 7,170,177	\$ -	\$ -	\$ 7,170,177
Construction in Progress	195,754	191,345	(191,345)	195,754
Total capital assets, not being depreciated	<u>7,365,931</u>	<u>191,345</u>	<u>(191,345)</u>	<u>7,365,931</u>
Capital assets, being depreciated:				
Buildings	756,435	-	-	756,435
Improvements	59,702,221	1,681,525	-	61,383,746
Intangible assets	213,563	4,960	-	218,523
Machinery and equipment	3,527,447	131,427	(92,518)	3,566,356
Total capital assets, being depreciated	<u>64,199,666</u>	<u>1,817,912</u>	<u>(92,518)</u>	<u>65,925,060</u>
Less accumulated depreciation for:				
Buildings	(568,282)	(25,015)	-	(593,297)
Improvements	(29,598,909)	(2,089,811)	-	(31,688,720)
Intangible assets	(108,039)	(26,206)	-	(134,245)
Machinery and equipment	(2,955,885)	(150,500)	92,518	(3,013,867)
Total accumulated depreciation	<u>(33,231,115)</u>	<u>(2,291,532)</u>	<u>92,518</u>	<u>(35,430,129)</u>
Total capital assets, being depreciated, net	<u>30,968,551</u>	<u>(473,620)</u>	<u>-</u>	<u>30,494,931</u>
Business-type activities capital assets, net	<u>\$ 38,334,482</u>	<u>\$ (282,275)</u>	<u>\$ (191,345)</u>	<u>\$ 37,860,862</u>

Increases in accumulated depreciation for business-type activities include accumulated depreciation on assets transferred from governmental activities, therefore total increases is not the same as depreciation expense. This difference is \$51.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 6 - Capital Assets (Continued):**

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	\$ 427,166
Public safety	449,108
Physical environment	1,754,384
Culture and recreation	374,596
Total Depreciation Expense - governmental activities	<u>\$ 3,005,254</u>
Business-type Activities:	
Water and sewer	\$ 1,932,103
Development services	15,394
Stormwater	343,984
Total Depreciation Expense - business-type activities	<u>\$ 2,291,481</u>

**Note 7- Long-Term Debt:**

**Revenue Bonds**

The City issues bonds where the City pledges revenue derived from the acquired or constructed assets to pay debt service. Revenue bonds have been issued for both governmental and business-type activities.

The 1999 Improvement Refunding Bonds are secured by Electric Franchise fees and Public Service tax revenue. The total principal and interest remaining to be paid on this series is \$14,025,000. For the fiscal year, there was no principal and interest paid on this series and total pledged revenue was \$5,851,234.

The 2003 Improvement Refunding Bonds are secured by Electric Franchise fees and Public Service tax revenue. These bonds were refunded during the year. For the fiscal year, principal and interest paid on this series was \$4,936,994 and total pledged revenue was \$5,851,234.

The 2000 Water and Sewer Refunding bonds are secured by net revenue from the water and sewer system. The total principal and interest remaining to be paid on this series is \$19,865,000. For the fiscal year, principal and interest paid on this series was \$103,125 and total pledged net revenue was \$4,046,563.

**Current Refunding**

The City issued Improvement Refunding Revenue Note, Series 2014 to refund the 2003 Improvement Refunding Bonds. The refunding was undertaken to reduce total future debt service payments. The transaction resulted in an economic gain of \$194,686 and a reduction of \$199,554 in future debt service payments.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 7 - Long-Term Debt (Continued):**

**Revenue Bonds (Continued)**

The original amount of revenue bonds issued in prior years, as well as revenue bonds outstanding at year end, are as follows:

	<u>Interest Rates and Dates</u>	<u>Maturity</u>	<u>Original Amount</u>	<u>Balance September 30, 2014</u>
<b><u>Governmental Activities</u></b>				
Improvement Refunding Revenue Bonds- Series 1999 (excludes \$4,432,678 of accreted interest on capital appreciation bonds)	3.25 - 5.25% (4/1 & 10/1)	10/1/2020 to 10/1/2029	<u>\$ 7,998,970</u>	\$ 3,498,970
Improvement Refunding Revenue Bonds- Series 2003	2.0 - 3.7% (4/1 & 10/1)	10/1/2004 to 10/1/2018	<u>\$ 8,870,000</u>	-
Total			<u><u>\$ 8,870,000</u></u>	<u><u>\$ 3,498,970</u></u>

**Business-Type Activities**

Water and Sewer Refunding Revenue Bonds- Series 2000 (excludes \$4,556,926 of accreted interest on capital appreciation bonds)	4.5 - 5.5% (4/1 & 10/1)	10/1/2022 to 10/1/2030	<u>\$ 6,969,191</u>	\$ 5,669,191
Total			<u><u>\$ 6,969,191</u></u>	<u><u>\$ 5,669,191</u></u>

Annual debt service requirements to maturity for revenue bonds are as follows:

<b><u>Year Ending September 30,</u></b>	<b><u>Governmental Activities</u></b>		<b><u>Business-Type Activities</u></b>	
	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>
2015	\$ -	\$ -	\$ -	\$ 103,125
2016	-	-	-	103,125
2017	-	-	-	103,125
2018	-	-	-	103,125
2019	-	428,559	-	103,125
2020-2024	1,865,465	4,562,269	1,411,066	5,608,609
2025-2029	1,398,548	5,015,181	2,042,981	7,968,450
2030-2031	234,957	520,021	2,215,144	103,125
	<u><u>\$ 3,498,970</u></u>	<u><u>\$ 10,526,030</u></u>	<u><u>\$ 5,669,191</u></u>	<u><u>\$ 14,195,809</u></u>

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 7 - Long-Term Debt (Continued):**

**Notes Payable**

The City issued a Special Assessment Revenue Note Series 2006, in the amount of \$430,000 to provide financing for the Tuscawilla Lighting and Beautification Project, Phase II. The Special Assessment Revenue Note Series 2006 is secured by a first lien and pledge of assessments levied on the property within the assessed area. The total principal and interest remaining to be paid on this series is \$93,942. For the fiscal year, principal and interest paid on this series was \$32,134 and total pledged revenue was \$32,145.

The 2011 Improvement Refunding Revenue Note is secured by Electric Franchise fees and Public Service tax revenue. The total principal and interest remaining to be paid on this series is \$1,107,929. For the fiscal year, principal and interest paid on this series was \$187,395 and total pledged revenue was \$5,851,234.

The 2011 Special Assessment Revenue Refunding Note is secured by a first lien and pledge of assessments levied on the property within the assessed area. The total principal and interest remaining to be paid on this series is \$2,124,547. For the fiscal year, principal and interest was paid on this series was \$132,939 and total pledged revenue was \$133,007.

The 2012 Limited General Obligation Refunding Note is secured a pledge of the faith, credit and taxing power of the City, provided that the levy of ad valorem taxes by the City in each year for the payment of debt service on the Note shall not exceed one quarter (1/4) of one mil on all of the taxable property in the City. The total principal and interest remaining to be paid on this series is \$3,445,590. For the fiscal year, principal and interest paid was \$200,994 and total pledged revenue was \$173,876.

The 2014 Improvement Refunding Revenue Notes are secured by Public Service tax revenue. The total principal and interest remaining to be paid on this series is \$3,571,748. For the fiscal year there were no principal and interest payments and total pledged revenue was \$4,034,667.

The 2011A Water and Sewer Refunding Note is secured by net revenue from the water and sewer system. The total principal and interest remaining to be paid on this series is \$6,499,659. For the fiscal year, principal and interest paid on this series was \$1,086,004 and total pledged net revenue was \$4,046,563.

The 2011B Water and Sewer Refunding Note is secured by net revenue from the water and sewer system. The total principal and interest remaining to be paid on this series is \$694,171. For the fiscal year, principal and interest paid on this series was \$96,877 and total pledged net revenue was \$4,046,563.

The 2011C Water and Sewer Refunding Note is secured by net revenue from the water and sewer system. The total principal and interest remaining to be paid on this series is \$3,355,195. For the fiscal year, principal and interest paid on this series was \$419,792 and total pledged net revenue was \$4,046,563.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 7 - Long-Term Debt (Continued):**

**Notes Payable (Continued)**

In April 2012, the City executed Clean Water State Revolving Fund Loan agreement WW590600 for the Lake Jessup reclaimed water augmentation facility. The agreement provides for total funding of \$2,831,985. The loan period is for 20 years with an interest rate of 2.77 percent. The note is secured by gross revenues from the water and sewer utility net of operation and maintenance costs. The total principal and interest remaining to be paid on this series is \$2,100,561. For the fiscal year, principal and interest paid on this series was \$119,454 and total pledged net revenue was \$2,760,557.

The City has notes payable for both governmental and business-type activities. Outstanding notes payable at year end are as follows:

Governmental Activities

Special Assessment Revenue Note, Series 2006 - Principal payable annually beginning July 1, 2007 and interest payable semi-annually on January 1 and July 1. Maturity is July 1, 2021 and interest is 4.10%. Principal payments of \$27,626 were made in fiscal year 2014.	\$ 87,333
Improvement Refunding Revenue Note, Series 2011 - payable in annual principal installments starting 10/1/11 through 10/1/18 and interest paid semi-annually at 2.36%	1,043,285
Special Assessment Refunding Revenue Note, Series 2011 - payable in annual principal installments starting 10/1/12 through 10/1/29 and interest paid semi-annually at 3.25%	1,657,310
Limited General Obligation Refunding Note, Series 2012 - payable in annual principal installments starting 7/1/13 through 7/1/31 and interest paid semi-annually at 3.65%	2,533,833
Improvement Refunding Revenue Note, Series 2014 - payable in annual principal installments starting 10/1/14 through 10/1/18 and interest paid semi-annually at 0.88%	3,494,000
	<u>\$ 8,815,761</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 7 - Long-Term Debt (Continued):**

**Notes Payable (Continued)**

Business-Type Activities

Water and Sewer System Revenue Refunding Note, Series 2011A - payable in annual principal installments starting 4/1/12 through 4/1/20 and interest paid semi-annually at 3.28% \$ 5,900,689

Water and Sewer System Revenue Refunding Note, Series 2011B - payable in annual principal installments starting 10/1/11 through 10/1/20 and interest paid semi-annually at 2.65% 641,179

Water and Sewer System Revenue Refunding Note, Series 2011C - payable in annual principal installments starting 10/1/12 through 10/1/21 and interest paid semi-annually at 2.66% 3,058,761

SRF loan- payable in semi-annual principal and interest installments starting 4/15/13, with interest paid semi-annually at 2.77% 1,635,498  
\$ 11,236,127

Annual debt service requirements to maturity for notes payable are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 609,942	\$ 190,529	\$ 1,403,645	\$ 310,448
2016	1,231,859	183,946	1,446,751	266,630
2017	1,256,963	164,001	1,497,567	221,366
2018	1,262,982	143,576	1,542,909	174,567
2019	1,286,593	123,346	1,585,947	126,483
2020-2024	1,208,156	463,780	2,905,784	203,995
2025-2029	1,449,715	235,786	479,446	89,086
2030-2033	509,551	23,031	374,078	20,884
	<u>\$ 8,815,761</u>	<u>\$ 1,527,995</u>	<u>\$ 11,236,127</u>	<u>\$ 1,413,459</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 7 - Long-Term Debt (Continued):**

**Changes in Long-Term Liabilities**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable-					
Revenue bonds	\$ 8,228,970	\$ -	\$ (4,730,000)	\$ 3,498,970	\$ -
Less deferred amounts:					
Issuance premiums	34,819	-	(34,819)	-	-
Total bonds payable	<u>8,263,789</u>	<u>-</u>	<u>(4,764,819)</u>	<u>3,498,970</u>	<u>-</u>
Accreted Interest Payable	4,003,092	429,586	-	4,432,678	-
Notes Payable-					
Capital improvement notes	3,054,241	3,494,000	(266,313)	6,281,928	501,270
Limited general obligation note	2,638,521	-	(104,688)	2,533,833	108,672
Total notes payable	<u>5,692,762</u>	<u>3,494,000</u>	<u>(371,001)</u>	<u>8,815,761</u>	<u>609,942</u>
Other Post Employment Benefits	277,090	57,235	-	334,325	-
Compensated Absences	726,850	766,961	(726,850)	766,961	153,000
Governmental activity long-term liabilities	<u>\$ 18,963,583</u>	<u>\$ 4,747,782</u>	<u>\$ (5,862,670)</u>	<u>\$ 17,848,695</u>	<u>\$ 762,942</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Business-type Activities:</b>					
Bonds Payable-					
Revenue bonds	\$ 5,669,191	\$ -	\$ -	\$ 5,669,191	\$ -
Less deferred amounts:					
Issuance discounts	(17,923)	-	1,054	(16,869)	-
Total bonds payable	<u>5,651,268</u>	<u>-</u>	<u>1,054</u>	<u>5,652,322</u>	<u>-</u>
Accreted Interest Payable	4,081,821	475,105	-	4,556,926	-
Notes Payable-					
Revenue notes	10,896,825	-	(1,296,196)	9,600,629	1,334,768
SRF Loan	1,711,448	-	(75,950)	1,635,498	68,877
Other Post Employment Benefits	90,910	19,765	-	110,675	-
Compensated Absences	194,367	172,074	(194,367)	172,074	34,415
Governmental activity long-term liabilities	<u>\$ 22,626,639</u>	<u>\$ 666,944</u>	<u>\$ (1,565,459)</u>	<u>\$ 21,728,124</u>	<u>\$ 1,438,060</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 8 - Interfund Receivables, Payables and Transfers:**

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

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>Amount</b>
General	Other Governmental Funds	\$ 197,602
		<u>\$ 197,602</u>

The advance to other governmental funds represents Resolution 2010-36 adopted June 2010 formally establishing the interfund loan (original amount \$318,464) between the City's General Fund and the Oak Forest Debt Service Fund. The terms of the note are 2.7510% paid quarterly through June 2017. The balance also represents an interfund loan with the Tusawilla III Special Revenue Fund, which was established with Resolution 2013-22 in the amount of \$80,820 of which \$17,100 in prepayments were received for a net interfund loan of \$63,720. The terms of the note are 2.875% for 20 years. The interest rate is variable, with maximum increases of 1.25% in years 6-15, and 1.5% in years 16-20.

Interfund transfers for the year ended September 30, 2014 are summarized below:

Transfers Out	Transfers In					Total
	General Fund	Road Improvements Fund	2003 Debt Service Fund	Other Governmental Funds	Water and Sewer Utility Fund	
General Fund	\$ -	\$ -	\$ 934,000	\$ 217,500	\$ -	\$ 1,151,500
TLBD Debt Service	500	-	-	-	-	500
Solid Waste/Recycling						
Special Revenue Fund	137,339	-	-	-	-	137,339
Other Governmental Funds	326,260	21,786	-	-	15,696	363,742
Water and Sewer Utility Fund	1,489,555	-	-	-	-	1,489,555
Development Services Fund	346,900	-	-	-	-	346,900
Stormwater Utility Fund	167,800	-	-	-	6,000	173,800
	<u>\$ 2,468,354</u>	<u>\$ 21,786</u>	<u>\$ 934,000</u>	<u>\$ 217,500</u>	<u>\$ 21,696</u>	<u>\$ 3,663,336</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 8 - Interfund Receivables, Payables and Transfers (Continued):**

Interfund transfers for the year ended September 30, 2014 are detailed below:

<u>Recipient Fund</u>	<u>Amount</u>	<u>Purpose</u>
1999 Debt Service Fund	\$ 207,500	Transfer from General Fund to pay Debt Service expenses on the Improvement Refunding Revenue Bonds, Series 1999.
2003 Debt Service Fund	934,000	Transfer from General Fund to pay Debt Service expenses on the Improvement Refunding Revenue Bonds, Series 2003.
Central Winds GO Debt Service Fund	10,000	Transfer from General Fund to pay Debt Service expenses on the General Obligation Notes for the acquisition and expansion of Central Winds Park.
General Fund	1,489,555	Transfer from Water and Sewer Utility Fund for Utility Billing division budget, fair share portion of General Fund expenses, such as human resources, purchasing, and finance.
General Fund	346,900	Transfer from Development Services Fund for indirect costs, administration, fire prevention, Community Development (crossover costs), Information Services special projects, Kiva project and records management project expenses.
General Fund	67,429	Transfer from TLBD Phase I Maintenance Special Revenue Fund for City Clerk, Beautification Coordinator and insurance expenses.
General Fund	13,570	Transfer from Oak Forest Maintenance Special Revenue Fund for City Clerk, Beautification Coordinator and insurance expenses.
General Fund	137,339	Transfer from Solid Waste/Recycling Special Revenue Fund for administration, franchise fees.
General Fund	33,867	Transfer from Arbor Fund for urban forestry services.
General Fund	167,800	Transfer from Stormwater Utility Fund for administration and special projects.
General Fund	500	Transfer from Oak Forest Debt Service fund for administration fees.
General Fund	500	Transfer from TLBD Debt Service Fund for administration fees.
General Fund	500	Transfer from TLBD Phase II Debt Service Fund for administration fees.
General Fund	2,540	Transfer from Tusawilla III to reimburse the General Fund for expenses paid on behalf of the special assessment fund

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 8 - Interfund Receivables, Payables and Transfers (Continued):**

<u>Recipient Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	200,000	Transfer from Transportation Improvement Fund for street lighting.
General Fund	7,854	Transfer from Special Law Enforcement Trust Fund-Federal for purchase of new canine and new vehicle for the Police Department.
Road Improvements Fund	21,786	Transfer from Arbor Fund for rights-of-way median island landscape from revenues for tree mitigation.
Water and Sewer Utility Fund	15,696	Transfer from Arbor Fund to cover an allocation of salary/benefits for the City Arborist.
Water and Sewer Utility Fund	6,000	Transfer from Stormwater Utility Fund for administration fees.
	<u>\$ 3,663,336</u>	

**Note 9 - Defined Benefit Pension Plan:**

**Plan Description**

The City maintains a single-employer defined benefit pension plan that provides retirement benefits to City employees. The pension plan is maintained as a Pension Trust Fund and is included with the fund financial statements. This pension plan does not issue a stand-alone financial report. General employees hired on or after October 1, 2011 are no longer eligible for the defined benefit pension plan, but are eligible for the City's defined contribution plan. Employees hired as sworn police officers or hired as forensic professionals on or after October 1, 2011 will continue to participate in the defined benefit plan.

