

# 2017



## *Comprehensive Annual* **FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

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**City of Winter Springs, Florida**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For The Year Ended September 30, 2017**



**Prepared by:**

**Finance and Administrative Services Department**

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## **INTRODUCTORY SECTION**

This section contains the following subsections:

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

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CITY OF WINTER SPRINGS, FLORIDA

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## CITY OF WINTER SPRINGS, FLORIDA

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

March 14, 2018

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

It is with great pleasure that we present to you the City of Winter Springs, Florida Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2017. Florida Statutes, Chapter 166.241 and the rules of the Florida Auditor General, Chapter 10.550 require that all general-purpose local governments publish a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and that they be audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed Certified Public Accountants.

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

The City of Winter Springs' financial statements have been audited by McDirmit, Davis & Company, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Winter Springs for the fiscal year ended September 30, 2017 are free of material misstatement. The independent audit involved examination of evidence, on a test basis, supporting the amounts and disclosures in the financial statements; assessment of the accounting principles used and significant estimates made by management; and an evaluation of the overall financial statement presentation. Based upon the audit, the independent auditor concluded that reasonable basis existed to render an unmodified opinion that the City of Winter Springs' financial statements for the fiscal year ended September 30, 2017 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

### **Profile of the Government**

The City of Winter Springs, incorporated in 1959, is located in Seminole County, which is a part of the greater Orlando metropolitan area in East Central Florida. The City currently has a land area of approximately 13.3 square miles and a population of approximately 36,000.

The City operates according to a Council/Manager form of government, with an appointed City Manager, five elected City Commissioners and a separately elected Mayor. The Mayor and Commission are elected

for four-year terms. The governing body is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City's Manager, Clerk and Attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing body, for overseeing the day-to-day operations of the government and for hiring the directors of the various departments.

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

The annual budget serves as the foundation for the City of Winter Springs' financial planning and control. All departments of the City of Winter Springs are required to submit requests for appropriation to the City Manager. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents the proposed budget to the City Commission for review on or before July 1. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund (e.g., General Fund), department (e.g., Police Department) and division (e.g., Criminal Investigation). The City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the special approval of the City Commission. Original and final amended budget-to-actual comparisons are provided in this report for each individual governmental fund. The General Fund, the Road Improvements Fund and the Solid Waste/Recycling Fund, are presented on pages 26-29 as part of the basic financial statements for the governmental funds. The TLBD Debt Service Fund budget-to-actual comparison is presented on page 82. The non-major governmental funds' budget comparisons are presented in the governmental fund subsection of this report which starts on page 95.

### **Factors Affecting Financial Condition**

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

Seminole County has adopted a one-cent local government infrastructure sales tax which will be in effect from January 1, 2015 through December 31, 2024. The intent of this legislation is to improve the infrastructure of the Seminole County public school system and other public infrastructure within the County and its municipalities. Per the interlocal agreement, 2.99% of net revenues are to be distributed to the City of Winter Springs. It is estimated that this distribution will be nearly \$2M for the fiscal year 2017-2018.

Approximately 87% of the City's tax base is comprised of residential properties with a small amount of retail office and light industrial developments. Per the DR 422 (Certificate of Final Taxable Value) and relative to the 2016-2017 fiscal year (tax year 2016), the gross taxable value reflects an increase of 6.4% from the prior year and a decrease of 11.6% since fiscal year 2008. During fiscal year 2016-2017 (tax year 2016), through prudent fiscal management, the City was able to maintain operating millage rates at 2.43 and was able to reduce voted debt millage to 0.0700 mills. At the local level, revenues such as review and permit fees, investment income and state sales tax revenues have rebounded and are showing signs of sustainable growth.

New construction in Winter Springs has been steady for the past several years. Single-family residential construction projects that were recently completed or are currently under construction include Seven Oaks, Jesup's Landing, and Southern Oaks. Upcoming single-family residential projects include Tuskawilla Crossing (379 units) and Northern Oaks (35 units). In 2016, construction completed on the RiZE project in the Town Center, a 244-unit upscale apartment complex located adjacent to City Hall. New construction in Winter Springs has been steady for the past several years. Single-family residential construction projects that were recently completed or are currently under construction include Tuskawilla Crossings, Southern Oaks, and Northern Oaks. Multi-family projects under construction in 2017 include the Integra 360

apartment project on the north side of SR 434 across from Creek's Run, and The Blake Apartments in the Town Center. Construction continued in 2017 on the Vistawilla Assisted Living Facility, a 77,000 square foot facility located near the SR 417 / SR 434 interchange. New commercial tenants in the Winter Springs Town Center include the General Public House restaurant and Berkshire Hathaway Home Services. Commercial construction projects started or completed in 2017 include the Offices at Winding Hollow, Red Bug Self Storage, and Phase 4 of the Nursery Road Warehouses.

Seminole County Public Schools are the 12<sup>th</sup> largest in the state and recognized as a Premier National School District. It boasts an approximate 88% graduation rate and is ranked #1 in STEM. Winter Springs is home to four elementary schools, one middle and one high school in the district. Winter Springs is also home to Choices in Learning Charter School, Willow School, The Primrose School, and Irblich Holistic Preschool which provide diverse educational options. 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 Business Incubation Program to foster the development of early-stage businesses in Central Florida. We have also partnered with Seminole County in the Community Redevelopment Agency (CRA) to build out neighborhood improvements at Shepard Road as part of the 17-92 Corridor Redevelopment Plan. Funding for the CRA relies on the annual tax revenue that is generated from the appreciation of property values above the established base level (1997).

Winter Springs continues to offer its citizens the highest quality services and community-minded events. Winter Springs has been host to the Central Florida Scottish Highland Games for the fifteenth consecutive year. The Oviedo-Winter Springs Chamber of Commerce offers a variety of art and music at the Town Center's ARTtoberFEST event. The City partners with a number of sport leagues and clubs such as Babe Ruth & Pop Warner contributing a variety of sports activities. We host a spring break and summer camp program offering affordable day camp options and host a number of holiday events including Father-Daughter Dance, Spring Family Festival, the Celebration of Freedom, Hometown Harvest, a salute to our veterans in the Veteran's Day Ceremony, and Winter Wonderland.

The Winter Springs and Oviedo Police Departments have teamed up to host events such as Cops & Kids and the Kids' House of Seminole Kickball Tournament which raises funds and awareness for abused children. During the holiday season, children from families in need from Winter Springs are invited to participate in our annual 'Shop with a Cop' festivities. Parks and Recreation has been busy with numerous park upgrades including a newly remodeled and expanded playground at Moss Park, safety improvements with upgraded lighting at Moss and Trotwood Parks, improved roadway and parking at Central Winds Park and new play equipment at other area parks. The trend of expansion and modernization of the City's recreational facilities will continue into 2018 as improvements for Torcaso Park are in process. Together with the Winter Springs Senior Association, a number of activities and outings are offered to our seniors, such as yoga, ceramics and the ever-popular therapy pool. Highlighted here are some of what makes the City of Winter Springs a top choice for families.

**Long-term financial planning.** The City Commission updated and adopted a 5-year Capital Improvements Plan (CIP) in September 2017 for fiscal years 2018 through 2022. The CIP is a multi-year prioritized schedule of improvements that lists each capital improvement with the year of intended purchase/commencement; annual expenditure; and method of financing. Each year the CIP is reviewed to ensure that all necessary capital improvements are incorporated into the budget process. It should be noted; however, that the CIP is not a static document but a flexible and dynamic one that may change to reflect changing priorities, opportunities, costs, or financing approach.

**Relevant Financial Policies.** In fiscal year 2014, the City had implemented GASB 67: Financial Reporting for Pension Plans, and in fiscal year 2015, GASB 68: Accounting and Financial Reporting for Pensions.

**Major Initiatives.** The implementation of the third phase of the City's new ERP system is complete. Continued improvements in customer service and information reporting are on-going. Also many of our

park facilities have undergone major improvements and renovations including a newly remodeled and expanded playground area at Moss Park with funding from the General and Park Impact Funds, safety improvements with upgraded lighting at Moss and Trotwood Parks, roadway improvements and parking at Central Winds Park and new playground equipment as some of the other area parks.

The Water and Sewer Utility Fund has begun the process of improvements recommended and required by the DEP. The upgraded water treatment facility was completed in late spring 2017 at a cost of over \$6M which will be funded by a new loan issued by the Clean Water State Revolving Loan Fund.

### **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, 2016. This was the seventeenth 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 the management of the City of Winter Springs' finances.

Respectfully submitted,



Kevin L. Smith  
City Manager



Shawn D. Boyle  
Finance and Administrative Services Director





Government Finance Officers Association

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

Presented to

**City of Winter Springs  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2016**

*Christopher P. Morill*

Executive Director/CEO

**CITY OF WINTER SPRINGS, FLORIDA**  
**LIST OF PRINCIPAL OFFICIALS**  
September 30, 2017

**ELECTED OFFICIALS**

MAYOR	Charles Lacey
DEPUTY MAYOR / COMMISSIONER	Pam Carroll
COMMISSIONER	Jean Hovey
COMMISSIONER	Kevin Cannon
COMMISSIONER	Cade Resnick
COMMISSIONER	Geoff Kendrick

**CITY MANAGER**

Kevin L. Smith

**CITY CLERK**

Andrea Lorenzo-Luaces

**LEGAL COUNSEL**

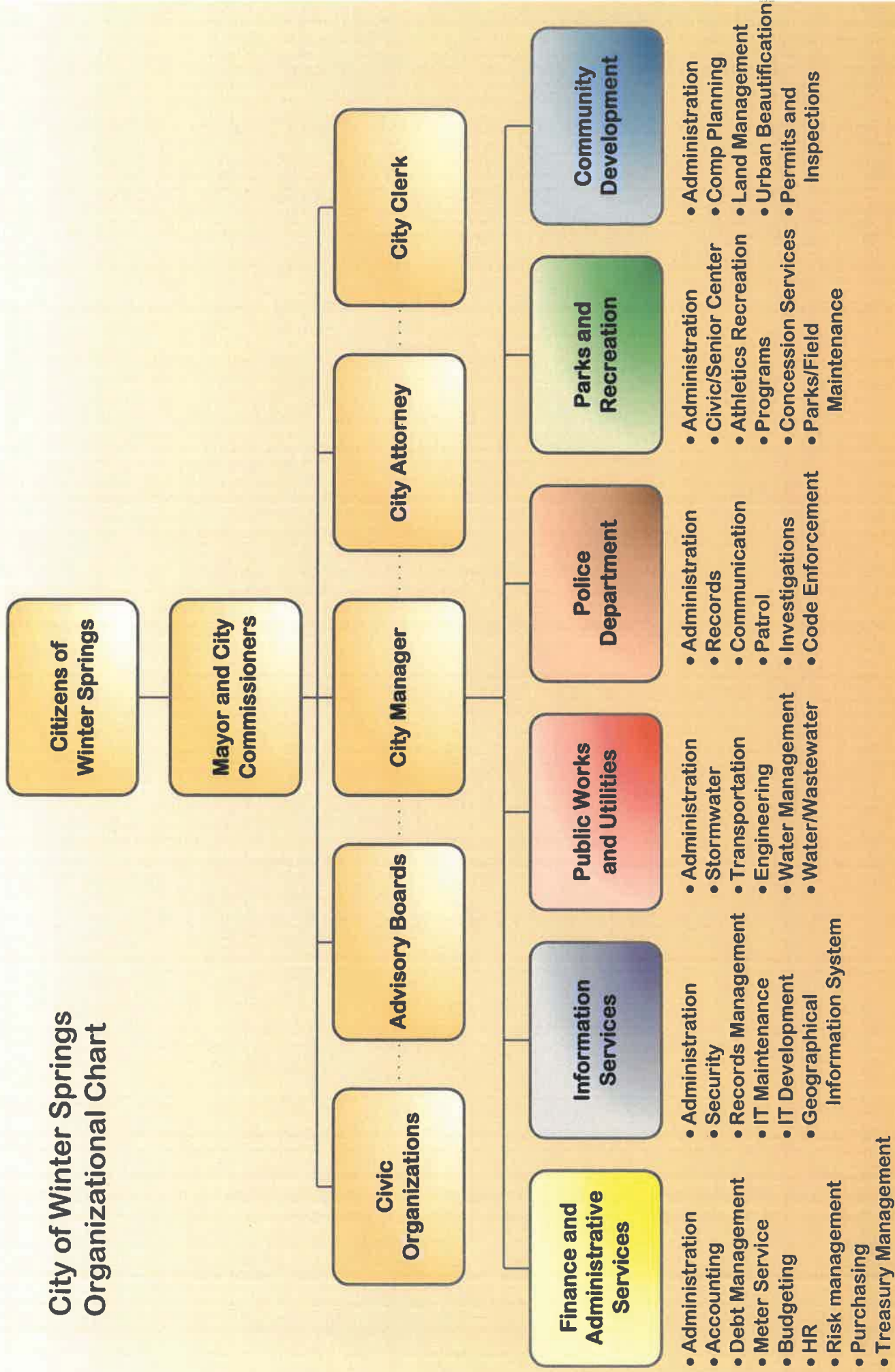
Anthony Garganese  
Garganese, Weiss &  
D'Agresta, P.A.

**DEPARTMENT  
DIRECTORS**

COMMUNITY DEVELOPMENT	Brian Fields
FINANCE/ADMIN SERVICES	Shawn Boyle
INFORMATION SERVICES	Joanne Dalka
PARKS AND RECREATION	Chris Caldwell
POLICE CHIEF	Kevin Brunelle
UTILITY/PUBLIC WORKS	Lena Rivera



# City of Winter Springs Organizational Chart



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## **FINANCIAL SECTION**

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**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the *City of Winter Springs, Florida*, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Winter Springs, as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund, road improvements special revenue fund, and solid waste/recycling special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**MCDIRMIT DAVIS & COMPANY, LLC**

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

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, pension and other postemployment benefits disclosures on page 3 through 17, 82, and 78 through 81 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise *City of Winter Springs'* basic financial statements. The introductory section, combining and individual fund financial statements and schedules, statistical section and the Schedule of Expenditures of State Financial Assistance, (the schedule) as required by Chapter 10.550, *Rules of the Auditor General*, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules and the Schedule is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued a report dated March 14, 2018 on our consideration of *City of Winter Springs'* internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering *City of Winter Springs'* internal control over financial reporting and compliance.

*McDiarmid Davis & Company, LLC*

Orlando, Florida  
March 14, 2018

## 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, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal which can be found on pages iv - vii of this report.

### **Financial Highlights**

- The assets and deferred outflows of the City of Winter Springs exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$104,407,246 (net position). Of this amount, \$14,597,513 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As a result of the current year's activities, the government's total net position increased by \$8,288,425 or 8.62% from the prior year
- As of the close of the current fiscal year, the City of Winter Springs' governmental funds reported combined ending fund balances of \$27,370,798. Approximately 26% of this total amount, \$7,129,826, 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 \$8,249,681, or 52% of total general fund expenditures.
- As a result of current year's activities, the City of Winter Springs' total debt decreased by \$320,461 (.91%).

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

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

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

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

The *Statement of Net Position* presents information on all of the City of Winter Springs' assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Winter Springs is improving or declining.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### Overview of the Financial Statements (Continued)

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

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

Both of the government-wide financial statements distinguish functions of the City of Winter Springs that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Winter Springs include general government, public safety, physical environment and culture and recreation. The business-type activities of the City of Winter Springs include a Water and Sewer Utility, Stormwater Utility and Development Services.

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

The government-wide financial statements can be found on pages 18-19 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Winter Springs, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Winter Springs can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.



## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### Overview of the Financial Statements (Continued)

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

The City of Winter Springs maintains 26 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 22 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Winter Springs adopts an annual appropriated budget for all governmental funds. Budgetary comparison statements have been provided for the General Fund, Road Improvements Special Revenue Fund, and Solid Waste/Recycling Special Revenue Fund to demonstrate compliance with this budget on pages 26-29. Budgetary comparison schedules have been provided for the TLBD Debt Service Fund, and the nonmajor funds on pages 82 and 95-116.

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 30-34 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 35-36 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 37-77 of this report.

**Required Supplementary Information (RSI).** RSI can be found on pages 78-81 of this report.

**Other information.** The budget schedules for the major debt service fund is on page 82 after the RSI. The combining statements referred to earlier in connection with nonmajor governmental funds are presented after this. Combining and individual fund statements and schedules can be found on pages 83-116 of this report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### Government-wide Financial Analysis

**Statement of Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Winter Springs, assets and deferred outflows of resources exceeded liabilities and deferred outflows by \$104,407,246 at the close of the most recent fiscal year.

Of the City of Winter Springs' net position, \$76,495,232 or 73%, reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related outstanding debt used to acquire those assets. The City of Winter Springs uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

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

Net position subject to external restrictions as to how it may be used total \$13,314,501 (13%). The remaining balance of *unrestricted net position* (\$14,597,513 or 14%) may be used to meet the government's ongoing obligations to citizens and creditors.

At September 30, 2017, the City of Winter Springs is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. This was also the case at the close of the prior fiscal year.

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

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**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

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

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
<b>Assets:</b>						
Current and other assets	\$31,316,120	\$31,079,635	\$21,847,178	\$20,504,095	\$ 53,163,298	\$51,583,730
Restricted assets	69,494	133,462	1,507,460	717,020	1,576,954	850,482
Capital assets	59,523,931	58,951,180	39,298,563	35,028,440	98,822,494	93,979,620
Total assets	90,909,545	90,164,277	62,653,201	56,249,555	153,562,746	146,413,832
<b>Deferred Outflows of Resources</b>						
Deferred charge on refunding deferred outflow of pension earnings	\$ 69,321	\$ 77,073	\$ 332,843	\$ 422,697	\$ 402,164	\$ 499,770
	430,539	336,764	97,585	56,158	528,124	392,922
	499,860	413,837	430,428	478,855	930,288	892,692
<b>Liabilities:</b>						
Current liabilities	2,187,883	1,735,542	908,376	512,137	3,096,259	2,247,679
Long term liabilities	20,380,527	26,341,286	23,616,129	21,757,552	43,996,656	48,098,838
Other liabilities	66,504	129,612	654,145	663,622	720,649	793,234
Total liabilities	22,634,914	28,206,440	25,178,650	22,933,311	47,813,564	51,139,751
<b>Deferred Inflows of Resources</b>						
Deferred inflow of pension earnings	\$ 1,852,369	\$ 43,212	\$ 419,855	\$ 4,740	\$ 2,272,224	\$ 47,952
<b>Net Position:</b>						
Net investment in capital assets	52,572,866	48,555,323	23,922,366	21,801,972	76,495,232	70,357,295
Restricted	12,754,776	12,026,667	559,725	561,145	13,314,501	12,587,812
Unrestricted	1,594,480	1,746,472	13,003,033	11,427,242	14,597,513	13,173,714
Total net position	\$66,922,122	\$62,328,462	\$37,485,124	\$33,790,359	\$ 104,407,246	\$96,118,821

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

As a result of the current year's activities, the government's total net position increased by \$8,288,425 or 8.62% from the prior year. The previous fiscal year, 2016, net position increased by \$6,260,539.

Governmental activities increased net position by \$4,593,660 in fiscal year 2017 compared to an increase of \$3,574,839 in 2016. The increase in net position for fiscal year 2017 is primarily due to revenues received for ad valorem taxes, discretionary sales tax, revenue sharing and a modest decrease in operating expenses. Net position also increased due to a reduction in long term liabilities.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### Government-wide Financial Analysis (Continued)

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

Business-type activities increased net position by \$3,694,765 in fiscal year 2017 compared to an increase of \$2,685,700 in 2016. This is largely due to an increase in capital assets and contributed capital offset by an increase in long-term liabilities to purchase. Additionally, demand for water and sewer services increased year over year. The gains were partially offset by increases in expenditures in the business type funds.

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

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

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

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**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

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

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

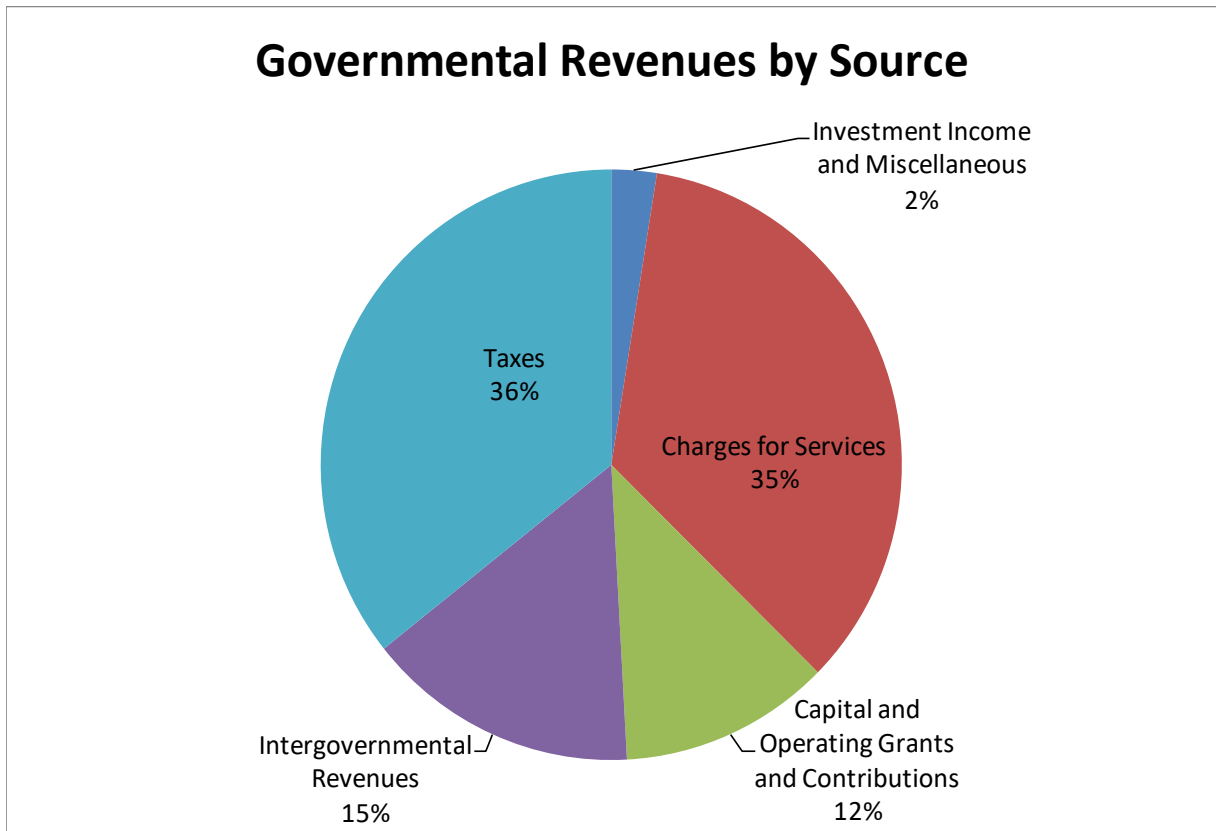
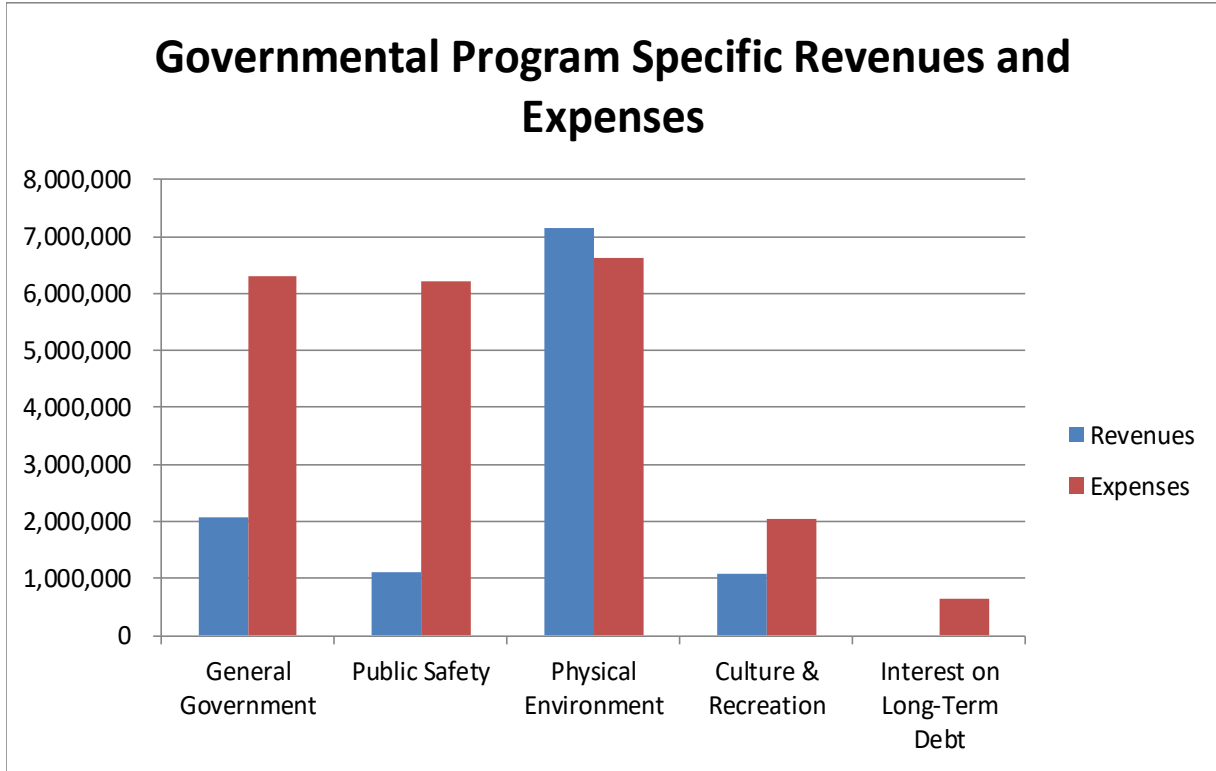
**City of Winter Springs  
Changes in Net Position  
For the Year Ended September 30**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for services	\$ 8,530,358	\$ 6,590,955	\$ 13,402,632	\$ 12,309,326	\$ 21,932,990	\$ 18,900,281
Operating grants and contributions	86,950	2,596	-	-	86,950	2,596
Capital grants and contributions	2,781,344	3,583,125	1,616,801	1,311,005	4,398,145	4,894,130
<b>General Revenues:</b>						
Property taxes	4,727,435	4,515,752	-	-	4,727,435	4,515,752
Utility taxes	3,879,197	3,975,578	-	-	3,879,197	3,975,578
Business tax receipts	122,517	121,541	-	-	122,517	121,541
Intergovernmental-unrestricted	3,706,323	3,556,804	-	-	3,706,323	3,556,804
Investment income and miscellaneous	616,345	711,438	137,405	135,728	753,750	847,166
Total revenues	<u>24,450,469</u>	<u>23,057,789</u>	<u>15,156,838</u>	<u>13,756,059</u>	<u>39,607,307</u>	<u>36,813,848</u>
<b>Expenses:</b>						
General government	6,298,191	6,130,624	-	-	6,298,191	6,130,624
Public safety	6,227,986	6,764,254	-	-	6,227,986	6,764,254
Physical environment	6,625,371	5,798,060	-	-	6,625,371	5,798,060
Culture and recreation	2,044,630	2,163,180	-	-	2,044,630	2,163,180
Interest and other fiscal charges on long-term debt	635,347	668,239	-	-	635,347	668,239
Water and sewer	-	-	7,880,612	7,295,358	7,880,612	7,295,358
Development services	-	-	665,215	510,169	665,215	510,169
Stormwater	-	-	941,530	1,223,425	941,530	1,223,425
Total expenses	<u>21,831,525</u>	<u>21,524,357</u>	<u>9,487,357</u>	<u>9,028,952</u>	<u>31,318,882</u>	<u>30,553,309</u>
Increase (Decrease) In Net Position Before Transfers	<u>2,618,944</u>	<u>1,533,432</u>	<u>5,669,481</u>	<u>4,727,107</u>	<u>8,288,425</u>	<u>6,260,539</u>
Transfers	<u>1,974,716</u>	<u>2,041,407</u>	<u>(1,974,716)</u>	<u>(2,041,407)</u>	<u>-</u>	<u>-</u>
Increase In Net Position	<u>4,593,660</u>	<u>3,574,839</u>	<u>3,694,765</u>	<u>2,685,700</u>	<u>8,288,425</u>	<u>6,260,539</u>
Net Position- October 1	<u>62,328,462</u>	<u>58,753,623</u>	<u>33,790,359</u>	<u>31,104,659</u>	<u>96,118,821</u>	<u>89,858,282</u>
Net Position- September 30	<u>\$66,922,122</u>	<u>\$62,328,462</u>	<u>\$37,485,124</u>	<u>\$33,790,359</u>	<u>\$104,407,246</u>	<u>\$96,118,821</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-wide Financial Analysis (Continued)

