



CITY OF WINTER SPRINGS FLORIDA



COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE YEAR ENDED SEPTEMBER 30, 2011



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City of Winter Springs, Florida
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For The Year Ended September 30, 2011



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

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

March 16, 2012

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

State law 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. Pursuant to that requirement, 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, 2011.

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, 2011 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 unqualified opinion that the City of Winter Springs' financial statements for the fiscal year ended September 30, 2011 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. 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 33,282.

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 activities and cultural events. The City maintains both a Water and Sewer Utility, a Stormwater Utility, 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 then uses these requests as the starting point for developing a proposed budget. The City Manager then presents this 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. For the General Fund, the Road Improvements Fund and the Solid Waste/Recycling Fund, these comparisons are presented on pages 26-29 as part of the basic financial statements for the governmental funds. For other governmental funds these comparisons are presented in the governmental fund subsection of this report which starts on page 81.

Factors Affecting Financial Condition

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

Local economy. The City of Winter Springs is primarily a retail, office and residential area with a small amount of light industry and commercial business. Approximately 88% of the City's tax base is comprised of residential properties. Per the DR 422 (Certificate of Final Taxable Value) and relative to the 2010-2011 fiscal year (tax year 2010), the gross taxable value reflects a decrease of 7% from the prior year but an increase of 43% since fiscal year 2002. The operating millage rate remained unchanged at 2.4714 mills, as result of reducing expenditures and the success of the implementation of Zero Based Budgeting. During fiscal year 2011-2012 (tax year 2011), despite declining property values, the City was able to reduce operating and maintain voted debt millage rates at 2.45 and 0.1100 mills, respectively.

The City's population has increased 6% from that of ten years ago. Local indicators are reflecting an increase in the real estate market, recovering construction market and stabilizing consumer spending levels. The economic recovery has not yet impacted the City's revenues due primarily to the lag between increased real estate sales/prices and increased tax valuations. At the local level, revenues such as review and permit fees, investment income and state sale revenues have begun to rebound slowly. The City has mitigated the effect of losses in revenues with reduced expenditures, constrained hiring and/or project delays and the use of reserves for capital.

Winter Springs can boast about the great neighborhood schools. For the 10/11 school year, 5 of 6 the elementary, middle and high schools were awarded an A on State FCAT score results. 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, 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.

Long-term financial planning. The City Commission updated and adopted a 5-year Capital Improvements Plan (CIP) on September 28, 2009 for fiscal years 2010 through 2015. The CIP is currently being evaluated and updated through Fiscal Year 2016. 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 2011, the city implemented Government Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions. This resulted in the closing and consolidation of a number of funds classified as special revenue funds. The Public & Communications Service Tax fund, formerly reported as a major fund of the city has been closed and all fund balance and activities for FY11 have been recorded in the General Fund. Other funds that have been closed include Medical Transport Services, HOA Projects – Streetlighting and Signage Fund, Veterans' Memorial Fund, HOA Projects (Non-escrow), and the Fire Assessment Fund which have all been closed to the General Fund. The Emergency and Disaster Relief Fund and Storm Reserve Fund are now components of the Solid Waste Fund, a major governmental fund.

Implementation of Zero-Based Budgeting represented a major change in the fiscal year 2010 model and continued into fiscal year 2011 as compared to incremental budgeting used in prior fiscal years. There are three fiscal policies that are utilized when preparing and adopting the City's annual budget. The first policy is to maintain an Unassigned General Fund balance not less than 25% of the total operating expenses of the General Fund, excluding capital outlay and debt. By a super-majority vote of the Commission, supplemental appropriation from Unassigned General Fund balance may be authorized by the Commission for a General Fund purpose which may potentially reduce the *Unassigned General Fund balance which would be restored to, at least, the minimum in the following year's budget*. This fund balance philosophy carries over to the Water and Sewer Utility, Stormwater Utility and Development Services. Some funds such as special revenues, debt service and capital projects exist for very specific purposes; as such, the fund balance is restricted or committed by nature of the fund and the Commission. The potential for unforeseen expenditures is very low. In such case, the budget serves as the sole constraint. The second fiscal policy is that sufficient recurring revenues exist to pay for all recurring costs, thus avoiding the use of non-recurring revenues and fund balance to fund recurring costs. The final fiscal policy is that sufficient recurring and non-recurring revenues are available to fund non-recurring costs.

Major Initiatives. During fiscal year 2012, 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:

- Shepard Road improvements (\$367,750) to include, sidewalks, storm-water infrastructure improvements and beautification of this important commercial gateway into the City of Winter Springs;
- Complete replacement upgrade of the City's phone infrastructure (\$277,000) to a VOIP system that will be the eventual backbone for the City's customer service initiative that will reduce overhead and improve customer service;
- Continued equipment upgrading of the City's police force equipment and automobiles (\$366,296).

Awards and Acknowledgements

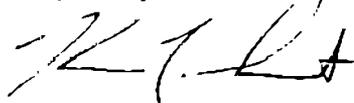
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winter Springs for its CAFR for the fiscal year ended September 30, 2010. This was the eleventh consecutive year that the City has received this prestigious award. 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

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, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

CITY OF WINTER SPRINGS, FLORIDA

LIST OF PRINCIPAL OFFICIALS

September 30, 2011

ELECTED OFFICIALS

MAYOR	Charles A. Lacey
COMMISSIONER	Joanne M. Krebs
COMMISSIONER	Rick Brown
COMMISSIONER	Gary Bonner
COMMISSIONER	Cade Resnick
DEPUTY-MAYOR / COMMISSIONER	Jean Hovey

CITY MANAGER

Kevin L. Smith

CITY CLERK

Andrea Lorenzo-Luaces

LEGAL COUNSEL

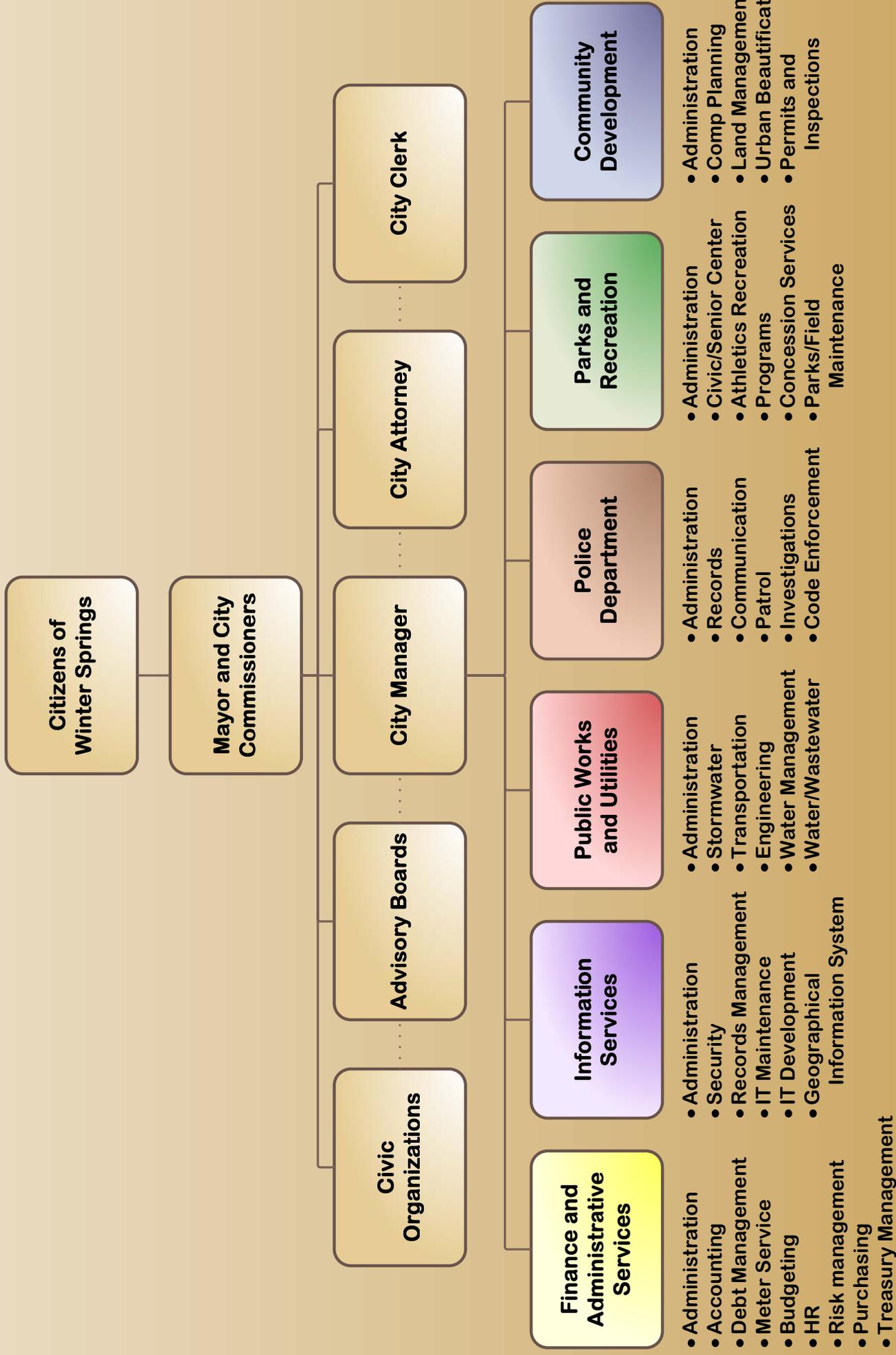
Anthony Garganese

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

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, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the *City of Winter Springs, Florida*, as of September 30, 2011 and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund, road improvement special revenue fund, and the solid waste/recycling special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated February 29, 2012 on our consideration of the *City of Winter Springs, Florida's* internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

MCDIRMIT DAVIS & COMPANY, LLC
605 E. ROBINSON STREET, SUITE 635 • ORLANDO, FLORIDA 32801
TELEPHONE 407-843-5406 • FAX 407-649-9339 • EMAIL: INFO@MCDIRMITDAVIS.COM

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the pension and other postemployment benefits disclosures on pages 3 through 17 and 78 through 80 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 discussion responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Winter Springs, Florida's financial statements as a whole. 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 are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

McDiernit Davis & Company, LLC

February 29, 2012

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, 2011. 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 of the City of Winter Springs exceeded its liabilities at the close of the most recent fiscal year by \$87,149,693 (net assets). Of this amount, \$ 16,468,440 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$919,766 or 1%.
- As of the close of the current fiscal year, the City of Winter Springs' governmental funds reported combined ending fund balances of \$19,718,527. Approximately 34% of this total amount, \$6,780,642, 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 \$7,044,380, or 44% of total general fund expenditures.
- The City of Winter Springs' total debt decreased by \$1,670,663 (4%) during the current fiscal year. Principal payments were made in the amount of \$16,607,000.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Overview of the Financial Statements (Continued)

Government-wide financial statements. (Continued)

The *Statement of Activities* presents information showing how the government's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City 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 (CONTINUED)

Overview of the Financial Statements (Continued)

Governmental Funds. (Continued)

The City of Winter Springs maintains 30 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, and TLBD Debt Service Fund, all four of which are considered to be major funds. Data from the other 26 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 26-30. Budgetary comparison schedules have been provided for the TLBD Debt Service Fund and the nonmajor funds on pages 81 and 82-115.

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 of Winter Springs' 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 36-77 of this report.

Required Supplementary Information (RSI). RSI can be found on pages 78-80 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the Notes to Financial Statements. Combining and individual fund statements and schedules can be found on pages 82-115 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-wide Financial Analysis

Statement of Net Assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Winter Springs, assets exceeded liabilities by \$87,149,693 at the close of the most recent fiscal year.

Of the City of Winter Springs' net assets (\$61,933,616 or 71%) 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 assets that are subject to external restrictions as to how they may be used total \$8,747,637 (10%). The remaining balance of *unrestricted net assets* (\$16,468,440 or 19%) may be used to meet the government's ongoing obligations to citizens and creditors.

At September 30, 2011, the City of Winter Springs is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. This was also the case at the close of the prior fiscal year.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-wide Financial Analysis (Continued)

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Assets:						
Current and other assets	\$ 26,763,001	\$ 27,731,139	\$ 7,811,320	\$ 7,541,185	\$ 34,574,321	\$ 35,272,324
Restricted assets	263,469	261,603	730,315	2,037,699	993,784	2,299,302
Capital assets	59,540,832	59,546,341	35,713,643	35,069,042	95,254,475	94,615,383
Total assets	<u>86,567,302</u>	<u>87,539,083</u>	<u>44,255,278</u>	<u>44,647,926</u>	<u>130,822,580</u>	<u>132,187,009</u>
Liabilities:						
Current liabilities	1,124,981	1,263,675	626,440	2,117,109	1,751,421	3,380,784
Long term liabilities	19,690,122	20,611,211	21,317,357	21,053,712	41,007,479	41,664,923
Other liabilities	263,469	267,603	650,518	643,772	913,987	911,375
Total liabilities	<u>21,078,572</u>	<u>22,142,489</u>	<u>22,594,315</u>	<u>23,814,593</u>	<u>43,672,887</u>	<u>45,957,082</u>
Net assets:						
Invested in capital assets, net of related debt	43,960,523	42,818,690	17,973,093	15,839,320	61,933,616	58,658,010
Restricted	8,287,147	8,590,959	460,490	1,729,584	8,747,637	10,320,543
Unrestricted	13,241,060	13,986,945	3,227,380	3,264,429	16,468,440	17,251,374
Total net assets	<u>\$ 65,488,730</u>	<u>\$ 65,396,594</u>	<u>\$ 21,660,963</u>	<u>\$ 20,833,333</u>	<u>\$ 87,149,693</u>	<u>\$ 86,229,927</u>

Statement of Changes in Net Assets. The following table reflects the *Statement of Changes in Net Assets* 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 assets increased by \$919,766 or 1% in fiscal year 2011. The previous fiscal year, 2010, net assets increased by \$4,480,522.

Governmental activities increased net assets by \$92,136 in fiscal year 2011 compared to an increase of \$2,603,517 in 2010. The increase in net assets is primarily due to a modest increase in investment earnings and decrease in accrued interest payable as a result of bond refinancing. Other contributing factors include decreases in expenses for the general government, physical environment and culture and recreation categories off-setting the decreases in various tax and fees revenues.

Business-type activities increased net assets by \$827,630 in fiscal year 2011 compared to an increase of \$1,877,005 in 2010.

Following the *Changes in Net Assets* 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-wide Financial Analysis (Continued)

Statement of Changes in Net Assets. (Continued)

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 (CONTINUED)

Government-wide Financial Analysis (Continued)

Statement of Changes in Net Assets. (Continued)

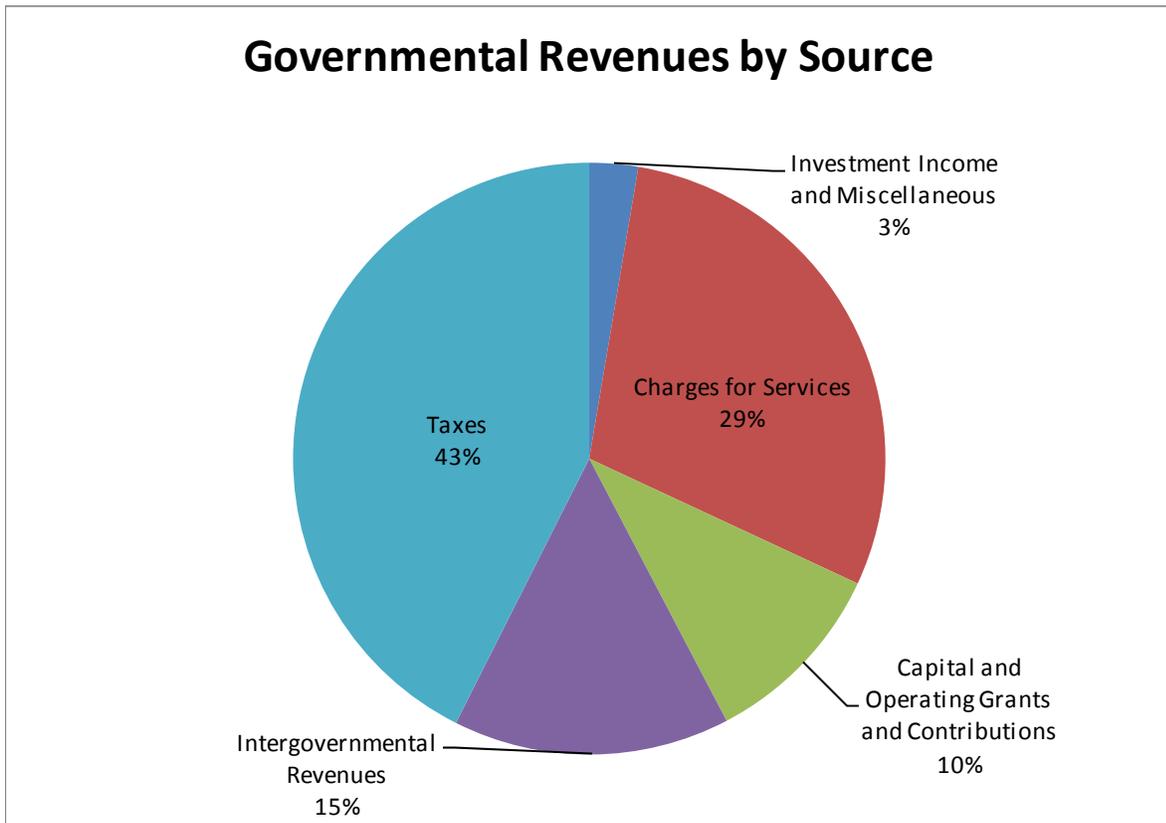
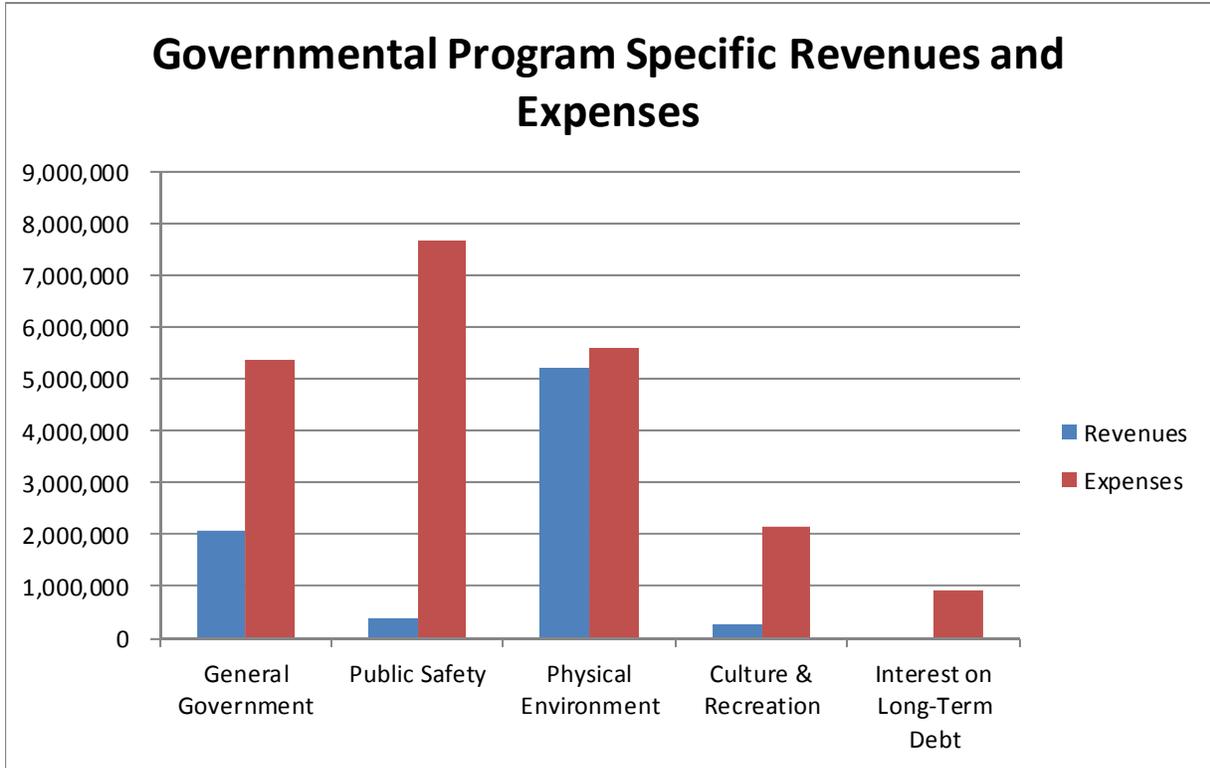
**City of Winter Springs
Changes in Net Assets
For the Year Ended September 30**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 5,842,612	\$ 6,477,970	\$ 10,243,230	\$ 9,396,248	\$ 16,085,842	\$ 15,874,218
Operating grants and contributions	89,135	485,287	45,960	-	135,095	485,287
Capital grants and contributions	1,984,820	2,934,772	709,267	2,884,922	2,694,087	5,819,694
General revenues:						
Property taxes	4,209,371	4,538,125	-	-	4,209,371	4,538,125
Utility taxes	4,168,867	4,536,005	-	-	4,168,867	4,536,005
Business tax receipts	119,077	204,153	-	-	119,077	204,153
Intergovernmental-unrestricted	3,015,419	2,897,347	-	-	3,015,419	2,897,347
Investment income and miscellaneous	531,542	731,133	188,562	102,949	720,104	834,082
Total revenues	<u>19,960,843</u>	<u>22,804,792</u>	<u>11,187,019</u>	<u>12,384,119</u>	<u>31,147,862</u>	<u>35,188,911</u>
Expenses:						
General government	5,380,851	5,719,983	-	-	5,380,851	5,719,983
Public safety	7,671,306	7,355,822	-	-	7,671,306	7,355,822
Physical environment	5,609,990	5,654,389	-	-	5,609,990	5,654,389
Culture and recreation	2,161,454	2,322,975	-	-	2,161,454	2,322,975
Interest and other fiscal charges on long-term debt	906,764	943,994	-	-	906,764	943,994
Water and sewer	-	-	7,185,605	7,446,906	7,185,605	7,446,906
Development services	-	-	333,288	348,812	333,288	348,812
Stormwater	-	-	978,838	915,508	978,838	915,508
Total expenses	<u>21,730,365</u>	<u>21,997,163</u>	<u>8,497,731</u>	<u>8,711,226</u>	<u>30,228,096</u>	<u>30,708,389</u>
Increase (decrease) in net assets before transfers	<u>(1,769,522)</u>	<u>807,629</u>	<u>2,689,288</u>	<u>3,672,893</u>	<u>919,766</u>	<u>4,480,522</u>
Transfers	<u>1,861,658</u>	<u>1,795,888</u>	<u>(1,861,658)</u>	<u>(1,795,888)</u>	<u>-</u>	<u>-</u>
Increase in net assets	<u>92,136</u>	<u>2,603,517</u>	<u>827,630</u>	<u>1,877,005</u>	<u>919,766</u>	<u>4,480,522</u>
Net assets- October 1	<u>65,396,594</u>	<u>62,793,077</u>	<u>20,833,333</u>	<u>18,956,328</u>	<u>86,229,927</u>	<u>81,749,405</u>
Net assets- September 30	<u>\$ 65,488,730</u>	<u>\$ 65,396,594</u>	<u>\$ 21,660,963</u>	<u>\$ 20,833,333</u>	<u>\$ 87,149,693</u>	<u>\$ 86,229,927</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-wide Financial Analysis (Continued)