In October 2008, the City consolidated fire services with Seminole County, and firefighters were given the option to either remain in the City's pension plan or enroll in the County's pension plan. As a result, 27 firefighters elected to remain in the City's pension plan of which 11 remain although they are no longer employees of the City.

The Board of Trustees of the plan are appointed by the City Commission to make advisory recommendations regarding the plan's investment and portfolio strategies. Any recommendations are then taken back to the Commission for final approval.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 9 - Defined Benefit Pension Plan (Continued):**

**Summary of Significant Accounting Principles**

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

**Funding Policy**

The contribution requirements of plan members and the City are established and may be amended by the City Commission. Effective October 1, 2011, the Plan has been amended to require Plan members to contribute 5% of their salary to the Plan, which amounted to \$335,594, for the year ended September 30, 2014. The City is required to contribute at an actuarially determined rate; the rate from the most recent actuarial valuation as of October 1, 2013 for the year ended September 30, 2014 is 30% of covered payroll. The City/County's contribution for the year ended September 30, 2014 was \$2,561,415, which is 34.5% of covered payroll. Administration costs and fees attributable to the plan are paid out of the plan and amounted to \$159,425 in 2014.

Membership in the Defined Benefit Plan consisted of the following as of the most recent valuation date, October 1, 2013:

Retirees and beneficiaries receiving benefits	79
Terminated plan members entitled to but not receiving benefits	135
Active plan members:	
Vested	116
Partially vested	24
Non-vested	12
	<u>366</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 9 - Defined Benefit Pension Plan (Continued):**

**Annual Pension Cost and Net Pension Obligation -**

The annual pension cost, net pension obligation and required contribution for September 30, 2014 were determined as part of the actuarial valuation of the plan dated October 1, 2013. The annual pension cost and net pension obligation based on the most recent valuation is:

Annual Required Contribution	\$ 2,230,908
Interest on Net Pension Obligation (NPO)	2,702
Adjustment to Annual Required Contribution	<u>(2,999)</u>
Annual Pension Cost	2,230,611
City Contributions Made	<u>(2,561,415)</u>
Increase/(Decrease) in NPO	(330,804)
Net Pension Obligation, beginning of year	33,772
Net Pension Asset, end of year	<u><u>\$ (297,032)</u></u>

\*The beginning balance has been adjusted \$332,759 to agree to the most recent actuarial valuation.

***Three Year Trend Information -***

<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Actual Contribution</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation (Asset)</b>
9/30/2012	\$ 1,965,697	\$ 1,913,717	97.4%	\$ 34,102
9/30/2013	1,965,697	2,298,786	116.9%	33,772
9/30/2014	2,230,611	2,561,415	114.8%	(297,032)

As of October 1, 2013, the most recent actuarial valuation date, the Plan was 65.1% funded, and the vested benefit security ratio was 77.4%. The actuarial accrued liability for benefits was \$45,927,000 and the actuarial value of assets was \$29,909,000, resulting in an unfunded actuarial liability (UAAL) of \$16,018,000. The covered payroll (annual payroll of active employees covered by the plan) was \$7,431,000, and the ratio of the UAAL to the covered payroll was 215.6%.

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of the plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits. The schedule of employer contributions is also presented and shows the extent to which the city has funded the actuarially determined annual required contribution (ARC) over time.

The amount legally required as of September 30, 2014 to be reserved for the Plan is \$36,821,260.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 9 - Defined Benefit Pension Plan (Continued):**

**Actuarial Methods and Assumptions -**

The following is a summary of the actuarial methods and significant actuarial assumptions used in the latest actuarial valuation dated October 1, 2013. The plan was amended October 1, 2004 to increase the benefit formula percentage for service prior to October 1, 2000 of 2.0% by .25% increments each year beginning October 1, 2005 through the plan year beginning October 1, 2008 to 3.0%.

***Assumptions:***

Investment Earnings	8% compounded annually
Salary Increases/Inflation	3.0% -7.5%, includes expected inflation at 3.0%
Mortality Table	RP-2000 Combined Mortality Table with separate rates for males and females and fully generational mortality improvements projected to each future decrement date
Normal Form	Life annuity with payments for life of participant
Retirement Age	Age 65
Withdrawal Rates	Used withdrawal assumptions used in July 1, 2013 Florida Retirement System (FRS) Actuarial Valuation.

***Actuarial Valuation:***

Frequency	Annual
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level dollar, closed
Amortization Period	23 years
Asset Valuation Method	5 year smoothed market

The City implemented GASB Statement 67, *Financial Reporting for Pension Plans* for the year ended September 30, 2014. The required disclosures under GASB Statement 67 are as follows.

***Summary of Significant Accounting Policies***

*Method used to value investments* - Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

***Plan Description***

*Plan Administration* - The Pension Trust Fund is administered by a Board of Trustees appointed by the City Commission.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 9 - Defined Benefit Pension Plan (Continued):**

*Plan Membership* - At September 30, 2014 plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	79
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	135
Active Plan Members	<u>152</u>
	<u><u>366</u></u>

*Benefits Provided* - For Firefighters, Police Officers and Forensic Professionals, 3% times final average compensation multiplied by accrual service up to a maximum of 30 years. For General Employees, 3% times accrual service earned through September 30, 2011 times final average compensation plus 2.5% times accrual service earned after September 30, 2011 times final average compensation, up to a maximum of 30 years of accrual service.

*Contributions* - contribution requirements of plan members and the City are established and may be amended by the City Commission. The Plan currently requires employees to contribute 5% of their salary.

*Investments*

*Investment policy* - The following was the board's adopted asset allocation policy as of September 30, 2014:

<u>Asset Class</u>	<u>Target Allocation</u>
Large Cap Domestic Stocks	25%
Domestic Broad Cap Growth Equity	25%
International	15%
Fixed Income	20%
TIPS	5%
Real Estate	<u>10%</u>
Total	<u><u>100%</u></u>

*Concentrations* - The Plan did not hold investments in any one organization that represents 5 percent or more of the Pension Plan's fiduciary net position.

*Rate of return* - For the year ended September 30, 2014 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.75 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 9 - Defined Benefit Pension Plan (Continued):**

**Net Pension Liability of the City**

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

Total Pension Liability	\$ 48,505,511
Plan Fiduciary Net Position	(36,821,260)
Sponsor's Net Pension Liability	<u>\$ 11,684,251</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	75.91%

*Actuarial Assumptions* - 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

Inflation	3.00%
Salary Increases	3.0% - 7.5%
Investment Rate of Return	8.00%

For healthy General Employee participants, the RP-2000 Combined Mortality Table was used with separate rates for males and females and fully generational mortality improvements projected to each future decrement date with Scale AA. For healthy Firefighter and Police Officer participants, the RP-2000 Combined Mortality Table with Blue Collar Adjustment was used with separate rates for males and females and fully generational mortality improvements projected to each future decrement date with Scale AA. For disabled participants, the RP-2000 Combined Disability Mortality Table was used with separate rates for males and females and fully generational mortality improvements projected to each future decrement date with Scale AA.

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 pension plan's target asset allocation as of September 30, 2014 are summarized in the following table:

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 9 - Defined Benefit Pension Plan (Continued):**

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Large Cap Domestic Stocks	7.50%
International	8.50%
Fixed Income	2.50%
Alternative	2.50%

*Discount rate* - The discount rate used to measure the total pension liability was 8%. The projection of cash flows used to determine the discount rate assumed member contributions will be made at the current contribution rate and employer contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was 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 total pension liability.

The following presents the net pension liability of the sponsor, calculated using the 8% discount rate, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (7.0%) or 1-percentage-point higher (9.0%) than the current rate:

	<u>1% Decrease 7.00%</u>	<u>Current Discount Rate 8.00%</u>	<u>1% Increase 9.00%</u>
Net Pension Liability	\$ 17,593,921	\$ 11,684,250	\$ 6,701,110

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 10 - Defined Contribution Plan:**

In March 2012 the City established the Winter Springs Defined Contribution (General Plan) as a defined contribution plan covering all full time employees of the City hired after October 1, 2011, not eligible to participate in the Defined Benefit Pension Plan. This plan is authorized and may be amended by the City Commission. The City makes employer contributions of 5%. Employees are eligible to participate in the General Plan after 6 months of employment. Vesting is 0% for the first 3 years, 60% at the end of year 3, 80% at the end of year 4, 100% at the end of year 5. Benefits are available upon termination subject to IRS regulations, regardless of age, based on vested years of service. Normal retirement age has been designated by the employer as age 65.

For the fiscal year ending September 30, 2014, payroll for the employees covered by this plan was \$1,135,095. Employer contributions required and made were \$56,105. As of September 30, 2014, participation in the plan consisted of 29 active members.

During the year, the General Plan held no securities issued by the employer.

**Note 11 - Other Post-Employment Benefits:**

In accordance with Florida Statutes Section 112.0801, the City makes continued group health insurance through the city's current provider available to retirees and eligible dependents provided certain service requirements and normal age retirement requirements have been met. This plan is a single employer plan. This benefit has no cost to the City, other than the implicit cost of including retirees in the group calculation. All premiums are paid by the retiree. The City has eleven retirees currently receiving benefits. The City has chosen pay-as-you-go funding, but is recording the liability in the government wide financial statements. This plan does not issue stand-alone financial statements.

The most recent actuarial report for the City's Retiree Continuation Insurance plan was prepared as of October 1, 2013. At that point in time, the unfunded actuarial accrued liability (UAAL) for benefits was \$1,016,000 and funded ratio was 0%. The covered payroll was \$7,665,000 and the ratio of the UAAL to covered payroll was 13.3 percent.

The annual required contribution and Net OPEB Obligation for the fiscal year ended September 30, 2014 is as follows:

Annual Required Contribution	\$ 163,000
Interest on Net OPEB Obligation	15,000
Adjustment to Annual Required Contribution	<u>(32,000)</u>
Annual OPEB Cost	146,000
Employer Contributions	(68,000)
Interest on Employer Contributions	<u>(1,000)</u>
Increase in Net OPEB Obligation	77,000
Net OPEB Obligation (beginning of year)	<u>368,000</u>
Net OPEB Obligation (end of year)	<u><u>\$ 445,000</u></u>

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 11 - Other Post-Employment Benefits (Continued):**

***Three Year Trend Information -***

<b>Fiscal Year Ending</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage of ARC Contributed</b>	<b>Net OPEB Obligation</b>
9/30/2011	\$ 137,000	43.0%	\$ 290,000
9/30/2012	160,000	42.0%	368,000
9/30/2013	163,000	42.0%	445,000

**Summary of Actuarial Methods & Assumptions -**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. 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 perspective of the calculations.

***Actuarial Cost Method*** - The projected unit credit cost method was used to determine all liabilities, with the liability for each active employee assumed to accrue over his working lifetime based on elapsed time from his date of hire until retirement.

***Amortization Method*** - The level-dollar payment with a 15 year open period amortization method was used.

**Decrements -**

***Mortality*** - Sex-distinct mortality rates set forth in the RP-2000 mortality table to annuitants and non-annuitants, projected to 2012 by Scale AA, as published by the IRS for purposes of IRC section 430.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 11 - Other Post-Employment Benefits (Continued):**

**Summary of Actuarial Methods & Assumptions (Continued)**

**Disability** - Sex-distinct disability rates set forth in the Wyatt 1985 Disability Study; Class 4 rates were used for police officers, Class 1 rates were used for all other employees.

**Permanent Withdrawal from Active Status** - Sex-distinct withdrawal rates set forth in the Scale 155 table.

**Retirement** - Retirement was assumed to occur as at age 55 for police officers and at age 60 for all other employees

**Investment Return (Discount Rate)** - 4.0% per annum (includes inflation at 2.75% per annum)

**Health care Costs Trend Rates** - The cost of covered medical services has been assumed to increase in accordance with the following rates, compounded annually:

<u>Year</u>	<u>Increase</u>	<u>Year</u>	<u>Increase</u>	<u>Year</u>	<u>Increase</u>
2014	7.00%	2016	6.00%	2018	
2015	6.50%	2017	5.50%	and later	5.00%

**Implied Subsidy (Not Eligible for Medicare)** -The implied subsidy for a 60-year old retiree and his spouse is assumed to be \$4,200 per year and \$5,700 per year, respectively.

**Implied Subsidy (Dental Insurance)** -There is no implied subsidy for dental insurance since it is assumed that the dental insurance costs for covered individuals do not increase with age.

**Age-Related Morbidity** -The cost of covered medical services has been assumed to increase with age at the rate of 3.5% per annum.

**Retiree contributions** - Retirees electing post-employment healthcare coverage have been assumed to make monthly contributions equal to the premium charged to the active employees and retiree contributions are assumed to increase in accordance with the healthcare cost trend assumption.

**Medical Plan Choice** - Retirees have been assumed to elect coverage under the “United Healthcare Medical Plan 6” plan.

**Future Participation Rates** - 25% of eligible employees are assumed to elect healthcare coverage for themselves until age 65 upon retirement or disability; of the retirees election healthcare coverage, 10% are assumed to elect coverage for their spouses until age 65.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 11 - Other Post-Employment Benefits (Continued):**

**Summary of Actuarial Methods & Assumptions (Continued)**

**COBRA Assumption** - Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation; because the COBRA premium is determined periodically based on plan experience, we assumed that the COBRA premium to be paid by the participant fully covers the cost of providing healthcare coverage during the relevant period.

**Summary of Benefits**

**Other Post-Employment Benefits (OPEBs)** - The City of Winter Springs provides optional post-employment healthcare and dental insurance coverage to eligible individuals.

**Eligible Individuals** - Eligible individuals include all regular employees of the City of Winter Springs who retire from active service and are eligible for retirement or disability benefits under the defined benefit pension plan that is sponsored by the City. Under certain conditions, eligible individuals for healthcare coverage also include spouses and dependent children.

**Choice of Healthcare Plans** - Eligible individuals may choose healthcare coverage under the "United Healthcare Medical Plan 4" plan, or the "United Healthcare Medical Plan 6" plan.

**Required Monthly Premium for Post-Employment Healthcare Coverage** - Retirees must pay a monthly premium as determined by the insurance carrier. The premium varies depending on the plan selected and whether the retiree elects single, single plus spouse, single plus children or family coverage.

**Note 12 - Deferred Compensation Plan:**

All employees of the City may voluntarily elect to participate in one of two available deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are administered by Nationwide Retirement Solutions and ICMA Retirement Corporation. The plans permit participants to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Because the Plan Assets are held in trust for the exclusive benefit of plan participants and their beneficiaries, the Plan is not accounted for in the City's fund financials.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 13 - 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; job-related illnesses or injuries to employees; and natural disasters. Risk of loss from above is transferred by the City to various commercial insurers through the purchase of insurance. There has been no significant reduction in insurance coverage from the previous year. There have been no settlements in excess of insurance coverage in any of the prior three fiscal years.

**Note 14- Commitments and Contingencies:**

**Grants -**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government and the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

**Litigation -**

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.

**Commitments Under Construction Contracts -**

At September 30, 2014, the City had entered into construction contracts in the amount of \$106,323.

**Transportation Impact Fee Credits -**

The City has entered into a number of agreements with developers under which the developer donates transportation infrastructure improvements or rights of way to the City and receives credit for future transportation impact fee payments. As of September 30, 2014, credit balances for future impact fees total approximately \$263,000.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2014

**Note 15 - Fund Balance**

**Minimum Fund Balance Policy** - In accordance with Resolution 2002-36, the City designates an amount equal to 20 percent of the total operating expenses of the General fund to be maintained as a required minimum unreserved fund balance. The purpose of the policy is to provide capacity to (1) provide sufficient cash flow for daily financial needs, (2) secure and maintain investment grade (i.e. A or above) bond ratings, (3) offset significant economic downturns or revenue shortfalls, and (4) provide funds for unforeseen expenditures related to emergencies.

By a super majority vote of the Commission, supplemental appropriation from unassigned General Fund fund balance may be authorized by the Commission for a General Fund purpose reducing the unassigned General Fund fund balance below the 20% minimum provided that the assigned General Fund fund balance is restored to the minimum in the following year budget.