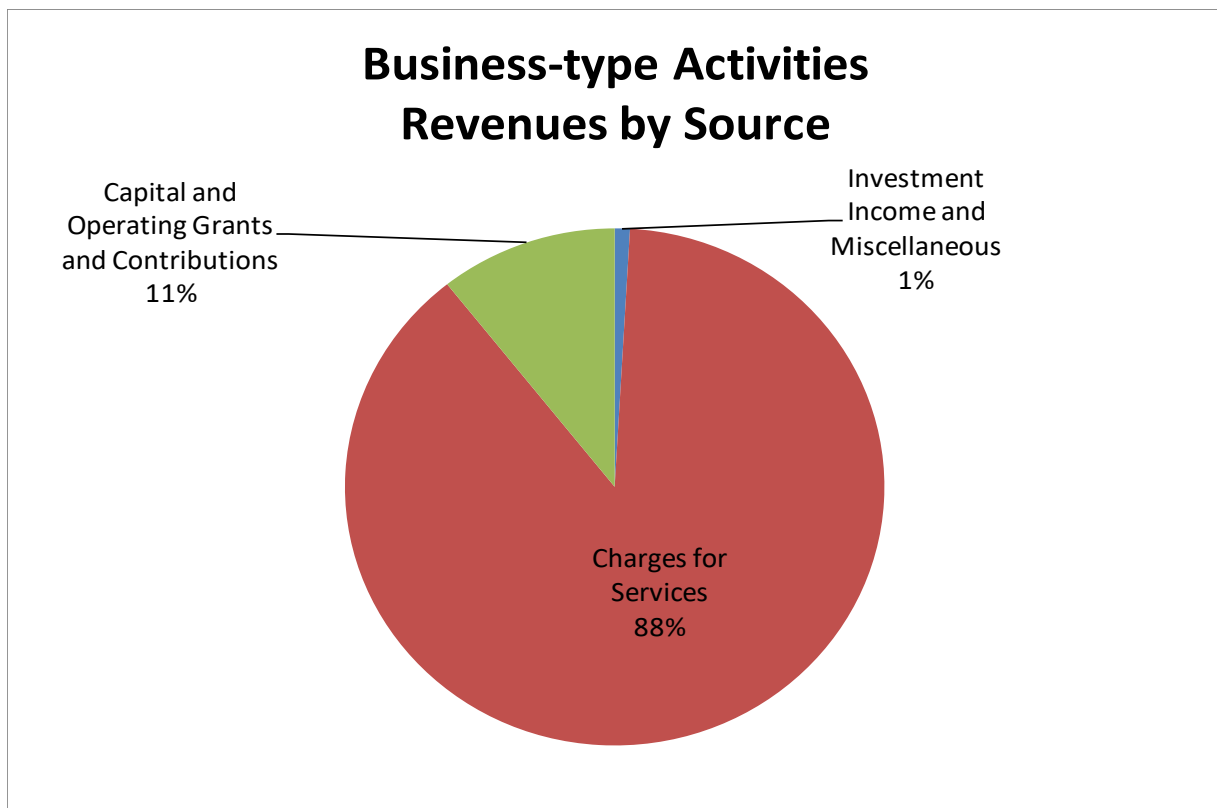
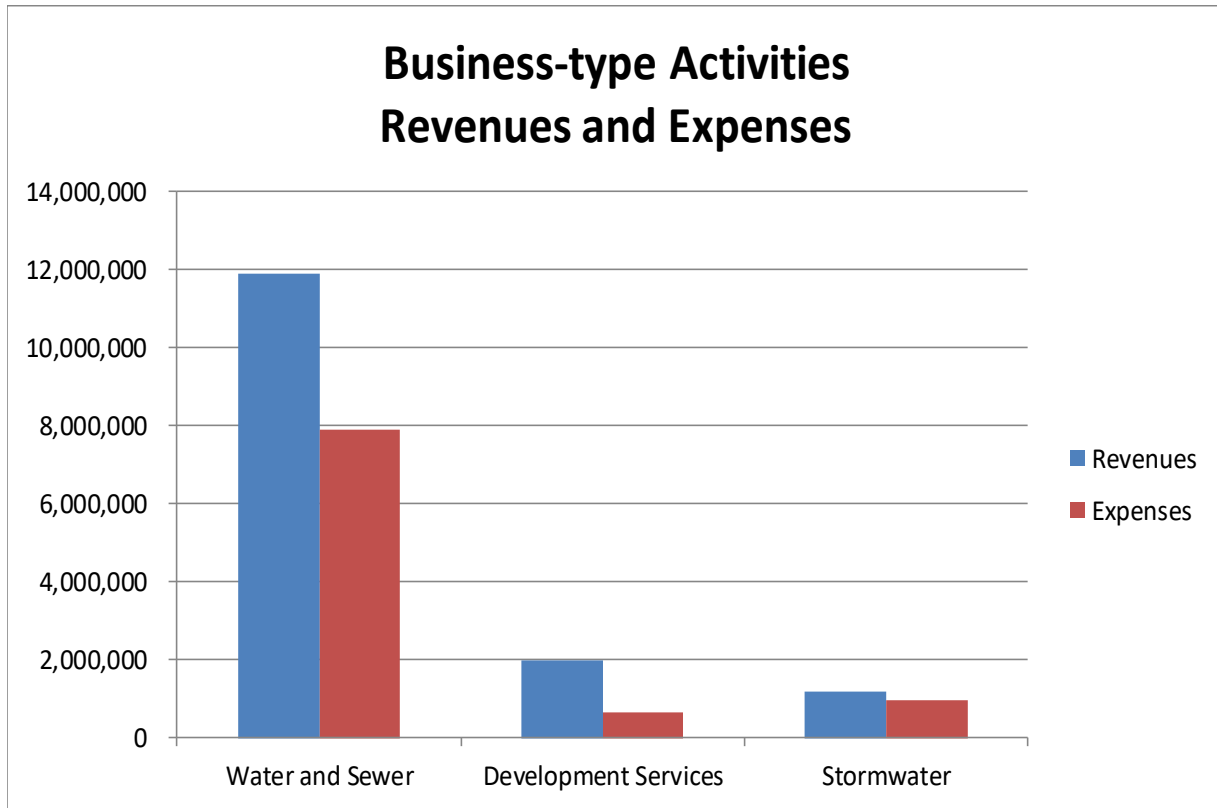
Statement of Changes in Net Position. (Continued)



MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-wide Financial Analysis (Continued)

Statement of Changes in Net Position. (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, 2017, the City of Winter Springs' governmental funds reported combined ending fund balances of \$27,370,798 an decrease of \$114,064 over the prior year. Approximately 26% or \$7,129,826 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 \$8,249,681, while total fund balance was \$8,506,283. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned and total fund balance represents 53% and 55% respectively, of total General Fund expenditures. The increase in fund balance of \$5,867 is a result of a favorable revenue variance which was offset by an unfavorable expenditures variance.

The Road Improvements Fund balance increased \$597,314 due to the deferral of budgeted capital projects.

The Solid Waste Fund net position decreased by \$105,991. This decrease is in large part the result of increases in contractual costs without a corresponding increase in billed revenues for solid waste services provided to residents.

The TLBD Debt Service Fund net position decreased by \$18,073. This decrease is a result of additional non-recurring capital expenditures and accounts for 100% of the decrease.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### Financial Analysis of the Government's Funds (Continued)

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

Unrestricted net position of the Water and Sewer Utility Fund at the end of the year amounted to \$9,624,723 and total net position increased \$2,675,048 to \$27,183,097. This increase is due to user charges for water and waste water services, as well as operating cost reductions and \$838,000 of contributed capital. This demand is driven by new construction and higher occupancy levels in existing units.

The Development Services Fund net position increased as a result of current year activities by \$953,425 to \$2,778,462 at the end of the fiscal year. This increase is a result of permitting revenues for new construction which exceed the prior year by approximately \$660,000 (50%) while related expenses only increased by approximately \$161,000 (16%).

The Stormwater Utility Fund net position increased as a result of current fiscal year activities by \$66,292 to \$7,523,565 at the end of the fiscal year. Though revenues increased nearly \$52,676 (5%) operating expenses decreased (23%) to \$941,530.

### General Fund Budgetary Highlights

Differences between the original General Fund budget and the final amended General Fund budget resulted in \$2,616 more in appropriations from fund balance during the year from an appropriation to fund balance of \$1,668 in the original budget to appropriations from fund balance of \$948 in the final budget.

The actual results of General Fund for the year show an appropriation to fund balance of \$5,867 compared to a final budgeted appropriation from fund balance of \$948. The favorable variance of \$6,815 is comprised of an unfavorable revenue and transfers variance of \$120,980 and a favorable expenditure variance as set forth in the Departmental cost centers below:

Executive & Legislative	\$	896
General Government		1,859
Finance & Admin Services		94,107
Information Services		1,784
Community Development		1,740
Public Safety		5,263
Public Works		1,405
Parks & Recreation		3,860
Transfers		16,881
Total	\$	<u>127,795</u>

This favorable variance is represented by the following expenditure categories as both amounts and percentage of budget:

Payroll	\$	35,886	0.2%
Other Operating		69,723	0.3%
Capital		17,230	0.09%
Transfers		16,881	0.09%

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### 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, 2017, amounts to \$98,822,494 (net of accumulated depreciation), for an increase of \$4,842,874 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 5.15% (a .97% increase for governmental activities, and a 12.19% increase for business-type activities).

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

- The purchase of the following capital assets:
  - New vehicles for the Police Department at a cost of approximately \$55,000;
  - Police mobile command trailer camera mast at a cost of approximately \$26,175;
  - Upgrade network storage device at a cost of approximately \$62,000;
  - New vehicles & equipment for public works/utilities at a cost of approximately \$257,000;
  - New playground equipment at Sam Smith Park for a total cost of \$139,000;
- The completion and capitalization of the following projects:
  - Road reconstruction and resurfacing totaling approximately \$604,000;
  - Water system pipe relining at a cost of approximately \$230,000;
  - Sidewalk completions at a cost of approximately \$56,000;
  - Roof replacement at police headquarters at a cost of approximately \$360,000;
  - Trotwood Park Parking lot at a cost of \$438,000 along with park improvements totaling \$31,000;
  - Tuscora drive deceleration lane costing approximately \$387,000;
  - Lift station refurbishment at a cost of approximately \$136,000;
  - New public works utilities administration building with a total cost of \$777,000 (approximately \$493,000 spent in the prior years);
  - Central Winds Roadway improvements at a total cost of \$1,676,000 (approximately \$848,000 spent in the prior years);
  - Sam Smith Restrooms with a total cost of \$178,000;
- The capitalization of donated assets as a result of new residential and commercial building projects including:
  - Southern Oaks and Dunmar Estates, additions to water/sewer system infrastructure at a value of approximately \$769,000.
- Beginning and continued construction on the following projects:
  - Planning and engineering of deceleration lane at city hall at a cost of approximately \$24,000;
  - Beginning design and engineering phase of Torcaso field house with an estimated total project cost of \$3,000,000;
  - Customer service initiative to upgrade Commission Chambers and Community Development Service Counter at an approximate cost of \$500,000;
  - WTP #1 Water Quality Improvements at a cost of approximately \$5,839,000 (Approximately \$577,000 was spent in the prior years)
  - Magnolia Park Amphitheatre Design at a cost of approximately \$257,000 (Approximately \$227,000 was spent in the prior years)
  - Design of streetscape improvements along Hwy 17-92 and SR 434 at a cost of \$45,000 (Approximately \$41,000 spent in prior years)

**MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)**

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

**Capital assets. (Continued)**

Additional information on the City of Winter Springs’ capital assets can be found in Note 6 on pages 56-58 of this report.

<b>City of Winter Springs Capital Assets (Net of Depreciation) As of September 30</b>						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	2017	2016	2017	2016	2017	2016
Land	\$ 9,946,795	\$ 9,946,795	\$ 7,170,177	\$ 7,170,177	\$17,116,972	\$17,116,972
Buildings	6,839,176	6,507,163	152,726	178,718	6,991,902	6,685,881
Improvements Other Than Buildings	8,003,586	6,347,179	25,167,669	26,191,872	33,171,255	32,539,051
Machinery and Equipment	1,806,505	1,824,716	651,843	659,013	2,458,348	2,483,729
Intangibles	112,671	17,916	24,933	33,813	137,604	51,729
Infrastructure	30,706,235	31,370,382	-	-	30,706,235	31,370,382
Construction in Progress	2,108,963	2,937,029	6,131,215	794,847	8,240,178	3,731,876
<b>Total</b>	<b>\$ 59,523,931</b>	<b>\$58,951,180</b>	<b>\$ 39,298,563</b>	<b>\$35,028,440</b>	<b>\$98,822,494</b>	<b>\$93,979,620</b>

**Long-term debt.** At September 30, 2017, the City of Winter Springs had total debt outstanding of \$34,778,268, a decrease of \$320,461 from \$35,098,729 at September 30, 2016. Total *bonded* debt of the City at the end of the current fiscal year was \$9,168,161. This amount does not include accreted interest of \$12,035,920.

The City of Winter Springs’ bonded debt represents bonds and notes secured solely by specified revenue sources.

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.

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**MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)**

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

**Long-term debt. (Continued)**

Additional information on the City of Winter Springs’ long-term debt can be found in Note 7 on pages 58-64 of this report.

<b>City of Winter Springs</b>						
<b>Long Term Debt</b>						
<b>As of September 30</b>						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	2017	2016	2017	2016	2017	2016
Improvement Refunding Revenue Bonds, Series 1999	\$ 3,498,970	\$ 3,498,970	\$ -	\$ -	\$ 3,498,970	\$ 3,498,970
Water & Sewer Refunding Revenue Bonds, Series 2000	-	-	5,669,191	5,669,191	5,669,191	5,669,191
Capital Improvement Revenue Note, Series 2006	-	29,883	-	-	-	29,883
Revenue Refunding Note Series 2011	458,280	664,590	-	-	458,280	664,590
Special Assessment Revenue Notes, Series 2011	1,408,352	1,493,858			1,408,352	1,493,858
Limited General Obligation Note, Series 2012	-	2,312,629			-	2,312,629
Improvement Refunding Revenue Note, Series 2014	1,654,000	2,473,000	-	-	1,654,000	2,473,000
Revenue Refunding Note Series 2016	-	-	5,747,000	6,497,000	5,747,000	6,497,000
State Revolving Fund Loan	-	-	4,306,555	1,497,734	4,306,555	1,497,734
Accreted Interest Payable	5,874,766	5,367,049	6,161,154	5,594,825	12,035,920	10,961,874
Total	<u>\$ 12,894,368</u>	<u>\$ 15,839,979</u>	<u>\$ 21,883,900</u>	<u>\$ 19,258,750</u>	<u>\$ 34,778,268</u>	<u>\$ 35,098,729</u>

The above information does not include the interfund loan balances related to the repayment of the general obligation note.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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

Winter Springs is primarily a residential community in Seminole County servicing more than 36,000 residents. Located in Central Florida, it is just 15 miles north of the city of Orlando, one of Florida's largest metropolitan statistical areas.

Through conservative fiscal policies and aggressive budget oversight, the City Manager and City Commission have maintained the operating millage rate at 2.4300 and lowered the voted debt millage to 0.07000. The gross property taxable values in Winter Springs increased in FY 2017 by 6.4% and have decreased 11.6% since fiscal year 2008 as certified by the Seminole County Property Appraiser. In May 2014, a countywide precinct referendum resulted in an additional 1% local government infrastructure sales surtax which will largely be utilized for transportation related infrastructure improvements. The surtax is expected to result in \$2.0 million in additional revenues each year. This surtax expires in 2024.

The General Fund's FY 2017 adopted expenditure budget of \$17,342,723 (inclusive of transfers) showed a slight increase of .06% from the previous year. Additionally, fiscal year 2017 was balanced without the need to appropriate from the fund balance.

The total combined expenditure budget of \$41,957,633 (inclusive of transfers) is \$506,550 or 1.2% less than the adopted budget of FY 2016.

### **Requests for Information**

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

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## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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CITY OF WINTER SPRINGS, FLORIDA

**STATEMENT OF NET POSITION**

September 30, 2017

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 3,136,237	\$ 1,541,154	\$ 4,677,391
Investments	25,973,300	19,735,805	45,709,105
Receivables, net	205,673	557,641	763,314
Inventories - at cost	13,087	7,378	20,465
Prepaid Costs	192,627	5,200	197,827
Restricted Assets:			
Cash and cash equivalents	69,494	788,505	857,999
Investments	-	718,955	718,955
Receivables, long-term	1,795,196	-	1,795,196
Capital Assets			
Capital assets not being depreciated	12,055,758	13,301,392	25,357,150
Capital assets being depreciated, net of accumulated depreciation	47,468,173	25,997,171	73,465,344
Total Assets	<u>90,909,545</u>	<u>62,653,201</u>	<u>153,562,746</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Charge on Refunding	69,321	332,843	402,164
Deferred Outflow of Pension Earnings	430,539	97,585	528,124
	<u>499,860</u>	<u>430,428</u>	<u>930,288</u>
<b>LIABILITIES</b>			
Accounts Payable and Accrued Expenses	2,152,362	832,609	2,984,971
Due to Other Governments	-	17,526	17,526
Accrued Interest Payable	35,521	58,241	93,762
Liabilities Payable from Restricted Assets	66,504	654,145	720,649
Noncurrent Liabilities:			
Due within one year	1,274,724	1,773,986	3,048,710
Due in more than one year	19,105,803	21,842,143	40,947,946
Total Liabilities	<u>22,634,914</u>	<u>25,178,650</u>	<u>47,813,564</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows of Pension Earnings	1,852,369	419,855	2,272,224
<b>NET POSITION</b>			
Net Investment in Capital Assets	52,572,866	23,922,366	76,495,232
Restricted for:			
Capital projects	5,443,457	-	5,443,457
Debt service	134,380	-	134,380
Renewal and replacement	-	559,725	559,725
Physical environment	7,091,192	-	7,091,192
Public safety	85,747	-	85,747
Unrestricted	1,594,480	13,003,033	14,597,513
Total Net Position	<u>\$ 66,922,122</u>	<u>\$ 37,485,124</u>	<u>\$ 104,407,246</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, 2017

<b>Functions/Programs</b>	<b>Program Revenue</b>				<b>Net (Expense) Revenue and Changes in Net Position</b>		
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Primary Government</b>		
					<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Primary Government</b>							
Governmental activities							
General government	\$ 6,298,191	\$ 2,060,609	\$ -	\$ -	\$ (4,237,582)	\$ -	\$ (4,237,582)
Public safety	6,227,986	1,075,460	44,540	-	(5,107,986)	-	(5,107,986)
Physical environment	6,625,371	4,314,761	42,410	2,781,344	513,144	-	513,144
Culture and recreation	2,044,630	1,079,528	-	-	(965,102)	-	(965,102)
Interest on long-term debt	635,347	-	-	-	(635,347)	-	(635,347)
Total governmental activities	<u>21,831,525</u>	<u>8,530,358</u>	<u>86,950</u>	<u>2,781,344</u>	<u>(10,432,873)</u>	<u>-</u>	<u>(10,432,873)</u>
Business-type activities:							
Water and sewer	7,880,612	10,266,772	-	1,616,801	-	4,002,961	4,002,961
Development services	665,215	1,968,293	-	-	-	1,303,078	1,303,078
Stormwater	941,530	1,167,567	-	-	-	226,037	226,037
Total business-type activities	<u>9,487,357</u>	<u>13,402,632</u>	<u>-</u>	<u>1,616,801</u>	<u>-</u>	<u>5,532,076</u>	<u>5,532,076</u>
Total primary government	<u>\$ 31,318,882</u>	<u>\$ 21,932,990</u>	<u>\$ 86,950</u>	<u>\$ 4,398,145</u>	<u>(10,432,873)</u>	<u>5,532,076</u>	<u>(4,900,797)</u>
General Revenues:							
Property taxes					4,727,435	-	4,727,435
Utility taxes					3,879,197	-	3,879,197
Business tax receipts					122,517	-	122,517
Intergovernmental-unrestricted					3,706,323	-	3,706,323
Investment income and miscellaneous					616,345	137,405	753,750
Transfers					1,974,716	(1,974,716)	-
Total general revenues and transfers					<u>15,026,533</u>	<u>(1,837,311)</u>	<u>13,189,222</u>
Change in net position					4,593,660	3,694,765	8,288,425
Net Position - beginning					62,328,462	33,790,359	96,118,821
Net Position - ending					<u>\$ 66,922,122</u>	<u>\$ 37,485,124</u>	<u>\$ 104,407,246</u>

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

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**FUND FINANCIAL STATEMENTS**

CITY OF WINTER SPRINGS, FLORIDA

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

September 30, 2017

	<u>General Fund</u>	<u>Special Revenue</u>	
		<u>Road Improvements Fund</u>	<u>Solid Waste/Recycling</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 634,117	\$ 361,653	\$ 169,702
Investments	8,953,716	4,632,056	2,173,549
Receivables, net	65,401	754	139,518
Inventories, at cost	13,087	-	-
Prepays	189,824	-	-
Special assessments receivable	-	-	-
Advances to other funds	53,691	-	-
Restricted assets:			
Cash and cash equivalents	66,504	-	-
Total assets	<u>\$ 9,976,340</u>	<u>\$ 4,994,463</u>	<u>\$ 2,482,769</u>
<b>Liabilities and Fund Balances:</b>			
Accounts payable	\$ 718,241	\$ 36,517	\$ 628,913
Accrued liabilities	664,138	-	-
Retainage payable	21,174	-	-
Due to other funds	-	-	-
Payable from restricted assets	66,504	-	-
Total liabilities	<u>1,470,057</u>	<u>36,517</u>	<u>628,913</u>
Deferred Inflows of Resources			
Unavailable revenue-county taxes	-	754	-
Unavailable revenue-special assessments	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>754</u>	<u>-</u>
Fund Balances:			
Nonspendable	256,602	-	-
Restricted	-	4,957,192	-
Committed	-	-	1,002,652
Assigned	-	-	851,204
Unassigned	8,249,681	-	-
Total fund balances	<u>8,506,283</u>	<u>4,957,192</u>	<u>1,853,856</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,976,340</u>	<u>\$ 4,994,463</u>	<u>\$ 2,482,769</u>