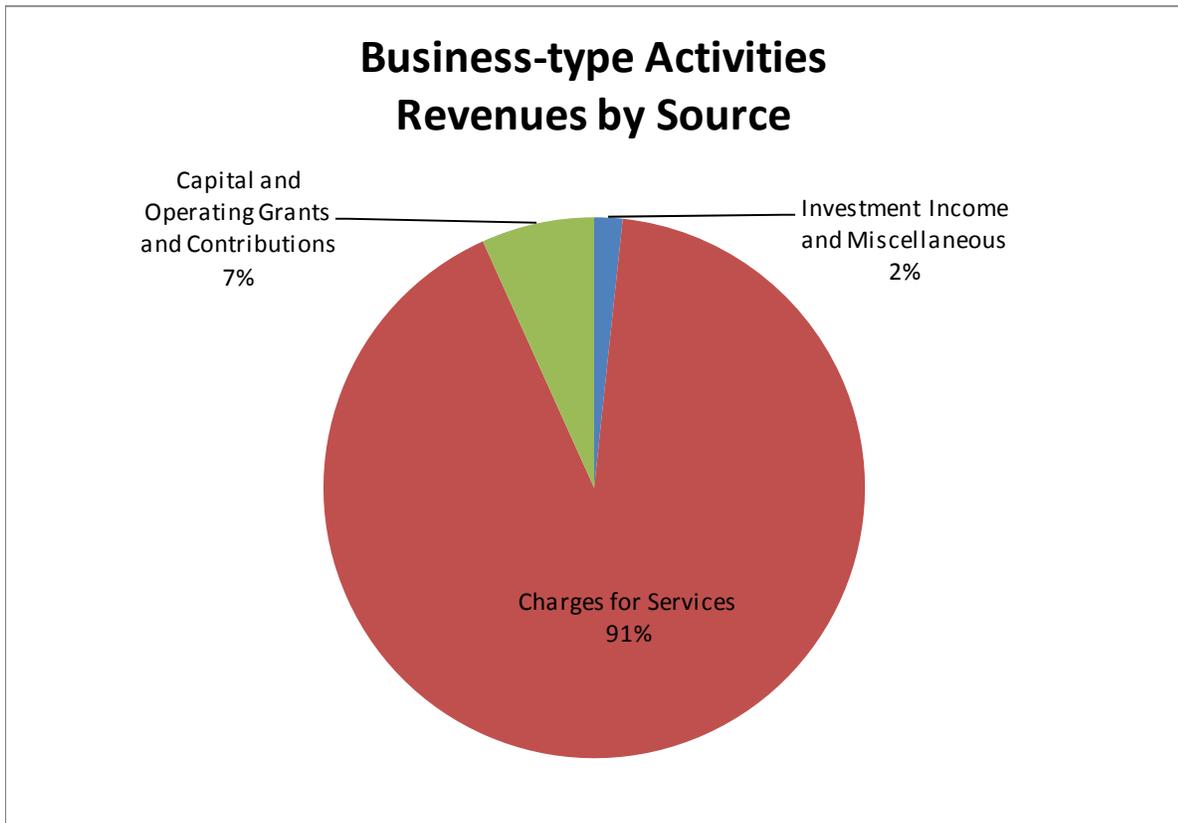
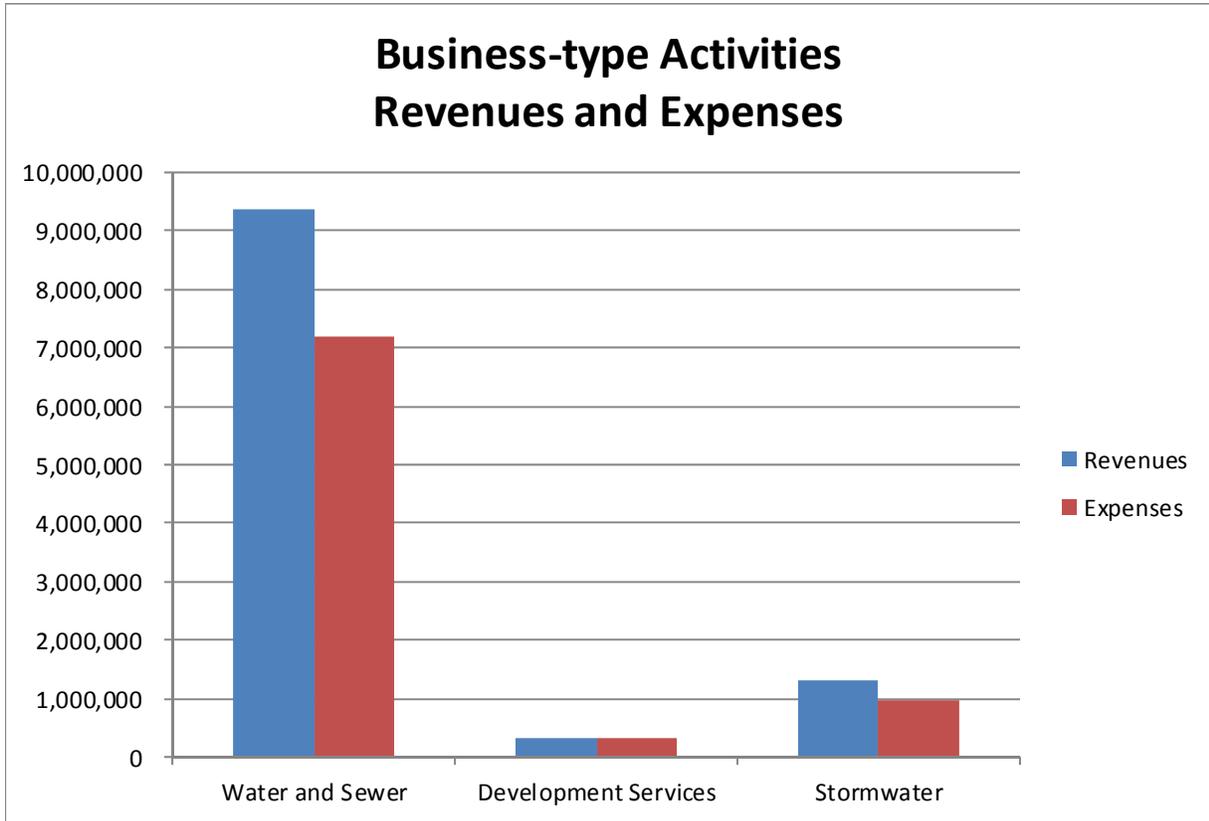
Statement of Changes in Net Assets. (Continued)



MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-wide Financial Analysis (Continued)

Statement of Changes in Net Assets. (Continued)



MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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, 2011, the City of Winter Springs' governmental funds reported combined ending fund balances of \$19,718,527, a decrease of \$276,432 over the prior year. Approximately 17% or \$6,780,642 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 \$7,044,380, while total fund balance was \$8,830,817. 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 represent 44 and 56% respectively, of total General Fund expenditures. The increase in fund balance is a result of reducing general fund operating expenditures and aggressive management of the budget through periodic reviews and adjusting expenditures when appropriate without compromising services.

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 assets of the Water and Sewer Utility Fund at the end of the year amounted to \$2,835,653 and total net assets increased \$888,765. This increase is primarily a result of increases rates and decreases in operating expenses and interest expense due to debt refinancing.

The Development Services Fund net assets decreased \$313,001 to a deficit balance of \$706,783 at the end of the fiscal year. New construction permits began to pick up during the year. Although net assets declined again it did so at a lesser amount than the previous year demonstrating the lag in revenues associated with the improving real estate and construction market.

The Stormwater Utility Fund net assets increased \$251,886 to \$7,568,476 at the end of the fiscal year. The increase in net assets is primarily a result of the grant revenues received for the Solary Canal Stormwater treatment project and decreases in operating expenses.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

General Fund Budgetary Highlights

Differences between the original General Fund budget and the final amended General Fund budget resulted in \$12,706 less appropriations from fund balance during the year from an appropriation from fund balance of \$538,698 in the original budget to appropriations from fund balance of \$525,992 in the final budget. The decrease in budget appropriations is largely due to effective and responsive fiscal management.

The actual results of General Fund for the year show an appropriation to fund balance of \$9,175 compared to a final budgeted appropriation from fund balance of \$525,992. The favorable variance of \$535,167 is primarily comprised of the following:

- \$101,000 unfavorable Communication Service Tax revenues
- \$103,000 unfavorable Sales Tax Revenues
- \$300,000 favorable payroll variance which largely results from positions which were unfilled for all or part of the fiscal year; namely, Project Manager (Executive); Senior Accountant (Finance and Administrative Services); Capital Projects Administrator, Superintendent- half year (Public Works); Spray Technician, Maintenance Worker (Parks and Recreation); and various short-term vacancies and/or reorganizations in Police, Public Works, Finance and Administrative Services, and Parks and Recreation.
- \$340,000 favorable operating expenditure resulting from 94% utilization of operating budget (exclusive of personnel)
- \$95,000 favorable capital expenditure variance due to timing of Community Redevelopment Agency (CRA) project- Shepard Road Streetscape.

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, 2011, amounts to \$95,254,475 (net of accumulated depreciation), for an increase of \$639,092 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 increase in the City of Winter Springs' investment in capital assets for the current fiscal year was 0.7% (a 0.01% decrease for governmental activities, and a 1.8% increase for business-type activities).

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 \$383,000;
 - Paving of Ranchland roadways at a cost of \$1,159,000 (\$704,000 was spent in prior years);
 - Completion of a new sidewalk along Shetland Avenue at a cost of \$139,000
 - Sewer pipe relining at a cost of \$202,000;
 - Roadway/intersection improvements at Hicks' Avenue supporting the new Choices in Learning Charter School at a cost of \$22,000.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Capital Asset and Debt Administration (Continued)

Capital assets (continued)

- The continued construction on the following projects:
 - Deceleration lane at S.R. 434/Tuscora Road at a cost of \$58,000 (\$40,000 was spent in prior years);
 - Water Augmentation Study at Lake Jessup and Oak Forest (planning and design) at a cost of \$12,000 (\$188,000 was spent in prior years);
 - Solary Canal reclaimed water treatment facility at a cost of \$1,244,000 (\$915,000 was spent in prior years);
 - CRA Shepard Road Landscape at a cost of \$71,000 (\$11,000 was spent in prior years).
- The ongoing construction of the following new projects:
 - Construction of Michael Blake Boulevard linking State Road 434 to the new Meritage development at Winter Springs Village at a cost of \$277,000;
 - Improvements in the CRA for Shetland Road;
 - Construction of Oak Forest reclaimed water treatment plant at a cost of \$1,636,000;
 - Construction of Lake Jessup water augmentation facility at a cost of \$54,000.

Additional information on the City of Winter Springs' capital assets can be found in Note 7 on pages 55-57 of this report.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Land	\$ 9,959,395	\$ 9,959,395	\$ 7,170,177	\$ 7,170,177	\$ 17,129,572	\$ 17,129,572
Buildings	8,569,277	8,993,947	239,388	264,506	8,808,665	9,258,453
Improvements other than buildings	8,146,468	8,569,245	24,335,618	25,152,564	32,482,086	33,721,809
Machinery and equipment	1,386,377	1,442,810	692,368	754,883	2,078,745	2,197,693
Intangibles	54,511	80,498	14,683	8,927	69,194	89,425
Infrastructure	30,859,490	29,454,586	-	-	30,859,490	29,454,586
Construction in progress	565,314	1,045,860	3,261,409	1,717,985	3,826,723	2,763,845
Total	\$ 59,540,832	\$ 59,546,341	\$ 35,713,643	\$ 35,069,042	\$ 95,254,475	\$ 94,615,383

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Capital Asset and Debt Administration (Continued)

Long-term debt. At September 30, 2011, the City of Winter Springs had total debt outstanding of \$41,007,479, a decrease of \$1,670,663 from \$42,678,142 at September 30, 2010. Total *bonded* debt of the City at the end of the current fiscal year was \$19,237,077, for a decrease of \$16,508,491 over the prior year. This amount does not include accreted interest of \$6,423,628.

Of the total amount of bonded debt, \$2,770,000 comprises debt backed by the full faith and credit of the government and \$1,825,000 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The remainder of the City of Winter Springs' bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

During 2011, the City refunded \$1,465,000 of governmental bonds and \$12,885,000 of water and sewer bonds.

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 8 on pages 57-64 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Long-term debt. (Continued)

City of Winter Springs						
Long Term Debt						
As of September 30						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Improvement Refunding Revenue Bonds, Series 1999	\$ 3,498,970	\$ 5,058,970	\$ -	\$ -	\$ 3,498,970	\$ 5,058,970
Water & Sewer Refunding Revenue Bonds, Series 2000	-	-	5,669,191	6,614,191	5,669,191	6,614,191
Special Assessment Revenue Bonds, Series 2001	1,825,000	1,880,000	-	-	1,825,000	1,880,000
Water & Sewer Refunding Revenue Bonds, Series 2001	-	-	-	4,245,000	-	4,245,000
Water & Sewer Refunding Revenue Bonds, Series 2002	-	-	-	9,030,000	-	9,030,000
Limited General Obligation Bonds, Series 2002	2,770,000	2,850,000	-	-	2,770,000	2,850,000
Improvement Refunding Revenue Bonds, Series 2003	6,115,000	6,775,000	-	-	6,115,000	6,775,000
Capital Improvement Revenue Note, Series 2006	179,805	211,805	-	-	179,805	211,805
Revenue Refunding Note Series 2011	1,377,246	-	-	-	1,377,246	-
Revenue Refunding Note Series 2011A	-	-	8,464,906	-	8,464,906	-
Revenue Refunding Note Series 2011B	-	-	870,617	-	870,617	-
Revenue Refunding Note Series 2011C	-	-	3,730,050	-	3,730,050	-
Accreted Interest Payable	3,212,439	2,848,936	3,211,189	2,812,645	6,423,628	5,661,581
Compensated Absences	589,738	749,070	158,093	155,118	747,831	904,188
Other Post Employment Benefits	165,300	114,655	56,700	40,345	222,000	155,000
Adjustments for Issuance Discounts and Deferred Refunding Costs	(43,376)	(48,124)	(843,389)	(659,469)	(886,765)	(707,593)
Total	\$ 19,690,122	\$ 20,440,312	\$ 21,317,357	\$ 22,237,830	\$ 41,007,479	\$ 42,678,142

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 reduce property taxes for the upcoming fiscal year while not reducing services.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Economic Factors and Next Year's Budgets and Rates (Continued)

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 Greenway) 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 Greenway 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 already experiencing new growth in the residential construction market with projects such as the completion of Jesup's Reserve, Winter Springs Village, Jessup's Landing and others.

Long Term Financial Planning

The total taxable assessed property value in Winter Springs decreased 7% from fiscal year 2010 to 2011, \$1,809,808,000 to \$1,687,434,000 respectively. However, the rate of property tax decreases are showing signs of slowing and the real estate marketing is beginning to stabilize. In fiscal year 2012 the reduction in assessed values are estimated to fall only 3%-5%. The real estate market is rebounding 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.

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 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.

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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 ASSETS

September 30, 2011

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 4,980,825	\$ 1,853,528	\$ 6,834,353
Investments	13,987,947	4,743,836	18,731,783
Receivables, net	4,222,804	1,725,475	5,948,279
Internal Balances	682,176	(682,176)	-
Inventories - at cost	8,883	19,832	28,715
Prepaid costs	231,231	-	231,231
Restricted assets:			
Cash and cash equivalents	263,469	-	263,469
Investments	-	730,315	730,315
Bond issuance costs	142,336	150,825	293,161
Pension assets	17,878	-	17,878
Capital Assets			
Capital assets not being depreciated	10,524,709	10,431,586	20,956,295
Capital assets being depreciated, net of accumulated depreciation	49,016,123	25,282,057	74,298,180
Receivables, long-term	2,488,921	-	2,488,921
Total Assets	<u>86,567,302</u>	<u>44,255,278</u>	<u>130,822,580</u>
LIABILITIES			
Accounts payable and accrued expenses	758,832	417,172	1,176,004
Due to other governments	158,034	6,650	164,684
Accrued interest payable	191,280	202,618	393,898
Unearned revenues	16,835	-	16,835
Liabilities payable from restricted assets	263,469	650,518	913,987
Noncurrent liabilities:			
Due within one year	1,009,763	1,277,810	2,287,573
Due in more than one year	18,680,359	20,039,547	38,719,906
Total liabilities	<u>21,078,572</u>	<u>22,594,315</u>	<u>43,672,887</u>
NET ASSETS			
Invested in capital assets, net of related debt	43,960,523	17,973,093	61,933,616
Restricted for:			
Capital projects	2,061,121	-	2,061,121
Debt Service	278,987	13,655	292,642
Renewal and replacement	-	446,835	446,835
Physical environment	5,853,360	-	5,853,360
Public safety	93,679	-	93,679
Unrestricted	13,241,060	3,227,380	16,468,440
Total net assets	<u>\$ 65,488,730</u>	<u>\$ 21,660,963</u>	<u>\$ 87,149,693</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, 2011

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Assets		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities						
General Government	\$ 5,380,851	\$ -	\$ -	\$ (3,306,222)	\$ -	\$ (3,306,222)
Public Safety	7,671,306	5,806	-	(7,296,673)	-	(7,296,673)
Physical environment	5,609,990	83,329	1,982,320	(405,191)	-	(405,191)
Culture and Recreation	2,161,454	-	2,500	(1,898,948)	-	(1,898,948)
Interest on Long-term debt	906,764	-	-	(906,764)	-	(906,764)
Total governmental activities	21,730,365	89,135	1,984,820	(13,813,798)	-	(13,813,798)
Business-type activities:						
Water and sewer	7,185,605	30,590	492,250	-	2,173,912	2,173,912
Development services	333,288	-	-	-	5,235	5,235
Stormwater	978,838	15,370	217,017	-	321,579	321,579
Total business-type activities	8,497,731	45,960	709,267	-	2,500,726	2,500,726
Total primary government	\$ 30,228,096	\$ 135,095	\$ 2,694,087	(13,813,798)	2,500,726	(11,313,072)
General revenues:						
Property taxes				4,209,371	-	4,209,371
Utility taxes				4,168,867	-	4,168,867
Business tax receipts				119,077	-	119,077
Intergovernmental-unrestricted				3,015,419	-	3,015,419
Investment income and miscellaneous				531,542	188,562	720,104
Transfers				1,861,658	(1,861,658)	-
Total general revenues and transfers				13,905,934	(1,673,096)	12,232,838
Change in net assets				92,136	827,630	919,766
Net assets - beginning				65,396,594	20,833,333	86,229,927
Net assets - ending				\$ 65,488,730	\$ 21,660,963	\$ 87,149,693

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, 2011

	General Fund	Special Revenue		TLBD Debt Service
		Road Improvements Fund	Solid Waste/Recycling	
Assets:				
Cash and cash equivalents	\$ 1,511,257	\$ 303,812	\$ 651,796	\$ 133,857
Investments	6,267,429	916,520	1,966,291	81,616
Receivables, net	280,633	3,925,608	3,797	2,012
Inventories, at cost	8,883	-	-	-
Due from other funds	205,658	-	-	-
Prepays	231,231	-	-	-
Special assessments receivable	-	-	-	1,765,000
Advances to other funds	938,950	-	-	-
Restricted assets:				
Cash and cash equivalents	263,469	-	-	-
Total assets	<u>\$ 9,707,510</u>	<u>\$ 5,145,940</u>	<u>\$ 2,621,884</u>	<u>\$ 1,982,485</u>
Liabilities and Fund Balances:				
Accounts payable	\$ 236,041	\$ -	\$ 159,312	\$ -
Accrued liabilities	360,348	-	-	-
Due to other funds	-	187,658	-	-
Due to other governments	-	-	158,034	-
Deferred revenue	-	3,461,638	-	1,765,000
Unearned revenue	16,835	-	-	-
Payable from restricted assets	263,469	-	-	-
Total liabilities	<u>876,693</u>	<u>3,649,296</u>	<u>317,346</u>	<u>1,765,000</u>
Fund balances:				
Non-spendable	1,179,064	-	-	-
Restricted	-	1,496,644	-	217,485
Committed	-	-	1,305,642	-
Assigned	607,373	-	998,896	-
Unassigned	7,044,380	-	-	-
Total fund balances	<u>8,830,817</u>	<u>1,496,644</u>	<u>2,304,538</u>	<u>217,485</u>
Total liabilities and fund balances	<u>\$ 9,707,510</u>	<u>\$ 5,145,940</u>	<u>\$ 2,621,884</u>	<u>\$ 1,982,485</u>