At September 30, 2014, the City's governmental fund balances were as follows:

Fund Balances	General Fund	Road Improvements Fund	Solid Waste/ Recycling	TLBD Debt Service	2003 Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Nonspendable</b>							
Inventory/prepaid	\$ 218,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 218,430
Advances	197,602	-	-	-	-	-	197,602
<b>Spendable</b>							
<b>Restricted for:</b>							
Physical environment	-	920,331	-	-	-	2,137,814	3,058,145
Public safety	-	-	-	-	-	1,593,064	1,593,064
Culture and recreation	-	-	-	-	-	366,128	366,128
Debt service	-	-	-	226,434	-	54,737	281,171
<b>Committed to:</b>							
Solid Waste	-	-	981,158	-	-	-	981,158
Arbor	-	-	-	-	-	303,509	303,509
<b>Assigned to:</b>							
Storm reserve	-	-	970,157	-	-	-	970,157
Emergency Disaster Relief	-	-	781,698	-	-	-	781,698
Debt service	-	-	-	-	276,115	197,043	473,158
Capital projects	-	-	-	-	-	3,032,729	3,032,729
Subsequent year expenditures	432,744	-	-	-	-	-	432,744
Unassigned	7,646,887	-	-	-	-	(171,920)	7,474,967
<b>Total Fund Balance</b>	<b>\$ 8,495,663</b>	<b>\$ 920,331</b>	<b>\$ 2,733,013</b>	<b>\$ 226,434</b>	<b>\$ 276,115</b>	<b>\$ 7,513,104</b>	<b>\$ 20,164,660</b>

**Note 16 - Subsequent Events:**

The City has evaluated subsequent events through the date of the independent auditors' report, the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF WINTER SPRINGS, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION**

September 30, 2014

Defined Benefit Pension Trust Fund

**Schedule of Funding Progress**  
**(expressed in Thousands)**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll (b-a) / c</b>
10/1/2006	\$ 11,951	\$ 16,043	\$ 4,092	74.5%	\$ 10,489	39.0%
10/1/2007	15,527	20,114	4,587	77.2%	11,190	41.0%
10/1/2008	18,747	32,414	13,667	57.8%	10,768	126.9%
10/1/2009	20,789	37,651	16,862	55.2%	10,753	156.8%
10/1/2010	23,887	40,331	16,444	59.2%	10,304	159.6%
10/1/2013	29,909	45,927	16,018	65.1%	7,431	215.6%

**Schedule of Employer Contributions**

<b>Fiscal Year Ending</b>	<b>Annual Required Contribution (ARC)</b>	<b>Actual Contribution</b>	<b>Percentage of ARC Contributed</b>
9/30/2009	\$ 1,781,651	\$ 1,781,197	100.0%
9/30/2010	2,311,058	2,311,058	100.0%
9/30/2011	2,627,659	2,660,270	101.2%
9/30/2012	1,965,643	1,913,717	97.4%
9/30/2013	1,965,643	2,298,786	116.9%
9/30/2014	2,230,908	2,561,415	114.8%

CITY OF WINTER SPRINGS, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION**

September 30, 2014

Retiree Continuation Insurance Plan

**Schedule of Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll (b-a) / c</b>
7/1/2009**	\$ -	\$ 505,000	\$ 505,000	0.0%	\$ 9,230,000	5.5%
10/1/2011	-	754,000	754,000	0.0%	7,441,000	10.1%
10/1/2013	-	1,016,000	1,016,000	0.0%	7,665,000	13.3%

\*\* initial valuation date

**Schedule of Contributions from Employers and Other Contributing Entities**

<b>Fiscal Year Ending</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage of ARC Contributed</b>	<b>Net OPEB Obligation</b>
9/30/2009	\$ 93,000	17.0%	\$ 77,000
9/30/2010	98,000	16.0%	155,000
9/30/2011	133,000	44.0%	222,000
9/30/2012	137,000	43.0%	290,000
9/30/2013	160,000	42.0%	368,000
9/30/2014	163,000	42.0%	445,000

CITY OF WINTER SPRINGS, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS**

September 30, 2014

	<u>9/30/2014</u>
<b>Total Pension Liability</b>	
Service Cost	\$ 886,819
Interest	3,666,120
Benefit Changes	-
Differences Between Expected and Actual Experience	(581,481)
Changes of Assumptions	-
Benefit Payments, including refunds of employee contributions	<u>(1,974,208)</u>
Net Change in Total Pension Liability	1,997,250
Total Pension Liability-beginning	46,508,261
Total Pension Liability-ending (a)	<u><u>\$ 48,505,511</u></u>
 <b>Plan Fiduciary Net Position</b>	
Contributions-employer	2,527,508
Contributions-employee	369,500
Net Investment Income	3,885,344
Benefit Payments, Including Refunds of Employee Contributions	(1,974,208)
Administrative Expense	(159,424)
Other	-
Net Change in Plan Fiduciary Net Position	<u>4,648,720</u>
 Plan Fiduciary Net Position- beginning	<u>32,172,541</u>
Plan Fiduciary Net Position- ending (b)	<u><u>\$ 36,821,261</u></u>
 Net Pension Liability - ending (a)- (b)	<u><u>\$ 11,684,250</u></u>
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	75.91%
 Covered-employee Payroll	\$ 8,084,054
 Net Pension Liability as a Percentage of Covered Employee Payroll	144.53%

Notes to Schedule: Valuation date- 10/1/2013. Updated procedures were used to roll forward the total pension liability to the measurement date.

CITY OF WINTER SPRINGS, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS**

September 30, 2014

	<u>9/30/2014</u>
Actuarially Determined Contribution	\$ 2,474,578
Contributions in Relation to the Actuarially Determined Contribution	<u>2,527,508</u>
Contribution Deficiency (Excess)	<u>\$ (52,930)</u>
Covered Employee Payroll	8,084,054
Contributions as a Percentage of Covered Employee Payroll	31.27%

Notes to Schedule

Valuation Date 10/1/2013  
Update procedures were used to roll forward the total pension liability to the measurement date

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level dollar, closed
Remaining Amortization Period	30 years
Asset Valuation Method	5-year smoothed market
Inflation	3.00%
Salary Increases	3.0% - 7.5%
Investment Rate of Return	8%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition

Mortality For health General Employee participants, the RP-2000 Combined Mortality Table was used with separate rates for males and females and fully generational mortality improvements projected to each future decrement date with Scale AA. For healthy Firefighter and Police Officer participants, the RP-2000 Combined Mortality Table with Blue Collar Adjustment was used with separate rates for males and females and fully generational mortality improvements projected to each future decrement date with Scale AA. For disabled participants, the RP-2000 Combined Disabled Mortality Table was used with separate rates for males and females and fully generational mortality improvements projected to each future decrement date with Scale AA.

Benefit Changes 2011: Plan closed to future general employees; pensionable earnings to base pay, overtime-maximum 150 hours and accrued leave balance as of July 1, 2011; vesting schedule updated; unreduced early retirement eligibility updated; final average pay updated to five year average and future service benefit accrual rate reduced for general employees. 2008: Benefit accrual rate increased.

Assumption Changes 2008: Mortality, salary increase, withdrawal, disability and retirement rates updated; administrative expense assumption introduced and actuarial cost method updated.

CITY OF WINTER SPRINGS, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF INVESTMENT RETURNS**

September 30, 2014

	<u>9/30/2014</u>
Annual Money-Weighted Rate of Return	
Net of Investment Expense	9.75%

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

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## **MAJOR GOVERNMENTAL FUNDS**

### **Debt Service Funds**

#### **TLBD Debt Service Fund**

- This fund was established to account for the accumulation of principal and interest for the 2001 special assessment bond issue which was refinanced in October 2011 with a private placement note payable.

#### **2003 Debt Service Fund**

- This fund is used to account for the accumulation of resources and payment of principal and interest for the 2003 bond issue, which was refinanced in July 2014 with a private placement note payable.

CITY OF WINTER SPRINGS, FLORIDA

**TLBD DEBT SERVICE FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 165,698	\$ 165,698	\$ 77,812	\$ (87,886)
Investment income	1,500	1,500	55,748	54,248
Miscellaneous	-	-	33,466	33,466
Total revenues	<u>167,198</u>	<u>167,198</u>	<u>167,026</u>	<u>(172)</u>
<b>Expenditures:</b>				
Current:				
Physical environment	4,600	4,600	4,328	272
Debt Service:				
Principal	77,850	77,850	77,812	38
Interest and other charges	55,200	55,200	55,127	73
Capital Outlay				
Physical environment	-	80,000	67,214	12,786
Total expenditures	<u>137,650</u>	<u>217,650</u>	<u>204,481</u>	<u>13,169</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>29,548</u>	<u>(50,452)</u>	<u>(37,455)</u>	<u>12,997</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(500)	(500)	(500)	-
Total other financing sources and uses	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	29,048	(50,952)	(37,955)	12,997
<b>Fund Balances - beginning</b>	264,389	264,389	264,389	-
<b>Fund Balances - ending</b>	<u>\$ 293,437</u>	<u>\$ 213,437</u>	<u>\$ 226,434</u>	<u>\$ 12,997</u>

CITY OF WINTER SPRINGS, FLORIDA

**2003 DEBT SERVICE FUND  
SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 3,000	\$ 3,000	\$ 885	\$ (2,115)
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>885</u>	<u>(2,115)</u>
<b>Expenditures:</b>				
Current:				
General government	2,500	2,500	-	2,500
Debt Service:				
Principal	725,000	4,730,000	4,730,000	-
Interest and other charges	<u>150,500</u>	<u>270,005</u>	<u>235,465</u>	<u>34,540</u>
Total expenditures	<u>878,000</u>	<u>5,002,505</u>	<u>4,965,465</u>	<u>37,040</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(875,000)</u>	<u>(4,999,505)</u>	<u>(4,964,580)</u>	<u>34,925</u>
<b>Other Financing Sources (Uses)</b>				
Notes payable	-	3,494,000	3,494,000	-
Transfers in	<u>884,000</u>	<u>884,000</u>	<u>934,000</u>	<u>50,000</u>
Total other financing sources and uses	<u>884,000</u>	<u>4,378,000</u>	<u>4,428,000</u>	<u>50,000</u>
<b>Net change in fund balances</b>	9,000	(621,505)	(536,580)	84,925
<b>Fund balances - beginning</b>	812,695	812,695	812,695	-
<b>Fund balances - ending</b>	<u>\$ 821,695</u>	<u>\$ 191,190</u>	<u>\$ 276,115</u>	<u>\$ 84,925</u>

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

- Police Education Fund** - This fund is used to account for the \$2.00 additional assessment on each traffic citation that is restricted for criminal justice education and training in accordance with Chapter 938.15, Florida Statutes.
- Special Law Enforcement Trust Fund - Local** - This fund was established to receive revenues from local sources derived from confiscated property obtained during the enforcement of illegal operations. Proceeds are restricted for law enforcement purposes. Such purposes may include drug education programs such as G.R.E.A.T (Gang Resistance Education and Training).
- Transportation Improvement Fund** - Revenues in this fund are derived from Local Option Gasoline Tax distribution. Proceeds are restricted for road, right of way, and drainage maintenance and equipment necessary to build or maintain roads, right of ways, and drainage.
- Transportation Impact Fee Fund** - This fund is used to account for collected impact fees on new development which are restricted for use in funding road construction directly related to new growth.
- Police Impact Fee Fund** - This fund is used to account for collected impact fees on new development which are restricted for use in funding capital investment needed to maintain the level of police service directly related to new growth.
- Fire Impact Fee Fund** - This fund is used to account for collected impact fees on new development to defray the cost of capital investment needed to maintain the level of fire service due to future growth.
- Parks Impact Fee Fund** - This fund is used to account for collected impact fees on new development which are restricted for use in funding capital investment needed to develop and improve the parks directly related to new growth.

## **NONMAJOR GOVERNMENTAL FUNDS - Continued**

### **Special Revenue Funds - Continued**

- |   |   |
|---|---|
| <b>Arbor Fund</b>                                   | - This fund is used to account for arbor permit revenues committed to new plantings and maintenance of trees and shrubs within the City.  |
| <b>TLBD Maintenance Fund</b>                        | - This fund is used to account for collected special assessments restricted for maintenance related to the Tusawilla Lighting and Beautification District for Phases I and II of project. Phase II was accounted for in a separate fund prior to Fiscal Year 2008.  |
| <b>Oak Forest Maintenance Fund</b>                  | - This fund is used to account for collected special assessments restricted for maintenance related to the Oak Forest subdivision wall.   |
| <b>Special Law Enforcement Trust Fund - Federal</b> | - This fund was established to receive revenues from federal sources derived from confiscated property obtained during the enforcement of illegal operations. Proceeds are restricted for law enforcement purposes. Such purposes may include drug/gang related education, Shop with a Cop, movie and other civic events. |
| <b>Tusawilla Phase III</b>                          | This fund is used to account for collected special assessments restricted for maintenance related to the Tusawilla Phases III, and repayment of advance from General Fund.  |

## NONMAJOR GOVERNMENTAL FUNDS - Continued

### Debt Service Funds

- 1999 Debt Service Fund** - This fund is used to account for the accumulation of resources and payment of principal and interest for the 1999 bond issue and Improvement Refunding Note Series 2011, which partially refunded the 1999 bond issue.
  
- Oak Forest Debt Service Fund** - This fund is used to account for the accumulation of resources and payment of principal and interest to the General Fund for the 2010 interfund loan which paid off the Capital Improvement Revenue Note, Series 2004A.
  
- TLBD Phase II Debt Service Fund** - This fund is used to account for the accumulation of resources and payment of principal and interest for the TLBD Phase II Improvements.
  
- Central Winds G.O. Debt Service Fund** - This fund is used to account for accumulation of resources and payment of principal and interest for the 2002 limited general obligation bond which was refinanced in May 2012 with private placement note payable.

## NONMAJOR GOVERNMENTAL FUNDS - Continued

### Capital Projects Funds

- 1999 Construction Capital Projects Fund** - This fund was established for the acquisition and construction of City - owned Capital Improvements.
- Revolving Rehab Capital Projects Fund** - This fund was established to fund capital improvements and economic development within the City.
- Utility/Public Works Facility Fund** - This fund was established to account for construction of additional public facilities.
- Excellence in Customer Service** - This fund was established to account for the acquisition of software and equipment to improve the level of customer service performance.

CITY OF WINTER SPRINGS, FLORIDA

**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

September 30, 2014

	<b>Special Revenue</b>			
	<b>Police Education Fund</b>	<b>Special Law Enforcement Trust Fund- Local</b>	<b>Transportation Improvement Fund</b>	<b>Transportation Impact Fee Fund</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 954	\$ 1,921	\$ 46,176	\$ 82,482
Investments	12,565	25,289	607,946	1,085,951
Receivables, net	896	-	-	-
Special assessments receivable	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	513	-	-
Total assets	<u>\$ 14,415</u>	<u>\$ 27,723</u>	<u>\$ 654,122</u>	<u>\$ 1,168,433</u>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 277	\$ 23,526	\$ 1,961
Retainage payable	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>277</u>	<u>23,526</u>	<u>1,961</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Restricted	14,415	27,446	630,596	1,166,472
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>14,415</u>	<u>27,446</u>	<u>630,596</u>	<u>1,166,472</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 14,415</u>	<u>\$ 27,723</u>	<u>\$ 654,122</u>	<u>\$ 1,168,433</u>

**Special Revenue**

<b>Police Impact Fee Fund</b>	<b>Fire Impact Fee Fund</b>	<b>Parks Impact Fee Fund</b>	<b>Arbor Fund</b>	<b>TLBD Maintenance Fund</b>
\$ 4,110	\$ 98,712	\$ 28,279	\$ 21,531	\$ 20,931
54,116	1,299,634	372,319	283,478	275,577
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 58,226</u>	<u>\$ 1,398,346</u>	<u>\$ 400,598</u>	<u>\$ 305,009</u>	<u>\$ 296,508</u>
\$ -	\$ 730	\$ 18,485	\$ 1,500	\$ 7,328
-	-	15,985	-	-
-	-	-	-	-
<u>-</u>	<u>730</u>	<u>34,470</u>	<u>1,500</u>	<u>7,328</u>
-	-	-	-	-
-	-	-	-	-
58,226	1,397,616	366,128	-	289,180
-	-	-	303,509	-
-	-	-	-	-
-	-	-	-	-
<u>58,226</u>	<u>1,397,616</u>	<u>366,128</u>	<u>303,509</u>	<u>289,180</u>
<u>\$ 58,226</u>	<u>\$ 1,398,346</u>	<u>\$ 400,598</u>	<u>\$ 305,009</u>	<u>\$ 296,508</u>

(Continued)

CITY OF WINTER SPRINGS, FLORIDA

**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

September 30, 2014

	<b>Special Revenue</b>			<b>Total Special Revenue</b>
	<b>Oak Forest Maintenance Fund</b>	<b>Special Law Enforcement Trust Fund - Federal</b>	<b>Tusawilla Phase III</b>	
<b>Assets:</b>				
Cash and cash equivalents	\$ 3,774	\$ 6,956	\$ 566	\$ 316,392
Investments	49,682	91,587	7,456	4,165,600
Receivables, net	-	-	-	896
Special assessments receivable	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	513
Total assets	<u>\$ 53,456</u>	<u>\$ 98,543</u>	<u>\$ 8,022</u>	<u>\$ 4,483,401</u>
<b>Liabilities:</b>				
Accounts payable	\$ 1,890	\$ 3,182	\$ 375	\$ 59,254
Retainage payable	-	-	-	15,985
Due to other funds	-	-	61,318	61,318
Total liabilities	<u>1,890</u>	<u>3,182</u>	<u>61,693</u>	<u>136,557</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Restricted	51,566	95,361	-	4,097,006
Committed	-	-	-	303,509
Assigned	-	-	-	-
Unassigned	-	-	(53,671)	(53,671)
Total fund balances	<u>51,566</u>	<u>95,361</u>	<u>(53,671)</u>	<u>4,346,844</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 53,456</u>	<u>\$ 98,543</u>	<u>\$ 8,022</u>	<u>\$ 4,483,401</u>