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



<u>Debt Service</u>		
<u>TLBD Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 113,304	\$ 1,857,461	\$ 3,136,237
10,834	10,203,145	25,973,300
-	-	205,673
-	-	13,087
-	2,803	192,627
1,348,352	446,844	1,795,196
-	1,085,000	1,138,691
-	2,990	69,494
<u>\$ 1,472,490</u>	<u>\$ 13,598,243</u>	<u>\$ 32,524,305</u>
\$ -	\$ 83,379	\$ 1,467,050
-	-	664,138
-	-	21,174
-	1,138,691	1,138,691
-	-	66,504
<u>-</u>	<u>1,222,070</u>	<u>3,357,557</u>
-	-	754
1,348,352	446,844	1,795,196
<u>1,348,352</u>	<u>446,844</u>	<u>1,795,950</u>
-	2,803	259,405
124,138	7,669,889	12,751,219
-	289,601	1,292,253
-	5,086,891	5,938,095
-	(1,119,855)	7,129,826
<u>124,138</u>	<u>11,929,329</u>	<u>27,370,798</u>
<u>\$ 1,472,490</u>	<u>\$ 13,598,243</u>	<u>\$ 32,524,305</u>

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CITY OF WINTER SPRINGS, FLORIDA

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

September 30, 2017

Total Fund Balance, governmental funds	\$ 27,370,798
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	59,523,931
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	1,795,950
Deferred inflows and outflows of resources related to pension earnings are not recognized in the governmental funds, however, they are recorded in net position under full accrual accounting	(1,421,830)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(14,092,026)
Net pension liabilities are not due and payable in the current period and therefore, are not reported in the funds	(6,254,701)
Net Position of Governmental Activities in the Statement of Net Position	<u>\$ 66,922,122</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, 2017

	<u>General Fund</u>	<u>Special Revenue</u>	
		<u>Road Improvements Fund</u>	<u>Solid Waste/Recycling</u>
<b>Revenues:</b>			
Taxes:			
Property taxes	\$ 4,595,061	\$ -	\$ -
Utility taxes	3,879,197	-	-
Business tax receipts	122,517	-	-
Permits and fees	2,007,967	-	-
Intergovernmental revenues	3,740,892	2,141,605	52,381
Charges for services	773,076	-	2,526,829
Fines and forfeitures	71,078	-	-
Impact fees/assessments	-	-	-
Investment income	71,078	28,567	12,188
Miscellaneous	190,744	-	-
Total revenues	<u>15,451,610</u>	<u>2,170,172</u>	<u>2,591,398</u>
<b>Expenditures:</b>			
Current:			
General government	5,152,382	-	-
Public safety	6,699,036	-	-
Physical environment	977,940	5,000	3,180,442
Culture and recreation	1,849,712	-	-
Debt Service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Capital Outlay:			
General government	248,070	-	-
Public safety	140,838	-	-
Physical environment	73,595	1,567,858	-
Culture and recreation	453,527	-	-
Total expenditures	<u>15,595,100</u>	<u>1,572,858</u>	<u>3,180,442</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(143,490)</u>	<u>597,314</u>	<u>(589,044)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	2,321,838	-	500,000
Transfers out	(2,172,481)	-	(16,947)
Total other financing sources(uses)	<u>149,357</u>	<u>-</u>	<u>483,053</u>
<b>Net Change in Fund Balances</b>	5,867	597,314	(105,991)
<b>Fund Balances - beginning</b>	<u>8,500,416</u>	<u>4,359,878</u>	<u>1,959,847</u>
<b>Fund Balances - ending</b>	<u>\$ 8,506,283</u>	<u>\$ 4,957,192</u>	<u>\$ 1,853,856</u>

<u>Debt Service</u>		
<u>TLBD Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 132,374	\$ 4,727,435
-	-	3,879,197
-	-	122,517
-	69,245	2,077,212
-	639,739	6,574,617
-	40,813	3,340,718
-	103,543	174,621
85,506	3,076,765	3,162,271
48,040	87,409	247,282
6,525	83,830	281,099
<u>140,071</u>	<u>4,233,718</u>	<u>24,586,969</u>
-	8,454	5,160,836
-	40,291	6,739,327
3,984	889,684	5,057,050
-	15,900	1,865,612
85,506	3,367,822	3,453,328
47,161	101,603	148,764
-	31,962	280,032
-	18,091	158,929
20,993	1,552,016	3,214,462
-	143,882	597,409
<u>157,644</u>	<u>6,169,705</u>	<u>26,675,749</u>
<u>(17,573)</u>	<u>(1,935,987)</u>	<u>(2,088,780)</u>
-	1,672,481	4,494,319
(500)	(329,675)	(2,519,603)
<u>(500)</u>	<u>1,342,806</u>	<u>1,974,716</u>
(18,073)	(593,181)	(114,064)
<u>142,211</u>	<u>12,522,510</u>	<u>27,484,862</u>
<u>\$ 124,138</u>	<u>\$ 11,929,329</u>	<u>\$ 27,370,798</u>

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

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CITY OF WINTER SPRINGS, FLORIDA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES**

For the Year Ended September 30, 2017

Net Change in Fund Balances - total governmental funds: \$ (114,064)

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 577,713

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins and disposals) is to decrease net position (4,962)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items 3,453,328

Special assessment revenue reported in the funds must be eliminated from the statement of activities since revenue was recognized in a prior year (131,538)

Cash pension contributions reported in the funds were more than the calculated pension expense on the statement of activities, and therefore increased net position 1,423,908

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. (610,725)

Change in net position of governmental activities \$ 4,593,660

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, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
<b>Revenues:</b>				
Taxes:				
Property Taxes	\$ 4,587,090	\$ 4,587,090	\$ 4,595,061	\$ 7,971
Utility taxes	3,745,000	3,890,000	3,879,197	(10,803)
Business tax receipts	100,000	120,000	122,517	2,517
	<u>8,432,090</u>	<u>8,597,090</u>	<u>8,596,775</u>	<u>(315)</u>
Permits and fees:				
Permits	26,000	26,000	21,785	(4,215)
Franchise fees	1,988,720	1,988,720	1,986,182	(2,538)
	<u>2,014,720</u>	<u>2,014,720</u>	<u>2,007,967</u>	<u>(6,753)</u>
Intergovernmental revenues:				
Sales tax	2,340,000	2,366,000	2,366,371	371
State revenue sharing	1,171,000	1,246,000	1,244,740	(1,260)
Other state shared revenue	35,000	35,000	42,831	7,831
Other county shared revenue	5,000	45,000	42,410	(2,590)
Federal grants	-	44,576	44,540	(36)
	<u>3,551,000</u>	<u>3,736,576</u>	<u>3,740,892</u>	<u>4,316</u>
Charges for services:				
Program activity fees	235,602	235,602	212,172	(23,430)
Rental and other	509,275	553,429	560,904	7,475
	<u>744,877</u>	<u>789,031</u>	<u>773,076</u>	<u>(15,955)</u>
Fines and forfeitures	<u>100,000</u>	<u>100,000</u>	<u>71,078</u>	<u>(28,922)</u>
Investment income	<u>30,000</u>	<u>71,000</u>	<u>71,078</u>	<u>78</u>
Miscellaneous	<u>45,002</u>	<u>160,977</u>	<u>190,744</u>	<u>29,767</u>
Total revenues	<u>14,917,689</u>	<u>15,469,394</u>	<u>15,451,610</u>	<u>(17,784)</u>

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



	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Expenditures:</b>				
Current:				
General government:				
Executive	\$ 663,235	\$ 642,987	\$ 642,091	\$ 896
General government	756,856	556,974	555,115	1,859
Finance and administrative services	2,010,139	1,945,748	1,851,641	94,107
Information services	1,037,043	1,022,384	1,020,600	1,784
Community development	1,490,337	1,332,745	1,331,005	1,740
	<u>5,957,610</u>	<u>5,500,838</u>	<u>5,400,452</u>	<u>100,386</u>
Public Safety:				
Police	7,192,155	6,771,137	6,766,010	5,127
Fire	65,000	74,000	73,864	136
	<u>7,257,155</u>	<u>6,845,137</u>	<u>6,839,874</u>	<u>5,263</u>
Physical environment:				
Public works	<u>1,072,719</u>	<u>1,052,940</u>	<u>1,051,535</u>	<u>1,405</u>
Culture and recreation:				
Parks and recreation	<u>1,983,571</u>	<u>2,307,099</u>	<u>2,303,239</u>	<u>3,860</u>
Total expenditures	<u>16,271,055</u>	<u>15,706,014</u>	<u>15,595,100</u>	<u>110,914</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(1,353,366)</u>	<u>(236,620)</u>	<u>(143,490)</u>	<u>93,130</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,425,034	2,425,034	2,321,838	(103,196)
Transfers out	<u>(1,070,000)</u>	<u>(2,189,362)</u>	<u>(2,172,481)</u>	<u>16,881</u>
Net other financing sources	<u>1,355,034</u>	<u>235,672</u>	<u>149,357</u>	<u>(86,315)</u>
<b>Net Change in Fund Balances</b>	1,668	(948)	5,867	6,815
<b>Fund Balances - Beginning</b>	<u>8,500,416</u>	<u>8,500,416</u>	<u>8,500,416</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 8,502,084</u>	<u>\$ 8,499,468</u>	<u>\$ 8,506,283</u>	<u>\$ 6,815</u>

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

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, 2017

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 2,351,786	\$ 2,007,000	\$ 2,141,605	\$ 134,605
Investment income	10,500	10,500	28,567	18,067
Total revenues	<u>2,362,286</u>	<u>2,017,500</u>	<u>2,170,172</u>	<u>152,672</u>
<b>Expenditures:</b>				
Current:				
Physical environment	105,000	105,000	5,000	100,000
Capital Outlay				
Physical environment	<u>2,711,786</u>	<u>1,964,878</u>	<u>1,567,858</u>	<u>397,020</u>
Total expenditures	<u>2,816,786</u>	<u>2,069,878</u>	<u>1,572,858</u>	<u>497,020</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(454,500)</u>	<u>(52,378)</u>	<u>597,314</u>	<u>649,692</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(212,000)</u>	-	-	-
Total other financing sources (uses)	<u>(212,000)</u>	-	-	-
<b>Net Change in Fund Balances</b>	(666,500)	(52,378)	597,314	649,692
<b>Fund Balances - beginning</b>	4,359,878	4,359,878	4,359,878	-
<b>Fund Balances - ending</b>	<u>\$ 3,693,378</u>	<u>\$ 4,307,500</u>	<u>\$ 4,957,192</u>	<u>\$ 649,692</u>

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

CITY OF WINTER SPRINGS, FLORIDA

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

For The Year Ended September 30, 2017

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget -</b> <b>Positive</b> <b>(Negative)</b>
<b>Revenues:</b>				
Intergovernmental revenues	\$ 44,640	\$ 44,640	\$ 52,381	\$ 7,741
Charges for services	2,473,200	2,513,200	2,526,829	13,629
Investment income	6,000	6,000	12,188	6,188
Total revenues	<u>2,523,840</u>	<u>2,563,840</u>	<u>2,591,398</u>	<u>27,558</u>
<b>Expenditures:</b>				
Current:				
Physical environment	<u>2,611,535</u>	<u>3,371,612</u>	<u>3,180,442</u>	<u>191,170</u>
Total expenditures	<u>2,611,535</u>	<u>3,371,612</u>	<u>3,180,442</u>	<u>191,170</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(87,695)</u>	<u>(807,772)</u>	<u>(589,044)</u>	<u>218,728</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	500,000	500,000	-
Transfers out	<u>(16,947)</u>	<u>(16,947)</u>	<u>(16,947)</u>	<u>-</u>
Total other financing sources (uses)	<u>(16,947)</u>	<u>483,053</u>	<u>483,053</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(104,642)	(324,719)	(105,991)	218,728
<b>Fund Balances - beginning</b>	1,959,847	1,959,847	1,959,847	-
<b>Fund Balances - ending</b>	<u>\$ 1,855,205</u>	<u>\$ 1,635,128</u>	<u>\$ 1,853,856</u>	<u>\$ 218,728</u>

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

CITY OF WINTER SPRINGS, FLORIDA

**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**

September 30, 2017

	<b>Business-type Activities - Enterprise Funds</b>			<b>Total</b>
	<b>Water and Sewer Utility Fund</b>	<b>Development Services Fund</b>	<b>Stormwater Utility Fund</b>	
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 1,262,263	\$ 219,814	\$ 59,077	\$ 1,541,154
Investments	16,165,040	2,814,099	756,666	19,735,805
Receivables, net	460,161	-	97,480	557,641
Inventories	7,378	-	-	7,378
Prepaid expense	5,200	-	-	5,200
Restricted cash and cash equivalents	788,505	-	-	788,505
Total current assets	<u>18,688,547</u>	<u>3,033,913</u>	<u>913,223</u>	<u>22,635,683</u>
Noncurrent assets:				
Restricted investments	718,955	-	-	718,955
Capital Assets:				
Land, buildings and equipment	62,740,988	160,900	12,516,450	75,418,338
Construction in Progress	6,042,267	-	88,948	6,131,215
Less Accumulated depreciation	(36,408,409)	(141,175)	(5,701,406)	(42,250,990)
Total capital assets (net of accumulated depreciation)	<u>32,374,846</u>	<u>19,725</u>	<u>6,903,992</u>	<u>39,298,563</u>
Total noncurrent assets	<u>33,093,801</u>	<u>19,725</u>	<u>6,903,992</u>	<u>40,017,518</u>
Total assets	<u>51,782,348</u>	<u>3,053,638</u>	<u>7,817,215</u>	<u>62,653,201</u>
<b>Deferred Outflows of Resources</b>				
Deferred charge on refunding	332,843	-	-	332,843
Deferred outflow pension earnings	78,101	8,686	10,798	97,585
Total deferred outflows of resources	<u>410,944</u>	<u>8,686</u>	<u>10,798</u>	<u>430,428</u>

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

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water and Sewer Utility Fund</b>	<b>Development Services Fund</b>	<b>Stormwater Utility Fund</b>	<b>Total</b>
<b>Liabilities</b>				
Current Liabilities:				
Accounts payable	458,970	44,343	22,446	525,759
Retainage payable	87,475	-	-	87,475
Accrued liabilities	164,171	34,422	20,782	219,375
Compensated absences - current	22,500	1,100	4,900	28,500
Customer deposits payable	654,145	-	-	654,145
Due to other governments	-	17,526	-	17,526
Notes payable - current	1,745,486	-	-	1,745,486
Accrued interest payable	58,241	-	-	58,241
Total current liabilities	<u>3,190,988</u>	<u>97,391</u>	<u>48,128</u>	<u>3,336,507</u>
Noncurrent Liabilities:				
Notes payable	8,308,069	-	-	8,308,069
Revenue bonds payable	5,655,485	-	-	5,655,485
Accreted interest payable	6,161,154	-	-	6,161,154
Compensated absences	89,790	4,512	19,715	114,017
Other noncurrent liabilities	134,061	18,404	33,274	185,739
Net pension liability	1,134,622	126,185	156,872	1,417,679
Total noncurrent liabilities	<u>21,483,181</u>	<u>149,101</u>	<u>209,861</u>	<u>21,842,143</u>
Total liabilities	<u>24,674,169</u>	<u>246,492</u>	<u>257,989</u>	<u>25,178,650</u>
<b>Deferred Inflows of Resources</b>				
Deferred inflow pension earnings	336,026	37,370	46,459	419,855
Total deferred outflows of resources	<u>336,026</u>	<u>37,370</u>	<u>46,459</u>	<u>419,855</u>
<b>NET POSITION</b>				
Net investment in capital assets	16,998,649	19,725	6,903,992	23,922,366
Restricted for debt service	-	-	-	-
Restricted for renewal and replacement	559,725	-	-	559,725
Unrestricted	9,624,723	2,758,737	619,573	13,003,033
Total net position	<u>\$ 27,183,097</u>	<u>\$ 2,778,462</u>	<u>\$ 7,523,565</u>	<u>\$ 37,485,124</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 NET POSITION**  
**PROPRIETARY FUNDS**

For The Year Ended September 30, 2017

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water and Sewer Utility Fund</b>	<b>Development Services Fund</b>	<b>Stormwater Utility Fund</b>	<b>Total</b>
<b>Operating Revenues:</b>				
User charges	\$ 10,266,772	\$ 1,968,276	\$ 1,042,363	\$ 13,277,411
Other revenue	-	17	125,204	125,221
Total operating revenues	<u>10,266,772</u>	<u>1,968,293</u>	<u>1,167,567</u>	<u>13,402,632</u>
<b>Operating Expenses:</b>				
Salaries and benefits	2,075,175	322,687	305,424	2,703,286
Materials and supplies	1,214,979	6,278	177,826	1,399,083
Depreciation and amortization	2,124,789	17,366	426,875	2,569,030
Other operating expenses	1,464,728	318,884	31,405	1,815,017
Total Operating Expenses	<u>6,879,671</u>	<u>665,215</u>	<u>941,530</u>	<u>8,486,416</u>
Operating income (loss)	<u>3,387,101</u>	<u>1,303,078</u>	<u>226,037</u>	<u>4,916,216</u>
<b>Nonoperating Revenue (Expenses):</b>				
Investment income	104,024	16,107	4,830	124,961
Interest expense	(434,612)	-	-	(434,612)
Accreted interest expense	(566,329)	-	-	(566,329)
Proceeds from auction and insurance	5,719	-	6,725	12,444
Total nonoperating revenue (expenses)	<u>(891,198)</u>	<u>16,107</u>	<u>11,555</u>	<u>(863,536)</u>
Income (loss) before contributions and transfers	2,495,903	1,319,185	237,592	4,052,680
<b>Capital Contributions:</b>				
Connection fees	777,913	-	-	777,913
Capital contribution	838,888	-	-	838,888
Transfers In	42,813	-	-	42,813
Transfers Out	(1,480,469)	(365,760)	(171,300)	(2,017,529)
Change in net position	<u>2,675,048</u>	<u>953,425</u>	<u>66,292</u>	<u>3,694,765</u>
Total Net Position - beginning	<u>24,508,049</u>	<u>1,825,037</u>	<u>7,457,273</u>	<u>33,790,359</u>
Total Net Position - ending	<u>\$ 27,183,097</u>	<u>\$ 2,778,462</u>	<u>\$ 7,523,565</u>	<u>\$ 37,485,124</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, 2017

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water and Sewer Utility Fund</b>	<b>Development Services Fund</b>	<b>Stormwater Utility Fund</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>				
Receipts from customers	\$ 10,222,069	\$ 1,968,293	\$ 1,117,883	\$ 13,308,245
Payments to suppliers	(2,550,002)	(276,346)	(225,815)	(3,052,163)
Payments to employees	(2,162,215)	(217,349)	(591,628)	(2,971,192)
Net cash provided by operating activities	<u>5,509,852</u>	<u>1,474,598</u>	<u>300,440</u>	<u>7,284,890</u>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Transfers in	42,813	-	-	42,813
Transfers out	(1,480,469)	(365,760)	(171,300)	(2,017,529)
Net cash provided (used) by noncapital financing activities	<u>(1,437,656)</u>	<u>(365,760)</u>	<u>(171,300)</u>	<u>(1,974,716)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Proceeds from insurance	5,719	-	6,725	12,444
Acquisition of capital assets	(5,891,270)	(13,664)	(30,351)	(5,935,285)
Debt proceeds	2,881,540			2,881,540
Principal paid	(822,719)	-	-	(822,719)
Interest paid	(306,207)	-	-	(306,207)
Connection fees	777,913	-	-	777,913
Net cash provided (used) by capital and related financing activities	<u>(3,355,024)</u>	<u>(13,664)</u>	<u>(23,626)</u>	<u>(3,392,314)</u>
<b>Cash Flows from Investing Activities:</b>				
Sale (purchase) of investments	318,260	(992,261)	(88,213)	(762,214)
Investment income	104,024	16,107	4,830	124,961
Net cash provided (used) by investing activities	<u>422,284</u>	<u>(976,154)</u>	<u>(83,383)</u>	<u>(637,253)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>1,139,456</u>	<u>119,020</u>	<u>22,131</u>	<u>1,280,607</u>
<b>Cash and Cash Equivalents - beginning</b>	<u>911,312</u>	<u>100,794</u>	<u>36,946</u>	<u>1,049,052</u>
<b>Cash and Cash Equivalents - end</b>	<u>\$ 2,050,768</u>	<u>\$ 219,814</u>	<u>\$ 59,077</u>	<u>\$ 2,329,659</u>
<b>Classified As:</b>				
Cash and cash equivalents	\$ 1,262,263	\$ 219,814	\$ 59,077	\$ 1,541,154
Restricted cash	788,505	-	-	788,505
Total	<u>\$ 2,050,768</u>	<u>\$ 219,814</u>	<u>\$ 59,077</u>	<u>\$ 2,329,659</u>

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



	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Water and Sewer Utility Fund</b>	<b>Development Services Fund</b>	<b>Stormwater Utility Fund</b>	<b>Total</b>
<b>Reconciliation of Operating Income(Loss) to Net Cash Provided by Operating Activities</b>				
Operating income(loss)	\$ 3,387,101	\$ 1,303,078	\$ 226,037	\$ 4,916,216
<b>Adjustments Not Affecting Cash:</b>				
Depreciation and amortization	2,124,789	17,366	426,875	2,569,030
<b>Change in Assets and Liabilities:</b>				
Decrease (increase) in accounts receivable	(35,226)	-	(49,684)	(84,910)
Decrease in inventories	(592)	-	-	(592)
Decrease (increase) in prepaid expenses	(5,200)	-	-	(5,200)
Increase (decrease) in accounts payable	135,497	37,461	(16,584)	156,374
Decrease in due to other governments	-	11,355	-	11,355
Increase in accrued liabilities	99,732	23,642	2,659	126,033
Decrease in customer deposits	(9,477)	-	-	(9,477)
Increase (decrease) in accrued compensated absences	(27,988)	(16,208)	(3,260)	(47,456)
Decrease in deferred pension outflow	(35,622)	(7,691)	1,886	(41,427)
Decrease in deferred pension inflow	332,325	37,376	45,414	415,115
Decrease in net pension liability	(472,107)	66,422	(337,395)	(743,080)
Increase in OPEB obligation	16,620	1,797	4,492	22,909
Total adjustments	<u>(2,038)</u>	<u>154,154</u>	<u>(352,472)</u>	<u>(200,356)</u>
<b>Net Cash Provided By Operating Activities</b>	<u>\$ 5,509,852</u>	<u>\$ 1,474,598</u>	<u>\$ 300,440</u>	<u>\$ 7,284,890</u>
<b>Noncash Capital and Financing Activities:</b>				
Contributed capital assets	\$ 838,888	\$ -	\$ -	\$ 838,888

CITY OF WINTER SPRINGS, FLORIDA

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

September 30, 2017

	<b>Defined Benefit Pension Trust Fund</b>
	<u>                    </u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 600,121
Receivables:	
Employer contributions	431,805
Total receivables	<u>431,805</u>
Investments, at fair value:	
Common funds - equity	32,193,323
Common funds - bonds	8,466,739
Other investments	<u>6,399,597</u>
Total Investments	<u>47,059,659</u>
Total assets	<u>48,091,585</u>
 <b>Liabilities</b>	 -
 <b>Net Position:</b>	
Net position restricted for pensions	<u><u>\$ 48,091,585</u></u>

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

CITY OF WINTER SPRINGS, FLORIDA

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

For The Year Ended September 30, 2017

	<b>Defined Benefit Pension Trust Fund</b>
	<u>                    </u>
<b>Additions:</b>	
Contributions:	
Employer	\$ 2,636,331
Plan Members	311,631
Total contributions	<u>2,947,962</u>
Investment income:	
Net decrease in fair value of investments	5,184,094
Interest	820,206
Net investment income	<u>6,004,300</u>
Total additions	<u>8,952,262</u>
<b>Deductions:</b>	
Benefits	2,679,406
Administrative expenses	208,505
Total deductions	<u>2,887,911</u>
Change in net position	6,064,351
Net Position - beginning	42,027,234
Net Position - ending	<u><u>\$ 48,091,585</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, 2017

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

***A. Reporting Entity***

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

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

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

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

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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

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

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

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

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

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

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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

The government reports the following funds:

**Major Governmental Funds**

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

The *Road Improvements Special Revenue Fund* accounts for collected one-cent sales tax revenues restricted for use for transportation, safety, capacity and infrastructure consistent with 212.055, F.S.

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

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

**Nonmajor Governmental Fund Types**

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

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

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



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

**Major Proprietary Funds**

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

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

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

**Fiduciary Fund**

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

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

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

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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

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

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

**1. Deposits and Investments**

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of less than 2 years from the date of acquisition.

Investments for the City are reported at fair value and are categorized within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

**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 nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

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

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

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

**3. Inventories and Prepaid Items**

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

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

**4. Restricted Assets**

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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

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

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

**6. Compensated absences**

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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

**7. Long-term obligations**

In the government-wide financial statements, and for proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts (including deep-discount or capital appreciation bonds), are deferred and amortized over the life of the bonds and notes using the effective interest method. Bonds payable and notes payable are reported net of the applicable bond premium or discount.

