

CITY OF WINTER SPRINGS

2019

COMPREHENSIVE ANNUAL FINANCIAL

REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

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City of Winter Springs, Florida

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended September 30, 2019



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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WINTER SPRINGS, FLORIDA 32708-2799
Telephone (407) 327-1800

March 13th, 2020

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, 2019. 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 McDimit, 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, 2019 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, 2019 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 37,000.

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 24-27 as part of the basic financial statements for the governmental funds. The TLBD Debt Service Fund budget-to-actual comparison is presented on page 70. The non-major governmental funds' budget comparisons are presented in the governmental fund subsection of this report which starts on page 83.

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 in excess of \$2.3M for the fiscal year 2019-2020.

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 2018-2019 fiscal year (tax year 2018), the gross taxable value reflects an increase of 7% from the prior year. During fiscal year 2018-2019 (tax year 2018), through prudent fiscal management, the City was able to maintain the operating millage rate at 2.43 and was able to further reduce voted debt millage to 0.0500 mills. At the local level, revenues such as review and permit fees, investment income and state sales tax revenues continue to show signs of sustainable growth.

New construction in Winter Springs has been robust for the past several years. Single-family residential construction projects that were recently completed or are currently under construction include Southern Oaks, Northern Oaks, and Tuskawilla Crossings. The only multi-family project either under construction or completed in 2019 was The Blake Apartments in the Town Center. Upcoming projects include the proposed Winter Springs Town Center Townhomes (114 units), The Gatherings (plus 55 community-108 units) and The Hawthorne, located near the Cross Seminole Trail on SR 434. Commercial construction projects started or completed in 2019 include Starbucks and Octopus Carwash while Wendy's and Chase Bank are getting started on the permitting phase and should begin construction in 2020.

Seminole County Public School system is the 12th largest in the state and widely recognized as a Premier National School District. It boasts an above average 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 Creative Inspiration Journey School which provide diverse educational options. Nearby Seminole State College and University of Central Florida offer our community an affordable and excellent higher education choice. The City also continues its partnership with the UCF Business Incubation Program to foster the development of early-stage businesses in Central Florida.

The City of 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 eighteen consecutive years. The Oviedo-Winter Springs Chamber of Commerce offers a variety of art and music at the Town Center's ARTtoberFEST event. The City also hosts a number of community seasonal events including Spring Explore Outdoors, Celebration of Freedom, Hometown Harvest, a salute to our veterans in the Veteran's Day Ceremony, and Winter Wonderland Parade. The City's Sports Partnerships include traditional sports such as Babe Ruth Baseball/Softball, Florida Kraze Krush Soccer & Winter Springs Basketball and Football Leagues. Our very popular summer camp program offers affordable day camp options and spectacular field trips.

The Winter Springs Police Department also coordinates events in the community. In the summer months, the department hosts its annual Community Youth Outreach program. This program is designed to engage our youth, in an effort to promote positive interaction and bridge the gap with Law Enforcement. During the holiday season, children and families in need from Winter Springs are nominated to participate in our annual 'Shop with a Cop' festivities. Through the school supply drive the Winter Springs Police Department provides school supplies to over 200 children within our community.

The City has a “Perk up Parks” program which is a multi-million dollar Parks initiative with numerous park upgrades including a new and expanded “Field of Dreams” playground at Central Winds Park, another new and impressive playground, “Mount Trotwood” at Trotwood Park, and a new “Torcaso Cove” which is an ocean, water and pirate themed adventure at Torcaso Park. All playgrounds have top of the line rubber surfacing for safety and playful comfort. 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 2019, the City implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This statement requires additional note disclosures for certain debt issues. There was no effect on beginning balances of the City.

Major Initiatives. Continued improvements in customer service and information reporting are on-going, such as the implementation of the Parks reservation system and upgrades in several behind the scenes technological systems. Many upgrades and initiatives are still anticipated relative to urban beautification and our recreational facilities. There have also been and will continue to be city-wide safety improvements across parks, sidewalk replacements, and roadway improvements.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winter Springs for its CAFR for the fiscal year ended September 30, 2018. This was the nineteenth 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 must satisfy 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 of 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,

Shawn D. Boyle

Kelly Balagia

Shawn D. Boyle
City Manager

Kelly Balagia
Finance 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, 2018

Christopher P. Morill

Executive Director/CEO

City of Winter Springs, Florida
List of Principal Officers

Mayor	Charles Lacey
Deputy Mayor / Commissioner	Kevin Cannon
Commissioner	Jean Hovey
Commissioner	Ted Johnson
Commissioner	TiAnna Hale
Commissioner	Geoff Kendrick

CITY MANAGER

Shawn Boyle

CITY CLERK

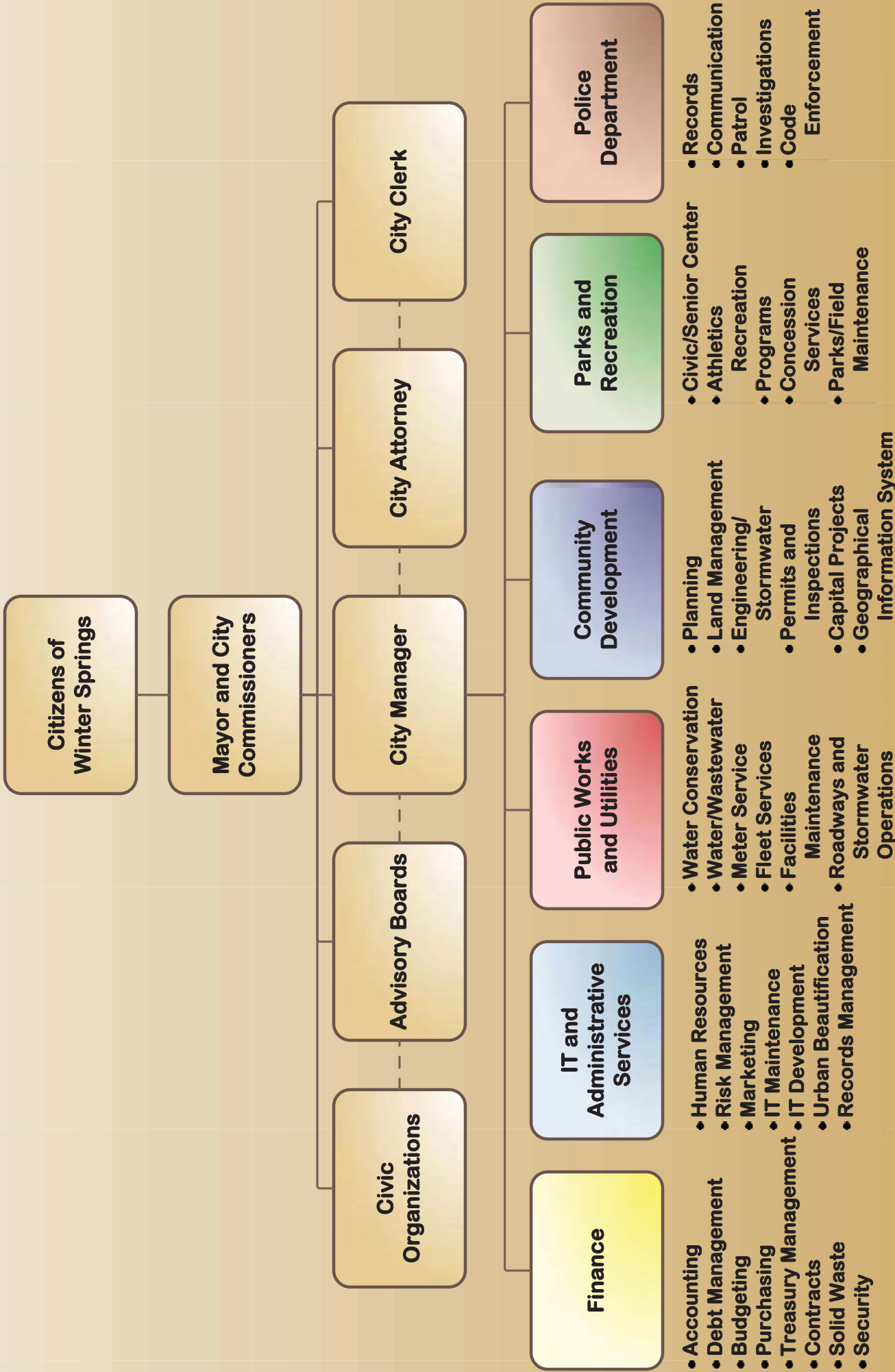
Andrea Lorenzo-Luaces

LEGAL COUNSEL

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

DEPARTMENT DIRECTORS

Community Development	Christopher Schmidt
Finance	Kelly Balagia
IT/Admin Services	Casey Howard
Parks and Recreation	Chris Caldwell
Police Chief	Chris Deisler
Utility/Public Works	Lena Rivera



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Financial Section



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*, (the "City") as of and for the year ended September 30, 2019, 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

The City's 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 The City, as of September 30, 2019, 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.

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 as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States

of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise The City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, statistical section, and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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 of Expenditures of Federal Awards 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 combining and individual nonmajor fund financial statements and schedules and the Schedule of Expenditures of Federal Awards 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 13, 2020 on our consideration of The City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The City's internal control over financial reporting and compliance.



Orlando, Florida
March 13, 2020

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, 2019. 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 - vi 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 \$120,928,799 (net position). Of this amount, \$26,831,165 (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 \$11,309,586 or 10.32% 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 \$36,603,635. Approximately 21% of this total amount, \$7,537,629, 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 \$8,410,820, or 54% of total general fund expenditures.
- As a result of current year's activities, the City of Winter Springs' total debt decreased by \$1,022,090 (2.9%).

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.

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 16-17 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*.

The City of Winter Springs maintains 24 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 20 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Winter Springs adopts an annual appropriated budget for all governmental funds. Budgetary comparison statements have been provided for the General Fund, Road Improvements Special Revenue Fund, and Solid Waste/Recycling Special Revenue Fund to demonstrate compliance with this budget on pages 24-27. Budgetary comparison schedules have been provided for the TLBD Debt Service Fund, and the nonmajor funds on pages 70 and 83-102.

The basic governmental fund financial statements can be found on pages 18-23 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 28-32 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 33-34 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 35-64 of this report.

Required Supplementary Information (RSI)

RSI can be found on pages 65-69 of this report.

Other Information

The budget schedules for the major debt service fund is on page 70 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 71-82 of this report.

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 \$120,928,799 at the close of the most recent fiscal year.

Of the City of Winter Springs' net position, \$76,395,605 or 63%, 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 \$17,702,029 (15%). The remaining balance of *unrestricted net position* (\$26,831,165 or 22%) may be used to meet the government's ongoing obligations to citizens and creditors.

At September 30, 2019, 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.

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City of Winter Springs, Florida
Management's Discussion and Analysis

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 16.

Statement of Net Position as of September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Assets:						
Current and other assets	\$ 39,448,813	\$ 33,424,709	\$ 32,374,040	\$ 25,512,554	\$ 71,822,853	\$ 58,937,263
Restricted assets	78,774	81,770	742,089	727,859	820,863	809,629
Capital assets	58,397,153	58,159,769	37,650,254	39,054,457	96,047,407	97,214,226
Total assets	97,924,740	91,666,248	70,766,383	65,294,870	168,691,123	156,961,118
Deferred Outflows of Resources						
Deferred charge on refunding	\$ 10,218	\$ 14,337	\$ 164,735	\$ 255,642	\$ 174,953	\$ 269,979
Deferred outflow of pension and OPEB earnings	919,865	1,845,727	235,951	437,670	1,155,816	2,283,397
	930,083	1,860,064	400,686	693,312	1,330,769	2,553,376
Liabilities:						
Current liabilities	1,701,831	1,385,470	1,310,989	524,494	3,012,820	1,909,964
Long term liabilities	20,590,397	19,691,665	24,644,351	24,758,671	45,234,748	44,450,336
Other liabilities	75,884	78,480	662,169	646,255	738,053	724,735
Total liabilities	22,368,112	21,155,615	26,617,509	25,929,420	48,985,621	47,085,035
Deferred Inflows of Resources						
Deferred inflow of pension and OPEB earnings	\$ 80,728	\$ 2,290,256	\$ 26,744	\$ 519,990	\$ 107,472	\$ 2,810,246
Net Position:						
Net investment in capital assets	53,683,006	52,292,228	22,712,599	23,078,568	76,395,605	75,370,796
Restricted	17,089,058	14,736,524	612,971	514,889	17,702,029	15,251,413
Unrestricted	5,633,919	3,051,689	21,197,246	15,945,315	26,831,165	18,997,004
Total net position	\$ 76,405,983	\$ 70,080,441	\$ 44,522,816	\$ 39,538,772	\$ 120,928,799	\$ 109,619,213

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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 17.