<b>Debt Service</b>				
<b>1999 Debt Service Fund</b>	<b>Oak Forest Debt Service Fund</b>	<b>Central Winds GO Debt Service Fund</b>	<b>TLBD Phase II Debt Service Fund</b>	<b>Total Debt Service</b>
\$ 13,910	\$ 1,321	\$ 2,033	\$ 2,089	\$ 19,353
183,133	17,390	26,773	27,500	254,796
-	-	-	-	-
-	423,126	-	155,686	578,812
-	-	-	-	-
<u>\$ 197,043</u>	<u>\$ 441,837</u>	<u>\$ 28,806</u>	<u>\$ 185,275</u>	<u>\$ 852,961</u>
\$ -	\$ 676	\$ 3,501	\$ 157	\$ 4,334
-	-	-	-	-
-	136,284	-	-	136,284
<u>-</u>	<u>136,960</u>	<u>3,501</u>	<u>157</u>	<u>140,618</u>
-	423,126	-	155,686	578,812
-	423,126	-	155,686	578,812
-	-	25,305	29,432	54,737
-	-	-	-	-
197,043	-	-	-	197,043
-	(118,249)	-	-	(118,249)
<u>197,043</u>	<u>(118,249)</u>	<u>25,305</u>	<u>29,432</u>	<u>133,531</u>
<u>\$ 197,043</u>	<u>\$ 441,837</u>	<u>\$ 28,806</u>	<u>\$ 185,275</u>	<u>\$ 852,961</u>

(Continued)

CITY OF WINTER SPRINGS, FLORIDA

**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

September 30, 2014

**Capital Projects**

	<b>1999 Construction Fund</b>	<b>Revolving Rehab Fund</b>	<b>Utility/Public Works Facility Fund</b>	<b>Excellence in Customer Service</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 64,895	\$ 76,170	\$ 68,667	\$ 4,404
Investments	854,399	1,002,858	904,064	57,987
Receivables, net	-	-	-	-
Special assessments receivable	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	-
<b>Total assets</b>	<b>\$ 919,294</b>	<b>\$ 1,079,028</b>	<b>\$ 972,731</b>	<b>\$ 62,391</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 715
Retainage payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>715</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue-special assessments	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	919,294	1,079,028	972,731	61,676
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b>919,294</b>	<b>1,079,028</b>	<b>972,731</b>	<b>61,676</b>
 Total liabilities, deferred inflows of resources and fund balances	 <b>\$ 919,294</b>	 <b>\$ 1,079,028</b>	 <b>\$ 972,731</b>	 <b>\$ 62,391</b>

<u>Total Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 214,136	\$ 549,881
2,819,308	7,239,704
-	896
-	578,812
-	513
<u>\$ 3,033,444</u>	<u>\$ 8,369,806</u>
\$ 715	\$ 64,303
-	15,985
-	197,602
<u>715</u>	<u>277,890</u>
-	578,812
-	578,812
-	4,151,743
-	303,509
3,032,729	3,229,772
-	(171,920)
<u>3,032,729</u>	<u>7,513,104</u>
<u>\$ 3,033,444</u>	<u>\$ 8,369,806</u>

CITY OF WINTER SPRINGS, FLORIDA

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For The Year Ended September 30, 2014

	<b>Special Revenue</b>			
	<b>Police Education Fund</b>	<b>Special Law Enforcement Trust Fund- Local</b>	<b>Transportation Improvement Fund</b>	<b>Transportation Impact Fee Fund</b>
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	-
Intergovernmental revenues	-	-	579,900	-
Charges for services	-	-	14,845	-
Fines and forfeitures	10,084	15,018	-	-
Impact fees/assessments	-	-	-	311,167
Investment income	38	78	1,314	2,209
Miscellaneous	349	-	-	-
Total revenues	<u>10,471</u>	<u>15,096</u>	<u>596,059</u>	<u>313,376</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	12,975	16,139	-	-
Physical environment	-	-	188,429	15,475
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital Outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	222,441	14,488
Culture and recreation	-	-	-	-
Total expenditures	<u>12,975</u>	<u>16,139</u>	<u>410,870</u>	<u>29,963</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(2,504)</u>	<u>(1,043)</u>	<u>185,189</u>	<u>283,413</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(200,000)	-
Total other financing sources(uses)	<u>-</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(2,504)	(1,043)	(14,811)	283,413
<b>Fund Balances - beginning</b>	<u>16,919</u>	<u>28,489</u>	<u>645,407</u>	<u>883,059</u>
<b>Fund Balances - ending</b>	<u>\$ 14,415</u>	<u>\$ 27,446</u>	<u>\$ 630,596</u>	<u>\$ 1,166,472</u>

**Special Revenue**

<b>Police Impact Fee Fund</b>	<b>Fire Impact Fee Fund</b>	<b>Parks Impact Fee Fund</b>	<b>Arbor Fund</b>	<b>TLBD Maintenance Fund</b>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	20,125	-
-	-	-	-	-
-	-	-	-	-
-	-	-	53,200	-
45,153	103,508	87,600	-	509,755
200	3,036	784	753	1,089
-	-	-	-	-
<u>45,353</u>	<u>106,544</u>	<u>88,384</u>	<u>74,078</u>	<u>510,844</u>
-	-	-	-	-
-	1,825	-	-	-
-	-	-	36,730	436,764
-	-	-	-	-
-	-	-	-	-
115,705	-	-	-	-
-	-	-	-	-
-	-	48,667	-	-
<u>115,705</u>	<u>1,825</u>	<u>48,667</u>	<u>36,730</u>	<u>436,764</u>
<u>(70,352)</u>	<u>104,719</u>	<u>39,717</u>	<u>37,348</u>	<u>74,080</u>
-	-	-	-	-
-	-	-	(71,349)	(67,429)
-	-	-	(71,349)	(67,429)
(70,352)	104,719	39,717	(34,001)	6,651
<u>128,578</u>	<u>1,292,897</u>	<u>326,411</u>	<u>337,510</u>	<u>282,529</u>
<u>\$ 58,226</u>	<u>\$ 1,397,616</u>	<u>\$ 366,128</u>	<u>\$ 303,509</u>	<u>\$ 289,180</u>

(Continued)

CITY OF WINTER SPRINGS, FLORIDA

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For The Year Ended September 30, 2014

	Special Revenue			Total
	Oak Forest Maintenance Fund	Special Law Enforcement Trust Fund - Federal	Tusawilla Phase III	
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	20,125
Intergovernmental revenues	-	-	-	579,900
Charges for services	-	-	-	14,845
Fines and forfeitures	-	96,181	-	174,483
Impact fees/assessments	53,176	-	13,146	1,123,505
Investment income	168	73	66	9,808
Miscellaneous	-	-	-	349
Total revenues	<u>53,344</u>	<u>96,254</u>	<u>13,212</u>	<u>1,923,015</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	2,675	2,675
Public safety	-	8,630	-	39,569
Physical environment	42,028	-	-	719,426
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	1,832	1,832
Capital Outlay:				
General government	-	-	36,900	36,900
Public safety	-	3,182	-	118,887
Physical environment	-	-	-	236,929
Culture and recreation	-	-	-	48,667
Total expenditures	<u>42,028</u>	<u>11,812</u>	<u>41,407</u>	<u>1,204,885</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>11,316</u>	<u>84,442</u>	<u>(28,195)</u>	<u>718,130</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	(13,570)	(7,854)	(2,540)	(362,742)
Total other financing sources(uses)	<u>(13,570)</u>	<u>(7,854)</u>	<u>(2,540)</u>	<u>(362,742)</u>
<b>Net Change in Fund Balances</b>	(2,254)	76,588	(30,735)	355,388
<b>Fund Balances - Beginning</b>	<u>53,820</u>	<u>18,773</u>	<u>(22,936)</u>	<u>3,991,456</u>
<b>Fund Balances - Ending</b>	<u>\$ 51,566</u>	<u>\$ 95,361</u>	<u>\$ (53,671)</u>	<u>\$ 4,346,844</u>

**Debt Service**

<b>1999 Debt Service Fund</b>	<b>Oak Forest Debt Service Fund</b>	<b>Central Winds GO Debt Service Fund</b>	<b>TLBD Phase II Debt Service Fund</b>	<b>Total Debt Service</b>
\$ -	\$ -	\$ 173,876	\$ -	\$ 173,876
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	18,276	-	27,625	45,901
183	18,756	353	4,604	23,896
-	22,014	-	8,673	30,687
<u>183</u>	<u>59,046</u>	<u>174,229</u>	<u>40,902</u>	<u>274,360</u>
-	-	-	997	997
-	-	-	-	-
-	4,019	-	-	4,019
160,875	-	104,688	27,626	293,189
26,520	4,566	96,306	4,508	131,900
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>187,395</u>	<u>8,585</u>	<u>200,994</u>	<u>33,131</u>	<u>430,105</u>
<u>(187,212)</u>	<u>50,461</u>	<u>(26,765)</u>	<u>7,771</u>	<u>(155,745)</u>
207,500	-	10,000	-	217,500
-	(500)	-	(500)	(1,000)
<u>207,500</u>	<u>(500)</u>	<u>10,000</u>	<u>(500)</u>	<u>216,500</u>
20,288	49,961	(16,765)	7,271	60,755
<u>176,755</u>	<u>(168,210)</u>	<u>42,070</u>	<u>22,161</u>	<u>72,776</u>
<u>\$ 197,043</u>	<u>\$ (118,249)</u>	<u>\$ 25,305</u>	<u>\$ 29,432</u>	<u>\$ 133,531</u>

(Continued)

CITY OF WINTER SPRINGS, FLORIDA

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For The Year Ended September 30, 2014

	<b>Capital Projects</b>			
	<b>1999 Construction Fund</b>	<b>Revolving Rehab Fund</b>	<b>Utility/Public Works Facility Fund</b>	<b>Excellence in Customer Service</b>
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	-
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees/assessments	-	-	-	-
Investment income	2,131	2,682	2,273	253
Miscellaneous	-	-	-	-
Total revenues	<u>2,131</u>	<u>2,682</u>	<u>2,273</u>	<u>253</u>
<b>Expenditures:</b>				
Current:				
General government	-	40	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital Outlay:				
General government	-	-	-	88,772
Public safety	-	-	-	-
Physical environment	2,700	-	-	-
Culture and recreation	-	-	-	-
Total expenditures	<u>2,700</u>	<u>40</u>	<u>-</u>	<u>88,772</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(569)</u>	<u>2,642</u>	<u>2,273</u>	<u>(88,519)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(569)	2,642	2,273	(88,519)
<b>Fund Balances - Beginning</b>	<u>919,863</u>	<u>1,076,386</u>	<u>970,458</u>	<u>150,195</u>
<b>Fund Balances - Ending</b>	<u>\$ 919,294</u>	<u>\$ 1,079,028</u>	<u>\$ 972,731</u>	<u>\$ 61,676</u>

<u>Total Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 173,876
-	20,125
-	579,900
-	14,845
-	174,483
-	1,169,406
7,339	41,043
-	31,036
7,339	2,204,714
40	3,712
-	39,569
-	723,445
-	293,189
-	133,732
88,772	125,672
-	118,887
2,700	239,629
-	48,667
91,512	1,726,502
(84,173)	478,212
-	217,500
-	(363,742)
-	(146,242)
(84,173)	331,970
3,116,902	7,181,134
\$ 3,032,729	\$ 7,513,104

CITY OF WINTER SPRINGS, FLORIDA

**POLICE EDUCATION FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures	\$ 8,000	\$ 8,000	\$ 10,084	\$ 2,084
Investment income	75	75	38	(37)
Miscellaneous	-	-	349	349
Total revenues	<u>8,075</u>	<u>8,075</u>	<u>10,471</u>	<u>2,396</u>
<b>Expenditures:</b>				
Current:				
Public Safety	<u>15,000</u>	<u>15,000</u>	<u>12,975</u>	<u>2,025</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>12,975</u>	<u>2,025</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(6,925)</u>	<u>(6,925)</u>	<u>(2,504)</u>	<u>4,421</u>
<b>Net change in fund balances</b>	(6,925)	(6,925)	(2,504)	4,421
<b>Fund Balances - beginning</b>	16,919	16,919	16,919	-
<b>Fund Balances - ending</b>	<u>\$ 9,994</u>	<u>\$ 9,994</u>	<u>\$ 14,415</u>	<u>\$ 4,421</u>

CITY OF WINTER SPRINGS, FLORIDA

**SPECIAL LAW ENFORCEMENT TRUST FUND - LOCAL**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures	\$ -	\$ 13,800	\$ 15,018	\$ 1,218
Investment income	50	50	78	28
Total revenues	<u>50</u>	<u>13,850</u>	<u>15,096</u>	<u>1,246</u>
<b>Expenditures:</b>				
Current:				
Public Safety	13,400	18,882	16,139	2,743
Total expenditures	<u>13,400</u>	<u>18,882</u>	<u>16,139</u>	<u>2,743</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(13,350)</u>	<u>(5,032)</u>	<u>(1,043)</u>	<u>3,989</u>
<b>Net change in fund balances</b>	(13,350)	(5,032)	(1,043)	3,989
<b>Fund Balances - beginning</b>	28,489	28,489	28,489	-
<b>Fund Balances - ending</b>	<u>\$ 15,139</u>	<u>\$ 23,457</u>	<u>\$ 27,446</u>	<u>\$ 3,989</u>

CITY OF WINTER SPRINGS, FLORIDA

**TRANSPORTATION IMPROVEMENT FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 548,000	\$ 548,000	\$ 579,900	\$ 31,900
Charges for services	14,411	14,411	14,845	434
Investment income	3,100	3,100	1,314	(1,786)
Total revenues	<u>565,511</u>	<u>565,511</u>	<u>596,059</u>	<u>30,548</u>
<b>Expenditures:</b>				
Current:				
Physical environment	210,200	230,200	188,429	41,771
Capital Outlay				
Physical environment	363,600	243,600	222,441	21,159
Total expenditures	<u>573,800</u>	<u>473,800</u>	<u>410,870</u>	<u>62,930</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(8,289)</u>	<u>91,711</u>	<u>185,189</u>	<u>93,478</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Total other financing sources and uses	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(208,289)</u>	<u>(108,289)</u>	<u>(14,811)</u>	<u>93,478</u>
<b>Fund Balances - beginning</b>	<u>645,407</u>	<u>645,407</u>	<u>645,407</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 437,118</u>	<u>\$ 537,118</u>	<u>\$ 630,596</u>	<u>\$ 93,478</u>

CITY OF WINTER SPRINGS, FLORIDA

**TRANSPORTATION IMPACT FEE FUND  
SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ -	\$ 181,000	\$ 311,167	\$ 130,167
Investment income	3,200	3,200	2,209	(991)
Total revenues	<u>3,200</u>	<u>184,200</u>	<u>313,376</u>	<u>129,176</u>
<b>Expenditures:</b>				
Current:				
Physical environment	61,000	36,000	15,475	20,525
Capital Outlay				
Physical environment	<u>200,000</u>	<u>15,000</u>	<u>14,488</u>	<u>512</u>
Total expenditures	<u>261,000</u>	<u>51,000</u>	<u>29,963</u>	<u>21,037</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(257,800)</u>	<u>133,200</u>	<u>283,413</u>	<u>150,213</u>
<b>Net change in fund balances</b>	(257,800)	133,200	283,413	150,213
<b>Fund Balances - beginning</b>	883,059	883,059	883,059	-
<b>Fund Balances - ending</b>	<u>\$ 625,259</u>	<u>\$ 1,016,259</u>	<u>\$ 1,166,472</u>	<u>\$ 150,213</u>

CITY OF WINTER SPRINGS, FLORIDA

**POLICE IMPACT FEE FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ -	\$ 20,175	\$ 45,153	\$ 24,978
Investment income	570	570	200	(370)
Total revenues	<u>570</u>	<u>20,745</u>	<u>45,353</u>	<u>24,608</u>
<b>Expenditures:</b>				
Current:				
Public Safety	-	-	-	-
Capital Outlay				
Public Safety	120,376	120,376	115,705	4,671
Total expenditures	<u>120,376</u>	<u>120,376</u>	<u>115,705</u>	<u>4,671</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(119,806)</u>	<u>(99,631)</u>	<u>(70,352)</u>	<u>29,279</u>
<b>Net change in fund balances</b>	(119,806)	(99,631)	(70,352)	29,279
<b>Fund Balances - beginning</b>	128,578	128,578	128,578	-
<b>Fund Balances - ending</b>	<u>\$ 8,772</u>	<u>\$ 28,947</u>	<u>\$ 58,226</u>	<u>\$ 29,279</u>