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

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

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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

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

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

**9. Net position flow assumption**

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

**10. Fund balance flow assumption**

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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

**11. Fund balance policies**

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

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

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The commission may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily.

The General Fund is the only fund that reports a positive unassigned fund balance. However, in other governmental funds, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this (\$14,092,026) difference are as follows:

Bonds Payable	\$ (3,498,970)
Accreted Interest Payable	(5,874,766)
Notes Payable	(3,520,632)
Less: Deferred charge on refunding (to be amortized as interest expense)	69,321
Accrued Interest Payable	(35,521)
Other Post Employment Benefits	(544,261)
Compensated Absences	<u>(687,197)</u>
Net Adjustment to Reduce Fund Balance - total governmental funds to arrive at net position - governmental activities	<u><u>\$ (14,092,026)</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 position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$577,713 difference are as follows:

Capital Outlay	\$ 4,250,832
Depreciation Expense	<u>(3,673,119)</u>
Net Adjustment to Decrease Net Changes in Fund Balances - total governmental funds to arrive at changes in net position - governmental activities	<u><u>\$ 577,713</u></u>



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

***B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities (Continued)***

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$3,453,328 difference are as follows:

Debt Issued or Incurred:	
Principal repayment	<u>\$ 3,453,328</u>
Net Adjustment to Increase Net Changes in Fund Balances - total governmental funds to arrive at changes in net position - governmental activities	<u>\$ 3,453,328</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 (\$610,725) difference are as follows:

Compensated Absences	\$ (63,051)
Amortization of Loss on Refunding	(7,752)
Accrued Interest Payable	28,886
Other Post Employment Benefits	(61,091)
Accreted Interest Payable	<u>(507,717)</u>
Net Adjustment to Decrease Net Changes in Fund Balances- total governmental funds to arrive at changes in net position - governmental activities	<u>\$ (610,725)</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

**Note 3 - Stewardship, Compliance, and Accountability:**

***A. Budgetary Information***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end. The City follows these procedures set forth below in establishing the budgetary data reflected in the financial statements.

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

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

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

***C. Deficit Fund Equity***

As a result of the internal loan, the Tuscawilla Phase III Special Revenue Fund has a deficit fund balance of \$45,712 at September 30, 2017.

As a result of the internal loan, the Central Winds Go Debt Service Fund has a deficit fund balance of \$1,074,143 at September 30, 2017.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

**Note 4 - Deposits and Investments:**

**Deposits**

At year-end, the carrying amount of the City's deposits was \$5,448,624 and the bank balance was \$4,685,621. Petty cash funds of \$1,810 are not on deposit with a financial institution, and fiduciary fund cash of \$600,121 held by the pension fund is not in the City's bank. All bank deposits were covered by Federal Depository Insurance or held in banks that are members of the State of Florida's Collateral Pool as specified under Florida law. Florida Statutes provide for collateral pooling by banks and savings and loans. This limits local government deposits to "authorized depositories".

**Investments**

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

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

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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Investments (Continued)**

**Custodial Credit Risk**

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The city's investment policy requires that the bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2017, all of the city's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2017, 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.

**Fair Value**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The City uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Investments (Continued)**

**Fair Value (Continued)**

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable, and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the City's own data in measuring unobservable inputs.

The City has the following recurring fair value measurements as of September 30, 2017:

<b>Investments Valued by Fair Value Level</b>		<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>
Commercial Paper	\$ 6,957,855	\$ -	\$ 6,957,855
US Treasury Notes	21,119,843	21,119,843	-
Federal Agency Bond Note	17,631,410	-	17,631,410
Fidelity Institutional Money Market Government Portfolio	803,908	-	803,908
	<u>\$46,513,016</u>	<u>\$ 21,119,843</u>	<u>\$ 25,393,173</u>

Investments held by the City at September 30, 2017 are detailed below.

<b>Investments</b>	<b>Fair Value</b>	<b>Credit Rating</b>	<b>Weighted Average Maturity</b>
Commercial Paper	\$ 6,957,855	A-1	45 days
US Treasury Notes	21,119,843	AA+	418 days
Federal Agency Bond Note	17,631,410	AA+	261 days
Fidelity Institutional Money Market Government Portfolio	803,908	Not rated	
	<u>\$ 46,513,016</u>		

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Investments: Pension Funds**

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

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

The investments held by the City's Pension Trust Fund at September 30, 2017 are detailed below:

<b>Investments</b>	<b>Fair Value</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>
Stocks	\$ 32,193,323	\$ 32,193,323	\$ -
Bonds	8,466,739	-	8,466,739
Other Investments	6,399,597	-	6,399,597
Total Investments	47,059,659	32,193,323	14,866,336
Cash and Cash Equivalents	600,121		
Total Cash and Investments	<u>\$ 47,659,780</u>	<u>\$ 32,193,323</u>	<u>\$ 14,866,336</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Investments: Pension Funds (Continued)**

**Credit Risk**

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

**Custodial Credit Risk**

Custodial risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2017, 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, 2017, there were no security investments in the Trust that were over their respective limitations.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Investments: Pension Funds (Continued)**

**Interest Rate Risk**

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

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

**Note 5 - Receivables:**

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

<u>Fund</u>	<u>Accounts Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Net Receivable</u>
General	\$ 66,303	(902)	\$ 65,401
Road Improvements Special Revenue	754	-	754
Solid Waste/Recycling Special Revenue	148,622	(9,104)	139,518
Water & Sewer Utility	502,369	(42,208)	460,161
Stormwater Utility	100,390	(2,910)	97,480
	<u>\$ 818,438</u>	<u>\$ (55,124)</u>	<u>\$ 763,314</u>

There is an amount of \$754 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 \$1,795,196 that are not available to liquidate liabilities of the current period. These receivables totaling \$1,795,950 are reported as deferred inflows of resources in the governmental funds balance sheet.



CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

**Note 6 - Capital Assets:**

Capital asset activity for the year ended September 30, 2017 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 9,946,795	\$ -	\$ -	\$ 9,946,795
Construction in Progress	2,937,029	3,595,894	(4,423,960)	2,108,963
Total capital assets, not being depreciated	<u>12,883,824</u>	<u>3,595,894</u>	<u>(4,423,960)</u>	<u>12,055,758</u>
Capital assets, being depreciated:				
Buildings	12,819,340	712,150	-	13,531,490
Improvements	12,520,723	2,150,903	(21,023)	14,650,603
Intangible assets	1,029,378	118,771	(558,451)	589,698
Machinery and equipment	7,664,934	604,246	(142,833)	8,126,347
Infrastructure	65,584,129	1,492,828	-	67,076,957
Total capital assets, being depreciated	<u>99,618,504</u>	<u>5,078,898</u>	<u>(722,307)</u>	<u>103,975,095</u>
Less accumulated depreciation for:				
Buildings	(6,312,177)	(380,137)	-	(6,692,314)
Improvements	(6,173,544)	(489,534)	16,061	(6,647,017)
Intangible assets	(1,011,462)	(24,016)	558,451	(477,027)
Machinery and equipment	(5,840,218)	(622,457)	142,833	(6,319,842)
Infrastructure	(34,213,747)	(2,156,975)	-	(36,370,722)
Total accumulated depreciation	<u>(53,551,148)</u>	<u>(3,673,119)</u>	<u>717,345</u>	<u>(56,506,922)</u>
Total capital assets, being depreciated, net	<u>46,067,356</u>	<u>1,405,779</u>	<u>(4,962)</u>	<u>47,468,173</u>
Governmental activities capital assets, net	<u>\$58,951,180</u>	<u>\$5,001,673</u>	<u>\$(4,428,922)</u>	<u>\$59,523,931</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 7,170,177	\$ -	\$ -	\$ 7,170,177
Construction in Progress	794,847	5,732,669	(396,301)	6,131,215
Total capital assets, not being depreciated	<u>7,965,024</u>	<u>5,732,669</u>	<u>(396,301)</u>	<u>13,301,392</u>
Capital assets, being depreciated:				
Buildings	818,362	-	-	818,362
Improvements	62,200,564	1,297,070	-	63,497,634
Intangible assets	218,523	13,664	(74,359)	157,828
Machinery and equipment	3,721,307	192,051	(139,021)	3,774,337
Total capital assets, being depreciated	<u>66,958,756</u>	<u>1,502,785</u>	<u>(213,380)</u>	<u>68,248,161</u>
Less accumulated depreciation for:				
Buildings	(639,644)	(25,992)	-	(665,636)
Improvements	(36,008,692)	(2,321,273)	-	(38,329,965)
Intangible assets	(184,710)	(22,544)	74,359	(132,895)
Machinery and equipment	(3,062,294)	(199,221)	139,021	(3,122,494)
Total accumulated depreciation	<u>(39,895,340)</u>	<u>(2,569,030)</u>	<u>213,380</u>	<u>(42,250,990)</u>
Total capital assets, being depreciated, net	<u>27,063,416</u>	<u>(1,066,245)</u>	<u>-</u>	<u>25,997,171</u>
Business-type activities capital assets, net	<u>\$ 35,028,440</u>	<u>\$ 4,666,424</u>	<u>\$ (396,301)</u>	<u>\$ 39,298,563</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	1,358,733
Public safety	306,556
Physical environment	1,645,358
Culture and recreation	362,472
Total Depreciation Expense - governmental activities	<u>\$ 3,673,119</u>
Business-type Activities:	
Water and sewer	\$ 2,124,789
Development services	17,366
Stormwater	426,875
Total Depreciation Expense - business-type activities	<u>\$ 2,569,030</u>

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

**Revenue Bonds**

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

The 1999 Improvement Refunding Bonds are secured by Electric Franchise fees and Public Service tax revenue. The total principal and interest remaining to be paid on this series is \$14,025,000. For the fiscal year, there was no principal and interest paid on this series and total pledged revenue was \$5,691,585.

The 2000 Water and Sewer Refunding bonds are secured by net revenue from the water and sewer system. The total principal and interest remaining to be paid on this series is \$19,555,625. For the fiscal year, principal and interest paid on this series was \$103,125 and total pledged net revenue was \$4,919,358.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Revenue Bonds (Continued)**

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

	<u>Interest Rates and Dates</u>	<u>Maturity</u>	<u>Original Amount</u>	<u>Balance September 30, 2017</u>
<b><u>Governmental Activities</u></b>				
Improvement Refunding				
Revenue Bonds- Series 1999		10/1/2020		
(excludes \$5,874,766 of accreted	3.25 - 5.25%	to		
interest on capital appreciation bonds)	(4/1 & 10/1)	10/1/2029	<u>\$ 7,998,970</u>	<u>\$ 3,498,970</u>
Total				<u>\$ 3,498,970</u>

**Business-Type Activities**

Water and Sewer Refunding				
Revenue Bonds- Series 2000		10/1/2022		
(excludes \$6,151,154 of accreted	4.5 - 5.5%	to		
interest on capital appreciation bonds)	(4/1 & 10/1)	10/1/2030	<u>\$ 6,969,191</u>	<u>\$ 5,669,191</u>
Total				<u>\$ 5,669,191</u>

Annual debt service requirements to maturity for revenue bonds 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>
2018	\$ -	\$ -	\$ -	\$ 103,125
2019	-	428,559	-	103,125
2020	417,881	869,161	-	103,125
2021	393,797	892,220	-	1,045,627
2022	371,765	913,671	397,498	1,455,488
2023-2027	1,568,569	4,850,119	2,313,075	7,717,500
2028-2031	746,958	2,572,300	2,958,618	3,358,444
	<u>\$ 3,498,970</u>	<u>\$ 10,526,030</u>	<u>\$ 5,669,191</u>	<u>\$ 13,886,434</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Notes Payable**

The City issued a Special Assessment Revenue Note Series 2006, in the amount of \$430,000 to provide financing for the Tuscawilla Lighting and Beautification Project, Phase II. The Special Assessment Revenue Note Series 2006 is secured by a first lien and pledge of assessments levied on the property within the assessed area. For the fiscal year, principal and interest paid on this series was \$30,120 and total pledged revenue was \$26,478. This loan was paid in full during the year ended September 30, 2017.

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 \$469,190. For the fiscal year, principal and interest paid on this series was \$219,559 and total pledged revenue was \$5,691,585.

The 2011 Special Assessment Revenue Refunding Note is secured by a first lien and pledge of assessments levied on the property within the assessed area. The total principal and interest remaining to be paid on this series is \$1,726,028. For the fiscal year, principal and interest was paid on this series was \$132,667 and total pledged revenue was \$133,546.

The 2012 Limited General Obligation Refunding Note is secured a pledge of the faith, credit and taxing power of the City, provided that the levy of ad valorem taxes by the City in each year for the payment of debt service on the Note shall not exceed one quarter (1/4) of one mil on all of the taxable property in the City. Total principal and interest remaining on this series of \$2,354,834 was paid during the fiscal year and total pledged revenue was \$132,374. This Note was fully paid off in January 2017.

The 2014 Improvement Refunding Revenue Notes are secured by Public Service tax revenue. The total principal and interest remaining to be paid on this series is \$1,668,590. For the fiscal year, principal and interest paid was \$837,159 and total pledged revenue was \$3,879,197.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Notes Payable (Continued)**

The 2016 Water and Sewer System Revenue Refunding Note Payable is secured by net revenue from the water and sewer system. The total principal and interest remaining to be paid on this series is \$5,875,184. For the fiscal year, principal or interest paid was \$793,772 and total pledged revenue was \$4,919,358.

In April 2012, the City executed Clean Water State Revolving Fund Loan agreement WW590600 for the Lake Jessup reclaimed water augmentation facility. The agreement provides for total funding of \$2,831,985. The loan period is for 20 years with an interest rate of 2.77 percent. The note is secured by gross revenues from the water and sewer utility net of operation and maintenance costs. The total principal and interest remaining to be paid on this series is \$1,742,713. For the fiscal year, principal and interest paid on this series was \$113,706 and total pledged net revenue was \$4,816,233.

In 2017, the City executed the Drinking Water State Revolving Fund Construction Loan agreement DW590610 for Water Treatment Plant Water Quality Improvements. The agreement provides for total funding of \$5,952,000. The loan period is for 20 years with an interest rate of .72 percent. The note is secured by gross revenues from the water and sewer utility net of operations and maintenance costs. The principal and interest to be paid on this series is \$2,978,339. The first payment on this loan is due December 15, 2017.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Notes Payable (Continued)**

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

Governmental Activities

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% \$ 458,280

Special Assessment Refunding Revenue Note, Series 2011 - payable in annual principal installments starting 10/1/12 through 10/1/29 and interest paid semi-annually at 3.25% 1,408,352

Improvement Refunding Revenue Note, Series 2014 - payable in annual principal installments starting 10/1/14 through 10/1/18 and interest paid semi-annually at 0.88% 1,654,000  
\$ 3,520,632

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CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Notes Payable (Continued)**

Business-Type Activities

Water and Sewer System Revenue Refunding Note, Series 2016 - payable in annual principal installments starting 4/1/17 through 10/1/2021 and interest paid semi-annually at 3.28% \$ 5,747,000

SRF loan- payable in semi-annual principal and interest installments starting 4/15/13, with interest paid semi-annually at 2.77% 1,425,015

2017 SRF loan- payable in semi-annual principal and interest installments starting 12/15/17, with interest paid semi-annually at .72%  
2,881,540  
\$ 10,053,555

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

<b>Year Ending</b> <b><u>September 30.</u></b>	<b><u>Governmental Activities</u></b>		<b><u>Business-Type Activities</u></b>	
	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>
2018	\$ 1,137,724	\$ 63,409	\$ 1,745,486	\$ 142,654
2019	1,157,512	47,750	1,888,579	118,561
2020	97,062	38,248	1,914,783	93,651
2021	95,604	35,117	1,344,062	72,384
2022	99,099	31,953	569,417	64,098
2023-2027	555,463	107,974	1,945,216	251,856
2028-2032	378,168	18,725	589,934	52,348
2033	-	-	56,078	-
	<u>\$ 3,520,632</u>	<u>\$ 343,176</u>	<u>\$ 10,053,555</u>	<u>\$ 795,552</u>



CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended September 30, 2017 was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental Activities:</b>					
Bonds Payable-					
Revenue bonds	\$ 3,498,970	\$ -	\$ -	\$ 3,498,970	\$ -
Accreted Interest Payable	5,367,049	507,717	-	5,874,766	-
Notes Payable-					
Capital improvement notes	4,661,331	-	(1,140,699)	3,520,632	1,137,724
Limited general obligation note	2,312,629	-	(2,312,629)	-	-
Total notes payable	<u>6,973,960</u>	<u>-</u>	<u>(3,453,328)</u>	<u>3,520,632</u>	<u>1,137,724</u>
Other Post Employment Benefits	483,170	61,091	-	544,261	-
Net Pension Obligation	9,393,991	-	(3,139,290)	6,254,701	-
Compensated Absences	624,146	687,197	(624,146)	687,197	137,000
Governmental activity long-term liabilities	<u>\$ 26,341,286</u>	<u>\$ 1,256,005</u>	<u>\$ (7,216,764)</u>	<u>\$ 20,380,527</u>	<u>\$ 1,274,724</u>
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Business-type Activities:</b>					
Bonds Payable-					
Revenue bonds	\$ 5,669,191	\$ -	\$ -	\$ 5,669,191	\$ -
Less deferred amounts:					
Issuance discounts	(14,760)	-	1,054	(13,706)	-
Total bonds payable	<u>5,654,431</u>	<u>-</u>	<u>1,054</u>	<u>5,655,485</u>	<u>-</u>
Accreted Interest Payable	5,594,825	566,329	-	6,161,154	-
Notes Payable-					
Revenue notes	6,497,000	-	(750,000)	5,747,000	1,506,000
SRF Loan	1,497,734	2,881,540	(72,719)	4,306,555	239,486
Other Post Employment Benefits	162,830	22,909	-	185,739	-
Net Pension Obligation	2,160,759	-	(743,080)	1,417,679	-
Compensated Absences	189,973	142,517	(189,973)	142,517	28,500
Governmental activity long-term liabilities	<u>\$ 21,757,552</u>	<u>\$ 3,613,295</u>	<u>\$ (1,754,718)</u>	<u>\$ 23,616,129</u>	<u>\$ 1,773,986</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

The composition of interfund advances as of September 30, 2017 is as follows:

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>Amount</b>
General	Other Governmental Funds	\$ 53,691
Other Governmental	Other Governmental Funds	1,085,000
		<u>\$ 1,138,691</u>

The balance due to the General Fund represents an interfund loan with the Tuscawilla III Special Revenue Fund, which was established with Resolution 2013-22 in the amount of \$80,820 of which \$17,100 in prepayments were received for a net interfund loan of \$63,720. The terms of the note are 2.875% for 20 years. The interest rate is variable, with maximum increases of 1.25% in years 6-15, and 1.5% in years 16-20.

The interfund loan with the Excellence in Customer Service fund due to Central Wind GO DSF, in the amount of \$1,085,000. The terms of the note are 0% for 20 years.

Interfund transfers for the year ended September 30, 2017 are summarized below:

Transfers Out	Transfers In				Total
	General Fund	Solid Waste	Other Governmental Funds	Water and Sewer Utility Fund	
General Fund	\$ -	\$ 500,000	\$ 1,672,481	\$ -	\$ 2,172,481
TLBD Debt Service	500	-	-	-	500
Solid Waste/Recycling		-			
Special Revenue Fund	16,947	-	-	-	16,947
Other Governmental Funds	292,862	-	-	36,813	329,675
Water and Sewer Utility Fund	1,480,469	-	-	-	1,480,469
Development Services Fund	365,760	-	-	-	365,760
Stormwater Utility Fund	165,300	-	-	6,000	171,300
	<u>\$ 2,321,838</u>	<u>\$ 500,000</u>	<u>\$ 1,672,481</u>	<u>\$ 42,813</u>	<u>\$ 4,537,132</u>

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

Interfund transfers for the year ended September 30, 2017 are detailed below:

<u>Recipient Fund</u>	<u>Amount</u>	<u>Purpose</u>
1999/2011 Debt Service Fund	\$ 236,000	Transfer from General Fund to Pay Debt Service expenses on the Improvement Refunding Revenue Note series 2011
2003/ 2014 Debt Service Fund	834,000	Transfer from General Fund to Pay Debt Service expenses on the Improvement Refunding Revenue Note series 2014
Public Facilities	555,000	Transfer from General Fund to prepare for Torcaso field house project.
Solid Waste/Recycling	500,000	Transfer from General Fund for storm reserve (Hurricane Matthew/Irma).
Parks Impact	47,481	Transfer from General Fund for Sam Smith park project and impact analytis.
General Fund	1,480,469	Transfer from Water and Sewer Utility Fund for the Utility Billing division budget, fair share portion of central service costs
General Fund	365,760	Transfer from Development services Fund for direct administrative expense and central service costs
General Fund	36,415	Transfer from TLBD Phase I Maintenance Special Revenue Fund for City Clerk, Urban Beautification Coordinator and other central costs allocation
General Fund	7,853	Transfer from Oak Forest Maintenance Special Revenue Fund for City Clerk, Urban Beautification Coordinator and other central costs allocation
General Fund	16,947	Transfer form Solid Waste/Recycling Special Revenue Fund for Urban Beautification
General Fund	15,750	Transfer from Arbor Fund for urban forestry services.
General Fund	165,300	Transfer from Stormwater Utility Fund for fair share portion of central service costs
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.

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

<u>Recipient Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	1,844	Transfer from Tusawilla III Special Revenue Fund for insurance and urban beautification and administrative costs
General Fund	230,000	Transfer from Transportation Improvement Fund for street lighting
Water and Sewer Utility Fund	9,438	Transfer from Arbor Fund for City arborist payroll allocation
Water and Sewer Utility Fund	25,485	Transfer from TLBD Maintenance Fund for urban beautification
Water and Sewer Utility Fund	1,890	Transfer from Oak Forest Maintenance Fund for urban beautification
Water and Sewer Utility Fund	6,000	Transfer from Stormwater Utility for administrative costs
	<u>\$ 4,537,132</u>	

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

**Plan Description**

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

In October 2008, the City consolidated fire services with Seminole County, and firefighters were given the option to either remain in the City's pension plan or enroll in the County's pension plan. As a result, 27 firefighters elected to remain in the City's pension plan of which 9 remain although they are no longer employees of the City.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

*Plan Membership* - At September 30, 2017 plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	99
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	157
Active Plan Members	109
	<u>365</u>

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

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

*Net Pension Liability* - The City's net pension liability was measured as of September 30, 2017, and the pension liability was determined by an actuarial valuation as of October 1, 2016 updated to September 30, 2017. The components of the net pension liability of the sponsor on September 30, 2017 were as follows:

Total Pension Liability	\$ 55,763,964
Plan Fiduciary Net Position	<u>(48,091,584)</u>
Sponsor's Net Pension Liability	<u>\$ 7,672,380</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	86.24%

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

*Actuarial Assumptions -*

The total pension liability was determined by an actuarial valuation as of October 1, 2016 updated to September 30, 2017 using the following actuarial assumptions:

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Domestic Stocks	25%	2.58%
Domestic Broad Cap Growth Equity	25%	3.05%
International	15%	0.59%
Fixed Income	20%	0.59%
TIPS	5%	0.08%
Real Estate	10%	1.44%
Total	<u>100%</u>	

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

*Discount rate* - The discount rate used to measure the total pension liability was 8%. The projection of cash flows used to determine the discount rate assumed member contributions will be made at the current contribution rate and employer contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in Net Pension Liability**

	<u>Increase (Decrease)</u>		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2016	\$ 53,581,984	\$ 42,027,234	\$ 11,554,750
Changes for a Year:			
Service Cost	697,459	-	697,459
Interest	4,229,901	-	4,229,901
Differences between expected and actual experience	(592,087)	-	(592,087)
Changes of assumptions	526,115	-	526,115
Contributions-employer	-	2,605,753	(2,605,753)
Contributions-employee	-	342,209	(342,209)
Net investment income	-	5,851,493	(5,851,493)
Benefit payments, including refunds of employee contributions	(2,679,408)	(2,679,408)	-
Administrative Expense	-	(55,697)	55,697
Net Changes	<u>2,181,980</u>	<u>6,064,350</u>	<u>(3,882,370)</u>
Balances at September 30, 2017	<u>\$ 55,763,964</u>	<u>\$ 48,091,584</u>	<u>\$ 7,672,380</u>

*Sensitivity of the Net Pension Liability to changes in the Discount Rate*

	1% Decrease	Current	1% Increase
	<u>7.00%</u>	<u>Discount Rate 8.00%</u>	<u>9.00%</u>
Net Pension Liability	\$ 14,259,497	\$ 7,672,380	\$ 2,192,852

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

*Deferred outflows and inflows of resources*

For the year ended September 30, 2017, the City will recognize a pension expense of \$(812,453). At September 30, 2017, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 134,458	\$ 548,619
Changes of Assumptions	393,666	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,723,605
	<u>\$ 528,124</u>	<u>\$ 2,272,224</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2018	\$ (425,212)
2019	(84,059)
2020	(746,703)
2021	(488,126)
2022	-
Thereafter	-



CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

**Note 10 - Defined Contribution Plan:**

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

For the fiscal year ending September 30, 2017, payroll for the employees covered by this plan was \$1,942,115. Employer contributions required and made were \$98,268. As of September 30, 2017, participation in the plan consisted of 63 active members.