As a result of the current year's activities, the government's total net position increased by \$11,309,586 or 10.32% from the prior year. The previous fiscal year, 2018, net position increased by \$5,660,767.

Governmental activities increased net position by \$6,325,542 in fiscal year 2019 compared to an increase of \$3,488,100 in 2018. The increase in net position for fiscal year 2019 is more than the prior year's increase primarily due to investment earnings, electric franchise fee revenue, recognition of FEMA reimbursement, and a substantial positive expenditure variance that we utilized for governmental funds transfer.

Business-type activities increased net position by \$4,984,044 in fiscal year 2019 compared to an increase of \$2,172,667 in 2018. The increase in net position in fiscal year 2019 is more than the prior fiscal year's increase primarily due to development fees, service availability fees, and timing of water consumption.

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 11.

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.

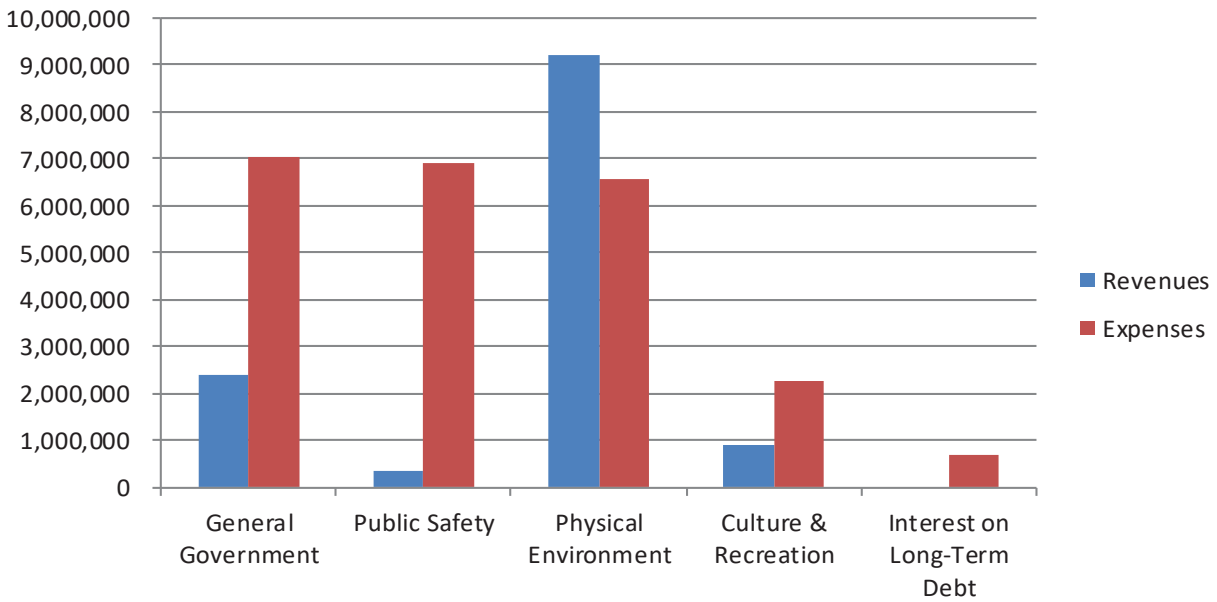
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City of Winter Springs, Florida
Management's Discussion and Analysis

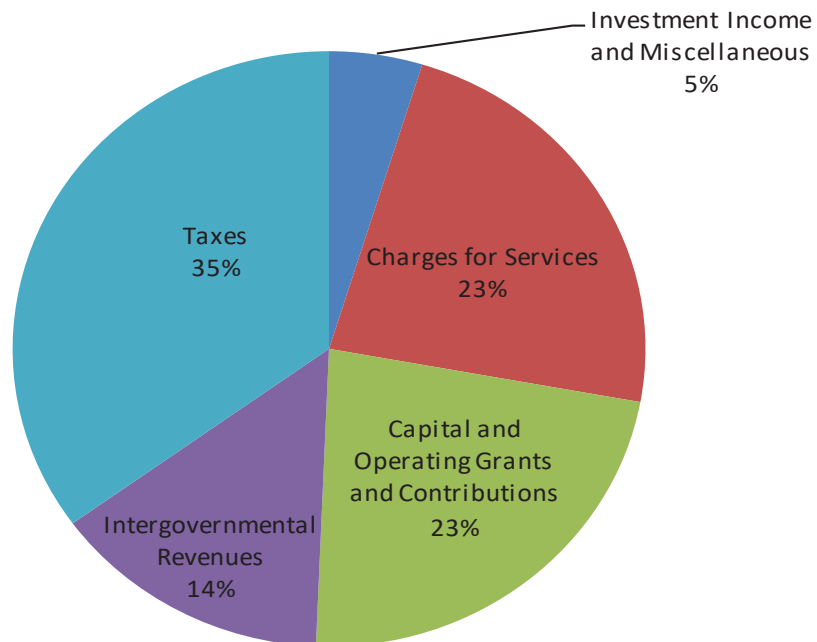
Changes in Net Position for the year ended September 30

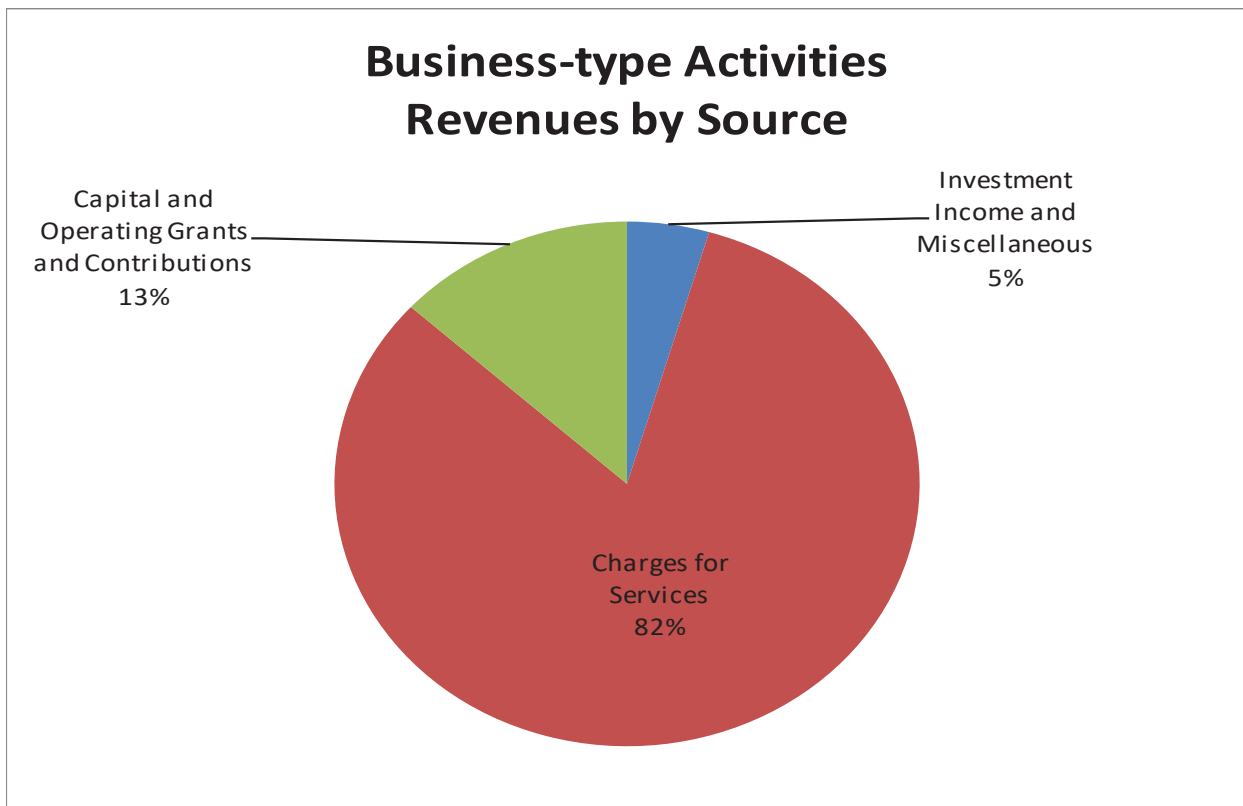
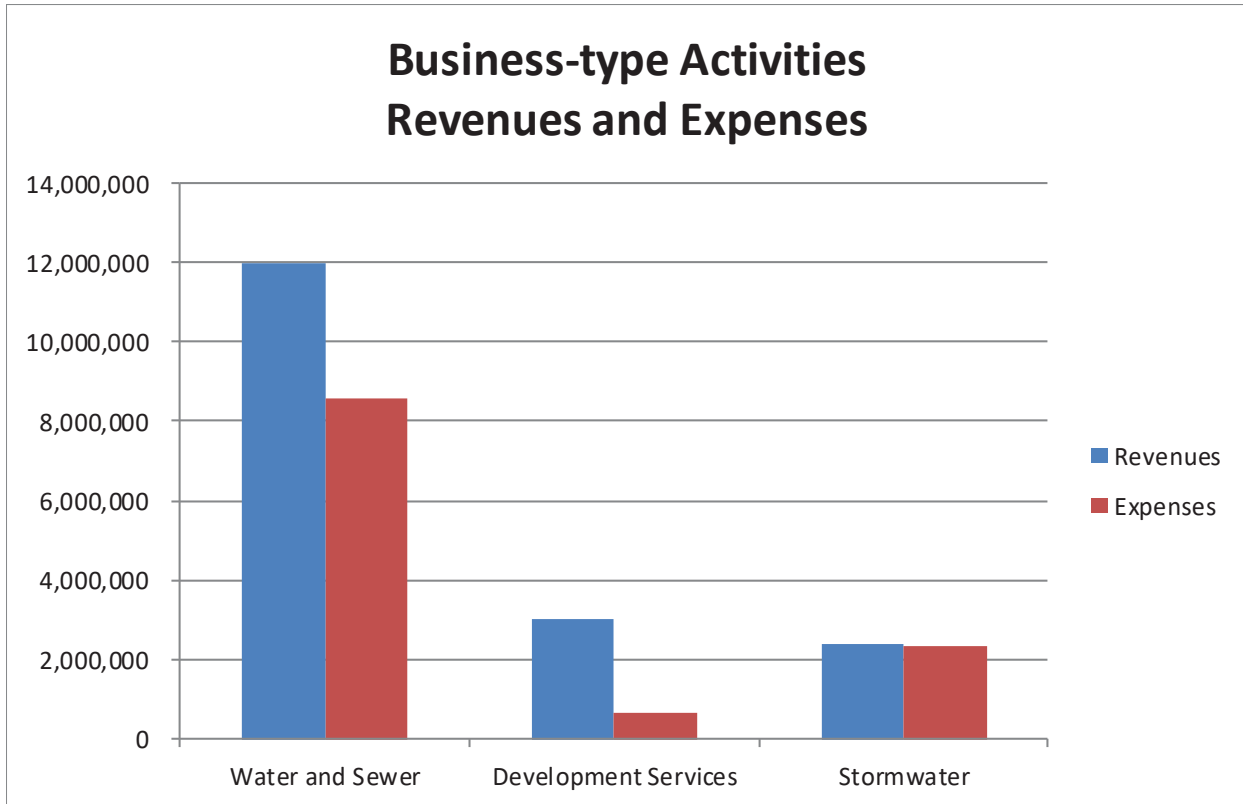
	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for services	\$ 6,488,365	\$ 5,846,101	\$ 14,983,246	\$ 12,068,502	\$ 21,471,611	\$ 17,914,603
Operating grants and contributions	1,283,796	108,904	926,115	118,291	2,209,911	227,195
Capital grants and contributions	5,121,721	3,048,672	1,483,528	1,137,655	6,605,249	4,186,327
General Revenues:						
Property taxes	5,487,217	5,150,425	-	-	5,487,217	5,150,425
Utility taxes	4,212,706	4,003,425	-	-	4,212,706	4,003,425
Business tax receipts	122,362	125,834	-	-	122,362	125,834
Intergovernmental- unrestricted	4,036,045	3,966,625	-	-	4,036,045	3,966,625
Investment income and miscellaneous	1,337,741	1,211,105	825,339	323,463	2,163,080	1,534,568
Total revenues	28,089,953	23,461,091	18,218,228	13,647,911	46,308,181	37,109,002
Expenses:						
General government	7,052,183	6,232,860	-	-	7,052,183	6,232,860
Public safety	6,891,732	5,791,499	-	-	6,891,732	5,791,499
Physical environment	6,562,502	6,932,533	-	-	6,562,502	6,932,533
Culture and recreation	2,282,091	2,300,595	-	-	2,282,091	2,300,595
Interest and other fiscal charges on long-term debt	673,202	588,715	-	-	673,202	588,715
Water and sewer	-	-	8,568,757	7,984,753	8,568,757	7,984,753
Development services	-	-	647,180	574,476	647,180	574,476
Stormwater	-	-	2,320,948	1,042,804	2,320,948	1,042,804
Total expenses	23,461,710	21,846,202	11,536,885	9,602,033	34,998,595	31,448,235
Increase (Decrease) In Net Position Before Transfers	4,628,243	1,614,889	6,681,343	4,045,878	11,309,586	5,660,767
Transfers	1,697,299	1,873,211	(1,697,299)	(1,873,211)	-	-
Increase In Net Position	6,325,542	3,488,100	4,984,044	2,172,667	11,309,586	5,660,767
Net position, October 1	70,080,441	66,592,341	39,538,772	37,366,105	109,619,213	103,958,446
Net position, September 30	\$ 76,405,983	\$ 70,080,441	\$ 44,522,816	\$ 39,538,772	\$ 120,928,799	\$ 109,619,213

Governmental Program Specific Revenues and Expenses



Governmental Revenues by Source





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, 2019, the City of Winter Springs' governmental funds reported combined ending fund balances of \$36,603,635, an increase of \$5,792,802 over the prior year. Approximately 21% or \$7,537,629 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 \$8,410,820, while total fund balance was \$8,698,111. 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 54% and 55% respectively, of total General Fund expenditures. The increase in fund balance of \$183,684 is primarily the result of increased revenue (electricity, and investment income).