CITY OF WINTER SPRINGS, FLORIDA

**FIRE IMPACT FEE FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ -	\$ 71,700	\$ 103,508	\$ 31,808
Investment income	7,300	7,300	3,036	(4,264)
Total revenues	<u>7,300</u>	<u>79,000</u>	<u>106,544</u>	<u>27,544</u>
<b>Expenditures:</b>				
Current:				
Public Safety	-	15,000	1,825	13,175
Total Expenditures	<u>-</u>	<u>15,000</u>	<u>1,825</u>	<u>13,175</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>7,300</u>	<u>64,000</u>	<u>104,719</u>	<u>40,719</u>
<b>Net change in fund balances</b>	7,300	64,000	104,719	40,719
<b>Fund Balances - beginning</b>	<u>1,292,897</u>	<u>1,292,897</u>	<u>1,292,897</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 1,300,197</u>	<u>\$ 1,356,897</u>	<u>\$ 1,397,616</u>	<u>\$ 40,719</u>

CITY OF WINTER SPRINGS, FLORIDA

**PARKS IMPACT FEE FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ -	\$ 38,400	\$ 87,600	\$ 49,200
Investment income	1,600	1,600	784	(816)
Total revenues	<u>1,600</u>	<u>40,000</u>	<u>88,384</u>	<u>48,384</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	-	-	-	-
Capital Outlay				
Culture and recreation	240,000	242,010	48,667	193,343
Total expenditures	<u>240,000</u>	<u>242,010</u>	<u>48,667</u>	<u>193,343</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(238,400)</u>	<u>(202,010)</u>	<u>39,717</u>	<u>241,727</u>
<b>Net change in fund balances</b>	(238,400)	(202,010)	39,717	241,727
<b>Fund Balances - beginning</b>	326,411	326,411	326,411	-
<b>Fund Balances - ending</b>	<u>\$ 88,011</u>	<u>\$ 124,401</u>	<u>\$ 366,128</u>	<u>\$ 241,727</u>

CITY OF WINTER SPRINGS, FLORIDA

**ARBOR FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Permits and fees	\$ 9,000	\$ 9,000	\$ 20,125	\$ 11,125
Fines and forfeitures	10,000	10,000	53,200	43,200
Investment income	1,600	1,600	753	(847)
<b>Total revenues</b>	<u>20,600</u>	<u>20,600</u>	<u>74,078</u>	<u>53,478</u>
<b>Expenditures:</b>				
Current:				
Physical environment	23,750	38,750	36,730	2,020
<b>Total expenditures</b>	<u>23,750</u>	<u>38,750</u>	<u>36,730</u>	<u>2,020</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(3,150)</u>	<u>(18,150)</u>	<u>37,348</u>	<u>55,498</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(49,563)	(71,349)	(71,349)	-
<b>Total other financing sources and uses</b>	<u>(49,563)</u>	<u>(71,349)</u>	<u>(71,349)</u>	<u>-</u>
<b>Net change in fund balances</b>	(52,713)	(89,499)	(34,001)	55,498
<b>Fund Balances - beginning</b>	337,510	337,510	337,510	-
<b>Fund Balances - ending</b>	<u>\$ 284,797</u>	<u>\$ 248,011</u>	<u>\$ 303,509</u>	<u>\$ 55,498</u>

CITY OF WINTER SPRINGS, FLORIDA

**TLBD MAINTENANCE FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 507,894	\$ 507,894	\$ 509,755	\$ 1,861
Investment income	1,200	1,200	1,089	(111)
Total revenues	<u>509,094</u>	<u>509,094</u>	<u>510,844</u>	<u>1,750</u>
<b>Expenditures:</b>				
Current:				
Physical environment	<u>478,650</u>	<u>456,567</u>	<u>436,764</u>	<u>19,803</u>
Total expenditures	<u>478,650</u>	<u>456,567</u>	<u>436,764</u>	<u>19,803</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>30,444</u>	<u>52,527</u>	<u>74,080</u>	<u>21,553</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(77,196)</u>	<u>(67,429)</u>	<u>(67,429)</u>	<u>-</u>
Total other financing sources and uses	<u>(77,196)</u>	<u>(67,429)</u>	<u>(67,429)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(46,752)</u>	<u>(14,902)</u>	<u>6,651</u>	<u>21,553</u>
<b>Fund Balances - beginning</b>	<u>282,529</u>	<u>282,529</u>	<u>282,529</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 235,777</u>	<u>\$ 267,627</u>	<u>\$ 289,180</u>	<u>\$ 21,553</u>

CITY OF WINTER SPRINGS, FLORIDA

**OAK FOREST MAINTENANCE FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 52,940	\$ 52,940	\$ 53,176	\$ 236
Investment income	275	275	168	(107)
Total revenues	<u>53,215</u>	<u>53,215</u>	<u>53,344</u>	<u>129</u>
<b>Expenditures:</b>				
Current:				
Physical environment	49,300	46,625	42,028	4,597
Total expenditures	<u>49,300</u>	<u>46,625</u>	<u>42,028</u>	<u>4,597</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>3,915</u>	<u>6,590</u>	<u>11,316</u>	<u>4,726</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(14,845)</u>	<u>(13,570)</u>	<u>(13,570)</u>	<u>-</u>
Total other financing sources and uses	<u>(14,845)</u>	<u>(13,570)</u>	<u>(13,570)</u>	<u>-</u>
<b>Net change in fund balances</b>	(10,930)	(6,980)	(2,254)	4,726
<b>Fund Balances - beginning</b>	53,820	53,820	53,820	-
<b>Fund Balances - ending</b>	<u>\$ 42,890</u>	<u>\$ 46,840</u>	<u>\$ 51,566</u>	<u>\$ 4,726</u>

CITY OF WINTER SPRINGS, FLORIDA

**SPECIAL LAW ENFORCEMENT TRUST FUND - FEDERAL**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures	\$ -	\$ 48,500	\$ 96,181	\$ 47,681
Investment income	75	75	73	(2)
Total revenues	<u>75</u>	<u>48,575</u>	<u>96,254</u>	<u>47,679</u>
<b>Expenditures:</b>				
Current:				
Public Safety	9,000	9,000	8,630	370
Capital Outlay				
Public Safety	4,200	4,200	3,182	1,018
Total expenditures	<u>13,200</u>	<u>13,200</u>	<u>11,812</u>	<u>1,388</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(13,125)</u>	<u>35,375</u>	<u>84,442</u>	<u>49,067</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	-	(7,854)	(7,854)	-
Total other financing sources and uses	<u>-</u>	<u>(7,854)</u>	<u>(7,854)</u>	<u>-</u>
<b>Net change in fund balances</b>	(13,125)	27,521	76,588	49,067
<b>Fund Balances - beginning</b>	18,773	18,773	18,773	-
<b>Fund Balances - ending</b>	<u>\$ 5,648</u>	<u>\$ 46,294</u>	<u>\$ 95,361</u>	<u>\$ 49,067</u>

CITY OF WINTER SPRINGS, FLORIDA

**TUSCAWILLA PHASE III**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 12,243	\$ 13,109	\$ 13,146	\$ 37
Investment income	120	120	66	(54)
Total revenues	<u>12,363</u>	<u>13,229</u>	<u>13,212</u>	<u>(17)</u>
<b>Expenditures:</b>				
Current:				
General government	4,925	4,875	2,675	2,200
Debt Service:				
Principal	2,402	2,402	-	2,402
Interest and other charges	1,832	1,832	1,832	-
Capital Outlay				
General government	<u>37,000</u>	<u>37,000</u>	<u>36,900</u>	<u>100</u>
Total expenditures	<u>46,159</u>	<u>46,109</u>	<u>41,407</u>	<u>4,702</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(33,796)</u>	<u>(32,880)</u>	<u>(28,195)</u>	<u>4,685</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(2,815)</u>	<u>(2,540)</u>	<u>(2,540)</u>	<u>-</u>
Total other financing sources and uses	<u>(2,815)</u>	<u>(2,540)</u>	<u>(2,540)</u>	<u>-</u>
<b>Net change in fund balances</b>	(36,611)	(35,420)	(30,735)	4,685
<b>Fund Balances - beginning</b>	<u>(22,936)</u>	<u>(22,936)</u>	<u>(22,936)</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u><u>\$ (59,547)</u></u>	<u><u>\$ (58,356)</u></u>	<u><u>\$ (53,671)</u></u>	<u><u>\$ 4,685</u></u>

CITY OF WINTER SPRINGS, FLORIDA

**1999 DEBT SERVICE FUND  
SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 600	\$ 600	\$ 183	\$ (417)
Total revenues	<u>600</u>	<u>600</u>	<u>183</u>	<u>(417)</u>
<b>Expenditures:</b>				
Current:				
General government	2,500	2,500	-	2,500
Debt Service:				
Principal	160,875	160,875	160,875	-
Interest and other charges	26,600	26,600	26,520	80
Total expenditures	<u>189,975</u>	<u>189,975</u>	<u>187,395</u>	<u>2,580</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(189,375)</u>	<u>(189,375)</u>	<u>(187,212)</u>	<u>2,163</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	207,500	207,500	207,500	-
Total other financing sources and uses	<u>207,500</u>	<u>207,500</u>	<u>207,500</u>	<u>-</u>
<b>Net change in fund balances</b>	18,125	18,125	20,288	2,163
<b>Fund Balances - beginning</b>	176,755	176,755	176,755	-
<b>Fund Balances - ending</b>	<u>\$ 194,880</u>	<u>\$ 194,880</u>	<u>\$ 197,043</u>	<u>\$ 2,163</u>

CITY OF WINTER SPRINGS, FLORIDA

**OAK FOREST DEBT SERVICES FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 58,648	\$ 58,648	\$ 18,276	\$ (40,372)
Investment income	100	100	18,756	18,656
Miscellaneous	-	-	22,014	22,014
Total revenues	<u>58,748</u>	<u>58,748</u>	<u>59,046</u>	<u>298</u>
<b>Expenditures:</b>				
Current:				
Physical environment	4,150	4,150	4,019	131
Debt Service:				
Principal	47,434	47,434	-	47,434
Interest and other charges	4,566	4,566	4,566	-
Total expenditures	<u>56,150</u>	<u>56,150</u>	<u>8,585</u>	<u>47,565</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>2,598</u>	<u>2,598</u>	<u>50,461</u>	<u>47,863</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(500)	(500)	(500)	-
Total other financing sources and uses	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
<b>Net change in fund balances</b>	2,098	2,098	49,961	47,863
<b>Fund Balances - beginning</b>	(168,210)	(168,210)	(168,210)	-
<b>Fund Balances - ending</b>	<u>\$ (166,112)</u>	<u>\$ (166,112)</u>	<u>\$ (118,249)</u>	<u>\$ 47,863</u>

CITY OF WINTER SPRINGS, FLORIDA

**CENTRAL WINDS GO DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**

For The Year Ended September 30, 2014

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 173,413	\$ 173,413	\$ 173,876	\$ 463
Investment income	500	500	353	(147)
Total revenues	<u>173,913</u>	<u>173,913</u>	<u>174,229</u>	<u>316</u>
<b>Expenditures:</b>				
Debt Service:				
Principal	104,700	104,700	104,688	12
Interest and fiscal charges	96,500	96,500	96,306	194
Total expenditures	<u>201,200</u>	<u>201,200</u>	<u>200,994</u>	<u>206</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(27,287)</u>	<u>(27,287)</u>	<u>(26,765)</u>	<u>522</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	10,000	10,000	10,000	-
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(17,287)	(17,287)	(16,765)	522
<b>Fund Balances - Beginning</b>	42,070	42,070	42,070	-
<b>Fund Balances - Ending</b>	<u>\$ 24,783</u>	<u>\$ 24,783</u>	<u>\$ 25,305</u>	<u>\$ 522</u>

CITY OF WINTER SPRINGS, FLORIDA

**TLBD PHASE II DEBT SERVICE FUND  
SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 40,588	\$ 40,588	\$ 27,625	\$ (12,963)
Investment income	150	150	4,604	4,454
Miscellaneous	-	-	8,673	8,673
Total revenues	<u>40,738</u>	<u>40,738</u>	<u>40,902</u>	<u>164</u>
<b>Expenditures:</b>				
Current:				
General government	1,050	1,050	997	53
Debt Service:				
Principal	27,700	27,700	27,626	74
Interest and other charges	4,550	4,550	4,508	42
Total expenditures	<u>33,300</u>	<u>33,300</u>	<u>33,131</u>	<u>169</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>7,438</u>	<u>7,438</u>	<u>7,771</u>	<u>333</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Total other financing sources and uses	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
<b>Net change in fund balances</b>	6,938	6,938	7,271	333
<b>Fund Balances - beginning</b>	22,161	22,161	22,161	-
<b>Fund Balances - ending</b>	<u>\$ 29,099</u>	<u>\$ 29,099</u>	<u>\$ 29,432</u>	<u>\$ 333</u>

CITY OF WINTER SPRINGS, FLORIDA

**1999 CONSTRUCTION FUND  
SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 2,750	\$ 2,750	\$ 2,131	\$ (619)
Total revenues	<u>2,750</u>	<u>2,750</u>	<u>2,131</u>	<u>(619)</u>
<b>Expenditures:</b>				
Capital Outlay				
Physical environment	1,219,875	5,000	2,700	2,300
Total expenditures	<u>1,219,875</u>	<u>5,000</u>	<u>2,700</u>	<u>2,300</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(1,217,125)</u>	<u>(2,250)</u>	<u>(569)</u>	<u>1,681</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	300,000	-	-	-
Total other financing sources and uses	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	(917,125)	(2,250)	(569)	1,681
<b>Fund Balances - beginning</b>	919,863	919,863	919,863	-
<b>Fund Balances - ending</b>	<u>\$ 2,738</u>	<u>\$ 917,613</u>	<u>\$ 919,294</u>	<u>\$ 1,681</u>

CITY OF WINTER SPRINGS, FLORIDA

**REVOLVING REHAB FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 6,200	\$ 6,200	\$ 2,682	\$ (3,518)
Total revenues	<u>6,200</u>	<u>6,200</u>	<u>2,682</u>	<u>(3,518)</u>
<b>Expenditures:</b>				
Current:				
General government	-	100	40	60
Total expenditures	<u>-</u>	<u>100</u>	<u>40</u>	<u>60</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>6,200</u>	<u>6,100</u>	<u>2,642</u>	<u>(3,458)</u>
<b>Net change in fund balances</b>	6,200	6,100	2,642	(3,458)
<b>Fund Balances - beginning</b>	1,076,386	1,076,386	1,076,386	-
<b>Fund Balances - ending</b>	<u>\$ 1,082,586</u>	<u>\$ 1,082,486</u>	<u>\$ 1,079,028</u>	<u>\$ (3,458)</u>

CITY OF WINTER SPRINGS, FLORIDA

**UTILITY/PUBLIC WORKS FACILITY FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 2,900	\$ 2,900	\$ 2,273	\$ (627)
Total revenues	<u>2,900</u>	<u>2,900</u>	<u>2,273</u>	<u>(627)</u>
<b>Expenditures:</b>				
Capital Outlay				
Physical environment	965,000	100,000	-	100,000
Total expenditures	<u>965,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(962,100)</u>	<u>(97,100)</u>	<u>2,273</u>	<u>99,373</u>
<b>Net change in fund balances</b>	(962,100)	(97,100)	2,273	99,373
<b>Fund Balances - beginning</b>	970,458	970,458	970,458	-
<b>Fund Balances - ending</b>	<u>\$ 8,358</u>	<u>\$ 873,358</u>	<u>\$ 972,731</u>	<u>\$ 99,373</u>

CITY OF WINTER SPRINGS, FLORIDA

**EXCELLENCE IN CUSTOMER SERVICE FUND**  
**SCHEDULE 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 Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 750	\$ 750	\$ 253	\$ (497)
Total revenues	<u>750</u>	<u>750</u>	<u>253</u>	<u>(497)</u>
<b>Expenditures:</b>				
Capital Outlay				
General government	101,650	106,450	88,772	17,678
Total expenditures	<u>101,650</u>	<u>106,450</u>	<u>88,772</u>	<u>17,678</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(100,900)</u>	<u>(105,700)</u>	<u>(88,519)</u>	<u>17,181</u>
<b>Net change in fund balances</b>	(100,900)	(105,700)	(88,519)	17,181
<b>Fund Balances - beginning</b>	150,195	150,195	150,195	-
<b>Fund Balances - ending</b>	<u>\$ 49,295</u>	<u>\$ 44,495</u>	<u>\$ 61,676</u>	<u>\$ 17,181</u>

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**STATISTICAL SECTION**

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## STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
Financial Trends	116
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	123
These schedules contain information to help the reader assess the government's most significant local revenue.	
Debt Capacity	128
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
There are no limitations placed upon the amount of debt the <i>City of Winter Springs</i> may issue by either the City's Charter or the City's Code or by Florida Statutes.	
Demographic and Economic Information	134
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	136
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

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

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CITY OF WINTER SPRINGS, FLORIDA

**NET POSITION BY COMPONENT**

Last Ten Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)