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

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

In accordance with Florida Statutes Section 112.0801, the City makes continued group health insurance through the city's current provider available to retirees and eligible dependents provided certain service requirements and normal age retirement requirements have been met. This plan is a single employer plan. This benefit has no cost to the City, other than the implicit cost of including retirees in the group calculation. All premiums are paid by the retiree. The City has seven 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 December 1, 2015. At that point in time, the unfunded actuarial accrued liability (UAAL) for benefits was \$1,079,000 and funded ratio was 0%. The covered payroll was \$7,853,000 and the ratio of the UAAL to covered payroll was 13.7 percent.

The annual required contribution and Net OPEB Obligation for the fiscal year ended September 30, 2017 is as follows:

Annual Required Contribution	\$ 181,000
Interest on Net OPEB Obligation	26,000
Adjustment to Annual Required Contribution	(56,000)
Annual OPEB Cost	<u>151,000</u>
Employer Contributions	(66,000)
Interest on Employer Contributions	<u>(1,000)</u>
Increase in Net OPEB Obligation	84,000
Net OPEB Obligation (beginning of year)	646,000
Net OPEB Obligation (end of year)	<u>\$ 730,000</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

***Three Year Trend Information -***

<b>Fiscal Year Ending</b>	<b>Annual OPEB Cost</b>	<b>Percentage of OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
9/30/2015	\$ 156,000	36.0%	\$ 545,000
9/30/2016	157,000	36.0%	646,000
9/30/2017	151,000	44.0%	730,000

**Summary of Actuarial Methods & Assumptions -**

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

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

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

**Decrements**

***Mortality*** - Sex-distinct mortality rates set forth in the RP-2000 mortality table to annuitants and non-annuitants, projected to 2015 by Scale AA, as published by the IRS for purposes of IRC section 430; future generational improvements in mortality have not been reflected.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

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

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

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

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

**Healthcare 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>
2016	8.00%	2019	6.50%	2022	
2017	7.50%	2020	6.00%	and later	5.00%
2018	7.00%	2021	5.50%		

**Implied Subsidy (Not Eligible for Medicare)** - The implied subsidy for a 60-year old retiree and his spouse for the period December 1, 2015 through November 30, 2016 is assumed to be \$4,800 per year and \$6,600 per year, respectively.

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

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

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

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

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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

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

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

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

**Summary of Benefits**

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

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

**Choice of Healthcare Plans** - Eligible individuals may choose healthcare coverage under the United Healthcare Medical Plan 4, 5 or 6 plans.

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

**Note 12 - Deferred Compensation Plan:**

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

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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

**Note 13 - Risk Management:**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; and natural disasters. Risk of loss from above is transferred by the City to various commercial insurers through the purchase of insurance. There has been no significant reduction in insurance coverage from the previous year. There have been no settlements in excess of insurance coverage in any of the prior three fiscal years.

**Note 14- Commitments and Contingencies:**

**Grants -**

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

**Litigation -**

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

**Commitments Under Construction Contracts -**

At September 30, 2017, the City had entered into construction contracts in the amount of \$141,300.

**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, 2017, there are no remaining impact fee credits.

**Note 15 - Fund Balance:**

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

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

September 30, 2017

**Note 15 - Fund Balance (Continued):**

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 reducing the unassigned General Fund fund balance below the 20% minimum provided that the assigned General Fund fund balance is restored to the minimum in the following year budget.

At September 30, 2017, 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
<b>Nonspendable</b>						
Inventory/prepaid	\$ 202,911	\$ -	\$ -	\$ -	\$ 2,803	\$ 205,714
Advances	53,691	-	-	-	-	53,691
<b>Spendable</b>						
Restricted for:						
Physical environment	-	4,957,192	-	-	334,932	5,292,124
Transportation improvements	-	-	-	-	2,831,233	2,831,233
Public safety	-	-	-	-	616,030	616,030
Fire impact fees	-	-	-	-	2,404,139	2,404,139
Parks Improvements	-	-	-	-	1,473,313	1,473,313
Debt service	-	-	-	124,138	10,242	134,380
Committed to:						
Solid Waste	-	-	1,002,652	-	-	1,002,652
Arbor	-	-	-	-	289,601	289,601
Assigned to:						
Storm reserve	-	-	589,593	-	-	589,593
Emergency Disaster Relief	-	-	261,611	-	-	261,611
Debt service	-	-	-	-	1,074,116	1,074,116
Capital projects	-	-	-	-	4,012,775	4,012,775
Unassigned	8,249,681	-	-	-	(1,119,855)	7,129,826
<b>Total Fund Balance</b>	<b>\$8,506,283</b>	<b>\$ 4,957,192</b>	<b>\$1,853,856</b>	<b>\$ 124,138</b>	<b>\$11,929,329</b>	<b>\$27,370,798</b>

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF WINTER SPRINGS, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION**

September 30, 2017

Retiree Continuation Insurance Plan

**Schedule of Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll (b-a) / c</b>
7/1/2009**	\$ -	\$ 505,000	\$ 505,000	0.0%	\$ 9,230,000	5.5%
10/1/2011	-	754,000	754,000	0.0%	7,441,000	10.1%
10/1/2013	-	1,016,000	1,016,000	0.0%	7,665,000	13.3%
12/1/2015	-	1,079,000	1,079,000	0.0%	7,853,000	13.7%

\*\* initial valuation date

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

<b>Fiscal Year Ending</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage of ARC Contributed</b>	<b>Net OPEB Obligation</b>
9/30/2012	\$ 137,000	43.0%	\$ 290,000
9/30/2013	160,000	42.0%	368,000
9/30/2014	163,000	42.0%	445,000
9/30/2015	176,000	32.0%	545,000
9/30/2016	182,000	30.2%	646,000
9/30/2017	181,000	36.5%	730,000



CITY OF WINTER SPRINGS, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION**

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

Last Ten Fiscal Years\*\*

	<u>9/30/2014</u>	<u>9/30/2015</u>	<u>9/30/2016</u>	<u>9/30/2017</u>
<b>Total Pension Liability</b>				
Service Cost	\$ 886,819	\$ 834,402	\$ 808,281	\$ 697,459
Interest	3,666,120	3,851,130	4,059,813	4,229,901
Benefit Changes	-	-	-	-
Differences Between Expected and Actual Experience	(581,481)	(107,513)	275,994	(592,087)
Changes of Assumptions	-	8,107	-	526,115
Benefit Payments, including refunds of employee contributions	(1,974,208)	(2,202,769)	(2,450,972)	(2,679,408)
Net Change in Total Pension Liability	1,997,250	2,383,357	2,693,116	2,181,980
Total Pension Liability-beginning	46,508,261	48,505,511	50,888,868	53,581,984
Total Pension Liability-ending (a)	<u>\$ 48,505,511</u>	<u>\$ 50,888,868</u>	<u>\$ 53,581,984</u>	<u>\$ 55,763,964</u>
<b>Plan Fiduciary Net Position</b>				
Contributions-employer	2,527,508	2,392,948	2,586,936	2,605,753
Contributions-employee	369,500	358,106	479,257	342,209
Net Investment Income	3,885,344	5,160	4,077,452	5,851,493
Benefit Payments, Including Refunds of Employee Contributions	(1,974,208)	(2,202,769)	(2,450,972)	(2,679,408)
Administrative Expense	(159,424)	(11,937)	(28,208)	(55,697)
Other	-	-	-	-
Net Change in Plan Fiduciary Net Position	4,648,720	541,508	4,664,465	6,064,350
Plan Fiduciary Net Position- beginning	32,172,541	36,821,261	37,362,769	42,027,234
Plan Fiduciary Net Position- ending (b)	<u>\$ 36,821,261</u>	<u>\$ 37,362,769</u>	<u>\$ 42,027,234</u>	<u>\$ 48,091,584</u>
Net Pension Liability - ending (a)- (b)	<u>\$ 11,684,250</u>	<u>\$ 13,526,099</u>	<u>\$ 11,554,750</u>	<u>\$ 7,672,380</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	75.91%	73.42%	78.44%	86.24%
Covered-employee Payroll*	\$ 7,369,943	\$ 7,070,355	\$ 6,671,503	\$ 5,846,735
Net Pension Liability as a Percentage of Covered Employee Payroll	158.54%	191.31%	173.20%	131.23%
Valuation Date	10/1/2013	10/1/2014	10/1/2015	10/1/2016

Notes to Schedule: Updated procedures were used to roll forward the total pension liability to the measurement date.

No benefit changes during the year. Mortality assumption was updated during the year.

\* Reported payroll on which contributions to the Plan are based as provided under GASB Statement Number 82.

\*\* Only 4 years of data available.

CITY OF WINTER SPRINGS, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS**

Last Ten Fiscal Years\*\*

	<u>9/30/2014</u>	<u>9/30/2015</u>	<u>9/30/2016</u>	<u>9/30/2017</u>
Actuarially Determined Contribution	\$ 2,474,578	\$ 2,230,908	\$ 2,067,445	\$ 1,831,495
Contributions in Relation to the				
Actuarially Determined Contribution	<u>2,527,508</u>	<u>2,392,948</u>	<u>2,586,936</u>	<u>2,605,753</u>
Contribution Deficiency (Excess)	<u>\$ (52,930)</u>	<u>\$ (162,040)</u>	<u>\$ (519,491)</u>	<u>\$ (774,258)</u>
Covered Employee Payroll	7,369,943	7,070,355	6,671,503	5,846,435
Contributions as a Percentage of				
Covered Employee Payroll	34.29%	33.84%	38.78%	44.57%

Notes to Schedule

Valuation Date	10/1/2013	10/1/2014	10/1/2015	10/1/2016
Update procedures were used to roll forward the total pension liability to the measurement date				

Methods and Assumptions Used to Determine Contribution Rates:

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

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

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

Assumption Changes 2014: Disability rates updated. 2008: Mortality, salary increase, withdrawal, disability and retirement rates updated; administrative expense assumption introduced and actuarial cost method updated.

\*\* Only 4 years of data available.

CITY OF WINTER SPRINGS, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF INVESTMENT RETURNS**

Last Ten Fiscal Years\*\*

	<u>9/30/2014</u>	<u>9/30/2015</u>	<u>9/30/2016</u>	<u>9/30/2017</u>
Annual Money-Weighted Rate of Return Net of Investment Expense	9.75%	0.28%	10.75%	10.75%

\*\* Only 4 years of data available.

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**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

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## **MAJOR GOVERNMENTAL FUNDS**

### **Debt Service Funds**

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

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

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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, 2017

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 138,655	\$ 138,655	\$ 85,506	\$ (53,149)
Investment income	160	160	48,040	47,880
Miscellaneous	-	-	6,525	6,525
Total revenues	<u>138,815</u>	<u>138,815</u>	<u>140,071</u>	<u>1,256</u>
<b>Expenditures:</b>				
Current:				
Physical environment	5,925	4,675	3,984	691
Debt Service:				
Principal	85,506	85,506	85,506	-
Interest and other charges	47,161	47,161	47,161	-
Capital Outlay				
Physical environment	70,000	21,250	20,993	257
Total expenditures	<u>208,592</u>	<u>158,592</u>	<u>157,644</u>	<u>948</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(69,777)</u>	<u>(19,777)</u>	<u>(17,573)</u>	<u>2,204</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(500)	(500)	(500)	-
Total other financing sources and uses	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(70,277)	(20,277)	(18,073)	2,204
<b>Fund Balances - beginning</b>	142,211	142,211	142,211	-
<b>Fund Balances - ending</b>	<u>\$ 71,934</u>	<u>\$ 121,934</u>	<u>\$ 124,138</u>	<u>\$ 2,204</u>

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

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

## NONMAJOR GOVERNMENTAL FUNDS - Continued

### Special Revenue Funds - Continued

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

## NONMAJOR GOVERNMENTAL FUNDS - Continued

### Debt Service Funds

- |   |   |
|---|---|
| <b>2003 Debt Service Fund</b>               | - This fund is used to account for the accumulation of resources and payment of principal and interest for the 2003 bond issue which was refinanced in July 2014 with a private placement note payable.                   |
| <b>1999 Debt Service Fund</b>               | - 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.  |
| <b>Oak Forest Debt Service Fund</b>         | - 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. |
| <b>TLBD Phase II Debt Service Fund</b>      | - This fund is used to account for the accumulation of resources and payment of principal and interest for the TLBD Phase II Improvements.  |
| <b>Central Winds G.O. Debt Service Fund</b> | This fund is used to account for accumulation of resources and payment of principal and interest for the 2002 limited general obligation bond which was refinanced in May 2012 with private placement note payable.       |

## NONMAJOR GOVERNMENTAL FUNDS - Continued

### Capital Projects Funds

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

CITY OF WINTER SPRINGS, FLORIDA

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

September 30, 2017

	<b>Special Revenue</b>			
	<b>Police Education Fund</b>	<b>Special Law Enforcement Trust Fund- Local</b>	<b>Transportation Improvement Fund</b>	<b>Transportation Impact Fee Fund</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 948	\$ 1,619	\$ 132,923	\$ 75,009
Investments	12,148	20,742	1,702,481	960,713
Prepays	-	-	2,803	-
Special assessments receivable	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	2,990	-	-
Total assets	<u>\$ 13,096</u>	<u>\$ 25,351</u>	<u>\$ 1,838,207</u>	<u>\$ 1,035,722</u>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 76	\$ 39,893	\$ -
Due to other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>76</u>	<u>39,893</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Nonspendable	-	-	2,803	-
Restricted	13,096	25,275	1,795,511	1,035,722
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>13,096</u>	<u>25,275</u>	<u>1,798,314</u>	<u>1,035,722</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 13,096</u>	<u>\$ 25,351</u>	<u>\$ 1,838,207</u>	<u>\$ 1,035,722</u>

**Special Revenue**

<b>Police Impact Fee Fund</b>	<b>Fire Impact Fee Fund</b>	<b>Parks Impact Fee Fund</b>	<b>Arbor Fund</b>	<b>TLBD Maintenance Fund</b>
\$ 38,404	\$ 174,112	\$ 107,071	\$ 20,973	\$ 20,054
491,879	2,230,027	1,371,370	268,628	256,846
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 530,283</u>	<u>\$ 2,404,139</u>	<u>\$ 1,478,441</u>	<u>\$ 289,601</u>	<u>\$ 276,900</u>
\$ -	\$ -	\$ 5,128	\$ -	\$ 21,375
-	-	-	-	-
-	-	5,128	-	21,375
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
530,283	2,404,139	1,473,313	-	255,525
-	-	-	289,601	-
-	-	-	-	-
-	-	-	-	-
<u>530,283</u>	<u>2,404,139</u>	<u>1,473,313</u>	<u>289,601</u>	<u>255,525</u>
<u>\$ 530,283</u>	<u>\$ 2,404,139</u>	<u>\$ 1,478,441</u>	<u>\$ 289,601</u>	<u>\$ 276,900</u>

(Continued)

CITY OF WINTER SPRINGS, FLORIDA

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

September 30, 2017

	<b>Special Revenue</b>			<b>Total Special Revenue</b>
	<b>Oak Forest Maintenance Fund</b>	<b>Special Law Enforcement Trust Fund - Federal</b>	<b>Tusawilla Phase III</b>	
<b>Assets:</b>				
Cash and cash equivalents	\$ 5,751	\$ 3,431	\$ 578	\$ 580,873
Investments	73,656	43,945	7,401	7,439,836
Prepays	-	-	-	2,803
Special assessments receivable	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	2,990
Total assets	<u>\$ 79,407</u>	<u>\$ 47,376</u>	<u>\$ 7,979</u>	<u>\$ 8,026,502</u>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 66,472
Due to other funds	-	-	53,691	53,691
Total liabilities	<u>-</u>	<u>-</u>	<u>53,691</u>	<u>120,163</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue-special assessments	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	2,803
Restricted	79,407	47,376	-	7,659,647
Committed	-	-	-	289,601
Assigned	-	-	-	-
Unassigned	-	-	(45,712)	(45,712)
Total fund balances	<u>79,407</u>	<u>47,376</u>	<u>(45,712)</u>	<u>7,906,339</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 79,407</u>	<u>\$ 47,376</u>	<u>\$ 7,979</u>	<u>\$ 8,026,502</u>



**Debt Service**

<b>2003 Debt Service Fund</b>	<b>1999 Debt Service Fund</b>	<b>Oak Forest Debt Service Fund</b>	<b>Central Winds GO Debt Service Fund</b>	<b>TLBD Phase II Debt Service Fund</b>	<b>Total Debt Service</b>
\$ 830,906	\$ 230,894	\$ 608	\$ 786	\$ 134	\$ 1,063,328
8,042	4,274	7,788	10,071	1,712	31,887
-	-	-	-	-	-
-	-	363,539	-	83,305	446,844
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 838,948</u>	<u>\$ 235,168</u>	<u>\$ 371,935</u>	<u>\$ 10,857</u>	<u>\$ 85,151</u>	<u>\$ 1,542,059</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	1,085,000	-	1,085,000
-	-	-	1,085,000	-	1,085,000
-	-	-	-	-	-
-	-	363,539	-	83,305	446,844
-	-	363,539	-	83,305	446,844
-	-	-	-	-	-
-	-	8,396	-	1,846	10,242
-	-	-	-	-	-
838,948	235,168	-	-	-	1,074,116
-	-	-	(1,074,143)	-	(1,074,143)
<u>838,948</u>	<u>235,168</u>	<u>8,396</u>	<u>(1,074,143)</u>	<u>1,846</u>	<u>10,215</u>
<u>\$ 838,948</u>	<u>\$ 235,168</u>	<u>\$ 371,935</u>	<u>\$ 10,857</u>	<u>\$ 85,151</u>	<u>\$ 1,542,059</u>

(Continued)

CITY OF WINTER SPRINGS, FLORIDA

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

September 30, 2017

**Capital Projects**

	<b>1999 Construction Fund</b>	<b>Revolving Rehab Fund</b>	<b>Public Facilities</b>	<b>Utility/Public Works Facility Fund</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 61,143	\$ 79,670	\$ 41,854	\$ 14,626
Investments	783,115	1,020,411	536,066	187,331
Prepays	-	-	-	-
Special assessments receivable	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	-
<b>Total assets</b>	<b><u>\$ 844,258</u></b>	<b><u>\$ 1,100,081</u></b>	<b><u>\$ 577,920</u></b>	<b><u>\$ 201,957</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 8,986	\$ 7,921
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>8,986</u></b>	<b><u>7,921</u></b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue-special assessments	-	-	-	-
<b>Total deferred inflows of resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	844,258	1,100,081	568,934	194,036
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b><u>844,258</u></b>	<b><u>1,100,081</u></b>	<b><u>568,934</u></b>	<b><u>194,036</u></b>
 Total liabilities, deferred inflows of resources and fund balances	 <b><u>\$ 844,258</u></b>	 <b><u>\$ 1,100,081</u></b>	 <b><u>\$ 577,920</u></b>	 <b><u>\$ 201,957</u></b>

**Capital Projects**

<b>Excellence in Customer Service</b>	<b>Total Capital Projects</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 15,967	\$ 213,260	\$ 1,857,461
204,499	2,731,422	10,203,145
-	-	2,803
-	-	446,844
1,085,000	1,085,000	1,085,000
-	-	2,990
<u>\$ 1,305,466</u>	<u>\$ 4,029,682</u>	<u>\$ 13,598,243</u>
\$ -	\$ 16,907	\$ 83,379
-	-	1,138,691
<u>-</u>	<u>16,907</u>	<u>1,222,070</u>
-	-	446,844
<u>-</u>	<u>-</u>	<u>446,844</u>
-	-	2,803
-	-	7,669,889
-	-	289,601
1,305,466	4,012,775	5,086,891
-	-	(1,119,855)
<u>1,305,466</u>	<u>4,012,775</u>	<u>11,929,329</u>
<u>\$ 1,305,466</u>	<u>\$ 4,029,682</u>	<u>\$ 13,598,243</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, 2017

	Special Revenue			
	Police Education Fund	Special Law Enforcement Trust Fund- Local	Transportation Improvement Fund	Transportation Impact Fee Fund
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	-
Intergovernmental revenues	-	-	628,639	-
Charges for services	-	-	40,813	-
Fines and forfeitures	6,206	973	-	-
Impact fees/assessments	-	-	-	785,561
Investment income	68	165	10,737	7,293
Miscellaneous	-	-	66,035	-
Total revenues	<u>6,274</u>	<u>1,138</u>	<u>746,224</u>	<u>792,854</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	1,354	11,003	-	-
Physical environment	-	-	269,206	2,342
Culture and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital Outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	65,602	1,140,019
Culture and recreation	-	-	-	-
Total expenditures	<u>1,354</u>	<u>11,003</u>	<u>334,808</u>	<u>1,142,361</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>4,920</u>	<u>(9,865)</u>	<u>411,416</u>	<u>(349,507)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(230,000)	-
Total other financing sources(uses)	<u>-</u>	<u>-</u>	<u>(230,000)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	4,920	(9,865)	181,416	(349,507)
<b>Fund Balances - beginning</b>	<u>8,176</u>	<u>35,140</u>	<u>1,616,898</u>	<u>1,385,229</u>
<b>Fund Balances - ending</b>	<u>\$ 13,096</u>	<u>\$ 25,275</u>	<u>\$ 1,798,314</u>	<u>\$ 1,035,722</u>

**Special Revenue**

<b>Police Impact Fee Fund</b>	<b>Fire Impact Fee Fund</b>	<b>Parks Impact Fee Fund</b>	<b>Arbor Fund</b>	<b>TLBD Maintenance Fund</b>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	69,245	-
-	-	-	-	-
-	-	-	-	-
-	-	-	84,450	-
322,333	566,480	778,800	-	509,452
2,555	13,692	7,587	1,435	2,712
-	-	-	-	2,400
<u>324,888</u>	<u>580,172</u>	<u>786,387</u>	<u>155,130</u>	<u>514,564</u>
-	-	-	-	-
12,400	-	-	-	-
-	-	-	62,216	508,064
-	-	12,400	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	143,882	-	-
<u>12,400</u>	<u>-</u>	<u>156,282</u>	<u>62,216</u>	<u>508,064</u>
<u>312,488</u>	<u>580,172</u>	<u>630,105</u>	<u>92,914</u>	<u>6,500</u>
-	-	47,481	-	-
-	-	-	(25,188)	(61,900)
-	-	47,481	(25,188)	(61,900)
312,488	580,172	677,586	67,726	(55,400)
217,795	1,823,967	795,727	221,875	310,925
<u>\$ 530,283</u>	<u>\$ 2,404,139</u>	<u>\$ 1,473,313</u>	<u>\$ 289,601</u>	<u>\$ 255,525</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, 2016

	Special Revenue			Total
	Oak Forest Maintenance Fund	Special Law Enforcement Trust Fund - Federal	Tuscawilla Phase III	
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	69,245
Intergovernmental revenues	-	-	-	628,639
Charges for services	-	-	-	40,813
Fines and forfeitures	-	11,914	-	103,543
Impact fees/assessments	55,915	-	12,192	3,030,733
Investment income	572	311	74	47,201
Miscellaneous	-	-	-	68,435
Total revenues	<u>56,487</u>	<u>12,225</u>	<u>12,266</u>	<u>3,988,609</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	7,698	7,698
Public safety	-	15,534	-	40,291
Physical environment	34,981	-	-	876,809
Culture and recreation	-	-	-	12,400
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	1,619	1,619
Capital Outlay:				
General government	-	-	-	-
Public safety	-	18,091	-	18,091
Physical environment	-	-	-	1,205,621
Culture and recreation	-	-	-	143,882
Total expenditures	<u>34,981</u>	<u>33,625</u>	<u>9,317</u>	<u>2,306,411</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>21,506</u>	<u>(21,400)</u>	<u>2,949</u>	<u>1,682,198</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	47,481
Transfers out	(9,743)	-	(1,844)	(328,675)
Total other financing sources(uses)	<u>(9,743)</u>	<u>-</u>	<u>(1,844)</u>	<u>(281,194)</u>
<b>Net Change in Fund Balances</b>	11,763	(21,400)	1,105	1,401,004
<b>Fund Balances - Beginning</b>	<u>67,644</u>	<u>68,776</u>	<u>(46,817)</u>	<u>6,505,335</u>
<b>Fund Balances - Ending</b>	<u>\$ 79,407</u>	<u>\$ 47,376</u>	<u>\$ (45,712)</u>	<u>\$ 7,906,339</u>

**Debt Service**

<b>2003 Debt Service Fund</b>	<b>1999 Debt Service Fund</b>	<b>Oak Forest Debt Service Fund</b>	<b>Central Winds GO Debt Service Fund</b>	<b>TLBD Phase II Debt Service Fund</b>	<b>Total Debt Service</b>
\$ -	\$ -	\$ -	\$ 132,374	\$ -	\$ 132,374
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	20,689	-	25,343	46,032
3,183	894	16,317	540	1,135	22,069
-	-	15,395	-	-	15,395
<u>3,183</u>	<u>894</u>	<u>52,401</u>	<u>132,914</u>	<u>26,478</u>	<u>215,870</u>
-	-	-	-	756	756
-	-	-	-	-	-
-	-	2,990	-	-	2,990
-	-	-	3,500	-	3,500
819,000	206,310	-	2,312,629	29,883	3,367,822
18,159	13,249	508	67,831	237	99,984
-	-	-	-	9,900	9,900
-	-	-	-	-	-
-	-	6,243	-	-	6,243
-	-	-	-	-	-
<u>837,159</u>	<u>219,559</u>	<u>9,741</u>	<u>2,383,960</u>	<u>40,776</u>	<u>3,491,195</u>
(833,976)	(218,665)	42,660	(2,251,046)	(14,298)	(3,275,325)
834,000	236,000	-	-	-	1,070,000
-	-	(500)	-	(500)	(1,000)
<u>834,000</u>	<u>236,000</u>	<u>(500)</u>	<u>-</u>	<u>(500)</u>	<u>1,069,000</u>
24	17,335	42,160	(2,251,046)	(14,798)	(2,206,325)
<u>838,924</u>	<u>217,833</u>	<u>(33,764)</u>	<u>1,176,903</u>	<u>16,644</u>	<u>2,216,540</u>
<u>\$ 838,948</u>	<u>\$ 235,168</u>	<u>\$ 8,396</u>	<u>\$ (1,074,143)</u>	<u>\$ 1,846</u>	<u>\$ 10,215</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, 2017