The Road Improvements Fund balance increased \$2,200,297 due to the deferral of budgeted capital projects.

The Solid Waste Fund net position increased by \$786,512. This increase is primarily due to the recognition of FEMA reimbursements related to Hurricane Irma.

The TLBD Debt Service Fund net position decreased by \$30,420. This decrease is a result of additional non-recurring capital expenditures and accounts for 100% of the decrease.

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 \$15,342,998 and total net position increased \$2,702,084 to \$31,643,606. The increase in net position in fiscal year 2019 is more than the prior fiscal year's increase primarily due to increased consumption and higher utility connectivity charges.

The Development Services Fund net position increased as a result of current year activities by \$2,295,228 to \$5,226,960 at the end of the fiscal year. The increase in net position is more than the prior fiscal year's increase due to robust development activity.

The Stormwater Utility Fund net position decreased as a result of current fiscal year activities by \$13,268 to \$7,652,250 at the end of the fiscal year. This decrease in net position is due to an increase in repair and maintenance costs.

General Fund Budgetary Highlights

Differences between the original General Fund budget and the final amended General Fund budget resulted in no change in appropriations from fund balance during the year.

The actual results of General Fund for the year show an appropriation to fund balance of \$183,684 compared to a final budgeted appropriation to fund balance of \$1,499. The favorable variance of \$182,185 is comprised of a favorable revenue and transfers variance of \$13,907 and a favorable expenditure variance as set forth in the Departmental cost centers below:

Executive & Legislative	\$	810
General Government		7,838
Finance & Admin Services		29,427
Information Services		27,651
Community Development		15,121
Public Safety		14,589
Public Works		33,978
Parks & Recreation		38,864
Total	\$	168,278

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

Payroll	\$	(22,121)	-0.1%
Other Operating		251,440	1.0%
Capital		(61,041)	-0.3%
Total	\$	168,278	2.50%

Although payroll reflects a slight negative variance it should be noted that this was due to payroll budget transfers and movement of employees between cost centers. Total payroll costs did not exceed that which was originally budgeted and was more than offset by favorable variances within the respective Departmental cost centers as reflected above.

The comparison of budgeted results to actual results for the General Fund is shown on pages 24-25.

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, 2019, amounts to \$96,047,407 (net of accumulated depreciation), for a decrease of \$1,166,819 over the prior year. This investment in capital assets includes land, buildings, improvements, machinery and equipment, intangibles, park facilities, roads, highways, and bridges. The total decrease in the City of Winter Springs' investment in capital assets for the current fiscal year was 1.20% (a 0.41% increase for governmental activities, and a 3.60% decrease for business-type activities).

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

- The purchase of the following capital assets:
 - ProjectDox ePlan Solution Software at a cost of approximately \$27,110
 - New equipment for the Public Works / Utilities Department at a cost of approximately \$251,600
 - New vehicles for the Police Department at a cost of approximately \$305,655
 - Parks & Recreation software at a cost of approximately \$11,000

- The completion and capitalization of the following projects:
 - Central Winds Park practice field renovations at a cost of approximately \$27,400 (spent in prior years)
 - Central Winds Park gate entrance enhancements at a cost of approximately \$43,700 (spent in prior years)
 - Central Winds Park Field F enhancements at a cost of approximately \$9,700 (spent in prior years)
 - New generator for Police Department headquarters at a cost of approximately \$217,800
 - Trotwood Family Pavilion at a cost of approximately \$515,600 (approximately \$137,700 spent in prior years)
 - Remodeled kitchen at the Senior Center at a cost of approximately \$12,200
 - City Hall drive-up quick pay kiosk at a cost of approximately \$127,000 (approximately \$31,200 spent in prior years)
 - Winding Hollow playground renovations at a cost of approximately \$103,100 (approximately \$50,300 spent in prior years)
 - Road reconstruction and resurfacing totaling approximately \$670,900
 - City Hall front and rear sidewalk paving at a cost of approximately \$49,800
 - City Hall E-sign upgrades at a cost of approximately \$34,000 (approximately \$23,200 spent in prior years)
 - Pipe Relining at a cost of approximately \$43,700
 - Replacement and upgrades to bypass pumps for the Water & Sewer / Utility department at a cost of approximately \$299,200
 - Water system pipe relining at a cost of approximately \$20,000
 - Replacement and upgrades to the bulk chlorine tank at the East Wastewater Treatment Plant at a cost of approximately \$9,100
 - Iron pipe replacements and upgrades at Bear Creek / Northern Way at a cost of approximately \$42,600
 - Ground Storage Tank #1 & #2 upgrades at Water Treatment Plant #1 at a total cost of approximately \$143,800
 - Shade Structure at Water Treatment Plant #1 at a cost of approximately \$42,200 (spent in prior years)
 - Control Upgrades at Water Treatment Plant #1 at cost of approximately \$6,200
 - PLC replacements and upgrades at Water Treatment Plant #3 at a cost of approximately \$48,000
 - Central Winds Park playground renovations at a cost of approximately \$503,000
 - Electrical Panel Replacements at a total cost of approximately \$37,800 (approximately \$25,500 spent in prior years)
 - East /West Water Treatment Plant refurbishments at a total cost of approximately \$116,700 (spent in prior years)

- The capitalization of donated assets as a result of new residential and commercial building projects including:
 - The Blake Apartments additions to water/and system infrastructure at a value of approximately \$1,230,000

- Beginning and continued construction on the following projects:
 - Torcaso park site improvement, playground, basketball court, and field house upgrades at a total cost of approximately \$258,800 (approximately \$173,800 spent in prior years)
 - Trotwood playground upgrades at an approximate cost of \$161,400
 - 434 / Winding Hollow Blvd decel lane at a cost of approximately \$19,300
 - TLBD Entrance – Full-Scale Landscape at a cost of approximately \$33,400

Additional information on the City of Winter Springs' capital assets can be found in Note 6 on pages 47-48 of this report.

Capital Assets (Net of Depreciation) as of September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Land	\$ 9,946,795	\$ 9,946,795	\$ 7,170,177	\$ 7,170,177	\$ 17,116,972	\$ 17,116,972
Buildings	8,000,031	7,697,935	1,499,724	1,590,093	9,499,755	9,288,028
Improvements Other Than Buildings	7,071,144	7,499,360	23,081,399	24,230,833	30,152,543	31,730,193
Machinery and Equipment	2,529,024	1,580,340	5,483,161	5,453,355	8,012,185	7,033,695
Intangibles	570,333	97,436	154,499	164,052	724,832	261,488
Infrastructure	28,808,753	29,656,284	-	-	28,808,753	29,656,284
Construction in Progress	1,471,073	1,681,619	261,294	445,947	1,732,367	2,127,566
Total	\$ 58,397,153	\$ 58,159,769	\$ 37,650,254	\$ 39,054,457	\$ 96,047,407	\$ 97,214,226

Long-term debt

At September 30, 2019, the City of Winter Springs had total debt outstanding of \$34,204,232, a decrease of \$1,022,090 from \$35,226,322 at September 30, 2018. Total *bonded* debt of the City at the end of the current fiscal year was \$7,293,161. This amount does not include accreted interest of \$14,377,477.

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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Additional information on the City of Winter Springs' long-term debt can be found in Note 7 on pages 49-53 of this report.

Long Term Debt as of September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
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	-	-	3,794,191	3,794,191	3,794,191	3,794,191
Revenue Refunding Note Series 2011	-	233,128	-	-	-	233,128
Special Assessment Revenue Notes, Series 2011	1,225,395	1,318,780	-	-	1,225,395	1,318,780
Improvement Refunding Revenue Note, Series 2014	-	831,000	-	-	-	831,000
Revenue Refunding Note Series 2016	-	-	2,715,000	4,241,000	2,715,000	4,241,000
Revenue Refunding Note Series 2018	-	-	1,924,000	1,924,000	1,924,000	1,924,000
State Revolving Fund Loan	-	-	6,669,199	6,272,340	6,669,199	6,272,340
Accreted Interest Payable	6,979,057	6,351,227	7,398,420	6,761,686	14,377,477	13,112,913
Total	\$ 11,703,422	\$ 12,233,105	\$ 22,500,810	\$ 22,993,217	\$ 34,204,232	\$ 35,226,322

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

Economic Factors and Next Year's Budgets and Rates

Winter Springs is primarily a residential community in Seminole County servicing more than 37,000 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 maintained the operating millage rate at 2.4300 for both FY 2019 and FY 2020. The voted debt millage rate was lowered to .0500 for FY 2019 and eliminated for FY 2020. The gross property tax values in Winter Springs increased in FY 2019 by 7% and have increased an approximate 9.5% in FY 2020. 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 to infrastructure improvements. The surtax is expected to result in \$2.0 million in additional revenues each year and expires in 2024.

The General Fund's FY 2019 adopted expenditure budget of \$18,577,900 (inclusive of transfers) marked an increase of 5.7% from the previous year. For FY 2020 the adopted expenditure budget is \$19,101,792 a slight increase of 2.8% from FY 2019. The total combined expenditure budget of FY 2020 \$51,470,066 (inclusive of transfers) is \$423,106 or .8% less than the adopted budget of FY 2019.

Requests for Information

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

Basic Financial Statements

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Government-Wide Financial Statements

City of Winter Springs, Florida
Statement of Net Position
September 30, 2019

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 2,593,603	\$ 2,241,207	\$ 4,834,810
Investments	34,475,481	28,957,788	63,433,269
Receivables, net	973,869	410,439	1,384,308
Due from other governments	-	744,968	744,968
Inventories, at cost	29,734	13,858	43,592
Prepaid costs	210,730	5,780	216,510
Restricted Assets:			
Cash and cash equivalents	78,774	742,089	820,863
Receivables, long-term	1,165,396	-	1,165,396
Capital Assets			
Capital assets not being depreciated	11,417,868	7,431,471	18,849,339
Capital assets being depreciated, net of accumulated depreciation	46,979,285	30,218,783	77,198,068
Total assets	97,924,740	70,766,383	168,691,123
Deferred Outflows of Resources			
Deferred charge on refunding	10,218	164,735	174,953
Deferred outflow of pension and OPEB	919,865	235,951	1,155,816
	930,083	400,686	1,330,769
Liabilities			
Accounts payable and accrued expenses	1,541,931	1,113,099	2,655,030
Due to other governments	139,987	-	139,987
Unearned revenue	-	125,895	125,895
Accrued interest payable	19,913	71,995	91,908
Liabilities payable from restricted assets	75,884	662,169	738,053
Noncurrent Liabilities:			
Due within one year	1,489,534	1,956,296	3,445,830
Due in more than one year	19,100,863	22,688,055	41,788,918
Total liabilities	22,368,112	26,617,509	48,985,621
Deferred Inflows of Resources			
Deferred inflows of pension and OPEB	80,728	26,744	107,472
	80,728	26,744	107,472
Net Position			
Net investment in capital assets	53,683,006	22,712,599	76,395,605
Restricted for:			
Capital projects	5,715,661	-	5,715,661
Debt service	80,837	-	80,837
Renewal and replacement	-	612,971	612,971
Physical environment	11,213,246	-	11,213,246
Public safety	79,314	-	79,314
Unrestricted	5,633,919	21,197,246	26,831,165
Total net position	\$ 76,405,983	\$ 44,522,816	\$ 120,928,799

City of Winter Springs, Florida
Statement of Activities
For The Year Ended September 30, 2019