	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental activities										
Net investment in capital assets	\$ 26,523	\$ 29,401	\$ 37,530	\$ 39,371	\$ 40,701	\$ 42,819	\$ 43,961	\$ 40,328	\$ 44,711	\$ 45,826
Restricted	9,730	11,078	8,714	8,778	8,298	8,229	8,287	8,305	8,963	8,802
Unrestricted	<u>9,875</u>	<u>13,666</u>	<u>17,432</u>	<u>14,468</u>	<u>13,794</u>	<u>14,349</u>	<u>13,241</u>	<u>17,136</u>	<u>12,856</u>	<u>11,737</u>
Total governmental activities net position	<u>\$ 46,128</u>	<u>\$ 54,145</u>	<u>\$ 63,676</u>	<u>\$ 62,617</u>	<u>\$ 62,793</u>	<u>\$ 65,397</u>	<u>\$ 65,489</u>	<u>\$ 65,769</u>	<u>\$ 66,530</u>	<u>\$ 66,365</u>
Business-type activities										
Net investment in capital assets	\$ 11,521	\$ 11,763	\$ 12,679	\$ 12,692	\$ 13,039	\$ 15,839	\$ 17,973	\$ 20,937	\$ 20,729	\$ 21,541
Restricted	2,500	2,612	2,735	2,814	2,549	1,730	461	507	468	482
Unrestricted	<u>7,645</u>	<u>9,555</u>	<u>8,721</u>	<u>5,135</u>	<u>3,369</u>	<u>3,264</u>	<u>3,227</u>	<u>4,213</u>	<u>6,472</u>	<u>7,873</u>
Total business-type activities net position	<u>\$ 21,666</u>	<u>\$ 23,930</u>	<u>\$ 24,135</u>	<u>\$ 20,641</u>	<u>\$ 18,957</u>	<u>\$ 20,833</u>	<u>\$ 21,661</u>	<u>\$ 25,657</u>	<u>\$ 27,669</u>	<u>\$ 29,896</u>
Primary government										
Net investment in capital assets	\$ 38,044	\$ 41,164	\$ 50,209	\$ 52,063	\$ 53,740	\$ 58,658	\$ 61,934	\$ 61,265	\$ 65,440	\$ 67,367
Restricted	12,230	13,690	11,449	11,592	10,847	9,959	8,748	8,812	9,431	9,284
Unrestricted	<u>17,520</u>	<u>23,221</u>	<u>26,153</u>	<u>19,603</u>	<u>17,163</u>	<u>17,613</u>	<u>16,468</u>	<u>21,349</u>	<u>19,328</u>	<u>19,610</u>
Total primary government net position	<u>\$ 67,794</u>	<u>\$ 78,075</u>	<u>\$ 87,811</u>	<u>\$ 83,258</u>	<u>\$ 81,750</u>	<u>\$ 86,230</u>	<u>\$ 87,150</u>	<u>\$ 91,426</u>	<u>\$ 94,199</u>	<u>\$ 96,261</u>

CITY OF WINTER SPRINGS, FLORIDA

**CHANGES IN NET POSITION**

Last Ten Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)

Expenses	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
General government	\$ 5,786	\$ 7,732	\$ 8,452	\$ 6,857	\$ 5,801	\$ 5,720	\$ 5,381	\$ 5,069	\$ 4,903	\$ 5,498
Public safety	9,138	10,016	10,726	11,299	7,196	7,356	7,671	7,102	7,415	7,476
Physical environment	5,561	2,038	2,390	5,694	6,281	5,654	5,610	5,589	5,658	5,874
Culture and recreation	2,265	2,393	2,739	2,511	2,554	2,323	2,161	2,043	2,078	2,170
Interest and other fiscal charges on long-term debt	763	709	683	965	959	944	907	833	773	782
Total governmental activities expenses	<u>23,513</u>	<u>22,888</u>	<u>24,990</u>	<u>27,326</u>	<u>22,791</u>	<u>21,997</u>	<u>21,730</u>	<u>20,636</u>	<u>20,827</u>	<u>21,800</u>
Business-type activities:										
Water and Sewer	6,000	6,239	6,522	7,151	7,143	7,447	7,186	6,512	7,040	6,945
Development Services	627	679	860	687	436	349	333	342	369	409
Stormwater	974	831	983	1,040	1,625	916	979	976	1,155	1,150
Total business-type activities expenses	<u>\$ 7,601</u>	<u>\$ 7,749</u>	<u>\$ 8,365</u>	<u>\$ 8,878</u>	<u>\$ 9,204</u>	<u>\$ 8,712</u>	<u>\$ 8,498</u>	<u>\$ 7,830</u>	<u>\$ 8,564</u>	<u>\$ 8,504</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 1,985	\$ 472	\$ 376	\$ 2,008	\$ 2,006	\$ 2,378	\$ 2,075	\$ 2,021	\$ 1,838	\$ 2,058
Public safety	720	1,207	1,054	930	589	608	369	424	461	458
Physical environment	589	3,485	3,435	4,529	3,139	3,191	3,139	3,168	3,347	3,590
Culture and recreation	823	949	765	281	295	301	260	391	430	363
Operating grants and contributions	2,177	168	115	208	41	485	89	221	-	23
Capital grants and contributions	1,962	2,459	6,484	2,628	2,442	2,935	1,985	1,056	2,043	1,382
Total governmental activities program revenues	<u>8,256</u>	<u>8,740</u>	<u>12,229</u>	<u>10,584</u>	<u>8,512</u>	<u>9,898</u>	<u>7,917</u>	<u>7,281</u>	<u>8,119</u>	<u>7,874</u>
Business-type activities:										
Charges for services:										
Water and Sewer	7,256	7,837	7,589	7,252	7,339	8,015	8,837	9,363	8,540	9,240
Development Services	1,008	2,482	923	573	269	331	339	1,100	1,099	821
Stormwater	754	1,149	1,070	1,074	1,063	1,051	1,068	1,117	995	1,097
Operating grants and contributions	348	69	-	-	483	-	46	-	-	-
Capital grants and contributions	975	1,329	1,176	224	14	2,885	709	2,226	2,062	1,526
Total business-type activities program revenues	<u>10,341</u>	<u>12,866</u>	<u>10,758</u>	<u>9,123</u>	<u>9,168</u>	<u>12,282</u>	<u>10,999</u>	<u>13,806</u>	<u>12,696</u>	<u>12,684</u>
Total government program revenues	<u>\$ 18,597</u>	<u>\$ 21,606</u>	<u>\$ 22,987</u>	<u>\$ 19,707</u>	<u>\$ 17,680</u>	<u>\$ 22,180</u>	<u>\$ 18,916</u>	<u>\$ 21,087</u>	<u>\$ 20,815</u>	<u>\$ 20,558</u>

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (expense)/revenue										
Governmental activities	\$ (15,257)	\$ (14,148)	\$ (12,761)	\$ (16,742)	\$ (14,279)	\$ (12,099)	\$ (13,813)	\$ (13,355)	\$ (12,708)	\$ (13,926)
Business-type activities	2,740	5,117	2,393	245	(36)	3,570	2,501	5,976	4,132	4,180
Total government net expense	<u>\$ (12,517)</u>	<u>\$ (9,031)</u>	<u>\$ (10,368)</u>	<u>\$ (16,497)</u>	<u>\$ (14,315)</u>	<u>\$ (8,529)</u>	<u>\$ (11,312)</u>	<u>\$ (7,379)</u>	<u>\$ (8,576)</u>	<u>\$ (9,746)</u>

### General Revenues and Other Changes in Net Position

#### Governmental activities:

Taxes										
Property taxes	\$ 6,198	\$ 7,383	\$ 8,266	\$ 7,130	\$ 5,013	\$ 4,538	\$ 4,209	\$ 3,901	\$ 3,853	\$ 4,015
Utility taxes	4,984	5,751	5,841	3,976	4,106	4,536	4,169	3,963	3,923	4,035
Business tax receipts	-	-	-	140	70	204	119	106	109	105
Intergovernmental revenues - unrestricted	3,681	3,971	3,752	3,445	2,960	2,897	3,015	3,044	3,100	3,269
Investment income and miscellaneous	687	1,708	1,619	675	614	731	532	573	454	336
Gain (Loss) on disposal of capital assets	-	-	-	-	-	-	-	-	34	17
Transfers	3,967	3,352	2,813	2,189	1,691	1,796	1,862	2,047	2,070	1,985
Total governmental activities	<u>19,517</u>	<u>22,165</u>	<u>22,291</u>	<u>17,555</u>	<u>14,454</u>	<u>14,702</u>	<u>13,906</u>	<u>13,634</u>	<u>13,543</u>	<u>13,762</u>
Business-type activities:										
Investment income and miscellaneous	272	500	625	198	42	103	189	67	88	32
Loss on disposal of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	(3,967)	(3,352)	(2,813)	(2,189)	(1,691)	(1,796)	(1,862)	(2,047)	(2,070)	(1,985)
Total business-type activities	<u>(3,695)</u>	<u>(2,852)</u>	<u>(2,188)</u>	<u>(1,991)</u>	<u>(1,649)</u>	<u>(1,693)</u>	<u>(1,673)</u>	<u>(1,980)</u>	<u>(1,982)</u>	<u>(1,953)</u>
Total government	<u>\$ 15,822</u>	<u>\$ 19,313</u>	<u>\$ 20,103</u>	<u>\$ 15,564</u>	<u>\$ 12,805</u>	<u>\$ 13,009</u>	<u>\$ 12,233</u>	<u>\$ 11,654</u>	<u>\$ 11,561</u>	<u>\$ 11,809</u>

### Change in Net Position

Governmental activities	\$ 4,260	\$ 8,017	\$ 9,530	\$ 813	\$ 175	\$ 2,603	\$ 93	\$ 279	\$ 835	\$ (164)
Business-type activities	(955)	2,265	205	(1,746)	(1,685)	1,877	828	3,996	2,150	2,227
Total government	<u>\$ 3,305</u>	<u>\$ 10,282</u>	<u>\$ 9,735</u>	<u>\$ (933)</u>	<u>\$ (1,510)</u>	<u>\$ 4,480</u>	<u>\$ 921</u>	<u>\$ 4,275</u>	<u>\$ 2,985</u>	<u>\$ 2,063</u>

CITY OF WINTER SPRINGS, FLORIDA

**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**

Last Ten Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Franchise Tax <sup>1</sup></u>	<u>Utility Tax</u>	<u>Business Tax Receipts <sup>2</sup></u>	<u>Total</u>
2005	6,198	1,480	3,504	-	11,182
2006	7,383	1,919	3,832	-	13,134
2007	8,265	1,921	3,920	-	14,106
2008	7,130	-	3,976	140	11,246
2009	5,013	-	4,106	70	9,189
2010	4,538	-	4,536	204	9,278
2011	4,209	-	4,169	119	8,497
2012	3,901	-	3,963	106	7,970
2013	3,853	-	3,923	109	7,885
2014	4,015	-	4,035	105	8,155

**Taxes included in Unrestricted Intergovernmental Revenues**

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>State Revenue Sharing</u>	<u>Other</u>	<u>Total</u>
2005	2,447	1,076	158	3,681
2006	2,701	1,123	147	3,971
2007	2,443	1,108	201	3,752
2008	2,261	1,021	163	3,445
2009	1,944	907	109	2,960
2010	1,852	893	152	2,897
2011	1,873	916	226	3,015
2012	1,918	962	164	3,044
2013	1,994	972	134	3,100
2014	2,097	1,038	134	3,269

Note

<sup>1</sup> Franchise fees were classified as taxes prior to fiscal year 2008

<sup>2</sup> Business tax receipts (formerly known as Occupational licenses) were classified as licenses and permits prior to fiscal year 2008

CITY OF WINTER SPRINGS, FLORIDA

**FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(amounts expressed in thousands)

	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General fund										
Reserved	\$ 372	\$ 455	\$ 468	\$ 301	\$ 235	\$ 235				
Unreserved	<u>5,479</u>	<u>7,802</u>	<u>8,631</u>	<u>8,800</u>	<u>8,544</u>	<u>8,544</u>				
Total general fund	<u>\$ 5,851</u>	<u>\$ 8,257</u>	<u>\$ 9,099</u>	<u>\$ 9,101</u>	<u>\$ 8,779</u>	<u>\$ 8,779</u>				
All other governmental funds										
Reserved	\$ 979	\$ 1,058	\$ 1,108	\$ 1,159	\$ 1,141	\$ 1,141				
Unreserved, reported in:										
Special revenue funds	4,794	6,770	6,691	6,647	6,724	6,724				
Capital projects funds	<u>5,664</u>	<u>5,830</u>	<u>3,553</u>	<u>3,852</u>	<u>2,854</u>	<u>2,854</u>				
Total all other governmental funds	<u>\$ 11,437</u>	<u>\$ 13,658</u>	<u>\$ 11,352</u>	<u>\$ 11,658</u>	<u>\$ 10,719</u>	<u>\$ 10,719</u>				
General fund										
Nonspendable							\$ 1,179	\$ 650	\$ 409	\$ 416
Assigned							607	343	581	433
Unassigned							<u>7,044</u>	<u>7,839</u>	<u>7,498</u>	<u>7,647</u>
Total general fund							<u>\$ 8,830</u>	<u>\$ 8,832</u>	<u>\$ 8,488</u>	<u>\$ 8,496</u>
All other governmental funds										
Restricted							\$ 4,825	\$ 4,470	\$ 5,468	\$ 5,298
Committed							1,616	1,687	1,528	1,285
Assigned							4,710	5,509	5,589	5,258
Unassigned							<u>(264)</u>	<u>(217)</u>	<u>(191)</u>	<u>(172)</u>
Total all other governmental funds							<u>\$ 10,887</u>	<u>\$ 11,449</u>	<u>\$ 12,394</u>	<u>\$ 11,669</u>

Note: City implemented GASB 54 for the 2011 fiscal year

CITY OF WINTER SPRINGS, FLORIDA

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(amounts expressed in thousands)

	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Revenues</b>										
Taxes										
Property	\$ 6,198	\$ 7,384	\$ 8,266	\$ 6,912	\$ 4,799	\$ 4,345	\$ 4,030	\$ 3,733	\$ 3,686	\$ 3,841
Franchise	1,480	1,918	1,921	-	-	-	-	-	-	-
Utility	3,504	3,832	3,920	3,976	4,106	4,536	4,169	3,963	3,923	4,035
Special Assessments	319	552	-	-	-	-	-	-	-	-
General Obligation	359	220	212	218	214	193	179	168	167	174
Business Tax	-	-	-	140	71	204	119	105	109	106
Other	-	-	-	-	-	-	-	-	-	-
Licenses and Permits										
Franchise Fees	-	-	-	1,788	1,924	2,313	1,999	1,868	1,672	1,953
Other	658	2,221	217	157	67	38	44	63	75	40
Intergovernmental	13,021	5,369	7,380	7,111	4,707	5,628	5,447	3,948	4,684	4,059
Charges for services	2,544	3,093	3,536	3,441	2,955	2,929	2,922	2,979	2,858	3,071
Fines and forfeitures	296	320	326	318	298	566	289	211	165	281
Impact fees/assessments	-	-	1,403 <sup>2</sup>	2,131 <sup>2</sup>	875	721	685	1,000	1,380	1,247
Investment income	573	1,218	1,477	521	214	439	308	280	195	139
Miscellaneous	444	546	170	175	399	292	224	293	328	219
Total revenues	<u>29,396</u>	<u>26,673</u>	<u>28,828</u>	<u>26,888</u>	<u>20,629</u>	<u>22,204</u>	<u>20,415</u>	<u>18,611</u>	<u>19,242</u>	<u>19,165</u>
<b>Expenditures</b>										
General government	5,603	5,035	5,780	6,046	5,804	5,401	5,441	4,842	4,995	5,012
Public safety	8,639	9,164	10,199	10,671	6,834	6,890	7,156	6,584	6,918	6,987
Physical Environment <sup>1</sup>	4,304	3,360	4,060	4,266	4,694	4,015	3,939	3,873	3,927	4,128
Culture and recreation	1,906	1,978	2,002	2,163	2,112	1,878	1,737	1,644	1,702	1,787
Capital outlay	2,186	4,521	9,801	4,740	2,787	2,738	2,681	1,814	1,834	1,925
Debt service										
Principal	5,898	1,153	911	967	1,091	1,996	2,387	5,342	1,007	5,101
Interest	771	700	693	665	640	594	584	485	373	424
Payments to escrow agent	-	-	-	-	-	-	-	-	-	-
Other charges	-	17	-	-	-	-	15	-	-	-
Total expenditures	<u>29,307</u>	<u>25,928</u>	<u>33,446</u>	<u>29,518</u>	<u>23,962</u>	<u>23,512</u>	<u>23,940</u>	<u>24,584</u>	<u>20,756</u>	<u>25,364</u>
Excess of revenues over (under) expenditures	89	745	(4,618)	(2,630)	(3,333)	(1,308)	(3,525)	(5,973)	(1,514)	(6,199)

Other financing sources (uses)										
Transfers in	9,733	9,999	10,209	10,620	8,372	9,616	3,836	3,911	3,422	3,642
Transfers out	(5,766)	(6,647)	(7,396)	(8,432)	(6,680)	(7,811)	(1,965)	(1,879)	(1,350)	(1,653)
Notes issued	-	430	-	750	-	-	1,377	4,504	-	3,494
Capital leases	-	100	341	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	40	-
Total other financing sources (uses)	<u>3,967</u>	<u>3,882</u>	<u>3,154</u>	<u>2,938</u>	<u>1,692</u>	<u>1,805</u>	<u>3,248</u>	<u>6,536</u>	<u>2,112</u>	<u>5,483</u>
Prior Period Fund Balance Adjustment	-	-	-	-	380	-	-	-	-	-
Net change in fund balances	<u>\$ 4,056</u>	<u>\$ 4,627</u>	<u>\$ (1,464)</u>	<u>\$ 308</u>	<u>\$ (1,261)</u>	<u>\$ 497</u>	<u>\$ (277)</u>	<u>\$ 563</u>	<u>\$ 598</u>	<u>\$ (716)</u>
Debt service as a percentage of noncapital expenditures	32.61%	9.48%	7.28%	6.59%	8.21%	14.24%	13.98%	25.60%	7.29%	23.57%

Note

<sup>2</sup> Impact Fees classified as Intergovernmental Revenue prior to fiscal year 2007.