**Capital Projects**

	<b>1999 Construction Fund</b>	<b>Revolving Rehab Fund</b>	<b>Public Facilities</b>	<b>Utility/Public Works Facility Fund</b>
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	-
Intergovernmental revenues	11,100	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees/assessments	-	-	-	-
Investment income	5,271	6,835	-	1,602
Miscellaneous	-	-	-	-
Total revenues	<u>16,371</u>	<u>6,835</u>	<u>-</u>	<u>1,602</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	9,885
Culture and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital Outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	29,165	-	20,665	290,322
Culture and recreation	-	-	-	-
Total expenditures	<u>29,165</u>	<u>-</u>	<u>20,665</u>	<u>300,207</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(12,794)</u>	<u>6,835</u>	<u>(20,665)</u>	<u>(298,605)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	555,000	-
Transfers out	-	-	-	-
Total other financing sources(uses)	<u>-</u>	<u>-</u>	<u>555,000</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(12,794)	6,835	534,335	(298,605)
<b>Fund Balances - Beginning</b>	<u>857,052</u>	<u>1,093,246</u>	<u>34,599</u>	<u>492,641</u>
<b>Fund Balances - Ending</b>	<u>\$ 844,258</u>	<u>\$ 1,100,081</u>	<u>\$ 568,934</u>	<u>\$ 194,036</u>



<b>Capital Projects</b>		
<b>Excellence in Customer Service</b>	<b>Total Capital Projects</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ -	\$ 132,374
-	-	69,245
-	11,100	639,739
-	-	40,813
-	-	103,543
-	-	3,076,765
4,431	18,139	87,409
-	-	83,830
<u>4,431</u>	<u>29,239</u>	<u>4,233,718</u>
-	-	8,454
-	-	40,291
-	9,885	889,684
-	-	15,900
-	-	3,367,822
-	-	101,603
22,062	22,062	31,962
-	-	18,091
-	340,152	1,552,016
-	-	143,882
<u>22,062</u>	<u>372,099</u>	<u>6,169,705</u>
<u>(17,631)</u>	<u>(342,860)</u>	<u>(1,935,987)</u>
-	555,000	1,672,481
-	-	(329,675)
-	<u>555,000</u>	<u>1,342,806</u>
(17,631)	212,140	(593,181)
<u>1,323,097</u>	<u>3,800,635</u>	<u>12,522,510</u>
<u>\$ 1,305,466</u>	<u>\$ 4,012,775</u>	<u>\$ 11,929,329</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures	\$ 9,600	\$ 9,600	\$ 6,206	\$ (3,394)
Investment income	10	10	68	58
Total revenues	<u>9,610</u>	<u>9,610</u>	<u>6,274</u>	<u>(3,336)</u>
<b>Expenditures:</b>				
Current:				
Public Safety	10,000	10,000	1,354	8,646
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>1,354</u>	<u>8,646</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(390)</u>	<u>(390)</u>	<u>4,920</u>	<u>5,310</u>
<b>Net change in fund balances</b>	(390)	(390)	4,920	5,310
<b>Fund Balances - beginning</b>	8,176	8,176	8,176	-
<b>Fund Balances - ending</b>	<u>\$ 7,786</u>	<u>\$ 7,786</u>	<u>\$ 13,096</u>	<u>\$ 5,310</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures	\$ -	\$ -	\$ 973	\$ 973
Investment income	50	50	165	115
Total revenues	<u>50</u>	<u>50</u>	<u>1,138</u>	<u>1,088</u>
<b>Expenditures:</b>				
Current:				
Public Safety	31,300	25,884	11,003	14,881
Total expenditures	<u>31,300</u>	<u>25,884</u>	<u>11,003</u>	<u>14,881</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(31,250)</u>	<u>(25,834)</u>	<u>(9,865)</u>	<u>15,969</u>
<b>Net change in fund balances</b>	(31,250)	(25,834)	(9,865)	15,969
<b>Fund Balances - beginning</b>	35,140	35,140	35,140	-
<b>Fund Balances - ending</b>	<u>\$ 3,890</u>	<u>\$ 9,306</u>	<u>\$ 25,275</u>	<u>\$ 15,969</u>

CITY OF WINTER SPRINGS, FLORIDA

**TRANSPORTATION IMPROVEMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For The Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 590,000	\$ 590,000	\$ 628,639	\$ 38,639
Charges for services	27,664	27,664	40,813	13,149
Investment income	4,000	4,000	10,737	6,737
Miscellaneous	-	75,409	66,035	(9,374)
Total revenues	<u>621,664</u>	<u>697,073</u>	<u>746,224</u>	<u>49,151</u>
<b>Expenditures:</b>				
Current:				
Physical environment	476,084	550,008	269,206	280,802
Capital Outlay				
Physical environment	<u>52,100</u>	<u>85,185</u>	<u>65,602</u>	<u>19,583</u>
Total expenditures	<u>528,184</u>	<u>635,193</u>	<u>334,808</u>	<u>300,385</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>93,480</u>	<u>61,880</u>	<u>411,416</u>	<u>349,536</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(230,000)</u>	<u>(230,000)</u>	<u>(230,000)</u>	<u>-</u>
Total other financing sources and uses	<u>(230,000)</u>	<u>(230,000)</u>	<u>(230,000)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(136,520)</u>	<u>(168,120)</u>	<u>181,416</u>	<u>349,536</u>
<b>Fund Balances - beginning</b>	<u>1,616,898</u>	<u>1,616,898</u>	<u>1,616,898</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 1,480,378</u>	<u>\$ 1,448,778</u>	<u>\$ 1,798,314</u>	<u>\$ 349,536</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ -	\$ 740,000	\$ 785,561	\$ 45,561
Investment income	1,100	1,100	7,293	6,193
Total revenues	<u>1,100</u>	<u>741,100</u>	<u>792,854</u>	<u>51,754</u>
<b>Expenditures:</b>				
Current:				
Physical environment	76,000	16,356	2,342	14,014
Capital Outlay				
Physical environment	250,000	1,175,028	1,140,019	35,009
Total expenditures	<u>326,000</u>	<u>1,191,384</u>	<u>1,142,361</u>	<u>49,023</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(324,900)</u>	<u>(450,284)</u>	<u>(349,507)</u>	<u>100,777</u>
<b>Net change in fund balances</b>	(324,900)	(450,284)	(349,507)	100,777
<b>Fund Balances - beginning</b>	1,385,229	1,385,229	1,385,229	-
<b>Fund Balances - ending</b>	<u>\$ 1,060,329</u>	<u>\$ 934,945</u>	<u>\$ 1,035,722</u>	<u>\$ 100,777</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ -	\$ 172,240	\$ 322,333	\$ 150,093
Investment income	650	650	2,555	1,905
Total revenues	<u>650</u>	<u>172,890</u>	<u>324,888</u>	<u>151,998</u>
<b>Expenditures:</b>				
Current:				
Public Safety	-	12,400	12,400	-
Total expenditures	<u>-</u>	<u>12,400</u>	<u>12,400</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>650</u>	<u>160,490</u>	<u>312,488</u>	<u>151,998</u>
<b>Net change in fund balances</b>	650	160,490	312,488	151,998
<b>Fund Balances - beginning</b>	217,795	217,795	217,795	-
<b>Fund Balances - ending</b>	<u>\$ 218,445</u>	<u>\$ 378,285</u>	<u>\$ 530,283</u>	<u>\$ 151,998</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ -	\$ 367,500	\$ 566,480	\$ 198,980
Investment income	5,900	5,900	13,692	7,792
Total revenues	<u>5,900</u>	<u>373,400</u>	<u>580,172</u>	<u>206,772</u>
<b>Expenditures:</b>				
Public Safety	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>5,900</u>	<u>373,400</u>	<u>580,172</u>	<u>206,772</u>
<b>Net change in fund balances</b>	5,900	373,400	580,172	206,772
<b>Fund Balances - beginning</b>	1,823,967	1,823,967	1,823,967	-
<b>Fund Balances - ending</b>	<u>\$ 1,829,867</u>	<u>\$ 2,197,367</u>	<u>\$ 2,404,139</u>	<u>\$ 206,772</u>

CITY OF WINTER SPRINGS, FLORIDA

**PARKS IMPACT FEE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For The Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ -	\$ 438,000	\$ 778,800	\$ 340,800
Investment income	2,600	2,600	7,587	4,987
Total revenues	<u>2,600</u>	<u>440,600</u>	<u>786,387</u>	<u>345,787</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	-	12,400	12,400	-
Capital Outlay				
Culture and recreation	250,000	169,960	143,882	26,078
Total expenditures	<u>250,000</u>	<u>182,360</u>	<u>156,282</u>	<u>26,078</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(247,400)</u>	<u>258,240</u>	<u>630,105</u>	<u>371,865</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	44,362	47,481	3,119
Total other financing sources and uses	<u>-</u>	<u>44,362</u>	<u>47,481</u>	<u>3,119</u>
<b>Net change in fund balances</b>	<u>(247,400)</u>	<u>302,602</u>	<u>677,586</u>	<u>374,984</u>
<b>Fund Balances - beginning</b>	<u>795,727</u>	<u>795,727</u>	<u>795,727</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 548,327</u>	<u>\$ 1,098,329</u>	<u>\$ 1,473,313</u>	<u>\$ 374,984</u>



CITY OF WINTER SPRINGS, FLORIDA

**ARBOR FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For The Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Permits and fees	\$ 7,500	\$ 7,500	\$ 69,245	\$ 61,745
Fines and forfeitures	500	500	84,450	83,950
Investment income	500	500	1,435	935
Total revenues	<u>8,500</u>	<u>8,500</u>	<u>155,130</u>	<u>146,630</u>
<b>Expenditures:</b>				
Current:				
Physical environment	71,250	71,250	62,216	9,034
Total expenditures	<u>71,250</u>	<u>71,250</u>	<u>62,216</u>	<u>9,034</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(62,750)</u>	<u>(62,750)</u>	<u>92,914</u>	<u>155,664</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(25,188)	(25,188)	(25,188)	-
Total other financing sources and uses	<u>(25,188)</u>	<u>(25,188)</u>	<u>(25,188)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(87,938)</u>	<u>(87,938)</u>	<u>67,726</u>	<u>155,664</u>
<b>Fund Balances - beginning</b>	<u>221,875</u>	<u>221,875</u>	<u>221,875</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 133,937</u>	<u>\$ 133,937</u>	<u>\$ 289,601</u>	<u>\$ 155,664</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 507,549	\$ 507,549	\$ 509,452	\$ 1,903
Investment income	600	600	2,712	2,112
Miscellaneous	-	2,400	2,400	-
Total revenues	<u>508,149</u>	<u>510,549</u>	<u>514,564</u>	<u>4,015</u>
<b>Expenditures:</b>				
Current:				
Physical environment	<u>560,345</u>	<u>562,745</u>	<u>508,064</u>	<u>54,681</u>
Total expenditures	<u>560,345</u>	<u>562,745</u>	<u>508,064</u>	<u>54,681</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(52,196)</u>	<u>(52,196)</u>	<u>6,500</u>	<u>58,696</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(61,900)</u>	<u>(61,900)</u>	<u>(61,900)</u>	<u>-</u>
Total other financing sources and uses	<u>(61,900)</u>	<u>(61,900)</u>	<u>(61,900)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(114,096)</u>	<u>(114,096)</u>	<u>(55,400)</u>	<u>58,696</u>
<b>Fund Balances - beginning</b>	<u>310,925</u>	<u>310,925</u>	<u>310,925</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 196,829</u>	<u>\$ 196,829</u>	<u>\$ 255,525</u>	<u>\$ 58,696</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 55,726	\$ 55,726	\$ 55,915	\$ 189
Investment income	200	200	572	372
Total revenues	<u>55,926</u>	<u>55,926</u>	<u>56,487</u>	<u>561</u>
<b>Expenditures:</b>				
Current:				
Physical environment	50,100	50,100	34,981	15,119
Total expenditures	<u>50,100</u>	<u>50,100</u>	<u>34,981</u>	<u>15,119</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>5,826</u>	<u>5,826</u>	<u>21,506</u>	<u>15,680</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(9,743)	(9,743)	(9,743)	-
Total other financing sources and uses	<u>(9,743)</u>	<u>(9,743)</u>	<u>(9,743)</u>	<u>-</u>
<b>Net change in fund balances</b>	(3,917)	(3,917)	11,763	15,680
<b>Fund Balances - beginning</b>	67,644	67,644	67,644	-
<b>Fund Balances - ending</b>	<u>\$ 63,727</u>	<u>\$ 63,727</u>	<u>\$ 79,407</u>	<u>\$ 15,680</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures	\$ -	\$ 3,580	\$ 11,914	\$ 8,334
Investment income	20	20	311	291
Total revenues	<u>20</u>	<u>3,600</u>	<u>12,225</u>	<u>8,625</u>
<b>Expenditures:</b>				
Current:				
Public Safety	12,870	18,806	15,534	3,272
Capital Outlay				
Public Safety	-	18,091	18,091	-
Total expenditures	<u>12,870</u>	<u>36,897</u>	<u>33,625</u>	<u>3,272</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(12,850)</u>	<u>(33,297)</u>	<u>(21,400)</u>	<u>11,897</u>
<b>Net change in fund balances</b>	(12,850)	(33,297)	(21,400)	11,897
<b>Fund Balances - beginning</b>	68,776	68,776	68,776	-
<b>Fund Balances - ending</b>	<u>\$ 55,926</u>	<u>\$ 35,479</u>	<u>\$ 47,376</u>	<u>\$ 11,897</u>

CITY OF WINTER SPRINGS, FLORIDA

**TUSCAWILLA PHASE III**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For The Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 12,162	\$ 12,162	\$ 12,192	\$ 30
Investment income	20	20	74	54
Total revenues	<u>12,182</u>	<u>12,182</u>	<u>12,266</u>	<u>84</u>
<b>Expenditures:</b>				
Current:				
General government	7,790	7,790	7,698	92
Debt Service:				
Principal	2,615	2,615	-	2,615
Interest and other charges	1,620	1,620	1,619	1
Total expenditures	<u>12,025</u>	<u>12,025</u>	<u>9,317</u>	<u>2,708</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>157</u>	<u>157</u>	<u>2,949</u>	<u>2,792</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(1,844)</u>	<u>(1,844)</u>	<u>(1,844)</u>	<u>-</u>
Total other financing sources and uses	<u>(1,844)</u>	<u>(1,844)</u>	<u>(1,844)</u>	<u>-</u>
<b>Net change in fund balances</b>	(1,687)	(1,687)	1,105	2,792
<b>Fund Balances - beginning</b>	(46,817)	(46,817)	(46,817)	-
<b>Fund Balances - ending</b>	<u>\$ (48,504)</u>	<u>\$ (48,504)</u>	<u>\$ (45,712)</u>	<u>\$ 2,792</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 2,000	\$ 2,000	\$ 3,183	\$ 1,183
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>3,183</u>	<u>1,183</u>
<b>Expenditures:</b>				
Current:				
General government	2,500	2,500	-	2,500
Debt Service:				
Principal	819,000	819,000	819,000	-
Interest and other charges	18,161	18,161	18,159	2
Total expenditures	<u>839,661</u>	<u>839,661</u>	<u>837,159</u>	<u>2,502</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(837,661)</u>	<u>(837,661)</u>	<u>(833,976)</u>	<u>3,685</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	834,000	834,000	834,000	-
Total other financing sources and uses	<u>834,000</u>	<u>834,000</u>	<u>834,000</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(3,661)</u>	<u>(3,661)</u>	<u>24</u>	<u>3,685</u>
<b>Fund Balances - beginning</b>	<u>838,924</u>	<u>838,924</u>	<u>838,924</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 835,263</u>	<u>\$ 835,263</u>	<u>\$ 838,948</u>	<u>\$ 3,685</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 500	\$ 500	\$ 894	\$ 394
Total revenues	<u>500</u>	<u>500</u>	<u>894</u>	<u>394</u>
<b>Expenditures:</b>				
Current:				
General government	3,500	3,500	-	3,500
Debt Service:				
Principal	206,309	206,309	206,310	(1)
Interest and other charges	13,250	13,250	13,249	1
Total expenditures	<u>223,059</u>	<u>223,059</u>	<u>219,559</u>	<u>3,500</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(222,559)</u>	<u>(222,559)</u>	<u>(218,665)</u>	<u>3,894</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	236,000	236,000	236,000	-
Total other financing sources and uses	<u>236,000</u>	<u>236,000</u>	<u>236,000</u>	<u>-</u>
<b>Net change in fund balances</b>	13,441	13,441	17,335	3,894
<b>Fund Balances - beginning</b>	217,833	217,833	217,833	-
<b>Fund Balances - ending</b>	<u>\$ 231,274</u>	<u>\$ 231,274</u>	<u>\$ 235,168</u>	<u>\$ 3,894</u>

CITY OF WINTER SPRINGS, FLORIDA

**OAK FOREST DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For The Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 52,132	\$ 52,132	\$ 20,689	\$ (31,443)
Investment income	-	-	16,317	16,317
Miscellaneous	-	-	15,395	15,395
Total revenues	<u>52,132</u>	<u>52,132</u>	<u>52,401</u>	<u>269</u>
<b>Expenditures:</b>				
Current:				
Physical environment	4,275	4,275	2,990	1,285
Debt Service:				
Principal	37,427	37,427	-	37,427
Interest and other charges	510	510	508	2
Capital Outlay				
Physical environment	10,500	10,500	6,243	4,257
Total expenditures	<u>52,712</u>	<u>52,712</u>	<u>9,741</u>	<u>42,971</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(580)</u>	<u>(580)</u>	<u>42,660</u>	<u>43,240</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Total other financing sources and uses	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(1,080)</u>	<u>(1,080)</u>	<u>42,160</u>	<u>43,240</u>
<b>Fund Balances - beginning</b>	<u>(33,764)</u>	<u>(33,764)</u>	<u>(33,764)</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ (34,844)</u>	<u>\$ (34,844)</u>	<u>\$ 8,396</u>	<u>\$ 43,240</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 132,138	\$ 132,138	\$ 132,374	\$ 236
Investment income	1,000	1,000	540	(460)
Total revenues	<u>133,138</u>	<u>133,138</u>	<u>132,914</u>	<u>(224)</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	1,250	3,500	3,500	-
Debt Service:				
Principal	2,437,629	2,312,629	2,312,629	-
Interest and fiscal charges	90,631	67,840	67,831	9
Total expenditures	<u>2,529,510</u>	<u>2,383,969</u>	<u>2,383,960</u>	<u>9</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(2,396,372)</u>	<u>(2,250,831)</u>	<u>(2,251,046)</u>	<u>(215)</u>
<b>Other Financing Sources (Uses)</b>				
Notes payable	1,458,000	1,085,000	-	1,085,000
Total other financing sources (uses)	<u>1,458,000</u>	<u>1,085,000</u>	<u>-</u>	<u>1,085,000</u>
<b>Net Change in Fund Balances</b>	<u>(938,372)</u>	<u>(1,165,831)</u>	<u>(2,251,046)</u>	<u>(1,085,215)</u>
<b>Fund Balances - Beginning</b>	<u>1,176,903</u>	<u>1,176,903</u>	<u>1,176,903</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 238,531</u>	<u>\$ 11,072</u>	<u>\$ (1,074,143)</u>	<u>\$ (1,085,215)</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Impact fees/assessments	\$ 26,242	\$ 26,242	\$ 25,343	\$ (899)
Investment income	25	25	1,135	1,110
Total revenues	<u>26,267</u>	<u>26,267</u>	<u>26,478</u>	<u>211</u>
<b>Expenditures:</b>				
Current:				
General government	1,070	1,070	756	314
Debt Service:				
Principal	29,890	29,890	29,883	7
Interest and other charges	1,025	1,025	237	788
Capital Outlay				
General government	10,000	10,000	9,900	100
Total expenditures	<u>41,985</u>	<u>41,985</u>	<u>40,776</u>	<u>1,209</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(15,718)</u>	<u>(15,718)</u>	<u>(14,298)</u>	<u>1,420</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Total other financing sources and uses	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>	<u>-</u>
<b>Net change in fund balances</b>	(16,218)	(16,218)	(14,798)	1,420
<b>Fund Balances - beginning</b>	16,644	16,644	16,644	-
<b>Fund Balances - ending</b>	<u>\$ 426</u>	<u>\$ 426</u>	<u>\$ 1,846</u>	<u>\$ 1,420</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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental revenues	\$ -	\$ 11,100	\$ 11,100	-
Investment income	1,300	1,300	5,271	\$ 3,971
Total revenues	<u>1,300</u>	<u>12,400</u>	<u>16,371</u>	<u>3,971</u>
<b>Expenditures:</b>				
Capital Outlay				
Physical environment	1,035,000	43,290	29,165	14,125
Total expenditures	<u>1,035,000</u>	<u>43,290</u>	<u>29,165</u>	<u>14,125</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(1,033,700)</u>	<u>(30,890)</u>	<u>(12,794)</u>	<u>18,096</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	212,000	-	-	-
Total other financing sources and uses	<u>212,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	(821,700)	(30,890)	(12,794)	18,096
<b>Fund Balances - beginning</b>	857,052	857,052	857,052	-
<b>Fund Balances - ending</b>	<u>\$ 35,352</u>	<u>\$ 826,162</u>	<u>\$ 844,258</u>	<u>\$ 18,096</u>

CITY OF WINTER SPRINGS, FLORIDA

**REVOLVING REHAB FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For The Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 3,500	\$ 3,500	\$ 6,835	\$ 3,335
Total revenues	<u>3,500</u>	<u>3,500</u>	<u>6,835</u>	<u>3,335</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>3,500</u>	<u>3,500</u>	<u>6,835</u>	<u>3,335</u>
<b>Net change in fund balances</b>	3,500	3,500	6,835	3,335
<b>Fund Balances - beginning</b>	1,093,246	1,093,246	1,093,246	-
<b>Fund Balances - ending</b>	<u>\$ 1,096,746</u>	<u>\$ 1,096,746</u>	<u>\$ 1,100,081</u>	<u>\$ 3,335</u>

CITY OF WINTER SPRINGS, FLORIDA

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

For The Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Capital Outlay				
Physical environment	-	34,599	20,665	13,934
Total expenditures	<u>-</u>	<u>34,599</u>	<u>20,665</u>	<u>13,934</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>(34,599)</u>	<u>(20,665)</u>	<u>13,934</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	575,000	555,000	(20,000)
Total other financing sources and uses	<u>-</u>	<u>575,000</u>	<u>555,000</u>	<u>(20,000)</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>540,401</u>	<u>534,335</u>	<u>(6,066)</u>
<b>Fund Balances - beginning</b>	<u>34,599</u>	<u>34,599</u>	<u>34,599</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 34,599</u>	<u>\$ 575,000</u>	<u>\$ 568,934</u>	<u>\$ (6,066)</u>

CITY OF WINTER SPRINGS, FLORIDA

**UTILITY/PUBLIC WORKS FACILITY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For The Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 600	\$ 600	\$ 1,602	\$ 1,002
Total revenues	<u>600</u>	<u>600</u>	<u>1,602</u>	<u>1,002</u>
<b>Expenditures:</b>				
Current:				
Physical environment	-	10,000	9,885	115
Capital Outlay				
Physical environment	<u>75,000</u>	<u>378,748</u>	<u>290,322</u>	<u>88,426</u>
Total expenditures	<u>75,000</u>	<u>388,748</u>	<u>300,207</u>	<u>88,541</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(74,400)</u>	<u>(388,148)</u>	<u>(298,605)</u>	<u>89,543</u>
<b>Net change in fund balances</b>	(74,400)	(388,148)	(298,605)	89,543
<b>Fund Balances - beginning</b>	<u>492,641</u>	<u>492,641</u>	<u>492,641</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 418,241</u>	<u>\$ 104,493</u>	<u>\$ 194,036</u>	<u>\$ 89,543</u>

CITY OF WINTER SPRINGS, FLORIDA

**EXCELLENCE IN CUSTOMER SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For The Year Ended September 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income	\$ 150	\$ 150	\$ 4,431	\$ 4,281
Total revenues	<u>150</u>	<u>150</u>	<u>4,431</u>	<u>4,281</u>
<b>Expenditures:</b>				
Capital Outlay				
General government	<u>99,000</u>	<u>34,000</u>	<u>22,062</u>	<u>11,938</u>
Total expenditures	<u>99,000</u>	<u>34,000</u>	<u>22,062</u>	<u>11,938</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(98,850)</u>	<u>(33,850)</u>	<u>(17,631)</u>	<u>16,219</u>
<b>Net change in fund balances</b>	(98,850)	(33,850)	(17,631)	16,219
<b>Fund Balances - beginning</b>	<u>1,323,097</u>	<u>1,323,097</u>	<u>1,323,097</u>	<u>-</u>
<b>Fund Balances - ending</b>	<u>\$ 1,224,247</u>	<u>\$ 1,289,247</u>	<u>\$ 1,305,466</u>	<u>\$ 16,219</u>