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

Other Governmental Funds	Total Governmental Funds
\$ 2,380,003	\$ 4,980,725
4,756,091	13,987,947
10,754	4,222,804
-	8,883
-	205,658
-	231,231
723,921	2,488,921
-	938,950
100	263,569
<u>\$ 7,870,869</u>	<u>\$ 27,328,688</u>

\$ 3,131	\$ 398,484
-	360,348
274,774	462,432
-	158,034
723,921	5,950,559
-	16,835
-	263,469
<u>1,001,826</u>	<u>7,610,161</u>

-	1,179,064
3,111,360	4,825,489
310,395	1,616,037
3,711,026	5,317,295
(263,738)	6,780,642
<u>6,869,043</u>	<u>19,718,527</u>
<u>\$ 7,870,869</u>	<u>\$ 27,328,688</u>

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CITY OF WINTER SPRINGS, FLORIDA

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

September 30, 2011

Total fund balance, governmental funds	\$ 19,718,527
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	59,540,832
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	5,950,559
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(19,881,402)
Bond issuance costs, which are expenditures in the funds, are deferred and amortized over the life of the bond.	142,336
The cumulative net pension contribution which is greater than the annual required contribution is presented as an asset on the statement of net assets.	17,878
Net Assets of Governmental Activities in the Statement of Net Assets	<u>\$ 65,488,730</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, 2011

	<u>General Fund</u>	<u>Road Improvements Fund</u>	<u>Solid Waste/Recycling</u>	<u>TLBD Debt Service</u>
Revenues:				
Taxes:				
Property taxes	\$ 4,029,963	\$ -	\$ -	\$ -
Utility taxes	4,168,867	-	-	-
Business tax receipts	119,077	-	-	-
Permits and fees	1,917,408	-	96,685	-
Intergovernmental revenues	3,027,478	1,731,354	188,236	-
Charges for services	556,848	-	2,355,275	-
Fines and forfeitures	239,319	-	-	-
Impact fees/assessments	-	-	-	60,000
Investment income	89,838	12,134	17,443	94,132
Miscellaneous	158,737	-	-	14,402
Total revenues	<u>14,307,535</u>	<u>1,743,488</u>	<u>2,657,639</u>	<u>168,534</u>
Expenditures:				
Current:				
General government	5,435,510	-	-	-
Public safety	7,123,101	-	-	-
Physical environment	1,016,243	39,372	2,249,491	4,410
Culture and recreation	1,737,037	-	-	-
Debt Service:				
Principal	-	-	-	55,000
Interest and fiscal charges	-	-	-	95,261
Issuance costs	-	-	-	-
Capital Outlay:				
General government	145,073	-	-	-
Public safety	393,073	-	-	-
Physical environment	-	1,588,597	-	-
Culture and recreation	42,344	-	-	-
Total expenditures	<u>15,892,381</u>	<u>1,627,969</u>	<u>2,249,491</u>	<u>154,671</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,584,846)</u>	<u>115,519</u>	<u>408,148</u>	<u>13,863</u>
Other Financing Sources (Uses)				
Notes payable	-	-	-	-
Transfers in	2,725,086	-	-	-
Transfers out	(1,131,065)	(9,141)	(132,491)	(500)
Total other financing sources(uses)	<u>1,594,021</u>	<u>(9,141)</u>	<u>(132,491)</u>	<u>(500)</u>
Net Change in Fund Balances	9,175	106,378	275,657	13,363
Fund Balances - Beginning, as Restated	<u>8,821,642</u>	<u>1,390,266</u>	<u>2,028,881</u>	<u>204,122</u>
Fund Balances - Ending	<u>\$ 8,830,817</u>	<u>\$ 1,496,644</u>	<u>\$ 2,304,538</u>	<u>\$ 217,485</u>

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

Other Governmental Funds	Total Governmental Funds
\$ 179,408	\$ 4,209,371
-	4,168,867
-	119,077
28,678	2,042,771
500,295	5,447,363
9,406	2,921,529
50,058	289,377
624,791	684,791
94,146	307,693
50,710	223,849
<u>1,537,492</u>	<u>20,414,688</u>
5,756	5,441,266
32,518	7,155,619
629,322	3,938,838
-	1,737,037
2,332,000	2,387,000
488,753	584,014
14,650	14,650
-	145,073
46,937	440,010
464,521	2,053,118
680	43,024
<u>4,015,137</u>	<u>23,939,649</u>
<u>(2,477,645)</u>	<u>(3,524,961)</u>
1,377,246	1,377,246
1,111,000	3,836,086
(691,606)	(1,964,803)
<u>1,796,640</u>	<u>3,248,529</u>
(681,005)	(276,432)
<u>7,550,048</u>	<u>19,994,959</u>
<u>\$ 6,869,043</u>	<u>\$ 19,718,527</u>

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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, 2011

Net change in fund balances - total governmental funds: \$ (276,432)

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 7,817

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins and disposals) is to decrease net assets (3,701)

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 assets. Also, governmental funds report the effect of issuance costs, 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 1,009,754

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds (357,989)

Special assessment revenue reported in the funds must be eliminated from the statement of activities since revenue was recognized in a prior year (95,856)

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 32,557

Transfers of capital assets to proprietary funds (9,625)

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. (214,389)

Change in net assets of governmental activities \$ 92,136

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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property Taxes	\$ 4,019,472	\$ 4,019,472	\$ 4,029,963	\$ 10,491
Utility taxes	-	4,182,717	4,168,867	(13,850)
Business tax receipts	110,000	110,000	119,077	9,077
	<u>4,129,472</u>	<u>8,312,189</u>	<u>8,317,907</u>	<u>5,718</u>
Permits and fees:				
Permits	18,500	18,500	15,345	(3,155)
Franchise fees	30,000	1,980,000	1,902,063	(77,937)
	<u>48,500</u>	<u>1,998,500</u>	<u>1,917,408</u>	<u>(81,092)</u>
Intergovernmental revenues:				
Sales tax	1,976,483	1,976,483	1,873,114	(103,369)
State revenue sharing	934,846	934,846	916,097	(18,749)
Other state shared revenue	34,000	34,000	37,972	3,972
Other county shared revenue	2,500	179,375	181,534	2,159
Federal grants	-	5,809	18,761	12,952
	<u>2,947,829</u>	<u>3,130,513</u>	<u>3,027,478</u>	<u>(103,035)</u>
Charges for services:				
Program activity fees	245,200	245,200	187,737	(57,463)
Rental and other	308,388	314,288	369,111	54,823
	<u>553,588</u>	<u>559,488</u>	<u>556,848</u>	<u>(2,640)</u>
Fines and forfeitures	410,125	410,125	239,319	(170,806)
Investment income	60,000	60,160	89,838	29,678
Miscellaneous	27,000	63,996	158,737	94,741
Total revenues	<u>8,176,514</u>	<u>14,534,971</u>	<u>14,307,535</u>	<u>(227,436)</u>

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government:				
Executive	\$ 674,897	\$ 683,313	\$ 615,760	\$ 67,553
General government	640,435	611,392	481,075	130,317
Finance	1,828,024	1,715,866	1,659,103	56,763
Information systems	1,148,998	1,153,498	1,123,016	30,482
Community development	1,601,851	1,781,574	1,701,629	79,945
	<u>5,894,205</u>	<u>5,945,643</u>	<u>5,580,583</u>	<u>365,060</u>
Public Safety:				
Police	7,382,137	7,459,626	7,432,943	26,683
Fire	-	95,000	83,231	11,769
	<u>7,382,137</u>	<u>7,554,626</u>	<u>7,516,174</u>	<u>38,452</u>
Physical environment:				
Public works	1,244,399	1,187,955	1,016,243	171,712
Culture and recreation:				
Parks and recreation	2,055,183	1,973,004	1,779,381	193,623
Total expenditures	<u>16,575,924</u>	<u>16,661,228</u>	<u>15,892,381</u>	<u>768,847</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(8,399,410)</u>	<u>(2,126,257)</u>	<u>(1,584,846)</u>	<u>541,411</u>
Other Financing Sources (Uses)				
Transfers in	7,961,622	2,727,597	2,725,086	(2,511)
Transfers out	<u>(100,910)</u>	<u>(1,127,332)</u>	<u>(1,131,065)</u>	<u>(3,733)</u>
Net other financing sources	<u>7,860,712</u>	<u>1,600,265</u>	<u>1,594,021</u>	<u>(6,244)</u>
Net Change in Fund Balances	(538,698)	(525,992)	9,175	535,167
Fund Balances - Beginning, as restated	<u>8,821,642</u>	<u>8,821,642</u>	<u>8,821,642</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 8,282,944</u>	<u>\$ 8,295,650</u>	<u>\$ 8,830,817</u>	<u>\$ 535,167</u>

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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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 2,565,000	\$ 1,500,000	\$ 1,731,354	\$ 231,354
Investment income	5,000	5,000	12,134	7,134
Total revenues	<u>2,570,000</u>	<u>1,505,000</u>	<u>1,743,488</u>	<u>238,488</u>
Expenditures:				
Current:				
Physical environment	5,000	5,000	39,372	(34,372)
Capital Outlay				
Physical environment	<u>2,355,000</u>	<u>2,354,802</u>	<u>1,588,597</u>	<u>766,205</u>
Total expenditures	<u>2,360,000</u>	<u>2,359,802</u>	<u>1,627,969</u>	<u>731,833</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>210,000</u>	<u>(854,802)</u>	<u>115,519</u>	<u>970,321</u>
Other Financing Sources (Uses)				
Transfers out	<u>(357,944)</u>	<u>(9,142)</u>	<u>(9,141)</u>	<u>1</u>
Total other financing sources (uses)	<u>(357,944)</u>	<u>(9,142)</u>	<u>(9,141)</u>	<u>1</u>
Net Change in Fund Balances	<u>(147,944)</u>	<u>(863,944)</u>	<u>106,378</u>	<u>970,322</u>
Fund Balances - Beginning	<u>1,390,266</u>	<u>1,390,266</u>	<u>1,390,266</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,242,322</u>	<u>\$ 526,322</u>	<u>\$ 1,496,644</u>	<u>\$ 970,322</u>

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

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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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Permits and fees	\$ 80,000	\$ 80,000	\$ 96,685	\$ 16,685
Intergovernmental revenues	73,000	73,000	188,236	115,236
Charges for services	2,377,400	2,377,400	2,355,275	(22,125)
Investment income	5,000	9,800	17,443	7,643
Total revenues	<u>2,535,400</u>	<u>2,540,200</u>	<u>2,657,639</u>	<u>117,439</u>
Expenditures:				
Current:				
Physical environment	<u>2,361,250</u>	<u>2,364,250</u>	<u>2,249,491</u>	<u>114,759</u>
Total expenditures	<u>2,361,250</u>	<u>2,364,250</u>	<u>2,249,491</u>	<u>114,759</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>174,150</u>	<u>175,950</u>	<u>408,148</u>	<u>232,198</u>
Other Financing Sources (Uses)				
Transfers out	<u>(191,250)</u>	<u>(135,000)</u>	<u>(132,491)</u>	<u>2,509</u>
Total other financing sources (uses)	<u>(191,250)</u>	<u>(135,000)</u>	<u>(132,491)</u>	<u>2,509</u>
Net Change in Fund Balances	(17,100)	40,950	275,657	234,707
Fund Balances - Beginning, as Restated	<u>2,028,881</u>	<u>2,028,881</u>	<u>2,028,881</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,011,781</u>	<u>\$ 2,069,831</u>	<u>\$ 2,304,538</u>	<u>\$ 234,707</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 NET ASSETS
PROPRIETARY FUNDS

September 30, 2011

	Business-type Activities - Enterprise Funds			Total
	Water and Sewer Utility Fund	Development Services Fund	Stormwater Utility Fund	
Assets				
Current assets:				
Cash and cash equivalents	\$ 1,287,682	\$ -	\$ 284,988	\$ 1,572,670
Investments	3,884,105	-	859,731	4,743,836
Receivables, net	1,725,475	-	-	1,725,475
Inventories	19,832	-	-	19,832
Restricted cash and cash equivalents	280,858	-	-	280,858
Total current assets	<u>7,197,952</u>	<u>-</u>	<u>1,144,719</u>	<u>8,342,671</u>
Non-current assets:				
Restricted investments	730,315	-	-	730,315
Bond issuance costs	150,825	-	-	150,825
Capital Assets:				
Land, buildings and equipment	53,766,952	96,773	8,943,736	62,807,461
Construction in Progress	1,949,150	-	1,312,259	3,261,409
Less Accumulated depreciation	<u>(26,472,425)</u>	<u>(96,475)</u>	<u>(3,786,327)</u>	<u>(30,355,227)</u>
Total capital assets (net of accumulated depreciation)	<u>29,243,677</u>	<u>298</u>	<u>6,469,668</u>	<u>35,713,643</u>
Total non-current assets	<u>30,124,817</u>	<u>298</u>	<u>6,469,668</u>	<u>36,594,783</u>
Total assets	<u>37,322,769</u>	<u>298</u>	<u>7,614,387</u>	<u>44,937,454</u>
Liabilities				
Current Liabilities:				
Accounts payable	276,274	385	17,578	294,237
Accrued liabilities	29,798	3,646	6,636	40,080
Retainage payable	82,855	-	-	82,855
Compensated absences - current	24,000	4,700	2,600	31,300
Customer deposits payable	650,518	-	-	650,518
Due to other funds	18,000	664,176	-	682,176
Due to other governments	-	6,650	-	6,650
Notes payable - current	1,246,510	-	-	1,246,510
Accrued interest payable	202,618	-	-	202,618
Total current liabilities	<u>2,530,573</u>	<u>679,557</u>	<u>26,814</u>	<u>3,236,944</u>
Non-current liabilities:				
Notes payable	11,573,382	-	-	11,573,382
Revenue bonds payable	5,071,483	-	-	5,071,483
Accreted interest payable	3,211,189	-	-	3,211,189
Compensated absences	97,171	18,962	10,660	126,793
Other non-current liabilities	39,701	8,562	8,437	56,700
Total non-current liabilities	<u>19,992,926</u>	<u>27,524</u>	<u>19,097</u>	<u>20,039,547</u>
Total liabilities	<u>22,523,499</u>	<u>707,081</u>	<u>45,911</u>	<u>23,276,491</u>
NET ASSETS				
Invested in capital assets, net of related debt	11,503,127	298	6,469,668	17,973,093
Restricted for debt service	13,655	-	-	13,655
Restricted for renewal and replacement	446,835	-	-	446,835
Unrestricted	2,835,653	(707,081)	1,098,808	3,227,380
Total net assets	<u>\$ 14,799,270</u>	<u>\$ (706,783)</u>	<u>\$ 7,568,476</u>	<u>\$ 21,660,963</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 REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS

For The Year Ended September 30, 2011

	Business-type Activities - Enterprise Funds			
	Water and Sewer Utility Fund	Development Services Fund	Stormwater Utility Fund	Total
Operating Revenues:				
User charges	\$ 8,836,677	\$ 338,523	\$ 1,039,493	\$ 10,214,693
Other revenue	-	-	28,537	28,537
Total operating revenues	<u>8,836,677</u>	<u>338,523</u>	<u>1,068,030</u>	<u>10,243,230</u>
Operating Expenses:				
Salaries and benefits	2,175,727	308,005	494,910	2,978,642
Materials and supplies	984,025	6,080	166,301	1,156,406
Depreciation and amortization	1,662,084	3,214	243,000	1,908,298
Other operating expenses	1,129,707	15,989	68,766	1,214,462
Total Operating Expenses	<u>5,951,543</u>	<u>333,288</u>	<u>972,977</u>	<u>7,257,808</u>
Operating income (loss)	<u>2,885,134</u>	<u>5,235</u>	<u>95,053</u>	<u>2,985,422</u>
Nonoperating Revenue (Expenses):				
Investment income	46,019	-	7,991	54,010
Interest expense	(835,283)	-	-	(835,283)
Grant revenue	30,590	-	15,370	45,960
Accreted interest expense	(398,545)	-	-	(398,545)
Proceeds from auction and insurance	132,626	15	1,911	134,552
Gain (loss) on disposal of capital assets	(234)	-	(5,861)	(6,095)
Total non-operating revenue (expenses)	<u>(1,024,827)</u>	<u>15</u>	<u>19,411</u>	<u>(1,005,401)</u>
Income (loss) before contributions and transfers	1,860,307	5,250	114,464	1,980,021
Capital contributions:				
Connection fees	7,478	-	-	7,478
Capital contribution	494,397	-	217,017	711,414
Transfers in	6,318	-	59,034	65,352
Transfers out	<u>(1,479,735)</u>	<u>(318,251)</u>	<u>(138,649)</u>	<u>(1,936,635)</u>
Change in net assets	888,765	(313,001)	251,866	827,630
Total net assets - beginning	13,910,505	(393,782)	7,316,610	20,833,333
Total net assets - ending	<u>\$ 14,799,270</u>	<u>\$ (706,783)</u>	<u>\$ 7,568,476</u>	<u>\$ 21,660,963</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, 2011

	Business-type Activities - Enterprise Funds			
	Water and Sewer Utility Fund	Development Services Fund	Stormwater Utility Fund	Total
Cash Flows from Operating Activities:				
Receipts from customers	\$ 8,516,427	\$ 338,523	\$ 1,068,030	\$ 9,922,980
Payments to suppliers	(1,992,303)	(20,141)	(348,090)	(2,360,534)
Payments to employees	(2,218,251)	(304,269)	(507,888)	(3,030,408)
Net cash provided (used) by operating activities	<u>4,305,873</u>	<u>14,113</u>	<u>212,052</u>	<u>4,532,038</u>
Cash Flows from Non-Capital Financing Activities:				
Transfers in	6,318	-	59,034	65,352
Transfers out	(1,479,735)	(318,251)	(138,649)	(1,936,635)
Increase in due to other funds	18,000	304,123	-	322,123
Grant revenues	30,590	-	666,075	696,665
Net cash provided by non-capital financing activities	<u>(1,424,827)</u>	<u>(14,128)</u>	<u>586,460</u>	<u>(852,495)</u>
Cash Flows from Capital and Related Financing Activities:				
Proceeds from sale of capital assets	4,737	15	1,911	6,663
Proceeds from insurance	127,889	-	-	127,889
Acquisition of capital assets	(2,162,767)	-	(428,950)	(2,591,717)
Principal paid on revenue bonds & leases	(1,246,277)	-	-	(1,246,277)
Interest paid on revenue bonds	(1,007,043)	-	-	(1,007,043)
Grant revenue	484,772	-	217,017	701,789
Connection fees	7,478	-	-	7,478
Net cash provided by capital and related financing activities	<u>(3,791,211)</u>	<u>15</u>	<u>(210,022)</u>	<u>(4,001,218)</u>
Cash Flows from Investing Activities:				
Sale (purchase) of investments	605,449	-	(451,770)	153,679
Investment income	46,019	-	7,991	54,010
Net cash provided by investing activities	<u>651,468</u>	<u>-</u>	<u>(443,779)</u>	<u>207,689</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(258,697)	-	144,711	(113,986)
Cash and Cash Equivalents - Beginning	1,827,237	-	140,277	1,967,514
Cash and Cash Equivalents - End	<u>\$ 1,568,540</u>	<u>\$ -</u>	<u>\$ 284,988</u>	<u>\$ 1,853,528</u>
Classified As:				
Cash and cash equivalents	\$ 1,287,682	\$ -	\$ 284,988	\$ 1,572,670
Restricted cash	280,858	-	-	280,858
Total	<u>\$ 1,568,540</u>	<u>\$ -</u>	<u>\$ 284,988</u>	<u>\$ 1,853,528</u>

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

Business-type Activities - Enterprise Funds

	Water and Sewer Utility Fund	Development Services Fund	Stormwater Utility Fund	Total
Reconciliation of Operating Income(Loss) to Net Cash Provided(Used) by Operating Activities				
Operating income (loss)	\$ 2,885,134	\$ 5,235	\$ 95,053	\$ 2,985,422
Adjustments Not Affecting Cash:				
Depreciation and amortization	1,662,084	3,214	243,000	1,908,298
Change in Assets and Liabilities:				
Decrease in accounts receivable	(326,996)	-	-	(326,996)
Increase in inventories	(3,302)	-	-	(3,302)
Decrease in prepaid costs	-	412	-	412
Increase (decrease) in accounts payable	124,731	(5,134)	(113,023)	6,574
Increase in due to other governments	-	6,650	-	6,650
Increase (decrease) in accrued liabilities	(52,905)	(7,217)	(10,974)	(71,096)
Decrease in customer deposits	6,746	-	-	6,746
Increase (decrease) in accrued compensated absences	(2,081)	9,787	(4,731)	2,975
Increase in OPEB obligation	12,462	1,166	2,727	16,355
Total adjustments	<u>(241,345)</u>	<u>5,664</u>	<u>(126,001)</u>	<u>(361,682)</u>
Net Cash Provided (Used) By Operating Activities	<u>\$ 4,305,873</u>	<u>\$ 14,113</u>	<u>\$ 212,052</u>	<u>\$ 4,532,038</u>
Noncash Capital and Financing Activities:				
Contributed capital assets	\$ 9,625	\$ -	\$ -	\$ 9,625

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CITY OF WINTER SPRINGS, FLORIDA

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

September 30, 2011

	Defined Benefit Pension Trust Fund
	<u> </u>
Assets:	
Cash and cash equivalents	\$ 532,791
Receivables:	
Employer contributions	261,506
Investments, at fair value:	
Common funds - equity	18,876,585
Common funds - bonds	<u>1,123,865</u>
Total Investments	<u>20,000,450</u>
Total assets	<u>20,794,747</u>
 Liabilities	 -
 Net Assets:	
Held in trust for pension benefits	<u><u>\$ 20,794,747</u></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 CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

For The Year Ended September 30, 2011

	Defined Benefit Pension Trust Fund
	<u> </u>
Additions:	
Contributions:	
Employer	\$ 2,660,270
Plan Members	282,562
Total contributions	<u>2,942,832</u>
Investment income:	
Net depreciation in fair value of investments	(1,991,854)
Interest	177,854
Net investment income	<u>(1,814,000)</u>
Total additions	<u>1,128,832</u>
Deductions:	
Benefits	1,165,350
Administrative expenses	186,733
Total deductions	<u>1,352,083</u>
Change in net assets	(223,251)
Net assets - beginning	<u>21,017,998</u>
Net assets - ending	<u><u>\$ 20,794,747</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, 2011

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.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets 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.