<sup>3</sup> Special Assessments classified as Taxes prior to fiscal year 2007.

<sup>4</sup> Franchise fees were classified as Taxes prior to fiscal year 2008

<sup>5</sup> Business Tax receipts (formerly known as Occupational Licenses) were classified as Licenses and permits prior to fiscal year 2008

CITY OF WINTER SPRINGS, FLORIDA

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**

Last Ten Fiscal Years  
(amounts expressed in thousands)

Fiscal Year Ended September 30,	Real Property							Total Taxable Assessed Value <sup>1</sup>	Total Direct Tax Rate <sup>2</sup>	Estimated Actual Taxable Value <sup>1</sup>
	Total Residential and Commercial Real Property <sup>1</sup>	Residential Property <sup>1</sup>	% Residential	Commercial Property <sup>1</sup>	Personal Property <sup>1</sup>	Centrally Assessed <sup>1</sup>	Tax Exempt Real Property <sup>1</sup>			
2005	2,007,522	1,833,417	91.33%	174,105	49,733	55	574,194	1,483,116	4.5500	2,080,192
2006	2,331,039	2,088,308	89.59%	242,731	58,571	33	728,569	1,661,074	4.7500	2,458,480
2007	3,131,636	2,792,826	89.18%	338,810	67,509	33	1,195,372	2,003,806	4.4019	3,176,939
2008	3,519,584	3,161,336	89.82%	358,248	63,154	40	1,362,256	2,220,522	3.3518	3,716,575
2009	3,238,332	2,847,791	87.94%	390,541	63,531	41	1,292,735	2,009,169	2.5814	3,400,519
2010	2,695,560	2,353,321	87.30%	342,239	67,145	42	952,939	1,809,808	2.5814	2,804,819
2011	2,399,728	2,099,825	87.50%	299,903	66,659	43	778,996	1,687,434	2.5814	2,577,252
2012	2,174,531	1,890,388	86.93%	284,143	68,075	47	648,788	1,593,865	2.5600	2,251,660
2013	2,086,990	1,826,517	87.52%	260,473	67,121	47	581,857	1,572,301	2.5400	2,173,721
2014	2,199,733	1,931,766	87.82%	267,967	65,664	50	625,780	1,639,667	2.5400	2,330,707

Note

<sup>1</sup> Source: Seminole County Property Appraiser (www.scpafl.org)

<sup>2</sup> Source: Seminole County Tax Collector (www.seminoletax.org)

CITY OF WINTER SPRINGS, FLORIDA

**PROPERTY TAX RATES**  
**DIRECT AND OVERLAPPING<sup>1</sup> GOVERNMENTS**

Last Ten Fiscal Years <sup>2</sup>

Overlapping Rates <sup>1</sup>

Fiscal Year	Winter Springs			Seminole County			School District			St. John's Water Management District	County Fire Protection (MSTU)	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage			
2005	4.3000	0.2500	4.5500	4.9989	0.1721	5.1710	8.1270	0.3850	8.5120	0.4620	0.0000	18.6950
2006	4.6126	0.1374	4.7500	4.9989	0.2041	5.2030	7.9650	0.0000	7.9650	0.4620	0.0000	18.3800
2007	4.2919	0.1100	4.4019	4.9989	0.1451	5.1440	7.7530	0.0000	7.7530	0.4620	0.0000	17.7609
2008 <sup>3</sup>	3.2496	0.1022	3.3518	4.3578	0.1451	4.5029	7.4130	0.0000	7.4130	0.4158	0.0000	15.6835
2009	2.4714	0.1100	2.5814	4.5153	0.1451	4.6604	7.5430	0.0000	7.5430	0.4158	2.3299	17.5305
2010	2.4714	0.1100	2.5814	4.9000	0.1451	5.0451	7.7230	0.0000	7.7230	0.4158	2.3299	18.0952
2011	2.4714	0.1100	2.5814	4.8751	0.1700	5.0451	7.8010	0.0000	7.8010	0.4158	2.3299	18.1732
2012	2.4500	0.1100	2.5600	4.8751	0.1700	5.0451	7.7220	0.0000	7.7220	0.3313	2.3299	17.9883
2013	2.4300	0.1100	2.5400	4.8751	0.1700	5.0451	7.5530	0.0000	7.5530	0.3313	2.3299	17.7993
2014	2.4300	0.1100	2.5400	4.8751	0.0000	4.8751	8.3610	0.0000	8.3610	0.3283	2.3299	18.4343

Note

Source: Seminole County Tax Collector ([www.seminoletax.org](http://www.seminoletax.org))

<sup>1</sup> Overlapping rates are those of local and county governments that apply to property owners within the City of Winter Springs.

<sup>2</sup> Taxes levied for the fiscal year are based on the prior year taxable value.

<sup>3</sup> Fire Assessment fee was billed and City Millage rate was reduced for first year (only one year of fire assessment).

CITY OF WINTER SPRINGS, FLORIDA

**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS**

Last Ten Fiscal Years

Tax Year	Fiscal Year	Cap/Maint			Cap/Maint			Capital Only			Cap/Maint		
		Oak Forest Assessments			Tuscowilla Lighting and Beautification (TLBD) - Phase I Assessments			Tuscowilla Lighting and Beautification (TLBD) - Phase II Assessments			Tuscowilla III Assessments		
		Billed	Collected <sup>1</sup>	Difference	Billed <sup>2</sup>	Collected <sup>1</sup>	Difference	Billed	Collected <sup>1</sup>	Difference	Billed	Collected <sup>1</sup>	Difference
2004	2005	99,595	97,388	2,207	390,204	379,601	10,603	-	-	-	-	-	-
2005	2006	99,595	95,977	3,618	390,204	377,175	13,029	-	94,522	(94,522)	-	-	-
2006	2007	99,595	96,117	3,478	390,017	376,343	13,674	248,710	240,475	8,235	-	-	-
2007	2008	116,075	112,355	3,720	714,414	693,075	21,339	42,341	40,959	1,382	-	-	-
2008	2009	116,237	112,228	4,009	714,371	690,915	23,456	42,324	41,236	1,088	-	-	-
2009	2010	116,237	112,312	3,925	688,482	665,066	23,416	42,280	40,904	1,376	-	-	-
2010	2011	116,237	112,116	4,121	688,227	664,815	23,412	42,279	40,869	1,410	-	-	-
2011	2012	116,237	112,095	4,142	688,482	655,504	32,978	42,280	40,381	1,899	-	-	-
2012	2013	116,237	112,019	4,218	688,482	664,035	24,447	42,280	40,670	1,610	-	-	-
2013	2014	116,237	111,963	4,274	701,658	675,955	25,703	42,280	40,784	1,496	12,753	12,279	474

Note

<sup>1</sup> Includes prepayments.

<sup>2</sup> Beginning in fiscal year 2008, the TLBD Phase I and II maintenance assessment were combined and collected as one assessment. TLBD Maintenance and Phase I Capital are shown in the TLBD Phase I program amounts.

Special Assessment Debt Issued:

Oak Forest	June 2000 (Refinanced internally June of 2010)
TLBD Phase I	May 2001 (Refinanced October of 2011)
TLBD Phase II	February 2006; No assessment levied until Fiscal Year 2007.
Tuscowilla III	Financed internally

CITY OF WINTER SPRINGS, FLORIDA

**PRINCIPAL PROPERTY TAXPAYERS**

September 30, 2014

(amounts expressed in thousands)

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Laurel Oaks LLC	\$ 24,104	1	1.47%	\$ 24,106	1	1.63%
Duke Energy (formerly Progress Energy)	23,812	2	1.45%	12,142	3	0.82%
Courtney Springs LLC	20,088	3	1.23%	13,423	2	0.91%
United Dominion Realty Trust	7,917	4	0.48%	7,375	5	0.50%
Summer Falls LLC	7,721	5	0.47%	-	-	0.00%
Bright House Networks LLC	6,397	6	0.39%	3,331	9	0.22%
Moss Park	5,270	7	0.32%	-	-	0.00%
Winter Springs Holdings, Inc	4,762	8	0.29%	-	-	0.00%
Baxley Robert & Annmarie TRS	4,233	9	0.26%	-	-	0.00%
Pathfinder Landology Isis	4,213	10	0.26%	-	-	0.00%
Capital Green I LLC	-	-	0.00%	7,622	4	0.51%
Tuscawilla Cay LLC & Tusc 54th LLC	-	-	0.00%	5,370	6	0.36%
Hacienda Village Co-Op Inc.	-	-	0.00%	4,786	7	0.32%
Bell South Communication	-	-	0.00%	4,036	8	0.27%
Engle Homes/Orlando Inc.	-	-	0.00%	2,600	10	0.18%
Totals	<u>\$ 108,517</u>		<u>6.62%</u>	<u>\$ 84,791</u>		<u>5.72%</u>

Source: Seminole County Property Appraiser ([www.scpafl.org](http://www.scpafl.org))

CITY OF WINTER SPRINGS, FLORIDA

**PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Fiscal Years

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year <sup>1</sup>	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount <sup>2</sup>	Percentage of Levy		Amount	Percentage of Levy
2005	6,748,179 <sup>3</sup>	6,546,002	97.00%	11,385	6,557,387	97.17%
2006	7,890,100 <sup>3</sup>	7,591,158	96.21%	12,189	7,603,347	96.37%
2007	8,820,491 <sup>3</sup>	8,475,408	96.09%	2,214	8,477,622	96.11%
2008	7,442,693 <sup>3</sup>	7,145,070	96.00%	11,318	7,156,388	96.15%
2009	5,186,450 <sup>3</sup>	5,028,524	96.96%	14,586	5,043,110	97.24%
2010	4,671,821 <sup>3</sup>	4,503,950	96.41%	34,324	4,538,274	97.14%
2011	4,355,923	4,203,079	96.49%	6,242	4,209,321	96.63%
2012	4,080,271	3,933,840	96.41%	3,969	3,937,809	96.51%
2013	3,993,624	3,850,616	96.42%	2,196	3,852,812	96.47%
2014	4,164,738	4,014,098	96.38%	582	4,014,680	96.40%

Note

<sup>1</sup> Gross taxes before discount of 1% - 4%, depending on month paid; Source: Seminole County Property Appraiser ([www.scpafl.org](http://www.scpafl.org))

<sup>2</sup> Source: Seminole County Tax Collector ([www.seminoletax.org](http://www.seminoletax.org))

<sup>3</sup> Includes voted debt service not to exceed 0.2500 mills for Central Winds General Obligation Debt

CITY OF WINTER SPRINGS, FLORIDA

**LEGAL DEBT MARGIN**

September 30, 2014

Neither the City of Winter Springs Charter or Code, nor the Florida State Statutes limits the amount of debt the City of Winter Springs can issue.

CITY OF WINTER SPRINGS, FLORIDA

**RATIO OF NET GENERAL OBLIGATION DEBT  
TO ASSESSED VALUE AND NET GENERAL OBLIGATION  
DEBT PER CAPITA**

Last Ten Fiscal Years

Fiscal Year	Population <sup>1</sup>	Assessed Value <sup>2</sup>	Gross Debt <sup>3</sup>	Less Debt Service Fund <sup>4</sup>	Net Debt	Ratio of Net Debt to Assessed Value	Net Debt per Capita
2004	32,955	1,365,985,000	3,270,000	53,373	3,216,627	0.235%	98
2005	33,321	1,483,116,250	3,205,000	46,967	3,158,033	0.213%	95
2006	34,621	1,661,074,000	3,140,000	51,743	3,088,257	0.186%	89
2007	34,899	2,003,805,968	3,070,000	47,572	3,022,428	0.151%	87
2008	34,639	2,220,522,082	3,000,000	46,254	2,953,746	0.133%	85
2009	34,340	2,009,169,114	2,925,000	36,610	2,888,390	0.144%	84
2010	34,149	1,809,808,024	2,850,000	38,879	2,811,121	0.155%	82
2011	33,282	1,687,434,206	2,770,000	40,388	2,729,612	0.162%	82
2012	33,599	1,593,864,153	2,739,107	50,549	2,688,558	0.169%	80
2013	33,540	1,572,300,619	2,638,521	42,070	2,596,451	0.165%	77
2014	33,871	1,639,667,121	2,533,833	25,305	2,508,528	0.153%	74

Note

<sup>1</sup> Source: Synergos Technologies Inc.: PopStats at June 2008; Previous years statistics may have come from multiple sources including East Central Florida Regional Planning Council or University of Florida Bureau of Economic and Business Research and Metro Orlando Economic Development Commission ([www.orlandoedc.com](http://www.orlandoedc.com)).

<sup>2</sup> Source: Seminole County Property Appraiser ([www.scpafll.org](http://www.scpafll.org))

<sup>3</sup> Amount does not include special assessment bonds and revenue bonds

<sup>4</sup> Amount available for repayment of limited general obligation note which in fiscal year 2012 served to refinance the 2002 general obligation bonds.

CITY OF WINTER SPRINGS, FLORIDA

**RATIO OF OUTSTANDING DEBT BY TYPE**

Last Ten Fiscal Years  
(dollars in thousands, except per capita)

Fiscal Year Ended September 30,	Governmental Activities							Business-Type Activities					Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
	Revenue Bonds	Refunding Revenue Bonds <sup>2</sup>	Limited General Obligation Bonds	Special Assessment Revenue Bonds	Refunding Notes	Limited General Obligation Notes	Capital Leases	Water and Sewer Revenue Bonds	Water and Sewer Refunding Revenue Bonds <sup>2</sup>	State Revolving Loan	Capital Leases				
2005	734	15,094	3,205	2,135	-	-	104	-	24,594	-	-	45,866	*	\$1,376	
2006	479	14,504	3,140	2,427	-	-	100	-	23,724	-	-	44,374	4.53%	\$1,282	
2007	439	13,884	3,070	2,354	-	-	333	-	22,829	-	-	42,909	4.42%	\$1,230	
2008	1,125	13,234	3,000	2,276	-	-	228	-	21,884	-	-	41,747	4.06%	\$1,205	
2009	1,011	12,554	2,925	2,165	-	-	117	-	20,904	-	-	39,676	3.77%	\$1,155	
2010	-	11,834	2,850	2,091	-	-	-	-	19,889	-	-	36,664	3.50%	\$1,074	
2011	-	9,614	2,770	2,005	1,377	-	-	5,669	13,066	-	-	34,501	2.97%	\$1,037	
2012	-	8,929	-	-	3,260	2,739	-	5,669	12,152	-	-	32,749	2.77%	\$975	
2013	-	8,229	-	-	3,054	2,639	-	5,669	10,897	2,853	-	33,341	3.02%	\$994	
2014	-	3,499	-	-	6,282	2,534	-	5,669	9,601	1,635	-	29,220	2.69%	\$863	

Note: Details regarding the city's outstanding debt can be found in the notes to the Financial Statements: Note 9: Long-Term Debt.

\* Information is not available.

<sup>1</sup> See Demographic and Economic Statistics for personal income and population data. These ratios are calculated using personal income and population.

<sup>2</sup> Amounts do not include accreted Interest Payable for 1999 Improvement Refunding Revenue Bonds and 2000 Water and Sewer Refunding Revenue Bonds

CITY OF WINTER SPRINGS, FLORIDA

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

As of September 30, 2014

(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Overlapping Debt
Overlapping Debt:			
Seminole County General Obligation Debt	\$ -		\$ -
Subtotal, overlapping debt			
Direct Debt:			
City of Winter Springs General Obligation Debt <sup>2</sup>	2,533,833	100%	2,533,833
Total direct and overlapping debt	\$ 2,533,833		\$ 2,533,833

Note

Sources:

Seminole County Property Appraiser ([www.scpafl.org](http://www.scpafl.org))

Seminole County Finance Department

Seminole County School Board

<sup>1</sup> Ratio of assessed valuation of taxable property in overlapping unit to that within the City of Winter Springs.

<sup>2</sup> The City of Winter Springs has a "limited" general obligation note that is being repaid through a levy not to exceed one quarter of one mill on all taxable property in the City.