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental activities:							
General government	\$ 7,052,183	\$ 2,403,678	\$ -	\$ -	\$ (4,648,505)	\$ -	\$ (4,648,505)
Public safety	6,891,732	180,025	9,347	159,132	(6,543,228)	-	(6,543,228)
Physical environment	6,562,502	3,583,105	1,274,449	4,369,849	2,664,901	-	2,664,901
Culture and recreation	2,282,091	321,557	-	592,740	(1,367,794)	-	(1,367,794)
Interest on long-term debt	673,202	-	-	-	(673,202)	-	(673,202)
Total governmental activities	23,461,710	6,488,365	1,283,796	5,121,721	(10,567,828)	-	(10,567,828)
Business-type activities:							
Water and sewer	8,568,757	10,801,918	24,222	1,149,338	-	3,406,721	3,406,721
Development services	647,180	3,030,937	-	-	-	2,383,757	2,383,757
Stormwater	2,320,948	1,150,391	901,893	334,190	-	65,526	65,526
Total business-type activities	11,536,885	14,983,246	926,115	1,483,528	-	5,856,004	5,856,004
Total primary government	\$ 34,998,595	\$ 21,471,611	\$ 2,209,911	\$ 6,605,249	(10,567,828)	5,856,004	(4,711,824)
General Revenues:							
Property taxes					5,487,217	-	5,487,217
Utility taxes					4,212,706	-	4,212,706
Business tax receipts					122,362	-	122,362
Intergovernmental-unrestricted					4,036,045	-	4,036,045
Investment income and miscellaneous Transfers					1,337,741	825,339	2,163,080
					1,697,299	(1,697,299)	-
Total general revenues and transfers					16,893,370	(871,960)	16,021,410
Change in net position					6,325,542	4,984,044	11,309,586
Net position, beginning of the year					70,080,441	39,538,772	109,619,213
Net position, ending					\$ 76,405,983	\$ 44,522,816	\$ 120,928,799

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, 2019

	General Fund	Special Revenue	
		Road Improvements Fund	Solid Waste/Recycling
Assets:			
Cash and cash equivalents	\$ 611,923	\$ 649,042	\$ 106,261
Investments	8,869,836	8,386,391	1,373,019
Receivables, net	57,491	13,268	903,110
Inventories, at cost	29,734	-	-
Prepays	209,340	-	-
Special assessments receivable	-	-	-
Advances to other funds	48,217	-	-
Restricted assets:			
Cash and cash equivalents	75,884	-	-
Total assets	\$ 9,902,425	\$ 9,048,701	\$ 2,382,390
Liabilities and Fund Balances:			
Accounts payable	\$ 229,550	\$ 5,143	\$ 217,303
Accrued liabilities	688,353	-	-
Retainage payable	70,540	-	-
Due to other funds	-	-	-
Due to other governments	139,987	-	-
Payable from restricted assets	75,884	-	-
Total liabilities	1,204,314	5,143	217,303
Deferred Inflows of Resources			
Unavailable revenue-county taxes	-	754	-
Unavailable revenue-special assessments	-	-	-
Total deferred inflows of resources	-	754	-
Fund Balances:			
Nonspendable	287,291	-	-
Restricted	-	9,042,804	-
Committed	-	-	951,065
Assigned	-	-	1,214,022
Unassigned	8,410,820	-	-
Total fund balances	8,698,111	9,042,804	2,165,087
Total liabilities, deferred inflows of resources and fund balances	\$ 9,902,425	\$ 9,048,701	\$ 2,382,390

<u>Debt Service</u>		
<u>TLBD Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 5,807	\$ 1,220,570	\$ 2,593,603
75,030	15,771,205	34,475,481
-	-	973,869
-	-	29,734
-	1,390	210,730
1,165,396	-	1,165,396
-	860,000	908,217
-	2,890	78,774
<u>\$ 1,246,233</u>	<u>\$ 17,856,055</u>	<u>\$ 40,435,804</u>
\$ -	\$ 331,042	\$ 783,038
-	-	688,353
-	-	70,540
-	908,217	908,217
-	-	139,987
-	-	75,884
-	1,239,259	2,666,019
-	-	754
<u>1,165,396</u>	<u>-</u>	<u>1,165,396</u>
<u>1,165,396</u>	<u>-</u>	<u>1,166,150</u>
-	1,390	288,681
80,837	7,964,663	17,088,304
-	879,315	1,830,380
-	8,644,619	9,858,641
-	(873,191)	7,537,629
<u>80,837</u>	<u>16,616,796</u>	<u>36,603,635</u>
<u>\$ 1,246,233</u>	<u>\$ 17,856,055</u>	<u>\$ 40,435,804</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, 2019

Total Fund Balance, governmental funds	\$ 36,603,635
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	58,397,153
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	1,166,150
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	839,137
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(13,346,887)
Net pension liabilities are not due and payable in the current period and therefore, are not reported in the funds	<u>(7,253,205)</u>
Net Position of Governmental Activities in the Statement of Net Position	<u><u>\$ 76,405,983</u></u>

City of Winter Springs, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2019

	General Fund	Special Revenue	
		Road Improvements Fund	Solid Waste/Recycling
Revenues:			
Taxes:			
Property taxes	\$ 5,376,555	\$ -	\$ -
Utility taxes	4,212,706	-	-
Business tax receipts	122,362	-	-
Permits and fees	2,358,770	-	-
Intergovernmental revenues	4,213,668	2,783,939	1,026,918
Charges for services	765,337	-	2,542,099
Fines and forfeitures	114,993	-	-
Impact fees/assessments	-	-	-
Investment income	350,941	239,323	44,170
Miscellaneous	172,535	-	-
Total revenues	17,687,867	3,023,262	3,613,187
Expenditures:			
Current:			
General government	5,397,344	-	-
Public safety	6,484,576	-	-
Physical environment	982,449	-	2,740,166
Culture and recreation	1,865,720	-	-
Debt Service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Capital Outlay:			
General government	29,184	-	-
Public safety	361,571	-	-
Physical environment	220,050	822,965	-
Culture and recreation	365,897	-	-
Total expenditures	15,706,791	822,965	2,740,166
Excess (Deficiency) of Revenues Over Expenditures	1,981,076	2,200,297	873,021
Other Financing Sources (Uses)			
Transfers in	1,882,608	-	-
Transfers out	(3,680,000)	-	(86,509)
Total other financing sources(uses)	(1,797,392)	-	(86,509)
Net Change in Fund Balances	183,684	2,200,297	786,512
Fund balances, beginning	8,514,427	6,842,507	1,378,575
Fund balances, ending	\$ 8,698,111	\$ 9,042,804	\$ 2,165,087

<u>Debt Service</u>		
<u>TLBD Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 110,662	\$ 5,487,217
-	-	4,212,706
-	-	122,362
-	11,255	2,370,025
-	635,716	8,660,241
-	43,100	3,350,536
-	168,352	283,345
93,384	1,671,099	1,764,483
44,679	388,340	1,067,453
4,495	-	177,030
<u>142,558</u>	<u>3,028,524</u>	<u>27,495,398</u>
-	10,140	5,407,484
-	18,805	6,503,381
3,192	1,181,339	4,907,146
-	-	1,865,720
93,384	1,064,129	1,157,513
41,343	7,835	49,178
-	186,791	215,975
-	33,782	395,353
33,403	230,918	1,307,336
-	1,224,912	1,590,809
<u>171,322</u>	<u>3,958,651</u>	<u>23,399,895</u>
<u>(28,764)</u>	<u>(930,127)</u>	<u>4,095,503</u>
-	3,861,896	5,744,504
<u>(1,656)</u>	<u>(279,040)</u>	<u>(4,047,205)</u>
<u>(1,656)</u>	<u>3,582,856</u>	<u>1,697,299</u>
(30,420)	2,652,729	5,792,802
<u>111,257</u>	<u>13,964,067</u>	<u>30,810,833</u>
<u>\$ 80,837</u>	<u>\$ 16,616,796</u>	<u>\$ 36,603,635</u>

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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, 2019

Net Change in Fund Balances - total governmental funds: \$ 5,792,802

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 (450,555)

Contributions of capital assets are not reported as revenues in the governmental funds 687,939

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items 1,157,513

Special assessment revenue reported in the funds must be eliminated from the statement of activities since revenue was recognized in a prior year (93,384)

Cash pension contributions reported in the funds were less than the calculated pension expense on the statement of activities, and therefore decreased net position (232,409)

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. (536,364)

Change in net position of governmental activities \$ 6,325,542

General Fund**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property Taxes	\$ 5,367,809	\$ 5,367,809	\$ 5,376,555	\$ 8,746
Utility taxes	4,078,000	4,265,000	4,212,706	(52,294)
Business tax receipts	116,000	116,000	122,362	6,362
	<u>9,561,809</u>	<u>9,748,809</u>	<u>9,711,623</u>	<u>(37,186)</u>
Permits and fees:				
Permits	20,000	20,000	27,625	7,625
Franchise fees	2,169,770	2,329,770	2,331,145	1,375
	<u>2,189,770</u>	<u>2,349,770</u>	<u>2,358,770</u>	<u>9,000</u>
Intergovernmental revenues:				
Sales tax	2,565,000	2,565,000	2,559,096	(5,904)
State revenue sharing	1,364,000	1,379,000	1,376,164	(2,836)
Other state shared revenue	38,000	48,000	46,499	(1,501)
Other county shared revenue	5,000	5,000	5,000	-
Federal grants	-	234,615	226,909	(7,706)
	<u>3,972,000</u>	<u>4,231,615</u>	<u>4,213,668</u>	<u>(17,947)</u>
Charges for services:				
Program activity fees	227,073	227,073	226,309	(764)
Rental and other	456,463	509,716	539,028	29,312
	<u>683,536</u>	<u>736,789</u>	<u>765,337</u>	<u>28,548</u>
Fines and forfeitures	85,500	85,500	114,993	29,493
Investment income	110,000	353,000	350,941	(2,059)
Miscellaneous	85,602	150,795	172,535	21,740
Total revenues	<u>16,688,217</u>	<u>17,656,278</u>	<u>17,687,867</u>	<u>31,589</u>

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government:				
Executive	\$ 676,123	\$ 719,963	\$ 719,153	\$ 810
General government	1,092,206	723,314	715,476	7,838
Finance and administrative services	1,877,868	1,819,028	1,789,601	29,427
Information services	779,037	742,037	714,386	27,651
Community development	1,405,270	1,503,033	1,487,912	15,121
	<u>5,830,504</u>	<u>5,507,375</u>	<u>5,426,528</u>	<u>80,847</u>
Public Safety:				
Police	7,035,827	6,618,336	6,604,728	13,608
Fire	215,400	242,400	241,419	981
	<u>7,251,227</u>	<u>6,860,736</u>	<u>6,846,147</u>	<u>14,589</u>
Physical environment:				
Public works	1,129,477	1,236,477	1,202,499	33,978
Culture and recreation:				
Parks and recreation	2,176,692	2,270,481	2,231,617	38,864
Total expenditures	<u>16,387,900</u>	<u>15,875,069</u>	<u>15,706,791</u>	<u>168,278</u>
Excess (deficiency) of revenues over expenditures	<u>300,317</u>	<u>1,781,209</u>	<u>1,981,076</u>	<u>199,867</u>
Other financing sources (uses):				
Transfers in	1,891,182	1,900,290	1,882,608	(17,682)
Transfers out	(2,190,000)	(3,680,000)	(3,680,000)	-
Net other financing sources	<u>(298,818)</u>	<u>(1,779,710)</u>	<u>(1,797,392)</u>	<u>(17,682)</u>
Net change in fund balances	1,499	1,499	183,684	182,185
Fund balances, beginning	<u>8,514,427</u>	<u>8,514,427</u>	<u>8,514,427</u>	<u>-</u>
Fund balances, ending	<u>\$ 8,515,926</u>	<u>\$ 8,515,926</u>	<u>\$ 8,698,111</u>	<u>\$ 182,185</u>

Road Improvements Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 2,611,786	\$ 2,558,473	\$ 2,783,939	\$ 225,466
Investment income	50,000	50,000	239,323	189,323
Total revenues	2,661,786	2,608,473	3,023,262	414,789
Expenditures:				
Current:				
Physical environment	25,000	25,000	-	25,000
Capital Outlay:				
Physical environment	1,182,000	1,445,943	822,965	622,978
Total expenditures	1,207,000	1,470,943	822,965	647,978
Excess (deficiency) of revenues over expenditures	1,454,786	1,137,530	2,200,297	1,062,767
Other financing sources (uses)				
Transfers out	(3,212,000)	-	-	-
Total other financing sources (uses)	(3,212,000)	-	-	-
Net Change in Fund Balances	(1,757,214)	1,137,530	2,200,297	1,062,767
Fund balances, beginning	6,842,507	6,842,507	6,842,507	-
Fund balances, ending	\$ 5,085,293	\$ 7,980,037	\$ 9,042,804	\$ 1,062,767