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**STATISTICAL SECTION**

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## STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
Financial Trends	117
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	124
These schedules contain information to help the reader assess the government's most significant local revenue.	
Debt Capacity	129
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	135
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	137
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

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

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CITY OF WINTER SPRINGS, FLORIDA

**NET POSITION BY COMPONENT**

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

	Fiscal Year									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 39,371	\$ 40,701	\$ 42,819	\$ 43,961	\$ 40,328	\$ 44,711	\$ 45,826	\$ 45,650	\$ 48,555	\$ 52,573
Restricted	8,778	8,298	8,229	8,287	8,305	8,963	8,802	12,336	12,027	12,755
Unrestricted	<u>14,468</u>	<u>13,794</u>	<u>14,349</u>	<u>13,241</u>	<u>17,136</u>	<u>12,856</u>	<u>11,737</u>	<u>768</u> (1)	<u>1,746</u>	<u>1,594</u>
Total governmental activities net position	<u>\$ 62,617</u>	<u>\$ 62,793</u>	<u>\$ 65,397</u>	<u>\$ 65,489</u>	<u>\$ 65,769</u>	<u>\$ 66,530</u>	<u>\$ 66,365</u>	<u>\$ 58,754</u>	<u>\$ 62,328</u>	<u>\$ 66,922</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 12,692	\$ 13,039	\$ 15,839	\$ 17,973	\$ 20,937	\$ 20,729	\$ 21,541	\$ 21,426	\$ 21,802	\$ 23,922
Restricted	2,814	2,549	1,730	461	507	468	482	567	561	560
Unrestricted	<u>5,135</u>	<u>3,369</u>	<u>3,264</u>	<u>3,227</u>	<u>4,213</u>	<u>6,472</u>	<u>7,873</u>	<u>9,112</u>	<u>11,427</u>	<u>13,003</u>
Total business-type activities net position	<u>\$ 20,641</u>	<u>\$ 18,957</u>	<u>\$ 20,833</u>	<u>\$ 21,661</u>	<u>\$ 25,657</u>	<u>\$ 27,669</u>	<u>\$ 29,896</u>	<u>\$ 31,105</u>	<u>\$ 33,790</u>	<u>\$ 37,485</u>
<b>Primary government</b>										
Net investment in capital assets	\$ 52,063	\$ 53,740	\$ 58,658	\$ 61,934	\$ 61,265	\$ 65,440	\$ 67,367	\$ 67,076	\$ 70,357	\$ 76,495
Restricted	11,592	10,847	9,959	8,748	8,812	9,431	9,284	12,903	12,588	13,315
Unrestricted	<u>19,603</u>	<u>17,163</u>	<u>17,613</u>	<u>16,468</u>	<u>21,349</u>	<u>19,328</u>	<u>19,610</u>	<u>9,880</u>	<u>13,173</u>	<u>14,597</u>
Total primary government net position	<u>\$ 83,258</u>	<u>\$ 81,750</u>	<u>\$ 86,230</u>	<u>\$ 87,150</u>	<u>\$ 91,426</u>	<u>\$ 94,199</u>	<u>\$ 96,261</u>	<u>\$ 89,859</u>	<u>\$ 96,118</u>	<u>\$ 104,407</u>

(1) decrease in unrestricted net position due to implementation of GASB 68 in FY2015

CITY OF WINTER SPRINGS, FLORIDA

**CHANGES IN NET POSITION**

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

Expenses	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental Activities:</b>										
General government	\$ 6,857	\$ 5,801	\$ 5,720	\$ 5,381	\$ 5,069	\$ 4,903	\$ 5,498	\$ 5,708	\$ 6,131	\$ 6,298
Public safety	11,299	7,196	7,356	7,671	7,102	7,415	7,476	7,101	6,764	6,228
Physical environment	5,694	6,281	5,654	5,610	5,589	5,658	5,874	5,924	5,798	6,625
Culture and recreation	2,511	2,554	2,323	2,161	2,043	2,078	2,170	2,109	2,163	2,045
Interest and other fiscal charges on long-term debt	965	959	944	907	833	773	782	657	668	635
<b>Total Governmental Activities Expenses</b>	<b>27,326</b>	<b>22,791</b>	<b>21,997</b>	<b>21,730</b>	<b>20,636</b>	<b>20,827</b>	<b>21,800</b>	<b>21,499</b>	<b>21,524</b>	<b>21,831</b>
<b>Business-type Activities:</b>										
Water and Sewer	7,151	7,143	7,447	7,186	6,512	7,040	6,945	6,943	7,295	7,881
Development Services	687	436	349	333	342	369	409	501	510	665
Stormwater	1,040	1,625	916	979	976	1,155	1,150	1,162	1,223	941
<b>Total Business-type Activities Expenses</b>	<b>\$ 8,878</b>	<b>\$ 9,204</b>	<b>\$ 8,712</b>	<b>\$ 8,498</b>	<b>\$ 7,830</b>	<b>\$ 8,564</b>	<b>\$ 8,504</b>	<b>\$ 8,606</b>	<b>\$ 9,028</b>	<b>\$ 9,487</b>
 <b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for services:										
General government	\$ 2,008	\$ 2,006	\$ 2,378	\$ 2,075	\$ 2,021	\$ 1,838	\$ 2,058	\$ 2,218	\$ 2,150	\$ 2,061
Public safety	930	589	608	369	424	461	458	731	418	1,075
Physical environment	4,529	3,139	3,191	3,139	3,168	3,347	3,590	4,177	3,605	4,315
Culture and recreation	281	295	301	260	391	430	363	846	418	1,079
Operating grants and contributions	208	41	485	89	221	-	23	16	2	87
Capital grants and contributions	2,628	2,442	2,935	1,985	1,056	2,043	1,382	2,756	3,583	2,781
<b>Total Governmental Activities Program Revenues</b>	<b>10,584</b>	<b>8,512</b>	<b>9,898</b>	<b>7,917</b>	<b>7,281</b>	<b>8,119</b>	<b>7,874</b>	<b>10,744</b>	<b>10,176</b>	<b>11,398</b>
<b>Business-type Activities:</b>										
Charges for services:										
Water and Sewer	7,252	7,339	8,015	8,837	9,363	8,540	9,240	9,691	9,877	10,267
Development Services	573	269	331	339	1,100	1,099	821	2,075	1,315	1,968
Stormwater	1,074	1,063	1,051	1,068	1,117	995	1,097	871	1,117	1,167
Operating grants and contributions	-	483	-	46	-	-	-	-	-	-
Capital grants and contributions	224	14	2,885	709	2,226	2,062	1,526	1,452	1,311	1,617
<b>Total Business-type Activities Program Revenues</b>	<b>9,123</b>	<b>9,168</b>	<b>12,282</b>	<b>10,999</b>	<b>13,806</b>	<b>12,696</b>	<b>12,684</b>	<b>14,089</b>	<b>13,620</b>	<b>15,019</b>
<b>Total Government Program Revenues</b>	<b>\$ 19,707</b>	<b>\$ 17,680</b>	<b>\$ 22,180</b>	<b>\$ 18,916</b>	<b>\$ 21,087</b>	<b>\$ 20,815</b>	<b>\$ 20,558</b>	<b>\$ 24,833</b>	<b>\$ 23,796</b>	<b>\$ 26,417</b>

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net (Expense)/Revenue										
Governmental Activities	\$ (16,742)	\$ (14,279)	\$ (12,099)	\$ (13,813)	\$ (13,355)	\$ (12,708)	\$ (13,926)	\$ (10,755)	\$ (11,348)	\$ (10,433)
Business-type Activities	245	(36)	3,570	2,501	5,976	4,132	4,180	5,483	4,592	5,532
Total Government Net Expense	<u>\$ (16,497)</u>	<u>\$ (14,315)</u>	<u>\$ (8,529)</u>	<u>\$ (11,312)</u>	<u>\$ (7,379)</u>	<u>\$ (8,576)</u>	<u>\$ (9,746)</u>	<u>\$ (5,272)</u>	<u>\$ (6,756)</u>	<u>\$ (4,901)</u>

### General Revenues and Other Changes in Net Position

#### Governmental Activities:

Taxes										
Property taxes	\$ 7,130	\$ 5,013	\$ 4,538	\$ 4,209	\$ 3,901	\$ 3,853	\$ 4,015	\$ 4,284	\$ 4,516	\$ 4,727
Utility taxes	3,976	4,106	4,536	4,169	3,963	3,923	4,035	3,887	3,976	3,879
Business tax receipts	140	70	204	119	106	109	105	120	122	123
Intergovernmental revenues - unrestricted	3,445	2,960	2,897	3,015	3,044	3,100	3,269	3,481	3,557	3,706
Investment income and miscellaneous	675	614	731	532	573	454	336	424	711	616
Gain (Loss) on disposal of capital assets	-	-	-	-	-	34	17	26	-	-
Transfers	2,189	1,691	1,796	1,862	2,047	2,070	1,985	2,064	2,041	1,975
Total Governmental Activities	<u>17,555</u>	<u>14,454</u>	<u>14,702</u>	<u>13,906</u>	<u>13,634</u>	<u>13,543</u>	<u>13,762</u>	<u>14,286</u>	<u>14,923</u>	<u>15,026</u>
Business-type Activities:										
Investment income and miscellaneous	198	42	103	189	67	88	32	108	135	138
Loss on disposal of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	(2,189)	(1,691)	(1,796)	(1,862)	(2,047)	(2,070)	(1,985)	(2,064)	(2,041)	(1,975)
Total Business-type Activities	<u>(1,991)</u>	<u>(1,649)</u>	<u>(1,693)</u>	<u>(1,673)</u>	<u>(1,980)</u>	<u>(1,982)</u>	<u>(1,953)</u>	<u>(1,956)</u>	<u>(1,906)</u>	<u>(1,837)</u>
Total Government	<u>\$ 15,564</u>	<u>\$ 12,805</u>	<u>\$ 13,009</u>	<u>\$ 12,233</u>	<u>\$ 11,654</u>	<u>\$ 11,561</u>	<u>\$ 11,809</u>	<u>\$ 12,330</u>	<u>\$ 13,017</u>	<u>\$ 13,189</u>

### Change in Net Position

Governmental Activities	\$ 813	\$ 175	\$ 2,603	\$ 93	\$ 279	\$ 835	\$ (164)	\$ 3,531	\$ 3,575	\$ 4,593
Business-type Activities	(1,746)	(1,685)	1,877	828	3,996	2,150	2,227	3,527	2,686	3,695
Total Government	<u>\$ (933)</u>	<u>\$ (1,510)</u>	<u>\$ 4,480</u>	<u>\$ 921</u>	<u>\$ 4,275</u>	<u>\$ 2,985</u>	<u>\$ 2,063</u>	<u>\$ 7,058</u>	<u>\$ 6,261</u>	<u>\$ 8,288</u>

CITY OF WINTER SPRINGS, FLORIDA

**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**

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

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Franchise Tax <sup>1</sup></u>	<u>Utility Tax</u>	<u>Business Tax Receipts <sup>2</sup></u>	<u>Total</u>
2008	7,130	-	3,976	140	11,246
2009	5,013	-	4,106	70	9,189
2010	4,538	-	4,536	204	9,278
2011	4,209	-	4,169	119	8,497
2012	3,901	-	3,963	106	7,970
2013	3,853	-	3,923	109	7,885
2014	4,015	-	4,035	105	8,155
2015	4,284	-	3,887	120	8,291
2016	4,516	-	3,976	122	8,614
2017	4,727	-	3,879	122	8,728

**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>
2008	2,261	1,021	163	3,445
2009	1,944	907	109	2,960
2010	1,852	893	152	2,897
2011	1,873	916	226	3,015
2012	1,918	962	164	3,044
2013	1,994	972	134	3,100
2014	2,097	1,038	134	3,269
2015	2,249	1,128	104	3,481
2016	2,305	1,168	84	3,557
2017	2,366	1,245	95	3,706

Note

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

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



CITY OF WINTER SPRINGS, FLORIDA

**FUND BALANCES OF GOVERNMENTAL FUNDS**

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

	Fiscal Year									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund										
Reserved	\$ 301	\$ 235	\$ 235							
Unreserved	<u>8,800</u>	<u>8,544</u>	<u>8,544</u>							
Total General Fund	<u>\$ 9,101</u>	<u>\$ 8,779</u>	<u>\$ 8,779</u>							
All Other Governmental Funds										
Reserved	\$ 1,159	\$ 1,141	\$ 1,141							
Unreserved, reported in:										
Special revenue funds	6,647	6,724	6,724							
Capital projects funds	<u>3,852</u>	<u>2,854</u>	<u>2,854</u>							
Total All Other Governmental Funds	<u>\$ 11,658</u>	<u>\$ 10,719</u>	<u>\$ 10,719</u>							
General Fund										
Nonspendable				\$ 1,179	\$ 650	\$ 409	\$ 416	\$ 333	\$ 275	\$ 256
Assigned				607	343	581	433	-	-	-
Unassigned				<u>7,044</u>	<u>7,839</u>	<u>7,498</u>	<u>7,647</u>	<u>8,163</u>	<u>8,226</u>	<u>8,250</u>
Total General Fund				<u>\$ 8,830</u>	<u>\$ 8,832</u>	<u>\$ 8,488</u>	<u>\$ 8,496</u>	<u>\$ 8,496</u>	<u>\$ 8,501</u>	<u>\$ 8,506</u>
All Other Governmental Funds										
Nonspendable				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 3
Restricted				4,825	4,470	5,468	5,298	11,304	12,025	12,751
Committed				1,616	1,687	1,528	1,285	1,032	799	1,292
Assigned				4,710	5,509	5,589	5,258	5,506	6,240	5,938
Unassigned				<u>(264)</u>	<u>(217)</u>	<u>(191)</u>	<u>(172)</u>	<u>(129)</u>	<u>(81)</u>	<u>(1,120)</u>
Total All Other Governmental Funds				<u>\$ 10,887</u>	<u>\$ 11,449</u>	<u>\$ 12,394</u>	<u>\$ 11,669</u>	<u>\$ 17,713</u>	<u>\$ 18,984</u>	<u>\$ 18,864</u>

Note: City implemented GASB 54 for the 2011 fiscal year

CITY OF WINTER SPRINGS, FLORIDA

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues</b>										
Taxes										
Property	\$ 6,912	\$ 4,799	\$ 4,345	\$ 4,030	\$ 3,733	\$ 3,686	\$ 3,841	\$ 4,098	\$ 4,320	\$ 4,595
Franchise	-	-	-	-	-	-	-	-	-	-
Utility	3,976	4,106	4,536	4,169	3,963	3,923	4,035	3,887	3,976	3,879
General Obligation	218	214	193	179	168	167	174	186	196	132
Business Tax	140	71	204	119	105	109	106	120	122	123
Licenses and Permits										
Franchise Fees	1,788	1,924	2,313	1,999	1,868	1,672	1,953	2,024	2,042	1,986
Other	157	67	38	44	63	75	40	47	62	91
Intergovernmental	7,111	4,707	5,628	5,447	3,948	4,684	4,059	8,727	8,144	6,575
Charges for Services	3,441	2,955	2,929	2,922	2,979	2,858	3,071	3,231	3,302	3,341
Fines and Forfeitures	318	298	566	289	211	165	281	168	178	175
Impact Fees/Assessments	2,131 <sup>2</sup>	875	721	685	1,000	1,380	1,247	2,627	1,232	3,162
Investment Income	521	214	439	308	280	195	139	226	275	247
Miscellaneous	175	399	292	224	293	328	219	225	364	281
Total revenues	<u>26,888</u>	<u>20,629</u>	<u>22,204</u>	<u>20,415</u>	<u>18,611</u>	<u>19,242</u>	<u>19,165</u>	<u>25,566</u>	<u>24,213</u>	<u>24,587</u>
<b>Expenditures</b>										
General Government	6,046	5,804	5,401	5,441	4,842	4,995	5,012	5,051	5,187	5,161
Public Safety	10,671	6,834	6,890	7,156	6,584	6,918	6,987	7,151	6,916	6,739
Physical Environment <sup>1</sup>	4,266	4,694	4,015	3,939	3,873	3,927	4,128	4,225	4,303	5,057
Culture and Recreation	2,163	2,112	1,878	1,737	1,644	1,702	1,787	1,784	1,785	1,865
Capital Outlay	4,740	2,787	2,738	2,681	1,814	1,834	1,925	2,571	5,370	4,251
Debt Service										
Principal	967	1,091	1,996	2,387	5,342	1,007	5,101	610	1,232	3,453
Interest	665	640	594	584	485	373	424	192	188	149
Payments to escrow agent	-	-	-	-	-	-	-	-	-	-
Other charges	-	-	-	15	-	-	-	-	-	-
Total expenditures	<u>29,518</u>	<u>23,962</u>	<u>23,512</u>	<u>23,940</u>	<u>24,584</u>	<u>20,756</u>	<u>25,364</u>	<u>21,584</u>	<u>24,981</u>	<u>26,675</u>
Excess of Revenues Over (Under)										
expenditures	(2,630)	(3,333)	(1,308)	(3,525)	(5,973)	(1,514)	(6,199)	3,982	(768)	(2,088)

Other Financing Sources (Uses)										
Transfers In	10,620	8,372	9,616	3,836	3,911	3,422	3,642	7,043	4,659	4,494
Transfers Out	(8,432)	(6,680)	(7,811)	(1,965)	(1,879)	(1,350)	(1,653)	(4,977)	(2,617)	(2,520)
Notes Issued	750	-	-	1,377	4,504	-	3,494	-	-	-
Capital Leases	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	40	-	-	-	-
Total Other Financing Sources (Uses)	<u>2,938</u>	<u>1,692</u>	<u>1,805</u>	<u>3,248</u>	<u>6,536</u>	<u>2,112</u>	<u>5,483</u>	<u>2,066</u>	<u>2,042</u>	<u>1,974</u>
Prior Period Fund Balance Adjustment	-	380	-	-	-	-	-	-	-	-
Net Change in Fund Balances	<u>\$ 308</u>	<u>\$ (1,261)</u>	<u>\$ 497</u>	<u>\$ (277)</u>	<u>\$ 563</u>	<u>\$ 598</u>	<u>\$ (716)</u>	<u>\$ 6,048</u>	<u>\$ 1,274</u>	<u>\$ (114)</u>
Debt Service as a Percentage of Noncapital expenditures	6.59%	8.21%	14.24%	13.98%	25.60%	7.29%	23.57%	4.22%	7.24%	16.06%

Note

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

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

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

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

CITY OF WINTER SPRINGS, FLORIDA

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

Last Ten Fiscal Years  
(amounts expressed in thousands)

Fiscal Year Ended September 30,	Real Property						Tax Exempt Real Property <sup>1</sup>	Total Taxable Assessed Value <sup>1</sup>	Total Direct Tax Rate <sup>2</sup>	Estimated Actual Taxable Value <sup>1</sup>
	Total Residential and Commercial Real Property <sup>1</sup>	Residential Property <sup>1</sup>	% Residential	Commercial Property <sup>1</sup>	Personal Property <sup>1</sup>	Centrally Assessed <sup>1</sup>				
2008	3,519,584	3,161,336	89.82%	358,248	63,154	40	1,362,256	2,220,522	3.3518	3,716,575
2009	3,238,332	2,847,791	87.94%	390,541	63,531	41	1,292,735	2,009,169	2.5814	3,400,519
2010	2,695,560	2,353,321	87.30%	342,239	67,145	42	952,939	1,809,808	2.5814	2,804,819
2011	2,399,728	2,099,825	87.50%	299,903	66,659	43	778,996	1,687,434	2.5814	2,577,252
2012	2,174,531	1,890,388	86.93%	284,143	68,075	47	648,788	1,593,865	2.5600	2,251,660
2013	2,086,990	1,826,517	87.52%	260,473	67,121	47	581,857	1,572,301	2.5400	2,173,721
2014	2,199,733	1,931,766	87.82%	267,967	65,664	50	625,780	1,639,667	2.5400	2,330,707
2015	2,442,043	2,162,934	88.57%	279,109	66,887	52	760,723	1,748,259	2.5400	2,649,400
2016	2,670,315	2,322,345	86.97%	347,970	71,576	53	898,230	1,843,714	2.5400	2,865,145
2017	2,847,989	2,488,346	87.37%	359,643	73,137	56	959,840	1,961,342	2.5000	3,091,198

Note

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

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

CITY OF WINTER SPRINGS, FLORIDA

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

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

Overlapping Rates <sup>1</sup>

Fiscal Year	Winter Springs			Seminole County			School District			St. John's Water Management District	County Fire Protection (MSTU)	Total Direct & Overlapping Rates
	Operating Millage	Service Millage	Total City Millage	Operating Millage	Service Millage	Total County Millage	Operating Millage	Service Millage	Total School Millage			
2007	4.2919	0.1100	4.4019	4.9989	0.1451	5.1440	7.7530	0.0000	7.7530	0.4620	0.0000	17.7609
2008 <sup>3</sup>	3.2496	0.1022	3.3518	4.3578	0.1451	4.5029	7.4130	0.0000	7.4130	0.4158	0.0000	15.6835
2009	2.4714	0.1100	2.5814	4.5153	0.1451	4.6604	7.5430	0.0000	7.5430	0.4158	2.3299	17.5305
2010	2.4714	0.1100	2.5814	4.9000	0.1451	5.0451	7.7230	0.0000	7.7230	0.4158	2.3299	18.0952
2011	2.4714	0.1100	2.5814	4.8751	0.1700	5.0451	7.8010	0.0000	7.8010	0.4158	2.3299	18.1732
2012	2.4500	0.1100	2.5600	4.8751	0.1700	5.0451	7.7220	0.0000	7.7220	0.3313	2.3299	17.9883
2013	2.4300	0.1100	2.5400	4.8751	0.1700	5.0451	7.5530	0.0000	7.5530	0.3313	2.3299	17.7993
2014	2.4300	0.1100	2.5400	4.8751	0.0000	4.8751	7.3610	1.0000	8.3610	0.3283	2.3299	18.4343
2015	2.4300	0.1100	2.5400	4.8751	0.0000	4.8751	7.1970	0.7000	7.8970	0.3164	2.3299	17.9584
2016	2.4300	0.1100	2.5400	4.8751	0.0000	4.8751	7.1490	0.7000	7.8490	0.3023	2.3299	17.8963
2017	2.4300	0.0700	2.5000	4.8751	0.0000	4.8751	6.8570	0.7000	7.5570	0.2885	2.3299	17.5505

Note

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

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

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

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

CITY OF WINTER SPRINGS, FLORIDA

**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS**

Last Ten Fiscal Years

Tax Year	Fiscal Year	Cap/Maint			Cap/Maint			Capital Only			Cap/Maint		
		Oak Forest Assessments			Tuscawilla Lighting and Beautification (TLBD) - Phase I Assessments			Tuscawilla Lighting and Beautification (TLBD) - Phase II Assessments			Tuscawilla III Assessments		
		Billed	Collected <sup>1</sup>	Difference	Billed <sup>2</sup>	Collected <sup>1</sup>	Difference	Billed	Collected <sup>1</sup>	Difference	Billed	Collected <sup>1</sup>	Difference
2007	2008	116,075	112,355	3,720	714,414	693,075	21,339	42,341	40,959	1,382	-	-	-
2008	2009	116,237	112,228	4,009	714,371	690,915	23,456	42,324	41,236	1,088	-	-	-
2009	2010	116,237	112,312	3,925	688,482	665,066	23,416	42,280	40,904	1,376	-	-	-
2010	2011	116,237	112,116	4,121	688,227	664,815	23,412	42,279	40,869	1,410	-	-	-
2011	2012	116,237	112,095	4,142	688,482	655,504	32,978	42,280	40,381	1,899	-	-	-
2012	2013	116,237	112,019	4,218	688,482	664,035	24,447	42,280	40,670	1,610	-	-	-
2013	2014	116,237	111,963	4,274	701,658	675,955	25,703	42,280	40,784	1,496	12,753	12,279	474
2014	2015	112,351	108,253	4,098	673,320	648,971	24,349	27,357	26,380	977	12,668	12,219	449
2015	2016	112,351	108,286	4,065	673,164	648,823	24,341	27,346	26,369	977	12,668	12,204	464
2016	2017	112,351	108,213	4,138	673,128	648,645	24,483	27,335	23,363	3,972	12,668	12,193	475

Note

<sup>1</sup> Includes prepayments

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

Special Assessment Debt Issued:

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

CITY OF WINTER SPRINGS, FLORIDA

**PRINCIPAL PROPERTY TAXPAYERS**

September 30, 2017

(amounts expressed in thousands)

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Laurel Oaks LLC	\$ 40,765	1	2.08%	\$ 33,083	1	1.49%
Duke Energy (formerly Progress Energy)	26,545	2	1.35%	18,646	4	0.84%
Courtney Springs LLC	25,409	3	1.30%	21,078	2	0.95%
Standard Pacific of Florida	14,128	4	0.72%			0.00%
United Dominion Realty Trust	10,408	5	0.53%	11,197	5	0.50%
T Winter Springs FL LLC	9,797	6	0.50%			0.00%
Bright House Networks LLC	6,532	7	0.33%			0.00%
Moss Park	6,074	8	0.31%			0.00%
Winter Springs Holdings, Inc	5,080	9	0.26%	9,137	6	0.41%
Seminole Pines Assoc LTD	4,959	10	0.25%			0.00%
Capital Green I LLC			0.00%	19,687	3	0.89%
Levitt & Sons		-	0.00%	8,307	7	0.37%
Tousa Homes		-	0.00%	7,480	8	0.34%
BRI 1813 Village Co-Op Inc,		-	0.00%	7,156	9	0.32%
Baxley Robert & Anmarie TRS		-	0.00%	6,179	10	0.28%
Totals	<u>\$ 149,697</u>		<u>7.63%</u>	<u>\$ 141,950</u>		<u>6.39%</u>

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

CITY OF WINTER SPRINGS, FLORIDA

**PROPERTY TAX LEVIES AND COLLECTIONS**<sup>3</sup>

Last Ten Fiscal Years

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year <sup>1</sup>	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount <sup>2</sup>	Percentage of Levy		Amount	Percentage of Levy
2008	7,442,693	7,145,070	96.00%	11,318	7,156,388	96.15%
2009	5,186,450	5,028,524	96.96%	14,586	5,043,110	97.24%
2010	4,671,821	4,503,950	96.41%	34,324	4,538,274	97.14%
2011	4,355,923	4,203,079	96.49%	6,242	4,209,321	96.63%
2012	4,080,271	3,933,840	96.41%	3,969	3,937,809	96.51%
2013	3,993,624	3,850,616	96.42%	2,196	3,852,812	96.47%
2014	4,164,738	4,014,098	96.38%	582	4,014,680	96.40%
2015	4,440,561	4,281,737	96.42%	2,392	4,284,129	96.48%
2016	4,683,015	4,515,547	96.42%	485	4,516,032	96.43%
2017	4,903,354	4,730,295	96.47%	984	4,731,279	96.49%

Note

- <sup>1</sup> Gross taxes before discount of 1% - 4%, depending on month paid; Source: Seminole County Property Appraiser ([www.scpafl.org](http://www.scpafl.org))
- <sup>2</sup> Source: Seminole County Tax Collector ([www.seminoletax.org](http://www.seminoletax.org))
- <sup>3</sup> Includes voted debt service not to exceed 0.2500 mills for Central Winds General Obligation Debt



CITY OF WINTER SPRINGS, FLORIDA

**LEGAL DEBT MARGIN**

September 30, 2017

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

CITY OF WINTER SPRINGS, FLORIDA

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

Last Ten Fiscal Years

Fiscal Year	Population <sup>1</sup>	Assessed Value <sup>2</sup>	Gross		Net Gen Obligation Debt	Ratio of Net Gen Obligation Debt to	Gen Obligation Debt per Capita
			Debt <sup>3</sup>	Less Debt Service Fund <sup>4</sup>		Assessed Value	
2008	34,639	2,220,522,082	3,000,000	46,254	2,953,746	0.133%	85
2009	34,340	2,009,169,114	2,925,000	36,610	2,888,390	0.144%	84
2010	34,149	1,809,808,024	2,850,000	38,879	2,811,121	0.155%	82
2011	33,282	1,687,434,206	2,770,000	40,388	2,729,612	0.162%	82
2012	33,599	1,593,864,153	2,739,107	50,549	2,688,558	0.169%	80
2013	33,540	1,572,300,619	2,638,521	42,070	2,596,451	0.165%	77
2014	33,871	1,639,667,121	2,533,833	25,305	2,508,528	0.153%	74
2015	34,901	1,748,258,752	2,425,161	1,167,015	1,258,146	0.072%	36
2016	35,266	1,843,713,578	2,312,629	1,176,903	1,135,726	0.062%	32
2017	35,599	1,961,341,503	-	(1,074,143)	1,074,143	0.055%	30

Note

<sup>1</sup> Source: American Fact Finder; previous statistics from multiple sources

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

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

<sup>4</sup> Amount available for repayment of limited general obligation note. In fiscal year 2017, the entered served to refinance the 2002 general obligation bonds.