CITY OF WINTER SPRINGS, FLORIDA

**PLEDGED-REVENUE COVERAGE**

Last Ten Fiscal Years

<b>General Government</b>												
Fiscal Year Ended Sept 30,	Public Service Taxes	Electric Franchise Fees	Half-Cent Sales Tax	General Obligation	Federal Emergency Management Agency Public Assistance Grants	Impact Fees (Fire, Police, Recreation and Public Facilities)	Non-Ad Valorem Special Assessments	Medical Transport Revenue	Budget & Appropriations (General Fund and Water & Sewer Fund)	Total Revenue Available for Debt Service	Maximum Annual Debt Service	Coverage
2005	3,504,158	1,436,996	160,000	358,960	7,127,760	166,203	476,989	-	-	13,231,066	6,858,968	1.93
2006	3,831,569	1,775,460	160,000	219,736	-	518,072	567,674	-	-	7,072,511	2,038,741	3.47
2007	3,919,603	1,759,245	160,000	212,077	-	- <sup>3</sup>	712,935	-	30,000	6,793,863	1,751,594	3.88
2008	3,975,766	1,748,477	160,000	217,872	-	-	846,389	-	60,000	7,008,504	1,828,176	3.83
2009	4,105,959	1,823,706	160,000	213,629	-	-	844,379	-	60,000	7,207,673	2,615,188	2.76
2010	4,536,004	2,173,849	160,000	193,396	-	-	180,254	-	-	7,243,503	1,961,933	3.69
2011	4,168,867	1,873,785	160,000	179,408	-	-	180,787	-	-	6,562,847	1,912,847	3.43
2012	3,963,093	1,748,214	- <sup>5</sup>	167,640	-	-	185,336	-	-	6,064,283	1,669,984	3.63
2013	3,923,336	1,541,741	- <sup>5</sup>	166,863	-	-	119,299	-	-	5,751,239	1,669,984	3.44
2014	4,034,667	1,816,567	- <sup>5</sup>	173,876	-	-	165,152	-	-	6,190,262	1,838,498	3.37

CITY OF WINTER SPRINGS, FLORIDA

**PLEDGED-REVENUE COVERAGE - CONTINUED**

Last Ten Fiscal Years

Fiscal Year Ended Sept 30,	Gross Revenues <sup>1</sup>	Operating Expenses <sup>2</sup>	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
				2005	7,497,904	4,862,108	2,635,796
2006	8,257,218	4,888,390	3,368,828	870,000	980,427	1,850,427	1.82
2007	8,084,483	5,163,896	2,920,587	895,000	944,302	1,839,302	1.59
2008	7,415,100	5,365,172	2,049,928	945,000	909,661	1,854,661	1.11
2009	7,376,924	5,298,633	2,078,291	980,000	871,309	1,851,309	1.12
2010	8,104,632	5,868,044	2,236,588	1,035,000	869,614	1,904,614	1.17
2011	8,896,172	5,769,194	3,126,978	945,000 <sup>4</sup>	749,320	1,694,320	1.85
2012	9,833,455	5,331,369	4,502,086	913,470	487,292	1,400,762	3.21
2013	9,014,167	5,420,125	3,594,042	1,255,278	448,890	1,704,168	2.11
2014	9,534,771	5,488,225	4,046,546	1,296,376	409,422	1,705,798	2.37

Note

- <sup>1</sup> Gross revenue is computed per bond resolution requirements, and is equivalent to revenue recognized under generally accepted accounting principles (GAAP). Revenues include investment income and other income.
- <sup>2</sup> "Direct operating expense" is computed per bond resolution requirements, and is equal to expenses recognized under GAAP (less interest, depreciation, and amortization expense) losses on disposal of fixed assets, and non-recurring transfers out.
- <sup>3</sup> Data has been restated
- <sup>4</sup> Excludes principal paid on refunding
- <sup>5</sup> 2001 TLBD debt was refunded, revenue no longer pledged for outstanding debt

CITY OF WINTER SPRINGS, FLORIDA

**DEMOGRAPHIC AND ECONOMIC STATISTICS**

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population<sup>1</sup></u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income<sup>1</sup></u>	<u>Median Age<sup>1</sup></u>	<u>Education Level in Years of Formal Schooling<sup>1</sup></u>	<u>School Enrollment<sup>2</sup></u>	<u>Unemploy- ment Rate<sup>3</sup></u>
2005	33,321	*	*	*	*	7,492	3.8%
2006	34,621	979,428	28,290	39.3	13.97	7,342	3.2%
2007	34,899	971,623	27,841	39.8	13.93	7,115	3.6%
2008	34,639	1,028,951	29,705	40	13.72	6,804	5.0%
2009	34,340	1,053,173	30,669	40.3	13.72	6,754	9.7%
2010	34,149	1,047,589	30,677	41	13.82	6,454	11.8%
2011	33,282	1,161,675	34,904	39.3	14.71	6,316	9.5%
2012	33,599	1,183,558	35,226	36	13.81	6,341	6.8%
2013	33,540	1,104,540	32,932	41.8	*	6,496	5.4%
2014	33,871	1,084,989	32,033	39	*	6,461	5.4%

\* Data not available

Note

- <sup>1</sup> Source: American Fact Finder; US Census per 7.1.12; DemographicsNow.com
- <sup>2</sup> Source: American Fact Finder; Seminole County Public Schools
- <sup>3</sup> Source: Bureau of Labor Statistics (may or may not reflect regionally-specific rate)

CITY OF WINTER SPRINGS, FLORIDA

**PRINCIPAL EMPLOYERS**

Current Year and Ten Years Ago

Employer	2014 <sup>1</sup>			2005		
	Employees	Rank	Percentage of Total City Employment <sup>2</sup>	Employees	Rank	Percentage of Total City Employment
Seminole County School Board	1,403		21.50%	*	*	*
City of Winter Springs	212		3.25%	281	*	*
Dearborn Electronics	170		2.60%	*	*	*
Publix (Winter Springs Town Center)	150		2.30%	*	*	*
Modern Plumbing	85		1.30%	*	*	*
Tuscawilla Country Club	80		1.23%	*	*	*
United States Post Office	48		0.74%	*	*	*
Longwood Kia / Mitsubishi	42		0.64%	*	*	*
Dittmer Architectural Aluminum	36		0.55%	*	*	*
McDonald's	30		0.46%	*	*	*
Total	<u>2,256</u>		<u>34.57%</u>			

Note

\* Data Not Available

<sup>1</sup> Per telephone survey of major local businesses and/or e-mail correspondence

<sup>2</sup> Per Metro Orlando Economic Development Commission ([www.orlandoedc.com](http://www.orlandoedc.com)), the City of Winter Springs has an estimated daytime working population of 6,526 FTEs as of 2014.

CITY OF WINTER SPRINGS, FLORIDA

**BUDGETED FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**

Last Ten Fiscal Years

Full-time Equivalent Employees as of September 30,

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Development Services	10	10	10	10	5	5	4	4.46	5.46	5.46
General Government	41	44	44	44	45	42	41	36.79	37.23	36.67
Public Safety:										
Police										
Sworn Officers	64	70	70	70	70	70	70	65	65	65
Civilians <sup>1</sup>	20.75	20.75	20.75	20.75	20.75	20.75	20.75	18.45	16.45	16.88
Fire <sup>2</sup>										
Firefighters and officers	50	51	51	51	0	0	0	0	0	0
Civilians	2	2	2	2	0	0	0	0	0	0
Public Works	23	21	21	21	21	20.73	18.73	18	16	16
Culture and Recreation	32.34	33.67	35.78	36.63	34.07	31.86	29.10	25.68	24.07	24.06
Utilities	42	42	43	45	45	45	42	37	35	35.73
Stormwater	7	9	9	9	9	9	9	9	9	9
<b>Total</b>	<b>292.09</b>	<b>303.42</b>	<b>306.53</b>	<b>309.38</b>	<b>249.82</b>	<b>244.34</b>	<b>234.58</b>	<b>214.38</b>	<b>208.21</b>	<b>208.8</b>
Part-time Employees	*	*	*	*	*	*	*	*	*	*
Part-time FTEs <sup>3</sup>	11.09	12.42	14.53	15.38	16.33	16.34	17.58	18.38	22.36	21.95

Note

\* Data not available

<sup>1</sup> Police civilians include emergency communications center operations personnel.

<sup>2</sup> Municipal Fire Department was consolidated with Seminole County Fire Department on 10/02/08.

<sup>3</sup> FTEs - Full-time Equivalent Units; this statistic replaces part-time employee count starting in Fiscal Year 2005 and these units are reflected thereafter.

City of Winter Springs, Florida

**OPERATING INDICATORS BY FUNCTION**

Last Ten Fiscal Years

Function	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Police</b>										
Auto accidents	505	530	444	546	404	345	277	327	396	423
Physical arrests	1,128	1,633	1,582	1,708	1,928	1,347	1,401	1,098	1,141	1,106
Criminal investigations conducted	591	551	291	357	464	441	544	374	386	522
Total calls for service	91,904	107,074	125,789	142,202	133,527	131,587	125,392	116,773	143,763	152,357
911 calls received	6,931	5,174	5,781	5,248	4,937	3,654	3,720	3,665	3,771	3,691
Evidence processed (pieces)	2,068	2,436	1,820	1,721	2,221	1,730	2,215	2,160	1,900	2,327
<b>Fire<sup>1</sup></b>										
Public education programs	61	53	118	56	N/A	N/A	N/A	N/A	N/A	N/A
Number of emergency calls answered	3,258	3,261	3,338	3,345	N/A	N/A	N/A	N/A	N/A	N/A
Medical transports	1,126	1,159	1,284	1,300	N/A	N/A	N/A	N/A	N/A	N/A
<b>Highways and streets</b>										
Streets paved (miles)	0.00	0.00	0.57	0.00	0.00	2.00	3.38	1.76	2.04	0.98
Streets resurfaced (square yards)	44,945	23,925	35,537	72,400	43,018	36,927	47,622	41,850	39,958	39,958
Sidewalks/bike paths built or repaired (feet)	3,834	4,159	22,112	5,134	4,486	3,980	5,575	4,677	5,622	5,122
<b>Culture and recreation</b>										
Games - Baseball/Softball	1,502	1,643	1,565	1,468	1,521	1,075	1,259	1,104	998	978
Games - Basketball	652	644	606	599	371	458	606	683	689	738
Games - Football	286	285	298	271	222	222	271	257	209	256
Games - Soccer	1,029	1,010	905	970	1,005	816	856	880	650	1,140
Senior Activities	899	1,651	1,154	898	1,108	1,071	1,162	1,246	1,523	1,102
Civic Center & Pavilion Rentals	267	319	379	379	362	430	383	428	429	438
Program Events	312	310	221	205	240	275	340	307	241	167

Water										
New connections	260	279	179	19	13	3	24	100	180	112
Number of customers	12,104	12,444	12,514	12,706	12,802	12,749	12,806	12,847	13,254	14,217
Water main breaks	6	16	13	13	21	12	10	16	18	9
Average daily consumption (gallons/per capita)	108	126	125	115	110	106	114	109	106	98
Meter reads	*	*	171,167	174,604	175,478	171,976	176,001	176,531	177,752	181,145
Community Development										
Total permits issued	4,217	2,805	2,405	2,741	2,808	3,105	3,132	3,243	2,564	3,466
Building inspections	16,669	15,574	9,473	7,278	4,931	4,832	6,032	8,108	9,540	5,921
Business tax receipts issued	*	*	1,944	1,135	942	1,275	1,384	1,470	891	968
Land use amendments & rezonings	12	4	23	5	9	2	-	-	7	11
Permits files created/reviews initiated	*	*	2,545	3,349	3,408	3,754	2,190	2,427	3,764	3,869
General Government										
Personnel actions processed	360	332	637	500	609	166	227	375	106	309
Worker's Comp Injuries	47	37	52	51	30	41	44	33	44	32
Legal notices published	*	*	38	41	22	28	16	18	21	40
Payroll - Checks	301	275	312	337	220	242	229	210	380	499
Payroll - Direct Deposit	7,311	7,524	7,592	7,557	6,210	5,927	5,942	5,767	5,821	6,858
Receipts deposited	182,195	192,439	185,716	202,307	186,401	189,977	153,687	153,762	266,563	266,630
A/P checks issued	7,768	7,914	7,460	7,014	8,829	6,348	6,111	5,651	6,936	5,285
Purchase orders/EPO's processed	5,737	5,412	5,205	4,772	3,930	3,667	3,160	2,720	2,787	2,968

Source: Summary of Departmental Reports

Note

\* Information not available

<sup>1</sup> Department was consolidated with Seminole County Fire Department effective 10/02/08

City of Winter Springs, Florida

**CAPITAL ASSET STATISTICS BY FUNCTION**

Last Ten Fiscal Years

Function	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Public safety										
Police:										
Stations	1	1	1	1	2	2	2	1	1	1
Fleet	*	75	75	75	79	78	91	83	82	85
Fire stations <sup>1</sup>	3	3	3	3	3	3	3	3	3	2
Highways and streets										
Streets - paved (miles)	94.11	94.11	95.32	95.32	95.32	97.32	100.70	99.63	101.16	102.69
Streets - unpaved (miles)	6.40	7.16	6.40	6.40	6.40	4.40	1.02	0.51	0.51	0.51
Street lights	1,901	2,095	2,158	2,158	2,300	2,300	2,311	2,431	2,471	2,616
Traffic signals	9	10	10	10	10	10	10	10	10	10
Culture and recreation										
Park acreage	267.70	267.70	267.70	267.70	267.70	267.70	267.70	267.70	267.70	266.70
Parks - Community	5	5	6	6	6	6	6	6	6	6
Parks - Neighborhood	7	7	7	7	7	7	7	7	7	6
Senior Center	1	1	1	1	1	1	1	1	1	1
Community Center	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	158.9	160.4	161.7	167.6	167.6	167.6	167.8	169.1	171	173.0
Fire hydrants	964	975	995	1,000	1,000	1,000	1,002	1,019	1,037	1,055
Maximum daily capacity (millions of gallons)	12	12	12	12	12	12	12	12	12	12
Deep Wells	7	8	8	8	8	8	8	8	8	8
Sewer										
Sanitary sewers (miles)	106.97	108.30	108.90	135.50	111.57	111.57	111.6	112.8	114.30	115.75
Storm sewers (miles)		91.01	91.56	91.56	91.56	91.56	91.59	92.78	94.27	95.76
Treatment facility capacity (millions of gallons)	4.212	4.212	4.212	4.212	4.212	4.212	4.212	42.120	4.212	4.212
Current average flow (millions of gallons)	2.297	2.243	2.209	2.198	2.142	2.100	1.866	2.043	2.358	2.067

Note

\* Information not available

<sup>1</sup> Seminole County is leasing stations per Consolidation Agreement

## **OTHER REPORTS**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Commissioners  
*City of Winter Springs, Florida*

We have audited, 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, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the *City of Winter Springs, Florida*, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 16, 2015.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the *City of Winter Springs, Florida'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 of Winter Springs'* internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

MCDIRMIT DAVIS & COMPANY, LLC

934 N. MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803  
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether *City of Winter Springs'* 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 result of our tests disclosed no instances of noncompliance, or other matters that are required to be reported under *Government Auditing Standards*.

### ***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.

*McDiernit Davis & Company, LLC*

Orlando, Florida  
March 16, 2015

## MANAGEMENT LETTER

Honorable Mayor and City Commissioners  
*City of Winter Springs, Florida*

### Report on the Financial Statements

We have audited the financial statements of the *City of Winter Springs, Florida*, as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated March 16, 2015.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

### Other Reports and Schedule

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 the Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Auditor's 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 16, 2015, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no such findings 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. This information has been disclosed in the notes to the financial statements.

**MCDIRMIT DAVIS & COMPANY, LLC**

934 N. MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803  
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

## **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 of Winter Springs, Florida* 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 of Winter Springs, Florida* did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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 of Winter Springs, Florida*'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.

## **Annual Financial Report**

Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the *City of Winter Springs, Florida* 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.

## **Other Matters**

Section 10.554(1)(i)2., Rules of the Auditor General, requires 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 provisions of 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, City Commission and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*McDiernit Davis & Company, LLC*

Orlando, Florida  
March 16, 2015

Honorable Mayor and City Commissioners  
*City of Winter Springs, Florida*

We have audited the financial statements of *City of Winter Springs* as of and for the year ended September 30, 2014, and have issued our report thereon dated March 16, 2015. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated June 19, 2013, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of *City of Winter Springs* solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, have complied with all relevant ethical requirements regarding independence.

**MCDIRMIT DAVIS & COMPANY, LLC**

934 N. MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803  
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by City of Winter Springs is included in Note 1 to the financial statements. As described in Note 1 to the financial statements, during the year, *City of Winter Springs* changed accounting policies related to the adoption of Statement of Governmental Accounting Standards (GASB Statement) No. 67. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate for the allowance for doubtful accounts is based on historical loss levels, and an analysis of the individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimation for the allowance for depreciation is based on the estimated useful lives of the capital assets. We evaluated the reasonableness of the useful lives as well as the depreciation methods in determining that it is reasonable in relation to the financial statements taken as a whole.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting City of Winter Springs's financial statements relate to revenue recognition as described in Note 1.

### **Significant Difficulties Encountered During the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to City of Winter Springs's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated March 16, 2015.

## **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with City of Winter Springs , we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as City of Winter Springs's auditors

This report is intended solely for the use of management, the City Council and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*McDiernit Davis & Company, LLC*

Orlando, Florida  
March 16, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

The Honorable Mayor and City Commission  
*City of Winter Springs, Florida*

We have examined City of Winter Springs's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the 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 the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States 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, City of Winter Springs complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

*McDirmit Davis & Company, LLC*

Orlando, Florida  
March 16, 2015

**MCDIRMIT DAVIS & COMPANY, LLC**

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**CITY OF WINTER SPRINGS, FLORIDA**

1126 EAST STATE ROAD 434  
WINTER SPRINGS, FLORIDA 32708-2799  
Telephone (407) 327-1800

February 20, 2015

**AFFIDAVIT OF IMPACT FEE COMPLIANCE**

Impact Fees are assessed in accordance with Chapter 9: Land Development, Article VIII Impact Fees, of the City of Winter Springs Code of Ordinances. Impact fee collections, expenditures and accounting are provided for in separate accounting funds and comply with Florida Statute 163.31801.

Shawn Boyle  
Finance and Administrative Services Director

STATE OF FLORIDA  
COUNTY OF SEMINOLE

The foregoing instrument was acknowledged before me this 20 day of Feb, 2015, by Shawn Boyle.

(Signature of Notary)

(Notary Seal)

(Name of Notary Typed, Printed, or Stamped)

Personally Known  OR Produced Identification