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.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

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

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

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.

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.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

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

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

Non-Major 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.

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.

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

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

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

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

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.

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, and Net Assets or Equity

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.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

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

D. Assets, Liabilities, and Net Assets or Equity (Continued)

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.

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.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

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

D. Assets, Liabilities, and Net Assets or Equity (Continued)

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.

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:

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

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

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

D. Assets, Liabilities, and Net Assets or Equity (Continued)

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.

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 assets. Bond premiums and discounts (including deep-discount or capital appreciation bonds), as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

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

D. Assets, Liabilities, and Net Assets or Equity (Continued)

8. Fund equity

During 2011, the City implemented GASB 54. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. Fund balance classifications under GASB 54 are Nonspendable, Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note 15.

Note 2 - Adjustment for Change in Accounting Principle:

Beginning fund balance in the General Fund, Solid Waste/Recycling Special Revenue Fund, and Other governmental funds have been restated to eliminate the following funds that are no longer classified as special revenue funds under GASB 54: Public and Communication Service Tax, Emergency and Disaster Relief, HOA Projects- Street Lighting and Signage, Storm Reserve, Veterans Memorial, and Electric Franchise Fee. The effect on beginning fund balance of the General Fund and Solid Waste/Recycling Fund was to increase net assets by \$28,437 and \$998,897 respectively. Fund balance of other governmental funds decreased \$1,027,334.

These adjustments have no effect on the government wide financial statements. See Note 15 for further discussion.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 3 - Reconciliation of Government-Wide and Fund Financial Statements:

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this (\$19,881,402) difference are as follows:

Bonds Payable	\$ (14,208,970)
Less: Issuance discount (to be amortized as interest expense)	15,465
Add: Issuance premium (to be amortized as interest expense)	(48,746)
Less: Deferred charge on refunding (to be amortized as interest expense)	76,657
Accreted interest payable	(3,212,439)
Notes payable	(1,557,051)
Accrued interest payable	(191,280)
Other post employment benefits	(165,300)
Compensated absences	<u>(589,738)</u>
Net adjustment to reduce <i>fund balance- total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u><u>\$ (19,881,402)</u></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 assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$7,817 difference are as follows:

Capital outlay	\$ 2,681,223
Depreciation expense	<u>(2,673,406)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets - governmental activities</i>	<u><u>\$ 7,817</u></u>

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 3 - 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 assets. Also, governmental funds report the effect of issuance costs, 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 \$1,009,754 difference are as follows:

Debt issued or incurred:	
Notes payable	\$ (1,377,246)
Principal repayment	<u>2,387,000</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets - governmental activities</i>	<u><u>\$ 1,009,754</u></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 (\$214,389) difference are as follows:

Compensated absences	\$ 159,332
Amortization of issuance costs	(14,976)
Amortization of bond discounts	(4,748)
Accrued interest payable	60,151
Other post employment benefits	(50,645)
Accreted interest payable	<u>(363,503)</u>
Net adjustment to decrease <i>net changes in fund balances- total governmental funds</i> to arrive at <i>changes in net assets - governmental activities</i>	<u><u>\$ (214,389)</u></u>

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 4 - 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 1st of each year, the City Manager submits a Proposed Budget to the City Commission for the fiscal year beginning the following October 1st. 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 30th of each year, two public hearings are completed 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 Oak Forest Debt Service Fund were in excess of anticipated revenue and prior years' fund balance.

C. Deficit Net Assets and Deficit Fund Equity

The Development Services fund had a deficit net asset balance of \$706,783 at September 30, 2011.

The Oak Forest Debt service fund has a deficit fund balance of \$263,738 at September 30, 2011.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 4 - Stewardship, Compliance, and Accountability (Continued):

D. Budgetary Basis of Accounting

The City does not budget for capital outlay expenditures and other financing sources related to the acquisition of assets through notes payable. Also, the City does not budget for debt refunding transactions.

For the fiscal year ended September 30, 2011 the following adjustments are necessary to convert 1999 Debt Service Fund revenues and expenditures on the GAAP basis to the budgetary basis:

	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>
1999 Debt Service Fund		
GAAP Basis	\$ 1,687,106	\$ 1,568,246
Nonbudgetd notes payable transactions	(1,377,246)	(1,377,246)
Budgetary Basis	<u>\$ 309,860</u>	<u>\$ 191,000</u>

E. 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.

Note 5 - Deposits and Investments:

Deposits

At year-end, the carrying amount of the City's deposits was \$2,191,001 and the bank balance was \$1,324,525. Petty cash funds of \$1,450 are not on deposit with a financial institution, and fiduciary fund cash of \$532,791 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".

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 5 - Deposits and Investments (Continued):

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.

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, 2011, all of the city's bank deposits were in qualified public depositories.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 5 - Deposits and Investments (Continued):

Investments (continued)

Custodial Credit Risk (Continued)

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, 2011, 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

During 2009, the City withdrew all of the funds invested in Pool A of the State Board of Administration (SBA) Local Government Investment Pool and is withdrawing funds from Fund B as they become available.

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. Fund B is accounted for as a fluctuating NAVPOOL, not a 2a-7 like money market fund. It is important to note that due to the lack of an actively traded market for Fund B securities, their "fair value" is an estimate of current liquidation value that has been determined through a collaborative process among various pricing experts and sources in the marketplace.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 5 - Deposits and Investments (Continued):

Investments held by the City at September 30, 2011 are detailed below.

<u>Investments</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>
Local Government Investment Pool (Fund B)	\$ 470,506	Not rated	4.82 years
Local Government Investment Pool (Fund B)	13,655	Not rated	4.82 years
Commercial Paper	4,881,088	A-1+	27 days
Fidelity Institutional Money Market Government Portfolio	24,283	AAAm	55 days
US Treasury Notes	11,027,818	TSY	301 days
Federal Agency Discount Note	2,937,449	AAA	531 days
Federal Agency Bond Note	4,296,010	AAA	386 days
Columbia US Treasury Money Market	716,660	Not rated	
	<u>\$ 24,367,469</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. Interest bearing time deposit or savings accounts
2. U.S. Government securities
3. U.S. Government Agency securities
4. Federal Instrumentalities (U.S. Government sponsored agencies)
5. State of Florida Local Government Surplus Fund (SBA)
6. Commercial paper
7. Bankers' acceptances
8. State and/or local government taxable and/or tax-exempt debt
9. Intergovernmental investment pool
10. Common and preferred stocks, commingled funds, mutual funds, bonds and structured mortgage or asset backed securities
11. Real Estate and real estate securities
12. Repurchase agreements
13. Foreign securities
14. Registered investment companies (money market mutual funds)

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 5 - Deposits and Investments (Continued):

Investments: Pension Funds (Continued)

The investments held by the City's Pension Trust Fund at September 30, 2011 are detailed below:

<u>Investments</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Stocks	\$ 18,876,585	N/A
Bonds	1,123,865	4.95 years
Total Investments	20,000,450	
Cash and Cash Equivalents	532,791	
Total Cash and Investments	<u>\$ 20,533,241</u>	

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.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 5 - Deposits and Investments (continued):

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, 2011, 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, 2011, there were no security investments in the Trust that were over their respective limitations.

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, so 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.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 6 - 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:

Fund	Accounts Receivable	Allowance for Uncollectible Accounts	Net Receivable
General	\$ 280,633	\$ -	\$ 280,633
Road Improvements Special Revenue	3,925,608	-	3,925,608
Solid Waste/Recycling Special Revenue	3,797	-	3,797
TLBD Debt Service	2,012	-	2,012
Water & Sewer Utility	1,770,267	(44,792)	1,725,475
Nonmajor Governmental	289,311	(278,557)	10,754
	<u>\$ 6,271,628</u>	<u>\$ (323,349)</u>	<u>\$ 5,948,279</u>

There is an amount of \$3,461,638 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 \$2,488,921 that are not available to liquidate liabilities of the current period. These receivables totaling \$5,950,559 are reported as deferred revenue in the governmental funds balance sheet.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 7 - Capital Assets:

Capital asset activity for the year ended September 30, 2011 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	\$ 9,959,395	\$ -	\$ -	\$ 9,959,395
Construction in Progress	1,045,860	1,930,406	(2,410,952)	565,314
Total capital assets, not being depreciated	<u>11,005,255</u>	<u>1,930,406</u>	<u>(2,410,952)</u>	<u>10,524,709</u>
Capital assets, being depreciated:				
Buildings	12,826,046	-	-	12,826,046
Improvements	12,387,015	-	-	12,387,015
Intangible assets	703,025	28,416	(9,625)	721,816
Machinery and equipment	6,720,162	568,938	(601,806)	6,687,294
Infrastructure	54,670,190	2,564,415	-	57,234,605
Total capital assets, being depreciated	<u>87,306,438</u>	<u>3,161,769</u>	<u>(611,431)</u>	<u>89,856,776</u>
Less accumulated depreciation for:				
Buildings	(3,832,099)	(424,670)	-	(4,256,769)
Improvements	(3,817,770)	(422,777)	-	(4,240,547)
Intangible assets	(622,527)	(44,778)		(667,305)
Machinery and equipment	(5,277,352)	(621,670)	598,105	(5,300,917)
Infrastructure	(25,215,604)	(1,159,511)		(26,375,115)
Total accumulated depreciation	<u>(38,765,352)</u>	<u>(2,673,406)</u>	<u>598,105</u>	<u>(40,840,653)</u>
Total capital assets, being depreciated, net	<u>48,541,086</u>	<u>488,363</u>	<u>(13,326)</u>	<u>49,016,123</u>
Governmental activities capital assets, net	<u>\$ 59,546,341</u>	<u>\$ 2,418,769</u>	<u>\$ (2,424,278)</u>	<u>\$ 59,540,832</u>

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 7 - 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	1,717,985	1,725,907	(182,483)	3,261,409
Total capital assets, not being depreciated	<u>8,888,162</u>	<u>1,725,907</u>	<u>(182,483)</u>	<u>10,431,586</u>
Capital assets, being depreciated:				
Buildings	759,515	-	-	759,515
Improvements	50,332,949	850,793	(800)	51,182,942
Intangible assets	100,785	9,625	-	110,410
Machinery and equipment	3,562,675	175,795	(154,053)	3,584,417
Total capital assets, being depreciated	<u>54,755,924</u>	<u>1,036,213</u>	<u>(154,853)</u>	<u>55,637,284</u>
Less accumulated depreciation for:				
Buildings	(495,009)	(25,118)	-	(520,127)
Improvements	(25,180,385)	(1,667,505)	566	(26,847,324)
Intangible assets	(91,858)	(3,869)	-	(95,727)
Machinery and equipment	(2,807,792)	(232,449)	148,192	(2,892,049)
Total accumulated depreciation	<u>(28,575,044)</u>	<u>(1,928,941)</u>	<u>148,758</u>	<u>(30,355,227)</u>
Total capital assets, being depreciated, net	<u>26,180,880</u>	<u>(892,728)</u>	<u>(6,095)</u>	<u>25,282,057</u>
Business-type activities capital assets, net	<u>\$ 35,069,042</u>	<u>\$ 833,179</u>	<u>\$ (188,578)</u>	<u>\$ 35,713,643</u>

Increases in accumulated depreciation for business-type activities includes accumulated depreciation on asset reclassifications; this difference is \$31,702.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 7 - Capital Assets (Continued):

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 119,538
Public safety	485,295
Physical environment	1,664,239
Culture and recreation	404,334
Total depreciation expense - governmental activities	<u>\$ 2,673,406</u>
Business-type activities:	
Water and sewer	\$ 1,651,025
Development services	3,214
Stormwater	243,000
Total depreciation expense - business-type activities	<u>\$ 1,897,239</u>

Note 8- 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, principal and interest paid on this series was \$1,672,456 and total pledged revenue was \$6,042,652.

The 2001 Special Assessment Bonds are secured by a first lien and pledge of assessments levied on the property within the assessed area as well as the first \$160,000 of half-cent sales tax received by the City each year. The total principal and interest remaining to be paid on this series is \$2,867,595. For the fiscal year, principal and interest paid on this series was \$149,830 and total pledged revenue was \$312,271.

The 2003 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 \$6,999,156. For the fiscal year, principal and interest paid on this series was \$876,273 and total pledged revenue was \$6,042,652.

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 \$21,154,062. For the fiscal year, principal and interest paid on this series was \$1,080,687 and total pledged net revenue was \$3,126,978.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 8 - 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, 2011</u>
<u>Governmental Activities</u>				
Improvement Refunding Revenue Bonds- Series 1999 (excludes \$3,212,439 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
Special Assessment Revenue Bonds- Series 2001	3.4 - 5.25% (4/1 & 10/1)	10/1/2002 to 10/1/2029	<u>\$ 2,265,000</u>	1,825,000
Improvement Refunding Revenue Bonds- Series 2003 Total	2.0 - 3.7% (4/1 & 10/1)	10/1/2004 to 10/1/2018	<u>\$ 8,870,000</u>	<u>6,115,000</u> <u>\$ 11,438,970</u>
<u>Business-Type Activities</u>				
Water and Sewer Refunding Revenue Bonds- Series 2000 (excludes \$3,211,189 of accreted interest on capital appreciation bonds) Total	4.5 - 5.5% (4/1 & 10/1)	10/1/2022 to 10/1/2030	<u>\$ 6,969,191</u>	<u>\$ 5,669,191</u> <u>\$ 5,669,191</u>

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 8 - Long-Term Debt (Continued):

Revenue Bonds (Continued)

Annual debt service requirements to maturity for revenue bonds 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>
2012	\$ 745,000	\$ 288,369	\$ -	\$ 103,125
2013	765,000	263,905	-	103,125
2014	790,000	236,755	-	103,125
2015	820,000	208,726	-	103,125
2016	845,000	180,474	-	515,625
2017-2021	3,711,678	2,664,543	1,872,016	6,793,852
2022-2026	2,196,656	4,975,269	1,922,175	7,711,331
2027-2031	1,565,636	3,634,740	1,875,000	51,563
	<u>\$ 11,438,970</u>	<u>\$ 12,452,781</u>	<u>\$ 5,669,191</u>	<u>\$ 15,484,871</u>

Current Refunding of Bonds Payable

The City issued Improvement Refunding Revenue Note, Series 2011, to refund a portion of the Improvement Refunding Revenue Bonds, Series 1999. The refunding was undertaken to reduce total future debt service payments. This transaction resulted in an economic gain of \$138,766 and a reduction of \$174,933 in future debt service payments.

The City issued Water and Sewer Revenue Refunding Note, Series 2011A, to refund the Water and Sewer Revenue refunding bonds, Series 2002. The refunding was undertaken to reduce total future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$174,027. This amount is being netted against the new debt and amortized over the new debt's life, which is the same as the refunded debt. This transaction resulted in an economic gain of \$527,371 and a reduction of \$611,269 in future debt service payments.

The City issued Water and Sewer Revenue Refunding Note, Series 2011B, to partially refund the Water and Sewer Revenue refunding bonds, Series 2000. The refunding was undertaken to reduce total future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$27,473. This amount is being netted against the new debt and amortized over the new debt's life, which is the same as the refunded debt. This transaction resulted in an economic gain of \$89,607 and a reduction of \$152,737 in future debt service payments.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 8 - Long-Term Debt (Continued):

Current Refunding of Bonds Payable (Continued)

The City issued Water and Sewer Revenue Refunding Note, Series 2011C, to refund the Water and Sewer Revenue refunding bonds, Series 2001. The refunding was undertaken to reduce total future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$70,764. This amount is being netted against the new debt and amortized over the new debt's life, which is the same as the refunded debt. This transaction resulted in an economic gain of \$411,703 and a reduction of \$496,352 in future debt service payments.

General Obligation Bonds

During 2003, the City issued limited general obligation bonds for the acquisition of property to expand Central Winds Park. These bonds are payable from and secured by 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 Series 2003 Bonds 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 \$4,452,771. For the fiscal year, principal and interest paid on this series was \$220,508 and total pledged revenue was \$193,396. General obligation bonds currently outstanding are as follows:

	<u>Interest Rates and Dates</u>	<u>Maturity</u>	<u>Original Amount</u>	<u>Balance September 30, 2011</u>
<u>Governmental Activities</u>				
Limited General Obligation Bonds - Series 2002	2.0 - 5.375% (1/1 & 7/1)	7/1/2003 to 7/1/2031	<u>\$ 3,400,000</u>	<u>\$ 2,770,000</u>

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 8 - Long-Term Debt (Continued):

General Obligation Bonds (Continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

<u>Year Ending</u> <u>September 30.</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2012	\$ 85,000	\$ 139,208
2013	85,000	135,638
2014	90,000	131,069
2015	95,000	126,231
2016	100,000	121,125
2017-2021	595,000	522,250
2022-2026	755,000	358,250
2027-2031	965,000	149,000
	<u>\$ 2,770,000</u>	<u>\$ 1,682,771</u>

Notes Payable

The City issued a Special Assessment Revenue Note Series 2006, in the amount of \$430,000 to provide financing for the Tusawilla 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 \$203,573. For the fiscal year, principal and interest paid on this series was \$40,776 and total pledged revenue was \$28,516.

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 \$1,519,163. For the fiscal year, no principal and interest was paid on this series and total pledged revenue was \$6,042,652.

The 2011A 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 \$10,467,450. For the fiscal year, principal and interest paid on this series was \$128,027 and total pledged net revenue was \$3,126,978

The 2011B 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 \$989,679. For the fiscal year, principal and interest paid on this series was \$8,972 and total pledged net revenue was \$3,126,978

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 8 - Long-Term Debt (Continued):

Notes Payable (Continued)

The 2011C 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 \$4,297,427. For the fiscal year, principal and interest paid on this series was \$14,056 and total pledged net revenue was \$3,126,978

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 \$32,000 were made in fiscal year 2011.

\$ 179,805

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%

1,377,246

\$ 1,557,051

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%

\$ 8,464,906

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%

870,617

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%

3,730,050

\$ 13,065,573

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 8 - Long-Term Debt (Continued):

Notes Payable (Continued)

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

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 61,763	\$ 27,613	\$ 913,470	\$ 509,708
2013	176,169	35,792	1,255,278	466,919
2014	188,500	31,028	1,296,196	418,940
2015	210,146	25,852	1,334,768	365,796
2016	225,999	20,221	1,375,953	307,331
2017-2021	694,474	25,179	6,471,328	620,289
2022	-	-	418,580	-
	<u>\$ 1,557,051</u>	<u>\$ 165,685</u>	<u>\$ 13,065,573</u>	<u>\$ 2,688,983</u>

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 8 - Long-Term Debt (Continued):

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable-					
Revenue bonds	\$ 11,833,970	\$ -	\$ (2,220,000)	\$ 9,613,970	\$ 685,000
Special assessment debt with government commitment	1,880,000	-	(55,000)	1,825,000	60,000
Limited general obligation bonds	2,850,000	-	(80,000)	2,770,000	85,000
Less deferred amounts:					
Issuance discounts	(16,226)	-	761	(15,465)	-
Issuance premiums	55,710	-	(6,964)	48,746	-
On refunding	(87,608)	-	10,951	(76,657)	-
Total bonds payable	<u>16,515,846</u>	<u>-</u>	<u>(2,350,252)</u>	<u>14,165,594</u>	<u>830,000</u>
Accreted interest payable	2,848,936	363,503	-	3,212,439	-
Notes payable-					
Capital improvement notes	211,805	1,377,246	(32,000)	1,557,051	61,763
Other post employment benefits	114,655	50,645	-	165,300	-
Compensated absences	749,070	589,738	(749,070)	589,738	118,000
Governmental activity long- term liabilities	<u>\$ 20,440,312</u>	<u>\$ 2,381,132</u>	<u>\$ (3,131,322)</u>	<u>\$ 19,690,122</u>	<u>\$ 1,009,763</u>
Business-type activities:					
Bonds payable-					
Revenue bonds	\$ 19,889,191	\$ -	\$ (14,220,000)	\$ 5,669,191	\$ -
Less deferred amounts:					
Issuance discounts	(23,243)	-	3,425	(19,818)	-
On refunding	(636,226)	-	58,336	(577,890)	-
Total bonds payable	<u>19,229,722</u>	<u>-</u>	<u>(14,158,239)</u>	<u>5,071,483</u>	<u>-</u>
Accreted interest payable	2,812,645	398,544	-	3,211,189	-
Notes payable-					
Revenue notes	-	13,065,573	-	13,065,573	1,246,510
Less deferred amounts:					
On refunding	-	(272,264)	26,583	(245,681)	-
Total notes payable	<u>-</u>	<u>12,793,309</u>	<u>26,583</u>	<u>12,819,892</u>	<u>1,246,510</u>
Other post employment benefits	40,345	16,355	-	56,700	-
Compensated absences	155,118	158,093	(155,118)	158,093	31,300
Governmental activity long- term liabilities	<u>\$ 22,237,830</u>	<u>\$ 13,366,301</u>	<u>\$ (14,286,774)</u>	<u>\$ 21,317,357</u>	<u>\$ 1,277,810</u>

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 9 - Interfund Receivables, Payables and Transfers:

The composition of interfund advances as of September 30, 2011 is as follows:

Receivable Fund	Payable Fund	Amount
General	Development Services	\$ 664,176
General	Other Governmental Funds	274,774
		<u>\$ 938,950</u>

The Development Services fund has been operating at a deficit which is currently being funded by an advance from the General Fund. 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 composition of interfund balances as of September 30, 2011 is as follows:

Receivable Fund	Payable Fund	Amount
General	Water and Sewer	\$ 18,000
General	Road Improvements Fund	187,658
		<u>\$ 205,658</u>

The account receivable to the General Fund, payable by the Water and Sewer Fund represents a 2003 truck that was sold to the Water and Sewer fund. This transaction occurred at year end. The accounts receivable to the general Fund, payable by the Road Improvements Fund represents a timing issue related to the reimbursement from Seminole County the optional cent infrastructure tax. The City paid its vendor and was waiting for reimbursement of funds from the county. This transaction occurred at year end.