Solid Waste/Recycling Special Revenue Fund**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 50,400	\$ 50,400	\$ 1,026,918	\$ 976,518
Charges for services	2,625,959	2,625,959	2,542,099	(83,860)
Investment income	-	44,000	44,170	170
Total revenues	2,676,359	2,720,359	3,613,187	892,828
Expenditures:				
Current:				
Physical environment	2,766,479	2,775,479	2,740,166	35,313
Total expenditures	2,766,479	2,775,479	2,740,166	35,313
Excess (Deficiency) of Revenues Over Expenditures	(90,120)	(55,120)	873,021	928,141
Other Financing Sources (Uses)				
Transfers out	(85,370)	(85,370)	(86,509)	(1,139)
Total other financing sources (uses)	(85,370)	(85,370)	(86,509)	(1,139)
Net Change in Fund Balances	(175,490)	(140,490)	786,512	927,002
Fund balances, beginning	1,378,575	1,378,575	1,378,575	-
Fund balances, ending	\$ 1,203,085	\$ 1,238,085	\$ 2,165,087	\$ 927,002

City of Winter Springs, Florida
Statement of Net Position
Proprietary Funds
September 30, 2019

	Business-type Activities - Enterprise Funds			Total
	Water and Sewer Utility Fund	Development Services Fund	Stormwater Utility Fund	
Assets				
Current assets:				
Cash and cash equivalents	\$ 1,791,151	\$ 382,170	\$ 67,886	\$ 2,241,207
Investments	23,143,828	4,936,798	877,162	28,957,788
Receivables, net	365,414	-	45,025	410,439
Due from other governments	-	-	744,968	744,968
Inventories	13,858	-	-	13,858
Prepaid expense	5,780	-	-	5,780
Total current assets	25,320,031	5,318,968	1,735,041	32,374,040
Noncurrent assets:				
Restricted cash	742,089	-	-	742,089
Capital Assets:				
Land, buildings and equipment	71,754,347	309,123	13,115,969	85,179,439
Construction in progress	142,677	-	118,617	261,294
Less Accumulated depreciation	(41,271,732)	(144,924)	(6,373,823)	(47,790,479)
Total capital assets (net of accumulated depreciation)	30,625,292	164,199	6,860,763	37,650,254
Total noncurrent assets	31,367,381	164,199	6,860,763	38,392,343
Total assets	56,687,412	5,483,167	8,595,804	70,766,383
Deferred Outflows of Resources				
Deferred charge on refunding	164,735	-	-	164,735
Deferred outflow pension and OPEB	186,230	19,125	30,596	235,951
Total deferred outflows of resources	350,965	19,125	30,596	400,686

	Business-type Activities - Enterprise Funds			Total
	Water and Sewer Utility Fund	Development Services Fund	Stormwater Utility Fund	
Liabilities				
Current Liabilities:				
Accounts payable	257,583	67,986	550,223	875,792
Accrued liabilities	188,981	21,172	27,154	237,307
Compensated absences - current	12,756	2,665	2,093	17,514
Customer deposits payable	662,169	-	-	662,169
Unearned revenue	-	-	125,895	125,895
Notes payable - current	1,938,782	-	-	1,938,782
Accrued interest payable	71,995	-	-	71,995
Total current liabilities	3,132,266	91,823	705,365	3,929,454
Noncurrent Liabilities:				
Notes payable	9,369,417	-	-	9,369,417
Revenue bonds payable	3,794,191	-	-	3,794,191
Accreted interest payable	7,398,420	-	-	7,398,420
Compensated absences	51,022	10,659	8,375	70,056
Other noncurrent liabilities	313,099	24,718	74,155	411,972
Net pension liability	1,315,755	146,329	181,915	1,643,999
Total noncurrent liabilities	22,241,904	181,706	264,445	22,688,055
Total liabilities	25,374,170	273,529	969,810	26,617,509
Deferred Inflows of Resources				
Deferred inflow pension and OPEB	20,601	1,803	4,340	26,744
Total deferred outflows of resources	20,601	1,803	4,340	26,744
Net Position				
Net investment in capital assets	15,687,637	164,199	6,860,763	22,712,599
Restricted for renewal and replacement	612,971	-	-	612,971
Unrestricted	15,342,998	5,062,761	791,487	21,197,246
Total net position	\$ 31,643,606	\$ 5,226,960	\$ 7,652,250	\$ 44,522,816

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City of Winter Springs, Florida
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For The Year Ended September 30, 2019

	Business-type Activities - Enterprise Funds			Total
	Water and Sewer Utility Fund	Development Services Fund	Stormwater Utility Fund	
Operating Revenues:				
User charges	\$ 10,801,918	\$ 3,030,937	\$ 1,095,570	\$ 14,928,425
Other revenue	-	-	54,821	54,821
Total operating revenues	10,801,918	3,030,937	1,150,391	14,983,246
Operating Expenses:				
Salaries and benefits	2,275,463	283,424	501,255	3,060,142
Materials and supplies	1,149,701	1,256	1,211,591	2,362,548
Depreciation and amortization	2,613,781	14,744	403,011	3,031,536
Other operating expenses	1,636,728	347,756	205,091	2,189,575
Total Operating Expenses	7,675,673	647,180	2,320,948	10,643,801
Operating income (loss)	3,126,245	2,383,757	(1,170,557)	4,339,445
Nonoperating Revenue (Expenses):				
Investment income	677,892	118,421	29,026	825,339
Interest expense	(256,350)	-	-	(256,350)
Accrued interest expense	(636,734)	-	-	(636,734)
Operating grants	24,222	-	901,893	926,115
Total nonoperating revenue (expenses)	(190,970)	118,421	930,919	858,370
Income (loss) before contributions and transfers	2,935,275	2,502,178	(239,638)	5,197,815
Capital Contributions:				
Connection fees	773,608	-	-	773,608
Capital contribution	375,730	-	334,190	709,920
Transfers In	6,000	-	63,480	69,480
Transfers Out	(1,388,529)	(206,950)	(171,300)	(1,766,779)
Change in net position	2,702,084	2,295,228	(13,268)	4,984,044
Net position, beginning	28,941,522	2,931,732	7,665,518	39,538,772
Net position, ending	\$ 31,643,606	\$ 5,226,960	\$ 7,652,250	\$ 44,522,816

Statement of Cash Flows**Proprietary Funds**

For The Year Ended September 30, 2019

	Business-type Activities - Enterprise Funds			
	Water and Sewer Utility Fund	Development Services Fund	Stormwater Utility Fund	Total
Cash Flows from Operating Activities:				
Receipts from customers	\$ 10,821,485	\$ 3,036,708	\$ 1,278,100	\$ 15,136,293
Payments to suppliers	(2,708,543)	(358,985)	(898,344)	(3,965,872)
Payments to employees	(2,167,263)	(256,197)	(488,626)	(2,912,086)
Net cash provided by operating activities	5,945,679	2,421,526	(108,870)	8,258,335
Cash Flows from Noncapital Financing Activities:				
Transfers in	6,000	-	63,480	69,480
Transfers out	(1,388,529)	(206,950)	(171,300)	(1,766,779)
Grants	24,222	-	156,925	181,147
Net cash provided (used) by noncapital financing activities	(1,358,307)	(206,950)	49,105	(1,516,152)
Cash Flows from Capital and Related Financing Activities:				
Acquisition of capital assets	(856,843)	(30,453)	(30,117)	(917,413)
Debt proceeds	759,601	-	-	759,601
Principal paid	(1,888,742)	-	-	(1,888,742)
Interest paid	(159,467)	-	-	(159,467)
Connection fees	773,608	-	-	773,608
Net cash provided (used) by capital and related financing activities	(1,371,843)	(30,453)	(30,117)	(1,432,413)
Cash Flows from Investing Activities:				
Sale (purchase) of investments	(3,695,556)	(2,144,777)	81,330	(5,759,003)
Investment income	677,892	118,421	29,026	825,339
Net cash provided (used) by investing activities	(3,017,664)	(2,026,356)	110,356	(4,933,664)
Net Increase (Decrease) in Cash and Cash Equivalents	197,865	157,767	20,474	376,106
Cash and cash equivalents, beginning	1,593,286	224,403	47,412	1,865,101
Cash and cash equivalents, end	\$ 1,791,151	\$ 382,170	\$ 67,886	\$ 2,241,207
Classified As:				
Cash and cash equivalents	\$ 1,791,151	\$ 382,170	\$ 67,886	\$ 2,241,207
Restricted cash	-	-	-	-
Total	\$ 1,791,151	\$ 382,170	\$ 67,886	\$ 2,241,207

Business-type Activities - Enterprise Funds

	Water and Sewer Utility Fund	Development Services Fund	Stormwater Utility Fund	Total
Reconciliation of Operating Income(Loss) to Net Cash Provided by Operating Activities				
Operating income(loss)	\$ 3,126,245	\$ 2,383,757	\$ (1,170,557)	\$ 4,339,445
Adjustments Not Affecting Cash:				
Depreciation and amortization	2,613,781	14,744	403,011	3,031,536
Change in Assets and Liabilities:				
Decrease (increase) in accounts receivable	3,653	-	1,814	5,467
Decrease (increase) in inventories	(6,877)	-	-	(6,877)
Decrease (increase) in prepaid expenses	-	-	-	-
Increase (decrease) in accounts payable	84,763	(9,973)	518,338	593,128
Decrease (increase) in due from other governments	-	5,771	-	5,771
Increase (decrease) in accrued liabilities	50,432	15,509	(4,444)	61,497
Increase (decrease) in customer deposits	15,914	-	-	15,914
Increase (decrease) in unearned revenue	-	-	125,895	125,895
Increase (decrease) in accrued compensated absences	(16,146)	9,524	5,972	(650)
Decrease in deferred outflows	162,522	17,372	21,825	201,719
Decrease in deferred inflows	(395,497)	(44,367)	(53,382)	(493,246)
Decrease in net pension liability	279,292	31,061	38,614	348,967
Increase in OPEB obligation	27,597	(1,872)	4,044	29,769
Total adjustments	<u>205,653</u>	<u>23,025</u>	<u>658,676</u>	<u>887,354</u>
Net Cash Provided By Operating Activities	<u>\$ 5,945,679</u>	<u>\$ 2,421,526</u>	<u>\$ (108,870)</u>	<u>\$ 8,258,335</u>
Noncash Capital and Financing Activities:				
Contributed capital assets	<u>\$ 375,730</u>	<u>\$ -</u>	<u>\$ 334,190</u>	<u>\$ 709,920</u>

City of Winter Springs, Florida
Statement of Fiduciary Net Position
Fiduciary Fund
September 30, 2019

	<u>Defined Benefit Pension Trust Fund</u>
Assets:	
Cash and cash equivalents	\$ 524,239
Receivables:	
Employee contributions	8,320
Employer contributions	<u>616,036</u>
Total receivables	<u>624,356</u>
Investments, at fair value:	
Common funds, equity	36,308,419
Common funds, bonds	9,321,235
Other investments	<u>7,935,448</u>
Total Investments	<u>53,565,102</u>
Total assets	<u>54,713,697</u>
Liabilities:	<u>-</u>
Net Position:	
Net position restricted for pensions	<u>\$ 54,713,697</u>

City of Winter Springs, Florida
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For The Year Ended September 30, 2019

	<u>Defined Benefit Pension Trust Fund</u>
Additions:	
Contributions:	
Employer	\$ 2,924,706
Plan Members	265,689
Total contributions	<u>3,190,395</u>
Investment income:	
Net increase in fair value of investments	1,033,025
Interest	724,616
Investment-related expenses	<u>(320,417)</u>
Net investment income	<u>1,437,224</u>
Total additions	<u>4,627,619</u>
Deductions:	
Benefits	3,276,412
Administrative expenses	<u>69,024</u>
Total deductions	<u>3,345,436</u>
Change in net position	1,282,183
Net position, beginning	<u>53,431,514</u>
Net position, ending	<u>\$ 54,713,697</u>

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Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The government reports the following funds:

Major Governmental Funds

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.

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.

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.

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.

Major Proprietary Funds

Water and Sewer Utility Fund - 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.

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.

Stormwater Utility Fund - 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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

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*.

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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.

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:

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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 and OPEB 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.

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 and OPEB reported in the enterprise and government-wide statement of net position.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

New GASB Statement Implemented

In fiscal year 2019, the City implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This statement requires additional note disclosures for certain debt issues. There was no effect on beginning balances of the City.