CITY OF WINTER SPRINGS, FLORIDA

**RATIO OF OUTSTANDING DEBT BY TYPE**

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

Fiscal Year Ended September 30,	Governmental Activities							Business-Type Activities				Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
	Revenue Bonds	Refunding Revenue Bonds <sup>2</sup>	Limited General Obligation Bonds	Special Assessment Revenue Bonds	Refunding Notes	Limited General Obligation Notes	Capital Leases	Water and Sewer Revenue Notes	Water and Sewer Refunding Revenue Bonds <sup>2</sup>	State Revolving Loan	Capital Leases			
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	-	-	13,066	5,669	-	-	34,501	2.97%	\$1,037
2012	-	8,929	-	-	3,260	2,739	-	12,152	5,669	-	-	32,749	2.77%	\$975
2013	-	8,229	-	-	3,054	2,639	-	10,897	5,669	2,853	-	33,341	3.02%	\$994
2014	-	3,499	-	-	6,282	2,534	-	9,601	5,669	1,635	-	29,220	2.69%	\$863
2015	-	3,499	-	-	5,781	2,425	-	8,266	5,669	1,568	-	27,208	2.49%	\$780
2016	-	3,499	-	-	4,661	2,313	-	6,497	5,669	1,498	-	24,137	2.11%	\$684
2017	-	3,499	-	-	3,521	-	-	5,747	5,669	4,307	-	22,743	1.94%	\$639

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

\* Information is not available.

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

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

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CITY OF WINTER SPRINGS, FLORIDA

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

As of September 30, 2017

(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Overlapping Debt
Overlapping Debt:			
Seminole County General Obligation Debt	\$ -		\$ -
Subtotal, overlapping debt			
Direct Debt:			
Series 1999 Improvement Revenue Bonds	3,498,970		
Accreted Interest	5,874,767		
City of Winter Springs General Obligation Debt <sup>1</sup>	-		
City of Winter Springs Capital Improvement Notes	3,520,633		
		100%	-
Total direct and overlapping debt	\$ 12,894,370		\$ -

Note

Sources:

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

Seminole County Finance Department

Seminole County School Board

The City of Winter Springs has a "limited" general obligation note that is being repaid through a levy not to exceed one quarter of one mill on all taxable property in the City. In 2017, the note was refinanced with an

CITY OF WINTER SPRINGS, FLORIDA

**PLEDGED-REVENUE COVERAGE**

Last Ten Fiscal Years

<b>General Government</b>												
Fiscal Year Ended Sept 30,	Public Service Taxes	Electric Franchise Fees	Half-Cent Sales Tax	General Obligation	Federal Emergency Management Agency Public Assistance Grants	Impact Fees (Fire, Police, Recreation and Public Facilities)	Non-Ad Valorem Special Assessments	Medical Transport Revenue	Budget & Appropriations (General Fund and Water & Sewer Fund)	Total Revenue Available for Debt Service	Maximum Annual Debt Service	Coverage
2008	3,975,766	1,748,477	160,000	217,872	-	-	846,389	-	60,000	7,008,504	1,828,176	3.83
2009	4,105,959	1,823,706	160,000	213,629	-	-	844,379	-	60,000	7,207,673	2,615,188	2.76
2010	4,536,004	2,173,849	160,000	193,396	-	-	180,254	-	-	7,243,503	1,961,933	3.69
2011	4,168,867	1,873,785	160,000	179,408	-	-	180,787	-	-	6,562,847	1,912,847	3.43
2012	3,963,093	1,748,214	- <sup>5</sup>	167,640	-	-	185,336	-	-	6,064,283	1,669,984	3.63
2013	3,923,336	1,541,741	- <sup>5</sup>	166,863	-	-	119,299	-	-	5,751,239	1,669,984	3.44
2014	4,034,667	1,816,567	- <sup>5</sup>	173,876	-	-	165,152	-	-	6,190,262	1,838,498	3.37
2015	3,887,124	1,941,840	- <sup>5</sup>	185,527	-	-	162,442	-	-	6,176,933	1,838,498	3.36
2016	3,975,578	1,874,893	- <sup>5</sup>	195,560	-	-	159,347	-	-	6,205,378	1,838,498	3.38
2017	3,879,197	1,812,388	- <sup>5</sup>	132,374	-	-	160,024	-	-	5,983,983	1,838,498	3.25

CITY OF WINTER SPRINGS, FLORIDA

**PLEDGED-REVENUE COVERAGE - CONTINUED**

Last Ten Fiscal Years

Fiscal Year Ended Sept 30,	Gross Revenues <sup>1</sup>	Operating Expenses <sup>2</sup>	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2008	7,415,100	5,365,172	2,049,928	945,000	909,661	1,854,661	1.11
2009	7,376,924	5,298,633	2,078,291	980,000	871,309	1,851,309	1.12
2010	8,104,632	5,868,044	2,236,588	1,035,000	869,614	1,904,614	1.17
2011	8,896,172	5,769,194	3,126,978	945,000 <sup>4</sup>	749,320	1,694,320	1.85
2012	9,833,455	5,331,369	4,502,086	913,470	487,292	1,400,762	3.21
2013	9,014,167	5,420,125	3,594,042	1,255,278	448,890	1,704,168	2.11
2014	9,534,771	5,488,225	4,046,546	1,296,376	409,422	1,705,798	2.37
2015	11,189,753	5,493,666	5,696,087	1,401,786	412,670	1,814,456	3.14
2016	11,189,465	5,765,435	5,424,030	1,446,699 <sup>4</sup>	368,458	1,815,157	2.99
2017	11,154,709	6,235,351	4,919,358	822,719	187,884	1,010,603	4.87

Note

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

CITY OF WINTER SPRINGS, FLORIDA

**DEMOGRAPHIC AND ECONOMIC STATISTICS**

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population <sup>1</sup></u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income <sup>1</sup></u>	<u>Median Age <sup>1</sup></u>	<u>Education Level in Years of Formal Schooling <sup>1</sup></u>	<u>School Enrollment <sup>2</sup></u>	<u>Unemployment Rate <sup>3</sup></u>
2007	34,899	971,623	27,841	39.8	13.93	7,115	3.6%
2008	34,639	1,028,951	29,705	40	13.72	6,804	5.0%
2009	34,340	1,053,173	30,669	40.3	13.72	6,754	9.7%
2010	34,149	1,047,589	30,677	41	13.82	6,454	11.8%
2011	33,282	1,161,675	34,904	39.3	14.71	6,316	9.5%
2012	33,599	1,183,558	35,226	36	13.81	6,341	6.8%
2013	33,540	1,104,540	32,932	41.8	*	6,496	5.4%
2014	33,871	1,084,989	32,033	39	*	6,461	5.4%
2015	34,901	1,090,935	31,258	40.2	14	6,072	5.0%
2016	35,266	1,144,523	32,454	40.7	13.98	5,565	4.6%
2017	35,599	1,170,887	32,891	42.2	14.18	5,708	4.0%

\* Data not available

Note

<sup>1</sup> Source: American Fact Finder; US Census; previous statistics from multiple sources

<sup>2</sup> Source: American Fact Finder; Seminole County Public Schools

<sup>3</sup> Source: Bureau of Economic and Business Research (BEBR)



CITY OF WINTER SPRINGS, FLORIDA

**PRINCIPAL EMPLOYERS**

Current Year and Ten Years Ago

Employer	2017			2008		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Seminole County School Board	1,325	1	19.47%	1,573	1	29.93%
City of Winter Springs	194	2	2.85%	242	2	4.61%
Publix ( Winter Springs Town Cente	164	3	2.41%	125	4	2.38%
Dearborn Electronics	150	4	2.20%	137	3	2.61%
Modern Plumbing	138	5	2.03%	103	5	1.96%
Budget Tree	61	6	0.90%			
Tusawilla Country Club	53	7	0.78%	92	6	1.75%
The Grove Counseling Center	52	8	0.76%	35	10	0.67%
United States Post Office	45	9	0.66%	49	7	0.93%
Longwood Kia / Mitsubishi	42	10	0.62%			0.00%
EZ Yield				48	8	0.91%
Dittmer Architectural Aluminum				45	9	0.86%
Total	<u>2,224</u>		<u>32.68%</u>	<u>2,449</u>		<u>46.61%</u>

<sup>1</sup> Per survey of local businesses

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CITY OF WINTER SPRINGS, FLORIDA

**BUDGETED FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**<sup>1</sup>

Last Ten Fiscal Years

Full-time Equivalent Employees as of September 30,

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Development Services	10	5	5	4	4.46	5.46	5.46	5.46	4.73	5.46
General Government	44	45	42	41	36.79	37.23	36.67	36.38	36.95	36.08
Public Safety:										
Police										
Sworn Officers	70	70	70	70	65	65	65	65	65.70	65.00
Civilians <sup>2</sup>	20.75	20.75	20.75	20.75	18.45	16.45	16.88	17.13	17.13	17.13
Fire <sup>3</sup>										
Firefighters and officers	51	0	0	0	0	0	0	0	0	0
Civilians	2	0	0	0	0	0	0	0	0	0
Public Works	21	21	20.73	18.73	18	16	16	16	16	16
Culture and Recreation	36.63	34.07	31.86	29.10	25.68	24.07	24.06	21.84	21.11	21.76
Utilities	45	45	45	42	37	35	35.73	36.17	36.45	38.45
Stormwater	9	9	9	9	9	9	9	9	9	10
<b>Total</b>	<b>309.38</b>	<b>249.82</b>	<b>244.34</b>	<b>234.58</b>	<b>214.38</b>	<b>208.21</b>	<b>208.8</b>	<b>206.98</b>	<b>207.07</b>	<b>209.88</b>
Part-time FTEs (included above)	15.38	16.33	16.34	17.58	18.38	22.36	21.95	20.98	23.07	22.88

Note

<sup>1</sup> City of Winter Springs Annual Budget Document FY16

<sup>2</sup> Police civilians include emergency communications center personnel.

<sup>3</sup> Municipal Fire Department was consolidated with Seminole County Fire Department on 10/02/08.

City of Winter Springs, Florida

**OPERATING INDICATORS BY FUNCTION**

Last Ten Fiscal Years

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Police</b>										
Auto accidents	546	404	345	277	327	396	423	399	560	479
Physical arrests	1,708	1,928	1,347	1,401	1,098	1,141	1,106	1,456	1,220	1,034
Criminal investigations conducted	357	464	441	544	374	386	522	408	533	419
Total calls for service	142,202	133,527	131,587	125,392	116,773	143,763	152,357	111,943	106,477	102,146
911 calls received	5,248	4,937	3,654	3,720	3,665	3,771	3,691	3,573	3,539	3,607
Evidence processed (pieces)	1,721	2,221	1,730	2,215	2,160	1,900	2,327	2,240	2,606	2,509
<b>Fire<sup>1</sup></b>										
Public education programs	56	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of emergency calls answered	3,345	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Medical transports	1,300	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Highways and streets</b>										
Streets paved (miles)	0.00	0.00	2.00	3.38	1.76	2.04	0.98	3.57	0.05	0.00
Streets resurfaced (square yards)	72,400	43,018	36,927	47,622	41,850	39,958	39,958	46,114	63,674	70,324
Sidewalks/bike paths built or repaired (feet)	5,134	4,486	3,980	5,575	4,677	5,622	5,122	4,329	11,344	7,384
<b>Culture and recreation</b>										
Games - Baseball/Softball	1,468	1,521	1,075	1,259	1,104	998	978	842	879	939
Games - Basketball	599	371	458	606	683	689	738	608	578	749
Games - Football	271	222	222	271	257	209	256	103	22	61
Games - Soccer	970	1,005	816	856	880	650	1,140	1,176	879	882
Senior Activities	898	1,108	1,071	1,162	1,246	1,523	1,102	1,363	1,573	1,906
Civic Center & Pavilion Rentals	379	362	430	383	428	429	438	463	400	461
Program Events	205	240	275	340	307	241	167	79	264	1,037

Water										
New connections	19	13	3	24	100	180	112	176	165	32
Number of customers	12,706	12,802	12,749	12,806	12,847	13,254	13,383	13,496	13,727	13,822
Water main breaks	13	21	12	10	16	18	9	4	2	10
Average daily consumption (gallons/per capita)	115	110	106	114	109	106	98	103	104	97
Meter reads	174,604	175,478	171,976	176,001	176,531	177,752	181,145	183,256	187,468	188,358
Community Development										
Total permits issued	2,741	2,808	3,105	3,132	3,243	2,564	3,466	2,923	2,956	3,275
Building inspections	7,278	4,931	4,832	6,032	8,108	9,540	5,921	8,189	8,885	6,194
Business tax receipts issued	1,135	942	1,275	1,384	1,470	891	968	1,007	897	1,227
Land use amendments & rezonings	5	9	2	-	-	7	11	13	3	8
Permits files created/reviews initiated	3,349	3,408	3,754	2,190	2,427	3,764	3,869	3,201	3,111	3,436
General Government										
Personnel actions processed	500	609	166	227	375	106	309	182	283	426
Worker's Comp Injuries	51	30	41	44	33	44	32	30	30	37
Legal notices published	41	22	28	16	18	21	40	40	18	26
Payroll - Checks	337	220	242	229	210	380	499	425	352	334
Payroll - Direct Deposit	7,557	6,210	5,927	5,942	5,767	5,821	6,858	6,468	7,209	6,034
Receipts deposited	202,307	186,401	189,977	153,687	153,762	266,563	266,630	247,363	134,565	130,754
A/P checks issued	7,014	8,829	6,348	6,111	5,651	6,936	5,285	5,442	5,364	4,974
Purchase orders processed	4,772	3,930	3,667	3,160	2,720	2,787	2,968	3,262	2,262	2,319

Source: Summary of Departmental Reports

Note

\* Information not available

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

City of Winter Springs, Florida

**CAPITAL ASSET STATISTICS BY FUNCTION<sup>1</sup>**

Last Ten Fiscal Years

Function	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Public safety										
Police:										
Stations	1	2	2	2	1	1	1	1	1	1
Fleet	75	79	78	91	83	82	85	82	82	80
Fire stations <sup>2</sup>	3	3	3	3	3	3	2	2	2	2
Highways and streets										
Streets - paved (miles)	95.32	95.32	97.32	100.70	99.63	101.16	102.69	102.69	103.25	103.25
Streets - unpaved (miles)	6.40	6.40	4.40	1.02	0.51	0.51	0.51	0.51	0.00	0.00
Street lights	2,158	2,300	2,300	2,311	2,431	2,471	2,616	3,404	3,432	3,432
Traffic signals	10	10	10	10	10	10	10	10	10	10
Culture and recreation										
Park acreage	267.70	267.70	267.70	267.70	267.70	267.70	266.70	266.70	266.70	266.70
Parks - Community	6	6	6	6	6	6	6	6	6	6
Parks - Neighborhood	7	7	7	7	7	7	6	6	6	6
Senior Center	1	1	1	1	1	1	1	1	1	1
Community Center	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	167.6	167.6	167.6	167.8	169.1	171	173.0	173.1	173.2	173.6
Fire hydrants	1,000	1,000	1,000	1,002	1,019	1,037	1,055	1,057	1,060	1,064
Maximum daily capacity (millions of gallons)	12	12	12	12	12	12	12	12	12	12
Deep Wells	8	8	8	8	8	8	8	8	8	8
Sewer										
Sanitary sewers (miles)	135.50	111.57	111.57	111.6	112.8	114.30	115.75	115.75	115.76	116.31
Storm sewers (miles)	91.56	91.56	91.56	91.59	92.78	94.27	95.76	95.76	95.79	95.79
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)	2.198	2.142	2.100	1.866	2.043	2.358	2.067	2.097	2.080	2.140

Note

\* Information not available

<sup>1</sup> City of Winter Springs Departmental Reports

<sup>2</sup> Seminole County is leasing stations per Consolidation Agreement

## **OTHER REPORTS**

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the *City of Winter Springs, Florida*, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 14, 2018.

***Internal Control Over Financial Reporting***

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

MCDIRMIT DAVIS & COMPANY, LLC

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

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

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

### ***Purpose of this Report***

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

*McDiernit Davis & Company, LLC*

Orlando, Florida  
March 14, 2018

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH  
MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

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

**Report on Compliance for Each Major State Project**

We have audited the *City of Winter Springs's* (the City) compliance with the types of compliance requirements described in the Florida Department of Financial Services *State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major state projects for the year ended September 30, 2017. The City's major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state projects.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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; Chapter 10.550, *Rules of the Auditor General*. Those standards and rules require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major state project. However, our audit does not provide a legal determination of the City's compliance.

## Opinion on Each Major State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major state project for the year ended September 30, 2017.

## Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state project and to test and report on internal control over compliance in accordance with Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance 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 compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

*McDiernit Davis & Company, LLC*

Orlando, Florida  
March 14, 2018

CITY OF WINTER SPRINGS, FLORIDA

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**

Year Ended September 30, 2017

<b>Award type</b>			
<b>Grantor</b>	<b>CSFA</b>	<b>Agency or Pass-through</b>	
<b>Grantor program title</b>	<b>Number</b>	<b>Entity Grant Number</b>	<b>Expenditures</b>
<b>State Award</b>			
<b>State of Florida, Department of Environmental Protection</b>			
Drinking Water Facility Construction *	37.076	DW590610	\$ 5,103,131
Total state awards			\$ 5,103,131

\* Denotes a major program

CITY OF WINTER SPRINGS, FLORIDA

**NOTES TO SCHEDULE OF EXPENDITURES OF  
STATE FINANCIAL ASSISTANCE**

Year Ended September 30, 2017

**Note 1 - Basis of Presentation:**

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state grant activity of the City of Winter Springs (the City) under projects of the state government for the year ended September 30, 2017. The information in this Schedule is presented in accordance with the requirements of Section 215.97, Florida Statutes. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

**Note 2 - Summary of Significant Accounting Policies:**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Therefore, amounts reported on the Schedule are based on expenditures incurred as of September 30, 2017, even if grant or loan was received subsequent to that date. Pass-through entity identifying numbers are presented where available.

CITY OF WINTER SPRINGS, FLORIDA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS -  
STATE FINANCIAL ASSISTANCE PROJECTS**

Year Ended September 30, 2017

**Section I - Summary of Independent Auditor's Results:**

*Financial Statements*

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
• Material weakness identified?	___ Yes	<u> X </u> No
• Significant deficiency identified	___ Yes	<u> X </u> None reported
Noncompliance material to financial Statements noted?	___ Yes	<u> X </u> No

*State Projects*

Type of auditors' report issued on compliance for major federal programs:	Unmodified	
Internal control over major Federal program:		
• Material weakness identified?	___ Yes	<u> X </u> No
• Significant deficiency identified	___ Yes	<u> X </u> None reported
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550?	___ Yes	<u> X </u> No

Identification of major state projects                      CFSA No. 37.076                      Drinking Water Facility Construction

Dollar threshold used to distinguish between type A and type B programs                      \$300,000

Auditee qualified as a low-risk auditee?                      \_\_\_ Yes                       X  No

**Section II - Financial Statement Findings:**                      None

**Section III - State Award Findings and Questioned Costs:**                      None

**Section IV - State Award Summary Schedule of Prior Year Findings:**                      There were no audit findings for the year ended September 30, 2016.

## **MANAGEMENT LETTER**

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

### **Report on the Financial Statements**

We have audited the financial statements of the *City of Winter Springs, Florida*, as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated March 14, 2018.

### **Auditor's Responsibility**

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

### **Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 14, 2018, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

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

### **Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the notes to the financial statements.

**MCDIRMIT DAVIS & COMPANY, LLC**

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



## **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the *City of Winter Springs, Florida* has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the *City of Winter Springs, Florida* did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the *City of Winter Springs, Florida's* financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

## **Annual Financial Report**

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and communicate the results of our determination as to whether the annual financial report for the *City of Winter Springs, Florida* for the fiscal year ended September 30, 2017, 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, 2017. In connection with our audit, we determined that these two reports were in agreement.

## **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

## **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, City Commission and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*McDiernit Davis & Company, LLC*

Orlando, Florida  
March 14, 2018

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

We have audited the financial statements of *City of Winter Springs* as of and for the year ended September 30, 2017, and have issued our report thereon dated March 14, 2018. Professional standards require that we advise you of the following matters relating to our audit.

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

As communicated in our engagement letter dated August 25, 2015, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

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

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

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

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

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

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

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

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of significant accounting policies adopted by the City are described in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2017. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

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

The most sensitive accounting estimates affecting the financial statements are:

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

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

Management's allocation of the net pension liability, deferred inflows/outflows and pension expense is based on the participating employees' contributions made. We evaluated the reasonableness of the allocation methods in determining that it is reasonable in relation to the financial statements taken as a whole.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting City of Winter Springs's financial statements relate to the recording of investments at fair value.

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

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

### **Uncorrected and Corrected Misstatements**

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

### **Disagreements with Management**

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

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated March 14, 2018.

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

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

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

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

This report is intended solely for the use of management, the City 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*

Orlando, Florida  
March 14, 2017

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

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

We have examined City of Winter Springs's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2017. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

In our opinion, City of Winter Springs complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

*McDirmit Davis & Company, LLC*

Orlando, Florida  
March 14, 2018

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CITY OF WINTER SPRINGS, FLORIDA

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

March 14, 2018

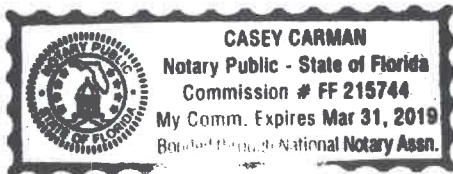
AFFIDAVIT OF IMPACT FEE COMPLIANCE

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 14 day of March, 2018, by Shawn Boyle.



\_\_\_\_\_  
(Signature of Notary)

Casey Carman  
\_\_\_\_\_  
(Name of Notary Typed, Printed, or Stamped)

Personally Known  OR Produced Identification