Interfund transfers for the year ended September 30, 2011 are summarized below:

	Transfers In				Total
	General Fund	Other Governmental Funds	Water and Sewer Utility Fund	Stormwater Utility Fund	
Transfers Out					
General Fund	\$ -	\$ 1,111,000	\$ 318	\$ 19,747	\$ 1,131,065
TLBD Debt Service	500	-	-	-	500
Road Improvements Special Revenue Fund	9,141	-	-	-	9,141
Solid Waste/Recycling Special Revenue Fund	132,491	-	-	-	132,491
Other Governmental Funds	691,606	-	-	-	691,606
Water and Sewer Utility Fund	1,440,448	-	-	39,287	1,479,735
Development Services Fund	318,251	-	-	-	318,251
Stormwater Utility Fund	132,649	-	6,000	-	138,649
	<u>\$ 2,725,086</u>	<u>\$ 1,111,000</u>	<u>\$ 6,318</u>	<u>\$ 59,034</u>	<u>\$ 3,901,438</u>

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 9 - Interfund Receivables, Payables and Transfers (continued):

Interfund transfers for the year ended September 30, 2011 are detailed below:

<u>Recipient Fund</u>	<u>Amount</u>	<u>Purpose</u>
1999 Debt Service Fund	\$191,000	Transfer from General Fund to pay Debt Service expenses on the Improvement Refunding Revenue Bonds, Series 1999.
2003 Debt Service Fund	876,000	Transfer from General Fund to pay Debt Service expenses on the Improvement Refunding Revenue Bonds, Series 2003.
Central Winds GO Debt Service Fund	44,000	Transfer from General Fund to pay Debt Service expenses on the General Obligation Bonds for the acquisition and expansion of Central Winds Park.
General Fund	1,440,448	Transfer from Water and Sewer Utility Fund for Utility Billing division budget, fair share portion of General Fund expenses, such as human resources, purchasing, finance, etc., special projects, Kiva project, records management project and operator expenses.
General Fund	318,251	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	76,853	Transfer from TLBD Phase I Maintenance Special Revenue Fund for City Clerk, Beautification Coordinator and insurance expenses.
General Fund	14,161	Transfer from Oak Forest Maintenance Special Revenue Fund for City Clerk, Beautification Coordinator and insurance expenses.
General Fund	132,491	Transfer from Solid Waste/Recycling Special Revenue Fund for administration, franchise fees and Information Services records management project.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 9 - Interfund Receivables, Payables and Transfers (continued):

<u>Recipient Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	590,539	Transfer from Medical Transport Fund for closing of fund
General Fund	9,141	Transfer from Road Improvements Special Revenue Fund for project coordinator services.
General Fund	1,959	Transfer from 1999 Construction Capital Project Fund for project coordinator services.
General Fund	132,649	Transfer from Stormwater Utility Fund for administration, special projects, Kiva project and records management project expenses.
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	5,078	Transfer from Special Law Enforcement Trust – Local Special Revenue Fund to contribute to the purchase of a digital fingerprint machine purchased out of the General Fund
General Fund	2,016	Transfer from Special Law Enforcement Trust – Federal Special Revenue Fund to contribute to the purchase of a digital fingerprint machine purchased out the General Fund
Stormwater Utility Fund	19,747	Transfer from General Fund ten percent of engineering expenses less consulting fees.
Stormwater Utility Fund	39,287	Transfer from Water and Sewer Utility Fund for twenty percent of engineering expenses less consulting fees.
Water and Sewer Utility Fund	318	Transfer from General Fund to cover the cost of staff overtime related to community events
Water and Sewer Utility Fund	6,000	Transfer from Stormwater Utility Fund for administration fees.
	<u>\$3,901,438</u>	

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 10 - Defined Benefit Pension Plan:

Plan Description

The City maintains a single-employer defined benefit pension plan that provides retirement benefits to all 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.

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, 17 firefighters elected to remain in the City's pension plan, 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 plan provisions and amendments. Any recommendations are then taken back to the Commission for final approval.

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 Board of Trustees of the Plan. Plan members are required to contribute 3% of their salary to the Plan, which amounted to \$282,562, for the year ended September 30, 2011. The City is required to contribute at an actuarially determined rate; the rate from the most recent actuarial valuation as of October 1, 2010 for the year ended September 30, 2011 is 28.1% of covered payroll. The City's contribution for the year ended September 30, 2011 was \$2,660,270, which is 25.8% of covered payroll. Administration costs and fees attributable to the plan are paid out of the plan and amounted to \$186,733 in 2011.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 10 - Defined Benefit Pension Plan (Continued):

Membership in the Defined Benefit Plan consisted of the following as of the most recent valuation date, October 1, 2010:

Retirees and beneficiaries receiving benefits	51
Terminated plan members entitled to but not receiving benefits	98
Active plan members:	
Vested	186
Non-vested	24
	<u>359</u>

Annual Pension Cost and Net Pension Obligation -

The annual pension cost, net pension obligation and required contribution for September 30, 2011 were determined as part of the actuarial valuation of the plan dated October 1, 2010. The annual pension cost and net pension obligation based on the most recent valuation is:

Annual Required Contribution	\$ 2,627,659
Interest on Net Pension Obligation (NPO)	(450)
Adjustment to Annual Required Contribution	504
Annual Pension Cost	<u>2,627,713</u>
City Contributions Made	<u>(2,660,270)</u>
Increase/(Decrease) in NPO	(32,557)
Net Pension Obligation, beginning of year	<u>14,679</u>
Net Pension Asset, end of year	<u>\$ (17,878)</u>

Three Year Trend Information -

Fiscal Year Ending	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
9/30/2009	\$ 1,781,197	\$ 1,781,197	100.0%	\$ (5,673)
9/30/2010	2,331,410	2,311,058	99.1%	14,679
9/30/2011	2,627,713	2,660,270	101.2%	(17,878)

As of October 1, 2010, the most recent actuarial valuation date, the Plan was 59.2% funded. The actuarial accrued liability for benefits was \$40,331,000 and the actuarial value of assets was \$23,887,000, resulting in an unfunded actuarial liability (UAAL) of \$16,444,000. The covered payroll (annual payroll of active employees covered by the plan) was \$10,304,000, and the ratio of the UAAL to the covered payroll was 159.6%.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 10 - Defined Benefit Pension Plan (Continued):

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, 2011 to be reserved for the Plan is \$20,794,747.

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, 2010. 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, 2010 Florida Retirement System (FRS) Actuarial Valuation.

Actuarial Valuation:

Frequency	Annual
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Projected Payroll
Amortization Period	30 Years Closed
Asset Valuation Method	5 year smoothed market

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

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, 2011. At that point in time, the unfunded actuarial accrued liability (UAAL) for benefits was \$754,000 and funded ratio was 0%. The covered payroll was \$7,441,000 and the ratio of the UAAL to covered payroll was 10.1 percent.

The annual required contribution and Net OPEB Obligation for the fiscal year ended September 30, 2011 is as follows:

Annual required contribution	\$ 133,000
Interest on net OPEB Obligation	6,000
Adjustment to annual required contribution	<u>(13,000)</u>
Annual OPEB Cost	126,000
Employer contributions	(58,000)
Interest on employer contributions	<u>(1,000)</u>
Increase in Net OPEB Obligation	67,000
Net OPEB Obligation (beginning of year)	155,000
Net OPEB Obligation (end of year)	<u><u>\$ 222,000</u></u>

Three Year Trend Information-

Fiscal Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net OPEB Obligation
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

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 11 - Other Post Employment Benefits (Continued):

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.

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)

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 11 - Other Post Employment Benefits (Continued):

Summary of Actuarial Methods & Assumptions (Continued)

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>
2011	8.00%	2014	6.50%	2017	
2012	7.50%	2015	6.00%	and later	5.00%
2013	7.00%	2016	5.50%		

Implied Subsidy (Not Eligible for Medicare)-The implied subsidy for a 60-year old retiree and his spouse for the period October 1, 2011 through September 30, 2012 is assumed to be \$3,300 per year and \$4,500 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.

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.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 11 - Other Post Employment Benefits (Continued):

Summary of Actuarial Methods & Assumptions (Continued)

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.

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.

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

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, 2011, the City had entered into construction contracts in the amount of \$2,402,674.

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, 2011, credit balances for future impact fees total approximately \$469,371.

Note 15 - Fund Balance

In fiscal year 2011, the City implemented GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This standard promotes clarity and consistency to Fund Balance classifications and categories, making the statements more useful by clarifying the presentation of available resources.

Due to the implementation of GASB Statement 54, the components of the fund balances of governmental funds now reflect the classifications described below. Prior year amounts have been restated to reflect these new categories, as described in Note 2.

Non-Spendable- amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact

Spendable Fund Balance

Restricted- amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws and regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 15 - Fund Balance (Continued)

Spendable Fund Balance (Continued)

Committed- amounts that can be used only for the specific purposes determined by a formal action of the Commission, the City's highest level of decision making authority, with formal action occurring prior to the fiscal year end. Commitments may be changed or lifted only by the Commission taking the same formal action (Ordinance or Resolution) that imposed the constraint originally.

Assigned- includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. The Board of Commissioners have delegated the responsibility for assigning fund balance to the City Manager and/or the Director of Finance and Administrative Services.

Unassigned- includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

CITY OF WINTER SPRINGS, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2011

Note 15 - Fund Balance (Continued)

At September 30, 2011, the City's governmental fund balances were as follows:

Fund Balances	General Fund	Road Improvements Fund	Solid Waste/ Recycling	TLBD Debt Service	Other Governmental Funds	Total Governmental Funds
Non-spendable						
Inventory/prepaid	\$ 240,114	\$ -	\$ -	\$ -	\$ -	\$ 240,114
Advances	938,950					938,950
Spendable						
Restricted for:						
Physical environment	-	1,496,644			1,824,925	3,321,569
Public safety	-	-	-	-	1,200,377	1,200,377
Culture and recreation	-	-	-	-	24,556	24,556
Debt service	-	-	-	217,485	61,502	278,987
Committed to:						
Solid Waste	-	-	1,305,642	-	-	1,305,642
Arbor	-	-	-	-	310,395	310,395
Assigned to:						
Storm reserve	-	-	566,538	-	-	566,538
Emergency Disaster Relief	-	-	432,358	-	-	432,358
Debt service	-	-	-	-	803,433	803,433
Capital projects	-	-	-	-	2,907,593	2,907,593
Subsequent year expenditures	607,373	-	-	-	-	607,373
Unassigned	7,044,380	-	-	-	(263,738)	6,780,642
Total Fund Balance	<u>\$ 8,830,817</u>	<u>\$ 1,496,644</u>	<u>\$ 2,304,538</u>	<u>\$ 217,485</u>	<u>\$ 6,869,043</u>	<u>\$ 19,718,527</u>

Note 16 - Subsequent Events:

The City has evaluated subsequent events through February 29, 2011, the date the financial statements were available to be issued.

The City refunded the Special Assessment Revenue Bonds, Series 2001 in October 2011. The Special Assessment Revenue Refunding Note, Series 2011, has an interest rate of 3.25% with principal and interest payments due through the maturity date of October 1, 2029.

Subsequent to year end, the City passed major reforms to its defined benefit pension plan, including closing the plan to newly hired general employees, increasing the general employees contribution rate to 5%, modifying the vesting schedule and calculation of pensionable wages. Effective October 1, 2011, newly hired general employees will now participate in a defined contribution plan which includes a City contribution of 5% with up to a 2.5% match. These reforms are expected to significantly reduce the City's pension liability.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WINTER SPRINGS, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

September 30, 2011

Defined Benefit Pension Trust Fund

Schedule of Funding Progress
(expressed in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (b-a) / c
10/1/2005	\$ 9,716	\$ 13,178	\$ 3,462	74%	\$ 9,659	35.8%
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

Schedule of Employer Contributions

Fiscal Year Ending	Annual Required Contribution (ARC)	Actual Contribution	Percentage of ARC Contributed
9/30/2006	\$ 1,564,228	\$ 1,505,020	96.2%
9/30/2007	1,807,722	1,843,147	102.0
9/30/2008	2,005,100	2,009,085	100.2
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

CITY OF WINTER SPRINGS, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

September 30, 2011

Retiree Continuation Insurance Plan

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (b-a) / c
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%

** initial valuation date

Schedule of Contributions from Employers and Other Contributing Entities

Fiscal Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net OPEB Obligation
9/30/2009	\$ 93,000	17.0%	\$ 77,000
9/30/2010	98,000	16.0%	155,000
9/30/2011	137,000	44.0%	222,000

CITY OF WINTER SPRINGS, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Required Supplementary Information

September 30, 2011

Note 1

The following actuarial assumption/method changes have been implemented with the October 1, 2011 valuation for the Retiree Continuation Insurance Plan:

1. The mortality basis has been changed from the RP-2000 Mortality Table projected to 2007 by Scale AA to the RP-2000 Mortality Table projected to 2013 by Scale AA, both as published by the IRS for purposes of IRC section 430.
2. The healthcare cost trend rates have been changed from 8.87% for the 2011/12 fiscal year graded down to 5.00% for the 2018/19 fiscal year and thereafter to 8.00% for the 2011/12 fiscal year graded down to 5.00% for the 2017/18 fiscal year and thereafter.
3. The implied subsidy for spouses at age 60 has been decreased from \$400 per month to \$375 per month.
4. The percentage of eligible employees who are assumed to elect healthcare coverage upon retirement or disability has been increased from 10% to 25%
5. The percentage of future retirees who are assumed to elect healthcare coverage for their spouse has been decreased from 80% for males and 50% for females to 10% for all future retirees.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

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MAJOR GOVERNMENTAL FUNDS

Debt Service Fund

TLBD Debt Service Fund

- This fund was established to account for the accumulation of principal and interest for the 2001 special assessment bond issue.

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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, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Impact fees/assessments	\$ 165,698	\$ 165,698	\$ 60,000	\$ (105,698)
Investment income	1,200	1,200	94,132	92,932
Miscellaneous	-	-	14,402	14,402
Total revenues	<u>166,898</u>	<u>166,898</u>	<u>168,534</u>	<u>1,636</u>
Expenditures:				
Current:				
Physical environment	4,635	4,635	4,410	225
Debt Service:				
Principal	55,000	55,000	55,000	-
Interest and other charges	95,281	95,281	95,261	20
Total expenditures	<u>154,916</u>	<u>154,916</u>	<u>154,671</u>	<u>245</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>11,982</u>	<u>11,982</u>	<u>13,863</u>	<u>1,881</u>
Other Financing Sources (Uses)				
Transfers out	(500)	(500)	(500)	-
Total other financing sources and uses	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Net Change in Fund Balances	11,482	11,482	13,363	1,881
Fund Balances - Beginning	204,122	204,122	204,122	-
Fund Balances - Ending	<u>\$ 215,604</u>	<u>\$ 215,604</u>	<u>\$ 217,485</u>	<u>\$ 1,881</u>

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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 DARE.
- 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.
- Public Buildings 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 public buildings directly related to new growth.
- Medical Transport Services Fund** - This fund is used to receive revenues generated from fees charged for paramedic services. The proceeds from this fund are used to pay for the incremental costs related to providing these services.

NONMAJOR GOVERNMENTAL FUNDS - Continued

Special Revenue Funds - Continued

- Arbor Fund** - This fund is used to account for arbor permit revenues committed to new plantings and maintenance of trees and shrubs within the City.

- TLBD Maintenance Fund** - 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.

- Oak Forest Maintenance Fund** - This fund is used to account for collected special assessments restricted for maintenance related to the Oak Forest subdivision wall.

- Special Law Enforcement Trust Fund - Federal** - 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 education programs such as DARE.

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.
- 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.
- 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.
- 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.
- 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.

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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.
- City Hall Expansion Capital Projects Fund** - This fund was established to account for expansion of City Hall.
- Public Facilities Fund** - This fund was established to account for construction of additional public facilities.

CITY OF WINTER SPRINGS, FLORIDA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

September 30, 2011

Special Revenue

	Police Education Fund	Special Law Enforcement Trust Fund- Local	Transportation Improvement Fund	Transportation Impact Fee Fund
Assets:				
Cash and cash equivalents	\$ 8,094	\$ 4,327	\$ 137,381	\$ 132,021
Investments	24,419	13,053	414,442	398,270
Receivables, net	882	-	-	-
Special assessments receivable	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	100	-	-
Total assets	<u>\$ 33,395</u>	<u>\$ 17,480</u>	<u>\$ 551,823</u>	<u>\$ 530,291</u>
Liabilities and Fund Balances:				
Accounts payable	\$ -	\$ -	\$ 2,051	\$ -
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>2,051</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	33,395	17,480	549,772	530,291
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>33,395</u>	<u>17,480</u>	<u>549,772</u>	<u>530,291</u>
Total liabilities and fund balances	<u>\$ 33,395</u>	<u>\$ 17,480</u>	<u>\$ 551,823</u>	<u>\$ 530,291</u>

Special Revenue

Police Impact Fee Fund	Fire Impact Fee Fund	Parks Impact Fee Fund	Public Buildings Impact Fee Fund	Arbor Fund
\$ 19,524	\$ 255,998	\$ 6,113	\$ 99,473	\$ 77,276
58,898	772,278	18,443	300,083	233,119
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 78,422</u>	<u>\$ 1,028,276</u>	<u>\$ 24,556</u>	<u>\$ 399,556</u>	<u>\$ 310,395</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
78,422	1,028,276	24,556	399,556	-
-	-	-	-	310,395
-	-	-	-	-
-	-	-	-	-
<u>78,422</u>	<u>1,028,276</u>	<u>24,556</u>	<u>399,556</u>	<u>310,395</u>
<u>\$ 78,422</u>	<u>\$ 1,028,276</u>	<u>\$ 24,556</u>	<u>\$ 399,556</u>	<u>\$ 310,395</u>

(Continued)

CITY OF WINTER SPRINGS, FLORIDA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

September 30, 2011

	Special Revenue			Total Special Revenue
	TLBD Maintenance Fund	Oak Forest Maintenance Fund	Special Law Enforcement Trust Fund - Federal	
Assets:				
Cash and cash equivalents	\$ 73,265	\$ 11,227	\$ 10,656	\$ 835,355
Investments	221,019	33,868	32,148	2,520,040
Receivables, net	6,067	884	-	7,833
Special assessments receivable	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	100
Total assets	<u>\$ 300,351</u>	<u>\$ 45,979</u>	<u>\$ 42,804</u>	<u>\$ 3,363,328</u>
Liabilities and Fund Balances:				
Accounts payable	\$ 1,024	\$ -	\$ -	\$ 3,075
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	<u>1,024</u>	<u>-</u>	<u>-</u>	<u>3,075</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	299,327	45,979	42,804	3,049,858
Committed	-	-	-	310,395
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>299,327</u>	<u>45,979</u>	<u>42,804</u>	<u>3,360,253</u>
Total liabilities and fund balances	<u>\$ 300,351</u>	<u>\$ 45,979</u>	<u>\$ 42,804</u>	<u>\$ 3,363,328</u>

Debt Service

2003 Debt Service Fund	1999 Debt Service Fund	Oak Forest Debt Service Fund	Central Winds GO Debt Service Fund
\$ 782,341	\$ 21,092	\$ 2,512	\$ 9,663
-	-	7,580	29,151
-	-	944	1,574
-	-	475,764	-
-	-	-	-
<u>\$ 782,341</u>	<u>\$ 21,092</u>	<u>\$ 486,800</u>	<u>\$ 40,388</u>
\$ -	\$ -	\$ -	\$ -
-	-	274,774	-
-	-	475,764	-
-	-	750,538	-
-	-	-	-
-	-	-	40,388
-	-	-	-
782,341	21,092	-	-
-	-	(263,738)	-
<u>782,341</u>	<u>21,092</u>	<u>(263,738)</u>	<u>40,388</u>
<u>\$ 782,341</u>	<u>\$ 21,092</u>	<u>\$ 486,800</u>	<u>\$ 40,388</u>

(Continued)

CITY OF WINTER SPRINGS, FLORIDA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

September 30, 2011

	<u>Debt Service</u>		<u>Capital Projects</u>	
	<u>TLBD Phase II Debt Service Fund</u>	<u>Total</u>	<u>1999 Construction Fund</u>	<u>Revolving Rehab Fund</u>
Assets:				
Cash and cash equivalents	\$ 5,156	\$ 820,764	\$ 226,658	\$ 256,124
Investments	15,555	52,286	683,766	772,659
Receivables, net	403	2,921	-	-
Special assessments receivable	248,157	723,921	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	-
Total assets	<u>\$ 269,271</u>	<u>\$ 1,599,892</u>	<u>\$ 910,424</u>	<u>\$ 1,028,783</u>
Liabilities and Fund Balances:				
Accounts payable	\$ -	\$ -	\$ -	\$ 56
Due to other funds	-	274,774	-	-
Deferred revenue	248,157	723,921	-	-
Total liabilities	<u>248,157</u>	<u>998,695</u>	<u>-</u>	<u>56</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	21,114	61,502	-	-
Committed	-	-	-	-
Assigned	-	803,433	910,424	1,028,727
Unassigned	-	(263,738)	-	-
Total fund balances	<u>21,114</u>	<u>601,197</u>	<u>910,424</u>	<u>1,028,727</u>
Total liabilities and fund balances	<u>\$ 269,271</u>	<u>\$ 1,599,892</u>	<u>\$ 910,424</u>	<u>\$ 1,028,783</u>