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NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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 difference are as follows:

Bonds payable	\$ (3,498,970)
Accreted interest payable	(6,979,057)
Notes payable	(1,225,395)
Less: deferred charge on refunding (to be amortized as interest expense)	10,218
Accrued interest payable	(19,913)
Other post employment benefits	(1,046,410)
Compensated absences	<u>(587,360)</u>
Net Adjustment to Reduce Fund Balance, total governmental funds to arrive at net position, governmental activities	<u><u>\$ (13,346,887)</u></u>

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 difference are as follows:

Capital Outlay	\$ 3,521,681
Depreciation Expense	<u>(3,972,236)</u>
Net Adjustment to Decrease Net Changes in Fund Balances, total governmental funds to arrive at changes in net position, governmental activities	<u><u>\$ (450,555)</u></u>

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 difference are as follows:

Principal repayment	<u>\$ 1,157,513</u>
Net Adjustment to Increase Net Changes in Fund Balances, total governmental funds to arrive at changes in net position, governmental activities	<u><u>\$ 1,157,513</u></u>

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

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 difference are as follows:

Compensated Absences	\$ 68,985
Amortization of Loss on Refunding	(4,119)
Accrued Interest Payable	7,925
Other Post Employment Benefits	18,675
Accreted Interest Payable	<u>(627,830)</u>
Net Adjustment to Decrease Net Changes in Fund Balance, total governmental funds to arrive at changes in net position, governmental activities	<u><u>\$ (536,364)</u></u>

NOTE 3 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

1. On or before July 1st of each year, the City Manager submits a Proposed Budget to the City Commission for the fiscal year beginning the following October 1st. The budget includes proposed revenues, expenditures and a description of capital activities for the ensuing fiscal year.
2. The City Commission then holds informal workshops, wherein the public is invited to attend.
3. On or before September 30th of each year, two public hearings are 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.

Deficit Fund Balance

As a result of the internal loan, the Tuscawilla Phase III Special Revenue Fund has a deficit fund balance of \$37,733 at September 30, 2019.

As a result of the internal loan, the Central Winds Go Debt Service Fund has a deficit fund balance of \$835,458 at September 30, 2019.

Appropriations in Excess of Funds Available

Appropriations for the Tuscawilla Phase III Special Revenue Fund were in excess of anticipated revenues and prior years' fund balance. Appropriations for the Central Winds GO Debt Service Fund were in excess of funds available.

NOTE 4 DEPOSITS AND INVESTMENTS

Deposits

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 & Poor's (S & P) rating of AAm or AAm-G. Investments in commercial paper and bankers' acceptances must be rated, at a minimum, "P-1" by Moody's Investors Services and "A-1" by S & P. Investment in state and/or local government taxable and/or tax-exempt debt must be rated at least "Aa" by Moody's and "AA" by S & P for long-term debt, or rated at least "MIG-2" by Moody's and "SP-2" by S & P for short-term debt.

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The city's investment policy requires that the bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2019, 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, 2019, 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.

NOTE 4 DEPOSITS AND INVESTMENTS (CONTINUED)

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, 2019, there were no security investments in the Trust that were over their respective limitations.

Interest Rate Risk

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

The Pension fixed income portfolio may be invested in securities with a maturity up to (30) years, 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:

Fund	Accounts Receivable	Allowance for Uncollectible Accounts	Net Receivable
General	\$ 57,897	\$ (406)	\$ 57,491
Road Improvements Special Revenue	13,268	-	13,268
Solid Waste/Recycling Special Revenue	913,807	(10,697)	903,110
Water & Sewer Utility	417,220	(51,806)	365,414
Stormwater Utility	48,361	(3,336)	45,025
	\$ 1,450,553	\$ (66,245)	\$ 1,384,308

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 \$1,165,396 that are not available to liquidate liabilities of the current period. These receivables totaling \$1,166,150 are reported as deferred inflows of resources in the governmental funds balance sheet.

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, 2019 are detailed below:

Investments	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Stocks	\$ 36,308,419	\$ 36,308,419	\$ -
Bonds	9,321,235	-	9,321,235
Other Investments	7,935,448	-	7,935,448
Total Investments	53,565,102	36,308,419	17,256,683
Cash and Cash Equivalents	524,239	-	-
Total Cash and Investments	\$ 54,089,341	\$ 36,308,419	\$ 17,256,683

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, 2019, 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.

NOTE 4 DEPOSITS AND INVESTMENTS (CONTINUED)

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, 2019, there were no security investments in the Trust that were over their respective limitations.

Interest Rate Risk

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

The Pension fixed income portfolio may be invested in securities with a maturity up to (30) years, 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:

Fund	Accounts Receivable	Allowance for Uncollectible Accounts	Net Receivable
General	\$ 57,897	\$ (406)	\$ 57,491
Road Improvements Special Revenue	13,268	-	13,268
Solid Waste/Recycling Special Revenue	913,807	(10,697)	903,110
Water & Sewer Utility	417,220	(51,806)	365,414
Stormwater Utility	48,361	(3,336)	45,025
	\$ 1,450,553	\$ (66,245)	\$ 1,384,308

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 \$1,165,396 that are not available to liquidate liabilities of the current period. These receivables totaling \$1,166,150 are reported as deferred inflows of resources in the governmental funds balance sheet.

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 9,946,795	\$ -	\$ -	\$ 9,946,795
Construction in Progress	1,681,619	2,613,371	(2,823,917)	1,471,073
Total capital assets, not being depreciated	<u>11,628,414</u>	<u>2,613,371</u>	<u>(2,823,917)</u>	<u>11,417,868</u>
Capital assets, being depreciated:				
Buildings	14,793,436	771,426	-	15,564,862
Improvements	14,684,131	111,465	-	14,795,596
Intangible assets	622,088	530,558	-	1,152,646
Machinery and equipment	8,357,149	1,597,976	(553,233)	9,401,892
Infrastructure	68,131,184	1,408,741	-	69,539,925
Total capital assets, being depreciated	<u>106,587,988</u>	<u>4,420,166</u>	<u>(553,233)</u>	<u>110,454,921</u>
Less accumulated depreciation for:				
Buildings	(7,095,501)	(469,330)	-	(7,564,831)
Improvements	(7,184,771)	(539,681)	-	(7,724,452)
Intangible assets	(524,652)	(57,661)	-	(582,313)
Machinery and equipment	(6,776,809)	(649,292)	553,233	(6,872,868)
Infrastructure	(38,474,900)	(2,256,272)	-	(40,731,172)
Total accumulated depreciation	<u>(60,056,633)</u>	<u>(3,972,236)</u>	<u>553,233</u>	<u>(63,475,636)</u>
Total capital assets, being depreciated, net	<u>46,531,355</u>	<u>447,930</u>	<u>-</u>	<u>46,979,285</u>
Governmental activities capital assets, net	<u>\$ 58,159,769</u>	<u>\$ 3,061,301</u>	<u>\$ (2,823,917)</u>	<u>\$ 58,397,153</u>

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NOTE 6 CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 7,170,177	\$ -	\$ -	\$ 7,170,177
Construction in Progress	445,947	625,283	(809,936)	261,294
Total capital assets, not being depreciated	7,616,124	625,283	(809,936)	7,431,471
Capital assets, being depreciated:				
Buildings	2,281,497	-	-	2,281,497
Improvements	64,987,874	1,110,352	-	66,098,226
Intangible assets	309,660	27,110	-	336,770
Machinery and equipment	8,673,731	716,964	(97,926)	9,292,769
Total capital assets, being depreciated	76,252,762	1,854,426	(97,926)	78,009,262
Less accumulated depreciation for:				
Buildings	(691,404)	(90,369)	-	(781,773)
Improvements	(40,757,041)	(2,259,786)	-	(43,016,827)
Intangible assets	(145,608)	(36,663)	-	(182,271)
Machinery and equipment	(3,220,376)	(687,158)	97,926	(3,809,608)
Total accumulated depreciation	(44,814,429)	(3,073,976)	97,926	(47,790,479)
Total capital assets, being depreciated, net	31,438,333	(1,219,550)	-	30,218,783
Business-type activities capital assets, net	\$ 39,054,457	\$ (594,267)	\$ (809,936)	\$ 37,650,254

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	\$ 1,652,761
Public safety	247,869
Physical environment	1,643,124
Culture and recreation	428,482
Total depreciation expense, governmental activities	\$ 3,972,236
Business-type Activities:	
Water and sewer	\$ 2,613,781
Development services	14,744
Stormwater	403,011
Total depreciation expense, business-type activities	\$ 3,031,536

Depreciation increases for business-type activities do not agree to depreciation expense due to transfers of fully depreciated assets from governmental activities.

NOTE 7 LONG-TERM DEBT

Revenue Bonds - Public Offering

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 \$6,336,831.

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 \$16,340,000. For the fiscal year, no principal and interest was paid this series and total pledged net revenue was \$5,814,937.

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, 2019</u>
<u>Governmental Activities</u>				
Improvement Refunding Revenue Bonds- Series 1999 (excludes \$6,979,057 of accreted interest on capital appreciation bonds)	3.25 - 5.25% (4/1 & 10/1)	10/1/2020 to 10/1/2029	<u>\$ 7,998,970</u>	<u>\$ 3,498,970</u>
Total				<u><u>\$ 3,498,970</u></u>
<u>Business-Type Activities</u>				
Water and Sewer Refunding Revenue Bonds Series 2000 (excludes \$7,398,420 of accreted interest on capital appreciation bonds)	4.5 - 5.5% (4/1 & 10/1)	10/1/2022 to 10/1/2030	<u>\$ 6,969,191</u>	<u>\$ 3,794,191</u>
Total				<u><u>\$ 3,794,191</u></u>

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NOTE 7 LONG-TERM DEBT (CONTINUED)

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

<u>Year Ending</u> <u>September 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 417,881	\$ 857,119	\$ -	\$ -
2021	393,797	881,204	-	-
2022	371,765	903,236	397,498	942,502
2023	350,893	924,107	522,638	1,352,363
2024	331,130	943,870	490,931	1,384,069
2025-2029	1,398,548	4,976,453	2,042,981	7,332,019
2030-2031	234,956	1,040,041	340,143	1,534,856
	<u>\$ 3,498,970</u>	<u>\$ 10,526,030</u>	<u>\$ 3,794,191</u>	<u>\$ 12,545,809</u>

Notes Payable - Direct Borrowing

The 2011 Improvement Refunding Revenue Note is secured by Electric Franchise fees and Public Service tax revenue. There is no principal and interest remaining on the Note. For the fiscal year, principal and interest paid on this series was \$235,880 and total pledged revenue was \$6,336,831.

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 \$1,457,413. For the fiscal year, principal and interest was paid on this series was \$134,727 and total pledged revenue was \$138,063.

The 2014 Improvement Refunding Revenue Notes are secured by Public Service tax revenue. There is no principal and interest remaining to be paid on this series. For the fiscal year, principal and interest paid was \$834,656 and total pledged revenue was \$4,212,706.

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 \$2,739,757. For the fiscal year, principal or interest paid was \$1,577,758 and total pledged revenue was \$5,814,937.

The 2018 Water and Sewer System Revenue Refunding Note Payable is secured by net revenue from the water and sewer system. The agreement provides for total funding of \$1,924,000. The loan period is for 12 years with an interest rate of 2.75 percent. The note is secured by gross revenues from the water and sewer utility net of operations and maintenance costs. Total principal and interest remaining to be paid on this series is \$2,472,735. No principal was due and interest of \$33,216 was paid during the fiscal year.

In the event of default, the note holders may make the outstanding amounts due and payable immediately.

In April 2012, the City executed Clean Water State Revolving Fund (SRF) 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 \$1,517,400. For the fiscal year, principal and interest paid on this series was \$113,707 and total pledged net revenue was \$5,814,937.

NOTE 7 LONG-TERM DEBT (CONTINUED)

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 \$5,862,732. 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 \$5,762,702. For the fiscal year, principal and interest paid on this series was \$323,557 and total pledged net revenue was \$5,814,937.

In the event of default on the State Revolving Fund Loans, the Florida Department of Environmental Protection may cause to establish rates and collect fees, require the City to account for all moneys received and used, appoint a receiver to manage the Water and Sewer Systems, intercept delinquent amounts plus a penalty due to the City under State Revenue Sharing, recover all amounts due including costs of collection and attorney fees, and accelerate the repayment schedule or increase the interest rate by a factor of up to 1.667.