Capital Projects

<u>City Hall Expansion Fund</u>	<u>Public Facilities Fund</u>	<u>Total</u>	<u>Nonmajor Governmental Funds</u>
\$ 2,603	\$ 238,499	\$ 723,884	\$ 2,380,003
7,851	719,489	2,183,765	4,756,091
-	-	-	10,754
-	-	-	723,921
-	-	-	100
<u>\$ 10,454</u>	<u>\$ 957,988</u>	<u>\$ 2,907,649</u>	<u>\$ 7,870,869</u>
\$ -	\$ -	\$ 56	\$ 3,131
-	-	-	274,774
-	-	-	723,921
-	-	56	1,001,826
-	-	-	-
-	-	-	3,111,360
-	-	-	310,395
10,454	957,988	2,907,593	3,711,026
-	-	-	(263,738)
<u>10,454</u>	<u>957,988</u>	<u>2,907,593</u>	<u>6,869,043</u>
<u>\$ 10,454</u>	<u>\$ 957,988</u>	<u>\$ 2,907,649</u>	<u>\$ 7,870,869</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, 2011

Special Revenue

	Police Education Fund	Special Law Enforcement Trust Fund- Local	Transportation Improvement Fund	Transportation Impact Fee Fund
Revenues:				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	-
Intergovernmental revenues	-	-	500,295	-
Charges for services	-	-	9,406	-
Fines and forfeitures	12,875	10,593	-	-
Impact fees/assessments	-	-	-	15,951
Investment income	264	262	5,896	4,676
Miscellaneous	658	10,705	1,000	-
Total revenues	13,797	21,560	516,597	20,627
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	14,442	8,813	-	-
Physical environment	-	-	136,062	4,212
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Issuance costs	-	-	-	-
Capital Outlay:				
Public safety	-	33,433	-	-
Physical environment	-	-	428,452	36,069
Culture and recreation	-	-	-	-
Total expenditures	14,442	42,246	564,514	40,281
Excess (Deficiency) of Revenues Over Expenditures	(645)	(20,686)	(47,917)	(19,654)
Other Financing Sources (Uses):				
Notes payable	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(5,078)	-	-
Total other financing sources(uses)	-	(5,078)	-	-
Net Change in Fund Balances	(645)	(25,764)	(47,917)	(19,654)
Fund Balances - Beginning, as restated	34,040	43,244	597,689	549,945
Fund Balances - Ending	\$ 33,395	\$ 17,480	\$ 549,772	\$ 530,291

Special Revenue

Police Impact Fee Fund	Fire Impact Fee Fund	Parks Impact Fee Fund	Public Buildings Impact Fee Fund	Medical Transport Services Fund	Arbor Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	28,678
-	-	-	-	-	-
-	-	-	-	-	1,570
3,197	5,384	8,400	4,685	-	-
695	8,579	128	3,341	1,897	2,436
-	-	-	-	1,062	-
<u>3,892</u>	<u>13,963</u>	<u>8,528</u>	<u>8,026</u>	<u>2,959</u>	<u>32,684</u>
-	-	-	-	-	-
-	-	-	-	13	-
-	-	-	-	-	11,222
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(350)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(350)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13</u>	<u>11,222</u>
4,242	13,963	8,528	8,026	2,946	21,462
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(590,539)	-
-	-	-	-	(590,539)	-
4,242	13,963	8,528	8,026	(587,593)	21,462
<u>74,180</u>	<u>1,014,313</u>	<u>16,028</u>	<u>391,530</u>	<u>587,593</u>	<u>288,933</u>
<u>\$ 78,422</u>	<u>\$ 1,028,276</u>	<u>\$ 24,556</u>	<u>\$ 399,556</u>	<u>\$ -</u>	<u>\$ 310,395</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, 2011

	Special Revenue			Total
	TLBD Maintenance Fund	Oak Forest Maintenance Fund	Special Law Enforcement Trust Fund - Federal	
Revenues:				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	28,678
Intergovernmental revenues	-	-	-	500,295
Charges for services	-	-	-	9,406
Fines and forfeitures	-	-	25,020	50,058
Impact fees/assessments	498,142	53,176	-	588,935
Investment income	4,268	553	295	33,290
Miscellaneous	-	-	4,175	17,600
Total revenues	<u>502,410</u>	<u>53,729</u>	<u>29,490</u>	<u>1,228,262</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	9,250	32,518
Physical environment	440,829	33,036	-	625,361
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Issuance costs	-	-	-	-
Capital Outlay:				
Public safety	-	-	13,854	46,937
Physical environment	-	-	-	464,521
Culture and recreation	-	-	-	-
Total expenditures	<u>440,829</u>	<u>33,036</u>	<u>23,104</u>	<u>1,169,337</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>61,581</u>	<u>20,693</u>	<u>6,386</u>	<u>58,925</u>
Other Financing Sources (Uses):				
Notes payable	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(76,853)	(14,161)	(2,016)	(688,647)
Total other financing sources(uses)	<u>(76,853)</u>	<u>(14,161)</u>	<u>(2,016)</u>	<u>(688,647)</u>
Net Change in Fund Balances	(15,272)	6,532	4,370	(629,722)
Fund Balances - Beginning, as restated	<u>314,599</u>	<u>39,447</u>	<u>38,434</u>	<u>3,989,975</u>
Fund Balances - Ending	<u>\$ 299,327</u>	<u>\$ 45,979</u>	<u>\$ 42,804</u>	<u>\$ 3,360,253</u>

Debt Service

2003 Debt Service Fund	1999 Debt Service Fund	Oak Forest Debt Service Fund	Central Winds GO Debt Service Fund	TLBD Phase II Debt Service Fund	Total
\$ -	\$ -	\$ -	\$ 179,408	\$ -	\$ 179,408
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	16,145	-	19,711	35,856
3,225	590	22,382	1,038	9,211	36,446
-	-	20,757	-	12,353	33,110
<u>3,225</u>	<u>590</u>	<u>59,284</u>	<u>180,446</u>	<u>41,275</u>	<u>284,820</u>
-	-	-	-	3,491	3,491
-	-	-	-	-	-
-	-	3,961	-	-	3,961
-	-	-	-	-	-
660,000	1,560,000	-	80,000	32,000	2,332,000
216,273	112,456	8,310	142,938	8,776	488,753
-	14,650	-	-	-	14,650
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>876,273</u>	<u>1,687,106</u>	<u>12,271</u>	<u>222,938</u>	<u>44,267</u>	<u>2,842,855</u>
<u>(873,048)</u>	<u>(1,686,516)</u>	<u>47,013</u>	<u>(42,492)</u>	<u>(2,992)</u>	<u>(2,558,035)</u>
-	1,377,246	-	-	-	1,377,246
876,000	191,000	-	44,000	-	1,111,000
-	-	(500)	-	(500)	(1,000)
<u>876,000</u>	<u>1,568,246</u>	<u>(500)</u>	<u>44,000</u>	<u>(500)</u>	<u>2,487,246</u>
2,952	(118,270)	46,513	1,508	(3,492)	(70,789)
<u>779,389</u>	<u>139,362</u>	<u>(310,251)</u>	<u>38,880</u>	<u>24,606</u>	<u>671,986</u>
<u>\$ 782,341</u>	<u>\$ 21,092</u>	<u>\$ (263,738)</u>	<u>\$ 40,388</u>	<u>\$ 21,114</u>	<u>\$ 601,197</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, 2011

Capital Projects

	1999 Construction Fund	Revolving Rehab Fund	City Hall Expansion Fund	Public Facilities Fund
Revenues:				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	-
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees/assessments	-	-	-	-
Investment income	7,641	8,645	88	8,036
Miscellaneous	-	-	-	-
Total revenues	<u>7,641</u>	<u>8,645</u>	<u>88</u>	<u>8,036</u>
Expenditures:				
Current:				
General government	-	2,265	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Issuance costs	-	-	-	-
Capital Outlay:				
Public safety	-	-	-	-
Physical environment	-	-	-	-
Culture and recreation	680	-	-	-
Total expenditures	<u>680</u>	<u>2,265</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>6,961</u>	<u>6,380</u>	<u>88</u>	<u>8,036</u>
Other Financing Sources (Uses):				
Notes payable	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(1,959)	-	-	-
Total other financing sources(uses)	<u>(1,959)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	5,002	6,380	88	8,036
Fund Balances - Beginning, as restated	<u>905,422</u>	<u>1,022,347</u>	<u>10,366</u>	<u>949,952</u>
Fund Balances - Ending	<u>\$ 910,424</u>	<u>\$ 1,028,727</u>	<u>\$ 10,454</u>	<u>\$ 957,988</u>

<u>Capital Projects</u>	
<u>Total</u>	<u>Nonmajor Governmental Funds</u>
\$ -	\$ 179,408
-	28,678
-	500,295
-	9,406
-	50,058
-	624,791
24,410	94,146
-	50,710
<u>24,410</u>	<u>1,537,492</u>
2,265	5,756
-	32,518
-	629,322
-	-
-	2,332,000
-	488,753
-	14,650
-	46,937
-	464,521
680	680
<u>2,945</u>	<u>4,015,137</u>
<u>21,465</u>	<u>(2,477,645)</u>
-	1,377,246
-	1,111,000
(1,959)	(691,606)
<u>(1,959)</u>	<u>1,796,640</u>
19,506	(681,005)
<u>2,888,087</u>	<u>7,550,048</u>
<u>\$ 2,907,593</u>	<u>\$ 6,869,043</u>

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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 12,000	\$ 12,000	\$ 12,875	\$ 875
Investment income	100	100	264	164
Miscellaneous	-	-	658	658
Total revenues	<u>12,100</u>	<u>12,100</u>	<u>13,797</u>	<u>1,697</u>
Expenditures:				
Current:				
Public Safety	<u>15,000</u>	<u>15,000</u>	<u>14,442</u>	<u>558</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>14,442</u>	<u>558</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,900)</u>	<u>(2,900)</u>	<u>(645)</u>	<u>2,255</u>
Net change in fund balances	(2,900)	(2,900)	(645)	2,255
Fund balances - beginning	<u>34,040</u>	<u>34,040</u>	<u>34,040</u>	<u>-</u>
Fund balances - ending	<u>\$ 31,140</u>	<u>\$ 31,140</u>	<u>\$ 33,395</u>	<u>\$ 2,255</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ 8,200	\$ 10,593	\$ 2,393
Investment income	150	150	262	112
Miscellaneous	-	8,430	10,705	2,275
Total revenues	150	16,780	21,560	4,780
Expenditures:				
Current:				
Public Safety	9,600	9,600	8,813	787
Capital Outlay				
Public Safety	13,000	33,729	33,433	296
Total expenditures	22,600	43,329	42,246	1,083
Excess (Deficiency) of Revenues Over Expenditures	(22,450)	(26,549)	(20,686)	5,863
Other Financing Sources (Uses)				
Transfers out	-	(5,078)	(5,078)	-
Total other financing sources and uses	-	(5,078)	(5,078)	-
Net change in fund balances	(22,450)	(31,627)	(25,764)	5,863
Fund balances - beginning	43,244	43,244	43,244	-
Fund balances - ending	\$ 20,794	\$ 11,617	\$ 17,480	\$ 5,863

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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 538,164	\$ 538,164	\$ 500,295	\$ (37,869)
Charges for services	13,582	13,582	9,406	(4,176)
Investment income	2,500	2,500	5,896	3,396
Miscellaneous	-	1,000	1,000	-
Total revenues	<u>554,246</u>	<u>555,246</u>	<u>516,597</u>	<u>(38,649)</u>
Expenditures:				
Current:				
Physical environment	164,700	188,353	136,062	52,291
Capital Outlay				
Physical environment	<u>410,500</u>	<u>445,660</u>	<u>428,452</u>	<u>17,208</u>
Total expenditures	<u>575,200</u>	<u>634,013</u>	<u>564,514</u>	<u>69,499</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(20,954)</u>	<u>(78,767)</u>	<u>(47,917)</u>	<u>30,850</u>
Net change in fund balances	(20,954)	(78,767)	(47,917)	30,850
Fund balances - beginning	<u>597,689</u>	<u>597,689</u>	<u>597,689</u>	<u>-</u>
Fund balances - ending	<u>\$ 576,735</u>	<u>\$ 518,922</u>	<u>\$ 549,772</u>	<u>\$ 30,850</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ -	\$ 15,951	\$ 15,951	\$ -
Investment income	3,400	3,400	4,676	1,276
Total revenues	<u>3,400</u>	<u>19,351</u>	<u>20,627</u>	<u>1,276</u>
Expenditures:				
Current:				
Physical environment	1,000	1,000	4,212	(3,212)
Capital Outlay				
Physical environment	35,000	40,350	36,069	4,281
Total expenditures	<u>36,000</u>	<u>41,350</u>	<u>40,281</u>	<u>1,069</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(32,600)</u>	<u>(21,999)</u>	<u>(19,654)</u>	<u>2,345</u>
Net change in fund balances	(32,600)	(21,999)	(19,654)	2,345
Fund balances - beginning	549,945	549,945	549,945	-
Fund balances - ending	<u>\$ 517,345</u>	<u>\$ 527,946</u>	<u>\$ 530,291</u>	<u>\$ 2,345</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ -	\$ -	\$ 3,197	\$ 3,197
Investment income	600	600	695	95
Total revenues	<u>600</u>	<u>600</u>	<u>3,892</u>	<u>3,292</u>
Expenditures:				
Capital Outlay				
Public Safety	-	-	(350)	350
Total expenditures	<u>-</u>	<u>-</u>	<u>(350)</u>	<u>350</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>600</u>	<u>600</u>	<u>4,242</u>	<u>3,642</u>
Net change in fund balances	600	600	4,242	3,642
Fund balances - beginning	<u>74,180</u>	<u>74,180</u>	<u>74,180</u>	<u>-</u>
Fund balances - ending	<u>\$ 74,780</u>	<u>\$ 74,780</u>	<u>\$ 78,422</u>	<u>\$ 3,642</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ -	\$ -	\$ 5,384	\$ 5,384
Investment income	6,000	6,000	8,579	2,579
Total revenues	6,000	6,000	13,963	7,963
Excess (Deficiency) of Revenues Over Expenditures	6,000	6,000	13,963	7,963
Net change in fund balances	6,000	6,000	13,963	7,963
Fund balances - beginning	1,014,313	1,014,313	1,014,313	-
Fund balances - ending	\$ 1,020,313	\$ 1,020,313	\$ 1,028,276	\$ 7,963

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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ 50	\$ -	\$ 8,400	\$ 8,400
Investment income	-	50	128	78
Total revenues	<u>50</u>	<u>50</u>	<u>8,528</u>	<u>8,478</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>50</u>	<u>50</u>	<u>8,528</u>	<u>8,478</u>
Net change in fund balances	50	50	8,528	8,478
Fund balances - beginning	<u>16,028</u>	<u>16,028</u>	<u>16,028</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 16,078</u></u>	<u><u>\$ 16,078</u></u>	<u><u>\$ 24,556</u></u>	<u><u>\$ 8,478</u></u>

CITY OF WINTER SPRINGS, FLORIDA

PUBLIC BUILDINGS IMPACT FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For The Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ -	\$ -	\$ 4,685	\$ 4,685
Investment income	2,200	2,200	3,341	1,141
Total revenues	<u>2,200</u>	<u>2,200</u>	<u>8,026</u>	<u>5,826</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,200</u>	<u>2,200</u>	<u>8,026</u>	<u>5,826</u>
Net change in fund balances	2,200	2,200	8,026	5,826
Fund balances - beginning	391,530	391,530	391,530	-
Fund balances - ending	<u>\$ 393,730</u>	<u>\$ 393,730</u>	<u>\$ 399,556</u>	<u>\$ 5,826</u>

CITY OF WINTER SPRINGS, FLORIDA

MEDICAL TRANSPORT SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For The Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ 1,831	\$ 1,897	\$ 66
Miscellaneous	-	1,128	1,062	(66)
Total revenues	-	2,959	2,959	-
Expenditures:				
Current:				
Public Safety	-	13	13	-
Total expenditures	-	13	13	-
Excess (Deficiency) of Revenues Over Expenditures	-	2,946	2,946	-
Other Financing Sources (Uses)				
Transfers out	(570,000)	(590,539)	(590,539)	-
Total other financing sources and uses	(570,000)	(590,539)	(590,539)	-
Net change in fund balances	(570,000)	(587,593)	(587,593)	-
Fund balances - beginning	587,593	587,593	587,593	-
Fund balances - ending	\$ 17,593	\$ -	\$ -	\$ -