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%	\$	-
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%		1,225,395
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%		-
	<u>\$</u>	<u>1,225,395</u>

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%	\$	2,715,000
SRF loan- payable in semi-annual principal and interest installments starting 4/15/13, with interest paid semi-annually at 2.77%		1,273,389
2017 SRF loan- payable in semi-annual principal and interest installments starting 12/15/17, with interest paid semi-annually at .72%		5,395,810
Water and Sewer System Revenue Refunding Note, Series 2018 - payable in annual principal installments starting 10/1/19 through 10/1/2030 and interest paid semi-annually at 2.75%		1,924,000
	<u>\$</u>	<u>11,308,199</u>

NOTE 7 LONG-TERM DEBT (CONTINUED)

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

<u>Year Ending</u> <u>September 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 97,062	\$ 38,248	\$ 1,938,782	\$ 145,335
2021	95,604	35,117	1,369,018	123,273
2022	99,099	31,953	595,329	114,164
2023	102,332	28,680	406,718	108,849
2024	105,408	25,304	411,188	103,439
2025-2029	596,266	70,608	2,140,908	432,328
2030-2034	129,624	2,107	3,497,795	144,976
2035-2037	-	-	948,461	11,987
	<u>\$ 1,225,395</u>	<u>\$ 232,017</u>	<u>\$ 11,308,199</u>	<u>\$ 1,184,351</u>

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2019 was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable-					
Revenue bonds	\$ 3,498,970	\$ -	\$ -	\$ 3,498,970	\$ 417,881
Accreted Interest Payable	6,351,227	627,830	-	6,979,057	857,119
Notes Payable - Direct Borrowing					
Capital improvement notes	2,382,908	-	(1,157,513)	1,225,395	97,062
Other Post Employment Benefits	1,088,630	-	(42,220)	1,046,410	-
Net Pension Obligation	5,713,585	1,539,620	-	7,253,205	-
Compensated Absences	656,345	486,799	(555,784)	587,360	117,472
Governmental activity long-term liabilities	<u>\$ 19,691,665</u>	<u>\$ 2,654,249</u>	<u>\$ (1,755,517)</u>	<u>\$ 20,590,397</u>	<u>\$ 1,489,534</u>

NOTE 7 LONG-TERM DEBT (CONTINUED)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities:					
Bonds Payable-					
Revenue bonds	\$ 3,794,191	\$ -	\$ -	\$ 3,794,191	\$ -
Total bonds payable	3,794,191	-	-	3,794,191	-
Accreted Interest Payable	6,761,685	636,735	-	7,398,420	-
Notes Payable - Direct Borrowing					
Revenue notes	6,165,000	-	(1,526,000)	4,639,000	1,578,000
SRF Loans	6,272,340	759,601	(362,742)	6,669,199	360,782
Other Post Employment Benefits	382,203	29,769	-	411,972	-
Net Pension Obligation	1,295,032	348,967	-	1,643,999	-
Compensated Absences	88,220	152,124	(152,774)	87,570	17,514
Business-type activity long-term liabilities	\$ 24,758,671	\$ 1,927,196	\$ (2,041,516)	\$ 24,644,351	\$ 1,956,296

NOTE 8 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund advances as of September 30, 2019 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Other Governmental Funds	\$ 48,217
Other Governmental	Other Governmental Funds	860,000
		<u>\$ 908,217</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 cumulative \$68,100 in prepayments were received for a net interfund loan of \$12,720. 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.

NOTE 8 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers for the year ended September 30, 2019 are summarized below:

Transfers Out	Transfers In				Total
	General Fund	Stormwater Utility Fund	Other Governmental Funds	Water and Sewer Utility Fund	
General Fund	\$ -	\$ -	\$ 3,680,000	\$ -	\$ 3,680,000
TLBD Debt Service	1,656	-	-	-	1,656
Solid Waste/Recycling Special Revenue Fund	23,029	63,480	-	-	86,509
Other Governmental Funds	97,144	-	181,896	-	279,040
Water and Sewer Utility Fund	1,388,529	-	-	-	1,388,529
Development Services Fund	206,950	-	-	-	206,950
Stormwater Utility Fund	165,300	-	-	6,000	171,300
	<u>\$ 1,882,608</u>	<u>\$ 63,480</u>	<u>\$ 3,861,896</u>	<u>\$ 6,000</u>	<u>\$ 5,813,984</u>

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NOTE 8 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers for the year ended September 30, 2019 are detailed below:

<u>Recipient Fund</u>	<u>Amount</u>	<u>Purpose</u>
1999/2011 Debt Service Fund	\$ 1,280,000	Transfer from General Fund annual debt service requirements on the Improvement Refunding Revenue Note Series 2011.
Public Facilities	1,900,000	Transfer from General Fund for recreational capital initiatives.
Parks Impact Fees	178,051	Transfer from Public Facilities for Perk up Parks program
Excellence in Customer Service	200,000	Transfer from General Fund for City Hall renovations (end of life assets)
Arbor Fund	300,000	Transfer from General Fund for urban beautification initiatives
General Fund	1,388,529	Transfer from Water and Sewer Utility Fund per the central service model
General Fund	206,950	Transfer from Development services Fund per the central service model
General Fund	52,738	Transfer from TLBD Phase I Maintenance Special Revenue Fund for per the central service model
General Fund	9,466	Transfer from Oak Forest Maintenance Special Revenue Fund per the central service model
General Fund	23,029	Transfer from Solid Waste/Recycling Special Revenue Fund per the central service model
General Fund	23,663	Transfer from Arbor Fund per the central service model
General Fund	165,300	Transfer from Stormwater Utility Fund per the central service model
General Fund	8,650	Transfer residual balance of 2003 Debt Service Fund
General Fund	2,627	Transfer from Tusawilla III Special Revenue Fund per the central service model

NOTE 8 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

<u>Recipient Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	1,656	Transfer from TLBD Phase I Debt Service Fund per the central service model
Oak Forest Maintenance	3,845	Transfer of residual balance of Oak Forest Debt Service Fund
Stormwater Utility	63,480	Transfer from Solid Waste for a Hurricane Irma Project
Water and Sewer Utility Fund	6,000	Transfer from Stormwater Utility per the central service model
	<u>\$ 5,813,984</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 7 remain although they are no longer employees of the City.

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

Plan Membership

At September 30, 2019 plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	114
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	164
Active Plan Members	86
	<u>364</u>

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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, 2019, and the pension liability was determined by an actuarial valuation as of October 1, 2018 updated to September 30, 2019. The components of the net pension liability of the sponsor on September 30, 2019 were as follows:

Total Pension Liability	\$ 63,610,901
Plan Fiduciary Net Position	<u>(54,713,697)</u>
Sponsor's Net Pension Liability	<u>\$ 8,897,204</u>
Plan Fiduciary Net Position as a Percentage of	
Total Pension Liability	86.01%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2018 updated to September 30, 2019 using the following actuarial assumptions:

Inflation	2.75%
Salary Increases	3.0% - 4.5%
Investment Rate of Return	7.75%

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 BB. 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 BB. For disabled participants, the RP-2000 Combined Disability Mortality Table was used with separate rates for males and females, without projected mortality improvements.

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, 2019 are summarized in the following table:

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	50%	7.50%
International Equity	15%	8.50%
Domestic Bonds	20%	2.50%
International Bonds	5%	3.50%
Real Estate	10%	4.50%
Total	100%	

Discount rate

The discount rate used to measure the total pension liability was 7.75%. 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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2018	\$ 60,440,131	\$ 53,431,514	\$ 7,008,617
Changes for a Year:			
Service Cost	472,736	-	472,736
Interest	4,693,091	-	4,693,091
Differences between expected and actual experience	1,281,355	-	1,281,355
Changes of assumptions	-	-	-
Contributions-employer	-	2,924,706	(2,924,706)
Contributions-employee	-	265,688	(265,688)
Net investment income	-	1,437,224	(1,437,224)
Benefit payments, including refunds of employee contributions	(3,276,412)	(3,276,412)	-
Administrative Expense	-	(69,023)	69,023
Net Changes	3,170,770	1,282,183	1,888,587
Balances at September 30, 2019	\$ 63,610,901	\$ 54,713,697	\$ 8,897,204

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Net Pension Liability	\$ 16,197,000	\$ 8,897,204	\$ 2,768,384

Deferred outflows and inflows of resources

For the year ended September 30, 2019, the City will recognized pension expense of \$244,923. At September 30, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 618,263	\$ 37,006
Changes of Assumptions	263,027	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	45,449	-
	<u>\$ 926,739</u>	<u>\$ 37,006</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:	
2020	\$ 372,207
2021	(259,087)
2022	237,071
2023	539,542
2024	-
Thereafter	-

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, 2019, payroll for the employees covered by this plan was \$1,988,779. Employer contributions required and made were \$122,489. As of September 30, 2019, participation in the plan consisted of 74 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 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.

As of October 1, 2017, the valuation date, there were 167 active employees and 35 inactive employees or beneficiaries currently receiving benefits. The OPEB liability of \$1,458,382 was measured as of October 1, 2018 and was determined by the actuarial valuation. The covered payroll was \$7,190,589, and the ratio of net OPEB liability as a percentage of covered payroll was 20.28%.

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 OPEB Liability and Related Ratios Schedule, 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.

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.

The Total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Healthcare cost trend rates	Based on the Getzen Model starting at 6.5% gradually decreasing to an ultimate rate of 4.1% in 2040
Valuation Date	October 1, 2017
Measurement Date	October 1, 2018
Actuarial Cost Method	Entry Age Normal
Discount Rate	3.83%
Inflation Rate	2.50%
Salary Rate Increase	3.00% - 4.50%
Retiree's share of benefit related costs	100% of blended health insurance premium rates except by law 0% for certain conditions for police officers death and disability benefits

NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Below are the details regarding the total OPEB liability for the measurement period from October 1, 2018 to September 30, 2019:

	<u>Total OPEB Liability</u>
Balance as of 9/30/2018	\$ 1,470,833
Changes for the year:	
Service Cost	\$ 62,209
Interest	52,706
Changes of Assumptions and Other Inputs	(72,616)
Benefit Payments	<u>(54,750)</u>
Net Changes	<u>\$ (12,451)</u>
Balance as of 9/30/2019	<u><u>\$ 1,458,382</u></u>

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>Decrease 2.83%</u>	<u>Discount Rate 3.83%</u>	<u>Increase 4.83%</u>
Total OPEB Liability	\$ 1,695,889	\$ 1,458,382	\$ 1,267,249

The following presents the total OPEB liability of the City using the 2019 healthcare cost trend rate of 6.5% to 4.1%, as well as what the City's OPEB liability would be if it were calculated using healthcare trend rates that were 1 percentage point lower and 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease 5.5% to 3.1%</u>	<u>Current Trend 6.5% to 4.1%</u>	<u>1% Increase 7.5% to 5.1%</u>
Total OPEB Liability	\$ 1,294,976	\$ 1,458,382	\$ 1,666,786

NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

For the fiscal year ended September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Difference between expected and actual experience	\$ -	\$ 8,224
Changes of assumptions or other inputs	179,694	62,242
Contributions subsequent to the measurement date	<u>49,383</u>	<u>-</u>
Total	<u>\$ 229,077</u>	<u>\$ 70,466</u>

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

Fiscal Year Ending September 30,

2020	\$ 5,074
2021	5,074
2022	5,074
2023	5,074
2024	5,074
Thereafter	83,858

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 financial statements.

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, 2019, the City had entered into construction contracts in the amount of \$226,666.

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, 2019, 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.

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

At September 30, 2019, 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
Nonspendable						
Inventory/prepaid	\$ 239,074	\$ -	\$ -	\$ -	\$ 1,390	\$ 240,464
Advances	48,217	-	-	-	-	48,217
Spendable						
Restricted for:						
Physical environment	-	9,042,804	-	-	312,539	9,355,343
Transportation improvements	-	-	-	-	3,342,600	3,342,600
Public safety	-	-	-	-	743,340	743,340
Fire impact fees	-	-	-	-	2,576,908	2,576,908
Parks Improvements	-	-	-	-	989,276	989,276
Debt service	-	-	-	80,837	-	80,837
Committed to:						
Solid Waste	-	-	951,065	-	-	951,065
Arbor	-	-	-	-	879,315	879,315
Assigned to:						
Storm reserve	-	-	1,214,022	-	-	1,214,022
Emergency Disaster Relief	-	-	-	-	-	-
Debt service	-	-	-	-	1,297,007	1,297,007
Capital projects	-	-	-	-	7,347,612	7,347,612
Unassigned	8,410,820	-	-	-	(873,191)	7,537,629
Total Fund Balance	\$ 8,698,111	\$ 9,042,804	\$ 2,165,087	\$ 80,837	\$ 16,616,796	\$ 36,603,635

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Required Supplementary Information

Retiree Continuation Insurance Plan

Schedule of Changes in the City's Net OPEB Liability and Related Ratios

Last Ten Fiscal Years*

	<u>9/30/2018</u>	<u>9/30/2019</u>
Total OPEB Liability		
Service Cost	\$ 105,694	\$ 62,209
Interest	38,973	52,706
Differences Between Expected and Actual Experience	(9,706)	-
Changes of Assumptions	212,072	(72,616)
Benefit Payments	<u>(55,000)</u>	<u>(54,750)</u>
Net Change in Total OPEB Liability	292,033	(12,451)
Total OPEB Liability, beginning	<u>1,178,800</u>	<u>1,470,833</u>
Total OPEB Liability, ending (a)	<u>\$ 1,470,833</u>	<u>\$ 1,458,382</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0.00%	0.00%
Covered Payroll*	\$ 7,049,660	\$ 7,190,589
Net OPEB Liability as a Percentage of Covered Payroll	20.86%	20.28%

*Only 2 years of data available; additional years' information will be displayed as it becomes available.