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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Permits and fees	\$ 11,500	\$ 11,500	\$ 28,678	\$ 17,178
Fines and forfeitures	1,000	1,000	1,570	570
Investment income	1,500	1,500	2,436	936
Total revenues	<u>14,000</u>	<u>14,000</u>	<u>32,684</u>	<u>18,684</u>
Expenditures:				
Current:				
Physical environment	11,500	11,500	11,222	278
Total expenditures	<u>11,500</u>	<u>11,500</u>	<u>11,222</u>	<u>278</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,500</u>	<u>2,500</u>	<u>21,462</u>	<u>18,962</u>
Net change in fund balances	2,500	2,500	21,462	18,962
Fund balances - beginning	288,933	288,933	288,933	-
Fund balances - ending	<u>\$ 291,433</u>	<u>\$ 291,433</u>	<u>\$ 310,395</u>	<u>\$ 18,962</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ 495,000	\$ 495,000	\$ 498,142	\$ 3,142
Investment income	1,800	1,800	4,268	2,468
Total revenues	<u>496,800</u>	<u>496,800</u>	<u>502,410</u>	<u>5,610</u>
Expenditures:				
Current:				
Physical environment	479,065	479,065	440,829	38,236
Total expenditures	<u>479,065</u>	<u>479,065</u>	<u>440,829</u>	<u>38,236</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>17,735</u>	<u>17,735</u>	<u>61,581</u>	<u>43,846</u>
Other Financing Sources (Uses)				
Transfers out	<u>(77,474)</u>	<u>(76,853)</u>	<u>(76,853)</u>	<u>-</u>
Total other financing sources and uses	<u>(77,474)</u>	<u>(76,853)</u>	<u>(76,853)</u>	<u>-</u>
Net change in fund balances	(59,739)	(59,118)	(15,272)	43,846
Fund balances - beginning	<u>314,599</u>	<u>314,599</u>	<u>314,599</u>	<u>-</u>
Fund balances - ending	<u>\$ 254,860</u>	<u>\$ 255,481</u>	<u>\$ 299,327</u>	<u>\$ 43,846</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ 52,940	\$ 52,940	\$ 53,176	\$ 236
Investment income	200	200	553	353
Total revenues	<u>53,140</u>	<u>53,140</u>	<u>53,729</u>	<u>589</u>
Expenditures:				
Current:				
Physical environment	<u>40,285</u>	<u>40,285</u>	<u>33,036</u>	<u>7,249</u>
Total expenditures	<u>40,285</u>	<u>40,285</u>	<u>33,036</u>	<u>7,249</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>12,855</u>	<u>12,855</u>	<u>20,693</u>	<u>7,838</u>
Other Financing Sources (Uses)				
Transfers out	<u>(14,704)</u>	<u>(14,161)</u>	<u>(14,161)</u>	<u>-</u>
Total other financing sources and uses	<u>(14,704)</u>	<u>(14,161)</u>	<u>(14,161)</u>	<u>-</u>
Net change in fund balances	(1,849)	(1,306)	6,532	7,838
Fund balances - beginning	<u>39,447</u>	<u>39,447</u>	<u>39,447</u>	<u>-</u>
Fund balances - ending	<u>\$ 37,598</u>	<u>\$ 38,141</u>	<u>\$ 45,979</u>	<u>\$ 7,838</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ 21,000	\$ 25,020	\$ 4,020
Investment income	150	150	295	145
Miscellaneous	-	4,175	4,175	-
Total revenues	<u>150</u>	<u>25,325</u>	<u>29,490</u>	<u>4,165</u>
Expenditures:				
Current:				
Public Safety	17,500	17,500	9,250	8,250
Capital Outlay				
Public Safety	<u>5,287</u>	<u>13,876</u>	<u>13,854</u>	<u>22</u>
Total expenditures	<u>22,787</u>	<u>31,376</u>	<u>23,104</u>	<u>8,272</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(22,637)</u>	<u>(6,051)</u>	<u>6,386</u>	<u>12,437</u>
Other Financing Sources (Uses)				
Transfers out	-	(2,016)	(2,016)	-
Total other financing sources and uses	<u>-</u>	<u>(2,016)</u>	<u>(2,016)</u>	<u>-</u>
Net change in fund balances	(22,637)	(8,067)	4,370	12,437
Fund balances - beginning	38,434	38,434	38,434	-
Fund balances - ending	<u>\$ 15,797</u>	<u>\$ 30,367</u>	<u>\$ 42,804</u>	<u>\$ 12,437</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 1,800	\$ 1,800	\$ 3,225	\$ 1,425
Total revenues	<u>1,800</u>	<u>1,800</u>	<u>3,225</u>	<u>1,425</u>
Expenditures:				
Debt Service:				
Principal	660,000	660,000	660,000	-
Interest and other charges	<u>216,800</u>	<u>216,800</u>	<u>216,273</u>	<u>527</u>
Total expenditures	<u>876,800</u>	<u>876,800</u>	<u>876,273</u>	<u>527</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(875,000)</u>	<u>(875,000)</u>	<u>(873,048)</u>	<u>1,952</u>
Other Financing Sources (Uses)				
Transfers in	<u>876,000</u>	<u>876,000</u>	<u>876,000</u>	<u>-</u>
Total other financing sources and uses	<u>876,000</u>	<u>876,000</u>	<u>876,000</u>	<u>-</u>
Net change in fund balances	1,000	1,000	2,952	1,952
Fund balances - beginning	<u>779,389</u>	<u>779,389</u>	<u>779,389</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 780,389</u></u>	<u><u>\$ 780,389</u></u>	<u><u>\$ 782,341</u></u>	<u><u>\$ 1,952</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 300	\$ 300	\$ 590	\$ 290
Total revenues	<u>300</u>	<u>300</u>	<u>590</u>	<u>290</u>
Expenditures:				
Debt Service:				
Principal	95,000	210,000	230,995	(20,995)
Interest and other charges	79,500	114,662	78,865	35,797
Total expenditures	<u>174,500</u>	<u>324,662</u>	<u>309,860</u>	<u>14,802</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(174,200)</u>	<u>(324,362)</u>	<u>(309,270)</u>	<u>15,092</u>
Other Financing Sources (Uses)				
Transfers in	173,000	185,000	191,000	(6,000)
Total other financing sources and uses	<u>173,000</u>	<u>185,000</u>	<u>191,000</u>	<u>(6,000)</u>
Net change in fund balances	(1,200)	(139,362)	(118,270)	21,092
Fund balances - beginning	139,362	139,362	139,362	-
Fund balances - ending	<u>\$ 138,162</u>	<u>\$ -</u>	<u>\$ 21,092</u>	<u>\$ 21,092</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ 58,400	\$ 58,400	\$ 16,145	\$ (42,255)
Investment income	40	40	22,382	22,342
Miscellaneous	-	-	20,757	20,757
Total revenues	<u>58,440</u>	<u>58,440</u>	<u>59,284</u>	<u>844</u>
Expenditures:				
Current:				
Physical environment	4,190	4,190	3,961	229
Debt Service:				
Principal	43,689	43,689	-	43,689
Interest and other charges	8,311	8,311	8,310	1
Total expenditures	<u>56,190</u>	<u>56,190</u>	<u>12,271</u>	<u>43,919</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,250</u>	<u>2,250</u>	<u>47,013</u>	<u>44,763</u>
Other Financing Sources (Uses)				
Transfers out	(500)	(500)	(500)	-
Total other financing sources and uses	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Net change in fund balances	1,750	1,750	46,513	44,763
Fund balances - beginning	(310,251)	(310,251)	(310,251)	-
Fund balances - ending	<u>\$ (308,501)</u>	<u>\$ (308,501)</u>	<u>\$ (263,738)</u>	<u>\$ 44,763</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 178,900	\$ 178,900	\$ 179,408	\$ 508
Investment income	500	500	1,038	538
Total revenues	<u>179,400</u>	<u>179,400</u>	<u>180,446</u>	<u>1,046</u>
Expenditures:				
Debt Service:				
Principal	80,000	80,000	80,000	-
Interest and other charges	<u>143,431</u>	<u>143,431</u>	<u>142,938</u>	<u>493</u>
Total expenditures	<u>223,431</u>	<u>223,431</u>	<u>222,938</u>	<u>493</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(44,031)</u>	<u>(44,031)</u>	<u>(42,492)</u>	<u>1,539</u>
Other Financing Sources (Uses)				
Transfers in	<u>44,000</u>	<u>44,000</u>	<u>44,000</u>	<u>-</u>
Total other financing sources and uses	<u>44,000</u>	<u>44,000</u>	<u>44,000</u>	<u>-</u>
Net change in fund balances	(31)	(31)	1,508	1,539
Fund balances - beginning	<u>38,880</u>	<u>38,880</u>	<u>38,880</u>	<u>-</u>
Fund balances - ending	<u>\$ 38,849</u>	<u>\$ 38,849</u>	<u>\$ 40,388</u>	<u>\$ 1,539</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ 40,588	\$ 40,588	\$ 19,711	\$ (20,877)
Investment income	125	125	9,211	9,086
Miscellaneous	-	-	12,353	12,353
Total revenues	<u>40,713</u>	<u>40,713</u>	<u>41,275</u>	<u>562</u>
Expenditures:				
Current:				
General government	3,620	3,620	3,491	129
Debt Service:				
Principal	32,150	32,150	32,000	150
Interest and other charges	8,600	8,600	8,776	(176)
Total expenditures	<u>44,370</u>	<u>44,370</u>	<u>44,267</u>	<u>103</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,657)</u>	<u>(3,657)</u>	<u>(2,992)</u>	<u>665</u>
Other Financing Sources (Uses)				
Transfers out	(500)	(500)	(500)	-
Total other financing sources and uses	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Net change in fund balances	(4,157)	(4,157)	(3,492)	665
Fund balances - beginning	<u>24,606</u>	<u>24,606</u>	<u>24,606</u>	<u>-</u>
Fund balances - ending	<u>\$ 20,449</u>	<u>\$ 20,449</u>	<u>\$ 21,114</u>	<u>\$ 665</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 3,000	\$ 3,000	\$ 7,641	\$ 4,641
Total revenues	3,000	3,000	7,641	4,641
Expenditures:				
Capital Outlay				
Culture and recreation	1,180,550	9,958	680	9,278
Total expenditures	1,180,550	9,958	680	9,278
Excess (Deficiency) of Revenues Over Expenditures	(1,177,550)	(6,958)	6,961	13,919
Other Financing Sources (Uses)				
Transfers in	300,000	-	-	-
Transfers out	(12,417)	(1,959)	(1,959)	-
Total other financing sources and uses	287,583	(1,959)	(1,959)	-
Net change in fund balances	(889,967)	(8,917)	5,002	13,919
Fund balances - beginning	905,422	905,422	905,422	-
Fund balances - ending	\$ 15,455	\$ 896,505	\$ 910,424	\$ 13,919

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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 5,000	\$ 5,000	\$ 8,645	\$ 3,645
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>8,645</u>	<u>3,645</u>
Expenditures:				
Current:				
General government	3,500	3,500	2,265	1,235
Total expenditures	<u>3,500</u>	<u>3,500</u>	<u>2,265</u>	<u>1,235</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,500</u>	<u>1,500</u>	<u>6,380</u>	<u>4,880</u>
Net change in fund balances	1,500	1,500	6,380	4,880
Fund balances - beginning	<u>1,022,347</u>	<u>1,022,347</u>	<u>1,022,347</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 1,023,847</u></u>	<u><u>\$ 1,023,847</u></u>	<u><u>\$ 1,028,727</u></u>	<u><u>\$ 4,880</u></u>

CITY OF WINTER SPRINGS, FLORIDA

CITY HALL EXPANSION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For The Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 50	\$ 50	\$ 88	\$ 38
Total revenues	50	50	88	38
Excess (Deficiency) of Revenues Over Expenditures	50	50	88	38
Net change in fund balances	50	50	88	38
Fund balances - beginning	10,366	10,366	10,366	-
Fund balances - ending	\$ 10,416	\$ 10,416	\$ 10,454	\$ 38

CITY OF WINTER SPRINGS, FLORIDA

PUBLIC FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For The Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 2,800	\$ 2,800	\$ 8,036	\$ 5,236
Total revenues	2,800	2,800	8,036	5,236
Expenditures:				
Capital Outlay				
Physical environment	861,943	50,000	-	50,000
Total expenditures	861,943	50,000	-	50,000
Excess (Deficiency) of Revenues Over Expenditures	(859,143)	(47,200)	8,036	55,236
Net change in fund balances	(859,143)	(47,200)	8,036	55,236
Fund balances - beginning	949,952	949,952	949,952	-
Fund balances - ending	\$ 90,809	\$ 902,752	\$ 957,988	\$ 55,236

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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.

<u>Contents</u>	<u>Page</u>
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 ASSETS BY COMPONENT

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities										
Invested in capital assets, net of related debt	\$ 19,983	\$ 22,686	\$ 20,798	\$ 26,523	\$ 29,401	\$ 37,530	\$ 39,371	\$ 40,701	\$ 42,819	\$ 43,961
Restricted	-	6,274	6,943	9,730	11,078	8,714	8,778	8,298	8,229	8,287
Unrestricted	16,059	10,019	14,128	9,875	13,666	17,432	14,468	13,794	14,349	13,241
Total governmental activities net assets	\$ 36,042	\$ 38,979	\$ 41,869	\$ 46,128	\$ 54,145	\$ 63,676	\$ 62,617	\$ 62,793	\$ 65,397	\$ 65,489
Business-type activities										
Invested in capital assets, net of related debt	\$ 8,321	\$ 10,108	\$ 11,361	\$ 11,521	\$ 11,763	\$ 12,679	\$ 12,692	\$ 13,039	\$ 15,839	\$ 17,973
Restricted	2,778	2,324	2,347	2,500	2,612	2,795	2,814	2,549	1,730	461
Unrestricted	7,760	8,366	8,912	7,645	9,555	8,721	5,135	3,369	3,264	3,227
Total business-type activities net assets	\$ 18,859	\$ 20,798	\$ 22,620	\$ 21,666	\$ 23,930	\$ 24,135	\$ 20,641	\$ 18,957	\$ 20,833	\$ 21,661
Primary government										
Invested in capital assets, net of related debt	\$ 28,304	\$ 32,794	\$ 32,159	\$ 38,044	\$ 41,164	\$ 50,209	\$ 52,063	\$ 53,740	\$ 58,658	\$ 61,934
Restricted	2,778	8,598	9,290	12,230	13,690	11,449	11,592	10,847	9,959	8,748
Unrestricted	23,819	18,385	23,040	17,520	23,221	26,153	19,603	17,163	17,613	16,468
Total primary government net assets	\$ 54,901	\$ 59,777	\$ 64,489	\$ 67,794	\$ 78,075	\$ 87,811	\$ 83,258	\$ 81,750	\$ 86,230	\$ 87,150

CITY OF WINTER SPRINGS, FLORIDA

CHANGES IN NET ASSETS

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses										
Governmental activities:										
General government	\$ 5,177	\$ 4,640	\$ 5,421	\$ 5,786	\$ 7,732	\$ 8,452	\$ 6,857	\$ 5,801	\$ 5,720	\$ 5,381
Public safety	6,838	7,870	8,703	9,138	10,016	10,726	11,299	7,196	7,356	7,671
Physical environment	2,747	2,765	8,779	5,561	2,038	2,390	5,694	6,281	5,654	5,610
Culture and recreation	1,629	1,747	1,989	2,265	2,393	2,739	2,511	2,554	2,323	2,161
Interest and other fiscal charges on long-term debt	857	1,404	764	763	709	683	965	959	944	907
Total governmental activities expenses	17,248	18,426	25,656	23,513	22,888	24,990	27,326	22,791	21,997	21,730
Business-type activities:										
Water and Sewer	5,438	5,508	5,717	6,000	6,239	6,522	7,151	7,143	7,447	7,186
Development Services	-	552	744	627	679	860	687	436	349	333
Stormwater	529	630	671	974	831	983	1,040	1,625	916	979
Total business-type activities expenses	\$ 5,967	\$ 6,690	\$ 7,132	\$ 7,601	\$ 7,749	\$ 8,365	\$ 8,878	\$ 9,204	\$ 8,712	\$ 8,498
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,793	\$ 1,986	\$ 1,924	\$ 1,985	\$ 472	\$ 376	\$ 2,008	\$ 2,006	\$ 2,378	\$ 2,075
Public safety	619	664	782	720	1,207	1,054	930	589	608	369
Physical environment	1,540	742	721	589	3,485	3,435	4,529	3,139	3,191	3,139
Culture and recreation	275	337	833	823	949	765	281	295	301	260
Operating grants and contributions	111	25	5,411	2,177	168	115	208	41	485	89
Capital grants and contributions	423	664	2,291	1,962	2,459	6,484	2,628	2,442	2,935	1,985
Total governmental activities program revenues	4,761	4,418	11,962	8,256	8,740	12,229	10,584	8,512	9,898	7,917
Business-type activities:										
Charges for services:										
Water and Sewer	5,676	6,142	7,026	7,256	7,837	7,589	7,252	7,339	8,015	8,837
Development Services	-	1,539	1,324	1,008	2,482	923	573	269	331	339
Stormwater	413	604	577	754	1,149	1,070	1,074	1,063	1,051	1,068
Operating grants and contributions	-	-	-	348	69	-	-	483	-	46
Capital grants and contributions	522	1,663	2,180	975	1,329	1,176	224	14	2,885	709
Total business-type activities program revenues	6,611	9,948	11,107	10,341	12,866	10,758	9,123	9,168	12,282	10,999
Total government program revenues	\$ 11,372	\$ 14,366	\$ 23,069	\$ 18,597	\$ 21,606	\$ 22,987	\$ 19,707	\$ 17,680	\$ 22,180	\$ 18,916

	Fiscal Year										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Net (expense)/revenue											
Governmental activities	\$ (12,487)	\$ (14,008)	\$ (13,694)	\$ (15,257)	\$ (14,148)	\$ (12,761)	\$ (16,742)	\$ (14,279)	\$ (12,099)	\$ (13,813)	
Business-type activities	644	3,258	3,975	2,740	5,117	2,393	245	(36)	3,570	2,501	
Total government net expense	\$ (11,843)	\$ (10,750)	\$ (9,719)	\$ (12,517)	\$ (9,031)	\$ (10,368)	\$ (16,497)	\$ (14,315)	\$ (8,529)	\$ (11,312)	
General Revenues and Other Changes in Net Assets											
Governmental activities:											
Taxes											
Property taxes	\$ 4,278	\$ 5,057	\$ 5,653	\$ 6,198	\$ 7,383	\$ 8,266	\$ 7,130	\$ 5,013	\$ 4,538	\$ 4,209	
Utility taxes	4,998	4,765	4,807	4,984	5,751	5,841	3,976	4,106	4,536	4,169	
Business tax receipts	-	-	-	-	-	-	140	70	204	119	
Intergovernmental revenues - unrestricted	4,783	5,229	3,243	3,681	3,971	3,752	3,445	2,960	2,897	3,015	
Investment income and miscellaneous	576	462	587	687	1,708	1,619	675	614	731	532	
Loss on disposal of capital assets	-	(57)	-	-	-	-	-	-	-	-	
Transfers	1,152	1,489	2,294	3,967	3,352	2,813	2,189	1,691	1,796	1,862	
Total governmental activities	15,787	16,945	16,584	19,517	22,165	22,291	17,555	14,454	14,702	13,906	
Business-type activities:											
Investment income and miscellaneous	180	174	141	272	500	625	198	42	103	189	
Loss on disposal of capital assets	(210)	(4)	-	-	-	-	-	-	-	-	
Transfers	(1,152)	(1,489)	(2,294)	(3,967)	(3,352)	(2,813)	(2,189)	(1,691)	(1,796)	(1,862)	
Total business-type activities	(1,182)	(1,319)	(2,153)	(3,695)	(2,852)	(2,188)	(1,991)	(1,649)	(1,693)	(1,673)	
Total government	\$ 14,605	\$ 15,626	\$ 14,431	\$ 15,822	\$ 19,313	\$ 20,103	\$ 15,564	\$ 12,805	\$ 13,009	\$ 12,233	
Change in Net Assets											
Governmental activities	\$ 3,300	\$ 2,937	\$ 2,890	\$ 4,260	\$ 8,017	\$ 9,530	\$ 813	\$ 175	\$ 2,603	\$ 93	
Business-type activities	(538)	1,939	1,822	(955)	2,265	205	(1,746)	(1,685)	1,877	828	
Total government	\$ 2,762	\$ 4,876	\$ 4,712	\$ 3,305	\$ 10,282	\$ 9,735	\$ (933)	\$ (1,510)	\$ 4,480	\$ 921	

Note

¹ The increase from prior period was caused by 2004 Hurricanes Charley, Frances & Jeanne, and accrued FEMA reimbursement.

² Prior to fiscal year 2003, Development Services was included in Governmental activities: Public Safety.

³ Franchise fees were classified as Taxes prior to Fiscal year 2008 and were previously shown as Franchise and utility taxes, which is now Utility taxes.

⁴ Business tax receipts (formerly known as Occupational licenses) were classified as Licenses and permits prior to fiscal year 2008.

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 ¹</u>	<u>Utility Tax</u>	<u>Business Tax Receipts ²</u>	<u>Total</u>
2002	\$ 4,278	\$ 1,595	\$ 3,403	\$ -	\$ 9,276
2003	5,057	1,304	3,461	-	9,822
2004	5,653	1,360	3,447	-	10,460
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

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>
2002	2,128	691	131	2,950
2003	2,134	764	136	3,034
2004	2,258	843	142	3,243
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

Note

¹ Franchise fees were classified as taxes prior to fiscal year 2008

² 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)

Pre-GASB 54

	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General fund										
Reserved	\$ 54	\$ 247	\$ 264	\$ 372	\$ 455	\$ 468	\$ 301	\$ 235	\$ 518	
Unreserved	4,873	5,563	4,892	5,479	7,802	8,631	8,800	8,544	8,275	
Total general fund	\$ 4,927	\$ 5,810	\$ 5,156	\$ 5,851	\$ 8,257	\$ 9,099	\$ 9,101	\$ 8,779	\$ 8,793	
All other governmental funds										
Reserved	\$ 865	\$ 499	\$ 874	\$ 979	\$ 1,058	\$ 1,108	\$ 1,159	\$ 1,141	\$ 876	
Unreserved, reported in:										
Special revenue funds	4,105	4,437	4,384	4,794	6,770	6,691	6,647	6,724	7,438	
Capital projects funds	3,009	2,841	2,818	5,664	5,830	3,553	3,852	2,854	2,888	
Total all other governmental funds	\$ 7,979	\$ 7,777	\$ 8,076	\$ 11,437	\$ 13,658	\$ 11,352	\$ 11,658	\$ 10,719	\$ 11,202	

Post GASB 54
2011

General fund	
Non-spendable	\$ 1,179
Assigned	607
Unassigned	7,044
Total general fund	\$ 8,830
All other governmental funds	
Restricted	\$ 4,825
Committed	1,616
Assigned	4,710
Unassigned	(264)
Total all other governmental funds	\$ 10,887

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									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes										
Property	\$ 4,278	\$ 5,057	\$ 5,653	\$ 6,198	\$ 7,384	\$ 8,266	\$ 6,912	\$ 4,799	\$ 4,345	\$ 4,030
Franchise	1,313	1,304	1,360	1,480	1,918	1,921	-	-	-	-
Utility	3,403	3,461	3,447	3,504	3,832	3,920	3,976	4,106	4,536	4,169
Special Assessments	356 ³	299 ³	301 ³	319 ³	552 ³	- ³	- ³	-	-	-
General Obligation	-	-	329	359	220	212	218	214	193	179
Business Tax	-	-	-	-	-	-	140 ⁵	71	204	119
Other	282	-	-	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-	1,788 ⁴	1,924	2,313	1,999
Other	1,424	812	932	658	2,221	217	157 ⁵	67	38	44
Intergovernmental	5,317 ²	5,918 ²	5,664 ²	13,021 ²	5,369 ²	7,380	7,111	4,707	5,628	5,447
Charges for services	2,169	2,307	2,432	2,544	3,093	3,536	3,441	2,955	2,929	2,922
Fines and forfeitures	330	369	311	296	320	326	318	298	566	289
Impact fees/assessments	- ²	- ²	- ²	- ²	- ²	1,403 ^{2,1}	2,131 ^{2,1}	875	721	685
Investment income	448	425	343	573	1,218	1,477	521	214	439	308
Miscellaneous	129	372	244	444	546	170	175	399	292	224
Total revenues	19,449	20,324	21,016	29,396	26,673	28,828	26,888	20,629	22,204	20,415
Expenditures										
General government	4,996	4,611	4,861	5,603	5,035	5,780	6,046	5,804	5,401	5,441
Public safety	6,616	8,004	8,035	8,639	9,164	10,199	10,671	6,834	6,890	7,156
Physical Environment ¹	3,639	4,071	7,993	4,304	3,360	4,060	4,266	4,694	4,015	3,939
Culture and recreation	1,929	2,635	1,693	1,906	1,978	2,002	2,163	2,112	1,878	1,737
Capital outlay	4,910	362	4,752	2,186	4,521	9,801	4,740	2,787	2,738	2,681
Debt service										
Principal	612	926	1,807	5,898	1,153	911	967	1,091	1,996	2,387
Interest	856	946	700	771	700	693	665	640	594	584
Other charges	84	186	-	-	17	-	-	-	-	15
Total expenditures	23,642	21,741	29,841	29,307	25,928	33,446	29,518	23,962	23,512	23,940
Excess of revenues over (under) expenditures	(4,193)	(1,417)	(8,825)	89	745	(4,618)	(2,630)	(3,333)	(1,308)	(3,525)

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 Residential and Commercial Real Property ¹	Residential Property ¹	% Residential	Commercial Property ¹	Personal Property ¹	Centrally Assessed ¹	Tax Exempt Real Property ¹	Total Taxable Assessed Value ¹	Total Direct Tax Rate ²	Estimated Actual Taxable Value ¹
2002	1,499,314	1,345,412	89.74%	153,902	45,241	30	359,845	1,184,740	3.7708	1,580,947
2003	1,642,139	1,473,685	89.74%	168,454	43,759	31	418,960	1,266,969	4.1658	1,699,497
2004	1,826,180	1,652,632	90.50%	173,548	45,709	48	505,952	1,365,985	4.5500	1,916,005
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

Note

¹ Source: Seminole County Property Appraiser (www.scpaf1.org)

² Source: Seminole County Tax Collector (www.seminoletax.org)

CITY OF WINTER SPRINGS, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING¹ GOVERNMENTS

Last Ten Fiscal Years²

Fiscal Year	Winter Springs			Seminole County			School District			St. John's Water Management District		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	County Fire Protection (MSTU)	Management District	
2002	3.7708	0.0000	3.7708	4.9989	0.2208	5.2197	8.5230	0.6390	9.1620	0.0000	0.4620	18.6145
2003	4.1658	0.0000	4.1658	4.9989	0.2086	5.2075	8.4790	0.5210	9.0000	0.0000	0.4620	18.8353
2004	4.3000	0.2500	4.5500	4.9989	0.1910	5.1899	8.2410	0.4950	8.7360	0.0000	0.4620	18.9379
2005	4.3000	0.2500	4.5500	4.9989	0.1721	5.1710	8.1270	0.3850	8.5120	0.0000	0.4620	18.6950
2006	4.6126	0.1374	4.7500	4.9989	0.2041	5.2030	7.9650	0.0000	7.9650	0.0000	0.4620	18.3800
2007	4.2919	0.1100	4.4019	4.9989	0.1451	5.1440	7.7530	0.0000	7.7530	0.0000	0.4620	17.7609
2008 ³	3.2496	0.1022	3.3518	4.3578	0.1451	4.5029	7.4130	0.0000	7.4130	0.0000	0.4158	15.6835
2009	2.4714	0.1100	2.5814	4.5153	0.1451	4.6604	7.5430	0.0000	7.5430	2.3299	0.4158	17.5305
2010	2.4714	0.1100	2.5814	4.9000	0.1451	5.0451	7.7230	0.0000	7.7230	2.3299	0.4158	18.0952
2011	2.4714	0.1100	2.5814	4.8751	0.1700	5.0451	7.8010	0.0000	7.8010	2.3299	0.4158	18.1732

Note

Source: Seminole County Tax Collector (www.seminoletax.org)

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

² Taxes levied for the fiscal year are based on the prior year taxable value.

³ 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	Oak Forest			Tuskawilla Lighting and Beautification (TLBD) - Phase I			Tuskawilla Lighting and Beautification (TLBD) - Phase II		
		Assessments Billed	Assessments Collected ¹	Difference	Assessments Billed ²	Assessments Collected ¹	Difference	Assessments Billed ²	Assessments Collected ¹	Difference
2001	2002	\$ 82,225	\$ 80,062	\$ 2,163	\$ 459,090	\$ 446,121	\$ 12,969	\$ -	\$ -	\$ -
2002	2003	82,678	78,809	3,869	393,704	376,256	17,448	-	-	-
2003	2004	83,344	80,400	2,944	391,976	377,978	13,998	-	-	-
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

Note

¹ Includes prepayments.

² 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. TLBD Phase II amount is capital improvement cost only.

Special Assessment Debt Issued:

Oak Forest	June 2000 (Refinanced in June of 2004)
TLBD Phase I	May 2001
TLBD Phase II	February 2006; No assessment levied until Fiscal Year 2007.

CITY OF WINTER SPRINGS, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS

September 30, 2011

(amounts expressed in thousands)

Taxpayer	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Laurel Oaks LLC	\$ 21,634	1	1.28%	\$ -		-
Progress Energy Florida Corporation	19,798	2	1.17%	12,219	2	1.15%
Courtney Springs LLC	15,121	3	0.90%	11,895	3	1.12%
Summer Falls LLC	9,961	4	0.59%	-		-
United Dominion Realty Trust	6,687	5	0.40%	7,569	4	0.71%
Winter Springs Holdings, Inc	6,559	6	0.39%	-		-
Bright House Networks LLC	6,552	7	0.39%	-		-
Hacienda Village Co-op Inc.	5,019	8	0.30%	4,862	6	0.46%
Baxley Robert & Annmarie TRS	3,998	9	0.24%	-		-
BRI 1813 Villaggio LLC	3,763	10	0.22%	-		-
Golf Terrace, LTD	-		-	22,870	1	2.15%
ZP No 56 LP	-		-	5,145	5	0.48%
Centex Homes	-		-	4,416	7	0.41%
Time Warner Entertainment	-		-	3,669	8	0.34%
Bell South Communication	-		-	3,533	9	0.33%
Winter Springs Golf LLC	-		-	2,639	10	0.25%
Totals	<u>\$ 99,092</u>		<u>5.88%</u>	<u>\$ 78,817</u>		<u>7.40%</u>

Source: Seminole County Property Appraiser (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 ¹	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount ²	Percentage of Levy		Amount	Percentage of Levy
2002	4,467,419	4,324,807	96.81%	7,277	4,332,084	96.97%
2003	5,277,940	5,048,670	95.66%	9,160	5,057,830	95.83%
2004	6,215,233 ³	5,982,716	96.26%	7,284	5,990,000	96.38%
2005	6,748,179 ³	6,546,002	97.00%	11,385	6,557,387	97.17%
2006	7,890,100 ³	7,591,158	96.21%	12,189	7,603,347	96.37%
2007	8,820,491 ³	8,475,408	96.09%	2,214	8,477,622	96.11%
2008	7,442,693 ³	7,145,070	96.00%	11,318	7,156,388	96.15%
2009	5,186,450 ³	5,028,524	96.96%	14,586	5,043,110	97.24%
2010	4,671,821 ³	4,503,950	96.41%	34,324	4,538,274	97.14%
2011	4,355,923 ³	4,203,079	96.49%	6,242	4,209,321	96.63%

Note

¹ Gross taxes before discount of 1% - 4%, depending on month paid; Source: Seminole County Property Appraiser (www.scpafl.org)

² Source: Seminole County Tax Collector (www.seminoletax.org)

³ Includes voted debt service not to exceed .25 mills for Central Winds General Obligation Debt

CITY OF WINTER SPRINGS, FLORIDA

LEGAL DEBT MARGIN

September 30, 2011

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 BONDED DEBT
TO ASSESSED VALUE AND NET GENERAL OBLIGATION
BONDED DEBT PER CAPITA**

Last Ten Fiscal Years

Fiscal Year	Population ¹	Assessed Value ²	Gross Bonded Debt ³	Less Debt Service Fund ⁴	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2002	32,082	\$ 1,184,740,000	\$ 3,400,000	\$ 23,275	\$ 3,376,725	0.285%	\$ 105
2003	32,572	1,266,969,000	3,335,000	24,260	3,310,740	0.261%	102
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

Note

¹ 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).

² Source: Seminole County Property Appraiser (www.scpaf.org)

³ Amount does not include special assessment bonds and revenue bonds

⁴ Amount available for repayment of limited general obligation bonds, which were issued in 2002

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 ¹	Per Capita ¹
	Revenue Bonds	Refunding Revenue Bonds ²	Limited General Obligation Bonds	Special Assessment Revenue Bonds	Refunding Notes	Capital Leases	Water and Sewer Refunding Revenue Bonds ²	Water and Sewer Refunding Notes	Capital Leases				
2002	1,277	15,869	3,400	2,265	-	44	27,014	-	212	50,081	*	\$1,561	
2003	878	16,044	3,335	2,225	-	320	26,234	-	142	49,178	*	\$1,510	
2004	5,861	15,654	3,270	2,180	-	206	25,429	-	64	52,664	*	\$1,598	
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	

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.

¹ See Demographic and Economic Statistics for personal income and population data. These ratios are

² 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, 2011

(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ¹	Estimated Share of Overlapping Debt
Overlapping Debt:			
Seminole County General Obligation Debt	\$ 8,490	6.66%	\$ 565
Subtotal, overlapping debt			
Direct Debt:			
City of Winter Springs General Obligation Debt ²	2,770	100%	2,770
Total direct and overlapping debt	\$ 11,260		\$ 3,335

Note

Sources:

Seminole County Property Appraiser (www.scpaf1.org)

Seminole County Finance Department

Seminole County School Board

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

² The City of Winter Springs has a "limited" general obligation bond 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

Fiscal Year Ended Sept 30,	General Government										Total	
	Public Service Taxes	Electric Franchise Fees	Half-Cent Sales Tax	General Obligation	Emergency Management Agency Public Assistance Grants	Impact Fees (Fire, Police, Recreation and Public Facilities)	Non-Ad Valorem Special Assessments	Medical Transport Revenue	Appropriations (General Fund and Water & Sewer Fund)	Revenue Available for Debt Service		Maximum Annual Debt Service
2002	3,403,121	1,251,069	160,000	-	-	-	526,183	61,483	173,315	5,575,171	2,083,590	2.68
2003	3,460,992	1,275,670	160,000	-	-	-	455,065	61,485	173,313	5,586,525	2,144,039	2.61
2004	3,446,874	1,322,280	160,000	328,668	-	328,143	458,378	76,487	339,685	6,460,515	2,417,562	2.67
2005	3,504,158	1,436,996	160,000	358,960	7,127,760	166,203	476,989	-	-	13,231,066	6,868,968	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	-	-	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

CITY OF WINTER SPRINGS, FLORIDA

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year Ended Sept 30,	Water Revenue Bonds				Debt Service Requirements			Coverage
	Gross Revenues ¹	Operating Expenses ²	Net Revenue Available for Debt Service	Principal	Interest	Total		
2002	5,854,262	3,840,397	2,013,865	420,000	1,251,116	1,671,116	1.21	
2003	6,309,545	3,992,489	2,317,056	780,000	1,046,997	1,826,997	1.27	
2004	7,152,358	4,968,307	2,184,051	805,000	1,020,472	1,825,472	1.20	
2005	7,497,904	4,862,108	2,635,796	835,000	1,006,910	1,841,910	1.43	
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	8,108,382	5,868,044	2,240,338	1,015,000	810,215	1,825,215	1.23	
2011	8,896,172	5,769,194	3,126,978	945,000 ⁴	749,320	1,694,320	1.85	

Note

- ¹ 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.
- ² "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.
- ³ Data has been restated
- ⁴ excludes principal paid on refunding

CITY OF WINTER SPRINGS, FLORIDA

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population¹</u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income¹</u>	<u>Median Age¹</u>	<u>Education Level in Years of Formal Schooling¹</u>	<u>School Enrollment²</u>	<u>Unemploy- ment Rate³</u>
2002	32,082	*	*	*	*	6,508	5.8%
2003	32,572	*	*	*	*	7,413	5.3%
2004	32,955	*	*	*	*	7,476	4.6%
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%

* Data not available

Note

¹ Source: Metro Orlando Economic Development Commission (www.orlandoedc.com)

² Source: Seminole County Public Schools

³ Source: 2011 unemployment rate from Metro Orlando Economic Development Council was county specific. Prior years may not reflect such a regionally-specific rate. (www.orlandoEDC.com)

CITY OF WINTER SPRINGS, FLORIDA

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2011 ¹			2002		
	Employees	Rank	Percentage of Total City Employment ²	Employees	Rank	Percentage of Total City Employment
Seminole County School Board	1,420	1	30.21%	1,423	1	*
City of Winter Springs	216	2	4.60%	229	2	*
Publix (Winter Springs Town Center)	129	3	2.74%	*	*	*
Dearborn Electronics	135	4	2.87%	*	*	*
Tusawilla Country Club	91	5	1.94%	*	*	*
Modern Plumbing	61	6	1.30%	*	*	*
United States Post Office	47	7	1.00%	*	*	*
Dittmer Architectural Aluminum	44	8	0.94%	*	*	*
The Grove Counseling Center	32	9	0.68%	*	*	*
McDonalds - Winter Springs	38	10	0.81%	*	*	*
Total	<u>2,213</u>		<u>47.09%</u>			

Note

* Data Not Available

¹ Per telephone survey of major local businesses

²

Per Metro Orlando Economic Development Commission (www.orlandoedc.com), the City of Winter Springs has an estimated daytime working population of 5500 FTEs with approximately 738 business establishments as of June 2011.

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	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Development Services ¹	6	8	8	10	10	10	10	5	5	4
General Government	38	36	37	41	44	44	44	45	42	41
Public Safety:										
Police										
Sworn Officers	59	59	64	64	70	70	70	70	70	70
Non sworn officers	0	0	0	0	0	0	0	0	0	0
Civilians ²	20	20	20	20.75	20.75	20.75	20.75	20.75	20.75	20.75
Fire ⁴										
Firefighters and officers	41	49	50	50	51	51	51	0	0	0
Civilians	1	1	2	2	2	2	2	0	0	0
Public Works	22	21	23	23	21	21	21	21	20.73	18.73
Culture and Recreation	19	20	21	32.34	33.67	35.78	36.63	34.07	31.86	29.10
Utilities	36	35	40	42	42	43	45	45	45	42
Stormwater	6	7	7	7	9	9	9	9	9	9
Total	248	256	272	292.09	303.42	306.53	309.38	249.82	244.34	234.58
Part-time Employees	24	*	23	*	*	*	*	*	*	*
Part-time FTEs ³	*	*	*	11.09	12.42	14.53	15.38	16.32	16.34	17.58

Note

* Data not available

1 Prior to fiscal year 2003, Development Services was included in Governmental activities: Public Safety: Community Development - Building.

2 Police civilians include emergency communications center operations personnel.

3 FTEs - Full-time Equivalent Units; this statistic replaces part-time employee count starting in Fiscal Year 2005 and these units are included in the appropriate function totals for FY 2005 - 2009.

4 Department was consolidated 10/02/08 with Seminole County Fire Department

CITY OF WINTER SPRINGS, FLORIDA
OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police										
Auto accidents	442	495	508	505	530	444	546	404	345	277
Physical arrests	640	588	627	1,128	1,633	1,582	1,708	1,928	1,347	1,401
Criminal investigations conducted	552	437	450	591	551	291	357	464	441	544
Total calls for service	47,550	76,958	83,290	91,904	107,074	125,789	142,202	133,527	131,587	125,392
911 calls received	6,087	5,506	5,786	6,931	5,174	5,781	5,248	4,937	3,654	3,720
Evidence processed (pieces)	*	*	2,396	2,068	2,436	1,820	1,721	2,221	1,730	2,215
Fire ¹										
Public education programs	136	118	65	61	53	118	56	N/A	N/A	N/A
Number of emergency calls answered	3,129	2,898	3,426	3,258	3,261	3,338	3,345	N/A	N/A	N/A
Medical transports	1,089	1,008	1,146	1,126	1,159	1,284	1,300	N/A	N/A	N/A
Highways and streets										
Streets paved (miles)	0.36	0.99	0.85	0.00	0.00	0.57	0.00	0.00	2.00	3.38
Streets resurfaced (square yards)	51,132	40,658	44,257	44,945	23,925	35,537	72,400	43,018	36,927	47,622
Sidewalks/bike paths built or repaired (feet)	3,226	2,345	5,371	3,834	4,159	22,112	5,134	4,486	3,980	5,575
Culture and recreation										
Games - Baseball/Softball	*	*	*	1,502	1,643	1,565	1,468	1,521	1,075	1,259
Games - Basketball	*	*	*	652	644	606	599	371	458	606
Games - Football	*	*	*	286	285	298	271	222	222	271
Games - Soccer	*	*	*	1,029	1,010	905	970	1,005	816	856
Senior Activities	817	769	753	899	1,651	1,154	898	1,108	1,071	1,162
Civic Center & Pavilion Rentals	196	*	245	267	319	379	379	362	430	383
Program Events	312	*	345	312	310	221	205	240	275	340

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Water										
New connections	204	198	132	260	279	179	19	13	3	24
Number of customers	11,316	12,066	11,903	12,104	12,444	12,514	12,706	12,802	12,749	12,806
Water main breaks	*	*	6	6	16	13	13	21	12	10
Average daily consumption (gallons/per capi	110	106	115	108	126	125	115	110	106	114
Meter reads	*	*	*	*	*	171,167	174,604	175,478	171,976	176,001
Community Development										
Total permits issued	2,182	2,846	2,834	4,217	2,805	2,405	2,741	2,808	3,105	3,132
Building inspections	7,703	16,651	16,869	16,669	15,574	9,473	7,278	4,931	4,832	6,032
Business tax receipts issued	*	*	*	*	*	1,944	1,135	942	1,275	1,384
Land use amendments & rezonings	8	14	16	12	4	23	5	9	2	-
Permits files created/reviews initiated	*	*	*	*	*	2,545	3,349	3,408	3,754	2,190
General Government										
Personnel actions processed	225	290	315	360	332	637	500	609	166	227
Worker's Comp Injuries	35	44	48	47	37	52	51	30	41	44
Legal notices published	*	*	*	*	*	38	41	22	28	16
Payroll - Checks	4,013	3,493	1,411	301	275	312	337	220	242	229
Payroll - Direct Deposit	2,969	3,795	5,941	7,311	7,524	7,592	7,557	6,210	5,927	5,942
Receipts deposited	*	*	169,556	182,195	192,439	185,716	202,307	186,401	189,977	153,687
A/P checks issued	*	7,975	7,929	7,768	7,914	7,460	7,014	8,829	6,348	6,111
Purchase orders/EPO's processed	5,331	5,669	6,227	5,737	5,412	5,205	4,772	3,930	3,667	3,160

Source: Summary of Departmental Reports

Note

* Information not available

¹ 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	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	2	2	2
Fleet	*	*	*	*	75	75	75	79	78	91
Fire stations ¹	2	2	3	3	3	3	3	3	3	3
Highways and streets										
Streets - paved (miles)	92.27	93.26	94.11	94.11	94.11	95.32	95.32	95.32	97.32	100.70
Streets - unpaved (miles)	7.10	7.25	6.40	6.40	7.16	6.40	6.40	6.40	4.40	1.02
Street lights	*	*	1,884	1,901	2,085	2,158	2,158	2,300	2,300	2,311
Traffic signals	7	8	9	9	10	10	10	10	10	10
Culture and recreation										
Park acreage	255	267.20	267.70	267.70	267.70	267.70	267.70	267.70	267.70	267.70
Parks - Community	5	5	5	5	5	6	6	6	6	6
Parks - Neighborhood	6	6	7	7	7	7	7	7	7	7
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)	144.7	150.1	155.1	158.9	160.4	161.7	167.6	167.6	167.6	167.8
Fire hydrants	914	929	931	964	975	985	1,000	1,000	1,000	1,002
Maximum daily capacity (millions of gallons)	12	12	12	12	12	12	12	12	12	12
Deep Wells	7	7	7	7	8	8	8	8	8	8
Sewer										
Sanitary sewers (miles)	100.50	103.31	105.27	106.97	108.30	108.90	111.57	111.57	111.57	111.57
Storm sewers (miles)	*	*	*	*	91.01	91.56	91.56	91.56	91.56	91.59
Treatment facility capacity (millions of gallons)	4,212	4,212	4,212	4,212	4,212	4,212	4,212	4,212	4,212	4,212
Current average flow (millions of gallons)	2,179	2,343	2,285	2,297	2,243	2,209	2,198	2,142	2,100	1,866

Note

* Information not available

¹ Seminole County is leasing stations per Consolidation Agreement

OTHER REPORTS

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**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 the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of *City of Winter Springs, Florida*, as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 29, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management of 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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the *City of Winter Springs* in a separate letter dated February 29, 2012.

This report is intended solely for the information and use of management, the City Commission 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.

McDiarmid Davis & Company, LLC

February 29, 2012

MANAGEMENT LETTER

Honorable Mayor and City Commissioners
City of Winter Springs, Florida

We have audited the financial statements of the City of *Winter Springs, Florida*, as of and for the fiscal year ended September 30, 2011, and have issued our report thereon dated February 29, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Report on Internal Control over Financial Reporting and on Compliance and Other Matters. Disclosures in those reports, which are dated February 29, 2012 should be considered in conjunction with this management letter.

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

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. The status of management's response to recommendations included in the preceding annual financial report is outlined in Appendix A to this report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the *City of Winter Springs, Florida* complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any findings and recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts and 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 more than inconsequential. In connection with our audit, we did not have any such findings.

MCDIRMIT DAVIS & COMPANY, LLC
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TELEPHONE 407-843-5406 • FAX 407-649-9339 • EMAIL: INFO@MCDIRMITDAVIS.COM

- Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts or abuse, and (2) Deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the notes to the financial statements.
- Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the *City of Winter Springs, Florida* did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the *City of Winter Springs, Florida* for the fiscal year ended September 30, 2011, 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, 2011. We determined that these two reports are in agreement.
- Pursuant to Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

McDiernit Davis & Company, LLC

February 29, 2012

CITY OF WINTER SPRINGS, FLORIDA

APPENDIX A - PRIOR YEAR RECOMMENDATIONS

For the Year Ended September, 30, 2011

<u>No.</u>	<u>Prior Year's Observations</u>	<u>Observation Still Relevant</u>	<u>Observation Addressed or No Longer Relevant</u>
ML 10-1	Deficit Fund Balance		X
ML 10-2	Controls over Cash Receipts		X
ML 10-3	Payroll Review		X

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Honorable Mayor and City Commissioners
City of Winter Springs, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, of the *City of Winter Springs, Florida* for the year ended September 30, 2011. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 1, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the *City of Winter Springs, Florida* are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the City changed accounting policy related to fund balances by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 54. Accordingly, the cumulative effect of the accounting changes as of the beginning of the year is reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected. The most sensitive estimates affecting the City's financial statement were:

Management's estimate for the allowance for doubtful account 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 estimate 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.

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Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that 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 financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 29, 2012.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statement or to the financial statements themselves.

This information is intended solely for the use of management, the City Commission 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

February 29, 2012

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CITY OF WINTER SPRINGS, FLORIDA

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

March 12, 2012

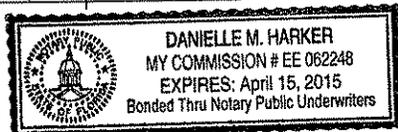
AFFIDAVIT OF IMPACT FEE COMPLIANCE

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 12th day of March, 2012, by
Shawn Boyle.



(Notary Seal)

Danielle M. Harker
(Signature of Notary)

Danielle Harker
(Name of Notary Typed, Printed, or Stamped)

Personally Known X OR Produced Identification _____

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