Schedule of Changes in the City's Net Pension Liability and Related Ratios
Last Ten Fiscal Years**

	9/30/2014	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019
Total Pension Liability						
Service Cost	\$ 886,819	\$ 834,402	\$ 808,281	\$ 697,459	\$ 502,667	\$ 472,736
Interest	3,666,120	3,851,130	4,059,813	4,229,901	4,452,760	4,693,091
Benefit Changes	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(581,481)	(107,513)	275,994	(592,087)	124,345	1,281,355
Changes of Assumptions	-	8,107	-	526,115	2,531,601	-
Benefit Payments, including refunds of employee contributions	(1,974,208)	(2,202,769)	(2,450,972)	(2,679,408)	(2,935,206)	(3,276,412)
Net Change in Total Pension Liability	1,997,250	2,383,357	2,693,116	2,181,980	4,676,167	3,170,770
Total Pension Liability, beginning	46,508,261	48,505,511	50,888,868	53,581,984	55,763,964	60,440,131
Total Pension Liability, ending (a)	\$ 48,505,511	\$ 50,888,868	\$ 53,581,984	\$ 55,763,964	\$ 60,440,131	\$ 63,610,901
Plan Fiduciary Net Position						
Contributions-employer	2,527,508	2,392,948	2,586,936	2,605,753	2,635,968	2,924,706
Contributions-employee	369,500	358,106	479,257	342,209	460,745	265,688
Net Investment Income	3,885,344	5,160	4,077,452	5,851,493	5,243,193	1,437,224
Benefit Payments, Including Refunds of Employee Contributions	(1,974,208)	(2,202,769)	(2,450,972)	(2,679,408)	(2,935,206)	(3,276,412)
Administrative Expense	(159,424)	(11,937)	(28,208)	(55,697)	(64,770)	(69,023)
Other	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	4,648,720	541,508	4,664,465	6,064,350	5,339,930	1,282,183
Plan Fiduciary Net Position, beginning	32,172,541	36,821,261	37,362,769	42,027,234	48,091,584	53,431,514
Plan Fiduciary Net Position, ending (b)	\$ 36,821,261	\$ 37,362,769	\$ 42,027,234	\$ 48,091,584	\$ 53,431,514	\$ 54,713,697
Net Pension Liability, ending (a)-(b)	\$ 11,684,250	\$ 13,526,099	\$ 11,554,750	\$ 7,672,380	\$ 7,008,617	\$ 8,897,204
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	75.91%	73.42%	78.44%	86.24%	88.40%	86.01%
Covered Payroll*	\$ 7,369,943	\$ 7,070,355	\$ 6,671,503	\$ 5,846,735	\$ 5,342,971	\$ 4,800,755
Net Pension Liability as a Percentage of Covered Payroll	158.54%	191.31%	173.20%	131.23%	131.17%	185.33%
Valuation Date	10/1/2013	10/1/2014	10/1/2015	10/1/2016	10/1/2017	10/1/2018

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

No method or benefit changes during the year. Investment return, salary scale, retirement rates and withdrawal rates were updated during the year.

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

** Only 6 years of data available.

Schedule of Contributions
Last Ten Fiscal Years**

	9/30/2014	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019
Actuarially Determined Contribution	\$ 2,474,578	\$ 2,230,908	\$ 2,067,445	\$ 1,831,495	\$ 1,613,548	\$ 1,484,498
Contributions in Relation to the Actuarially Determined Contribution	2,527,508	2,392,948	2,586,936	2,605,753	2,635,968	2,924,706
Contribution Deficiency (Excess)	\$ (52,930)	\$ (162,040)	\$ (519,491)	\$ (774,258)	\$ (1,022,420)	\$ (1,440,208)
Covered Payroll	7,369,943	7,070,355	6,671,503	5,846,435	5,342,971	4,800,755
Contributions as a Percentage of Covered Payroll	34.29%	33.84%	38.78%	44.57%	49.34%	60.92%

Notes to Schedule

Valuation Date	10/1/2013	10/1/2014	10/1/2015	10/1/2016	10/1/2017	10/1/2018
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	2.75%
Salary Increases	3.0% - 4.5%
Investment Rate of Return	7.75%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	For healthy male General Employee participants during employment, RP 2000 Combined Male Healthy Participant Mortality Table, with 50% White Collar / 50% Blue Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB. For healthy female General Employee participants during employment, RP 2000 Combined Female Healthy Participant Mortality Table, with White Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB.

For healthy male General Employee participants post employment, RP 2000 Annuitant Male Mortality Table, with 50% White Collar / 50% Blue Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB. For healthy female General Employee participants post employment, RP 2000 Annuitant Female Mortality Table, with White Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB.

For healthy Firefighter and Police Officer participants during employment, RP 2000 Combined Healthy Participant Mortality Tables, separate rates for males and females, with 90% Blue Collar Adjustment / 10% White Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB.

For healthy Firefighter and Police Officer participants post employment, RP 2000 Annuitant Mortality Tables, separate rates for males and females, with 90% Blue Collar Adjustment / 10% White Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB.

For disabled male General Employee participants, RP 2000 Disabled Male Mortality Table, set back four years, without projected mortality improvements. For disabled female General employee participants, RP 2000 Disabled Female Mortality Table, set forward two years, without projected mortality improvements.

For disabled male Firefighter and Police Officer participants, 60% RP 2000 Disabled Male Mortality Table setback four years / 40% RP 2000 Annuitant Male Mortality Table with White Collar Adjustment with no setback, without projected mortality improvements. For disabled female Firefighter and Police Officer participants, 60% RP 2000 Disabled Female Mortality Table set forward two years / 40% RP 2000 Annuitant Female Mortality Table with White Collar Adjustment with no setback, without projected mortality improvements.

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

2017: Investment return, salary increase, withdrawal and retirement rates updated. 2016: Mortality updated. 2014: Disability rates updated. 2008: Mortality, salary increase, withdrawal, disability and retirement rates updated; administrative expense assumption introduced and actuarial cost method updated.

** Only 6 years of data available

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>	<u>9/30/2018</u>	<u>9/30/2019</u>
Annual Money-Weighted Rate of Return Net of Investment Expense	9.75%	0.28%	10.75%	10.75%	13.90%	10.89%

** Only 6 years of data available.

**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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TLBD Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ 138,655	\$ 138,655	\$ 93,384	\$ (45,271)
Investment income	1,000	1,000	44,679	43,679
Miscellaneous	-	-	4,495	4,495
Total revenues	139,655	139,655	142,558	2,903
Expenditures:				
Current:				
Physical environment	4,370	4,370	3,192	1,178
Debt Service:				
Principal	93,385	93,385	93,384	1
Interest and other charges	41,350	41,350	41,343	7
Capital Outlay:				
Physical environment	-	36,000	33,403	2,597
Total expenditures	139,105	175,105	171,322	3,783
Excess (Deficiency) of Revenues Over Expenditures	550	(35,450)	(28,764)	6,686
Other Financing Sources (Uses)				
Transfers out	(500)	(500)	(1,656)	(1,156)
Total other financing sources and uses	(500)	(500)	(1,656)	(1,156)
Net change in fund balances	50	(35,950)	(30,420)	5,530
Fund balances, beginning	111,257	111,257	111,257	-
Fund balances, ending	\$ 111,307	\$ 75,307	\$ 80,837	\$ 5,530

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Nonmajor Governmental Funds

Special Revenue Funds

- Police Education Fund** - This fund is used to account for the \$2.00 additional assessment on each traffic citation that is restricted for criminal justice education and training in accordance with Chapter 938.15, Florida Statutes.
- Special Law Enforcement Trust Fund - Local** - This fund was established to receive revenues from local sources derived from confiscated property obtained during the enforcement of illegal operations. Proceeds are restricted for law enforcement purposes.
- 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

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

- 2003 Debt Service Fund** - This fund is used to account for the accumulation of resources and payment of principal and interest for the 2003 bond issue which was refinanced in July 2014 with a private placement note payable.
- 1999 Debt Service Fund** - This fund is used to account for the accumulation of resources and payment of principal and interest for the 1999 bond issue and Improvement Refunding Note Series 2011, which partially refunded the 1999 bond issue.
- Oak Forest Debt Service Fund** - This fund is used to account for the accumulation of resources and payment of principal and interest to the General Fund for the 2010 interfund loan which paid off the Capital Improvement Revenue Note, Series 2004A.
- Central Winds G.O. Debt Service Fund** - This fund is used to account for accumulation of resources and payment of principal and interest for the 2002 limited general obligation bond which was refinanced in May 2012 with private placement note payable.

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Nonmajor Governmental Funds - Continued

Capital Projects Funds

- | | | |
|--|---|--|
| 1999 Construction Capital Projects Fund | - | This fund was established for the acquisition and construction of City - owned Capital Improvements. |
| Revolving Rehab Capital Projects Fund | - | This fund was established to fund capital improvements and economic development within the City. |
| 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, 2019

	Special Revenue			
	Police Education Fund	Special Law Enforcement Trust Fund- Local	Transportation Improvement Fund	Transportation Impact Fee Fund
Assets:				
Cash and cash equivalents	\$ 1,428	\$ 628	\$ 139,939	\$ 106,704
Investments	18,446	8,113	1,808,174	1,378,747
Prepays	-	-	1,390	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	2,890	-	-
Total assets	\$ 19,874	\$ 11,631	\$ 1,949,503	\$ 1,485,451
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 90,964	\$ -
Due to other funds	-	-	-	-
Total liabilities	-	-	90,964	-
Fund Balances:				
Nonspendable	-	-	1,390	-
Restricted	19,874	11,631	1,857,149	1,485,451
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	19,874	11,631	1,858,539	1,485,451
Total liabilities, deferred inflows of resources and fund balances	\$ 19,874	\$ 11,631	\$ 1,949,503	\$ 1,485,451

Special Revenue

Police Impact Fee Fund	Fire Impact Fee Fund	Parks Impact Fee Fund	Arbor Fund	TLBD Maintenance Fund
\$ 47,699	\$ 185,107	\$ 71,063	\$ 63,171	\$ 15,748
616,327	2,391,801	918,213	816,249	203,485
-	-	-	-	-
-	-	-	-	-
<u>664,026</u>	<u>2,576,908</u>	<u>989,276</u>	<u>879,420</u>	<u>219,233</u>
\$ -	\$ -	\$ -	\$ 105	\$ 793
-	-	-	-	-
-	-	-	105	793
-	-	-	-	-
664,026	2,576,908	989,276	-	218,440
-	-	-	879,315	-
-	-	-	-	-
-	-	-	-	-
<u>664,026</u>	<u>2,576,908</u>	<u>989,276</u>	<u>879,315</u>	<u>218,440</u>
<u>\$ 664,026</u>	<u>\$ 2,576,908</u>	<u>\$ 989,276</u>	<u>\$ 879,420</u>	<u>\$ 219,233</u>

(Continued)

City of Winter Springs, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019

	Special Revenue			Total Special Revenue
	Oak Forest Maintenance Fund	Special Law Enforcement Trust Fund - Federal	Tusawilla Phase III	
Assets:				
Cash and cash equivalents	\$ 6,759	\$ 3,777	\$ 753	\$ 642,776
Investments	87,340	48,802	9,731	8,305,428
Prepays	-	-	-	1,390
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	2,890
Total assets	\$ 94,099	\$ 52,579	\$ 10,484	\$ 8,952,484
Liabilities:				
Accounts payable	\$ -	\$ 4,770	\$ -	\$ 96,632
Due to other funds	-	-	48,217	48,217
Total liabilities	-	4,770	48,217	144,849
Fund Balances:				
Nonspendable	-	-	-	1,390
Restricted	94,099	47,809	-	7,964,663
Committed	-	-	-	879,315
Assigned	-	-	-	-
Unassigned	-	-	(37,733)	(37,733)
Total fund balances	94,099	47,809	(37,733)	8,807,635
Total liabilities, deferred inflows of resources	\$ 94,099	\$ 52,579	\$ 10,484	\$ 8,952,484

Debt Service

2003 Debt Service Fund	1999 Debt Service Fund	Oak Forest Debt Service Fund	Central Winds GO Debt Service Fund	Total Debt Service
\$ -	\$ 93,168	\$ -	\$ 1,763	\$ 94,931
-	1,203,839	-	22,779	1,226,618
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 1,297,007</u>	<u>\$ -</u>	<u>\$ 24,542</u>	<u>\$ 1,321,549</u>
\$ -	-	-	-	-
-	-	-	860,000	860,000
-	-	-	860,000	860,000
-	-	-	-	-
-	-	-	-	-
-	1,297,007	-	-	1,297,007
-	-	-	(835,458)	(835,458)
-	1,297,007	-	(835,458)	461,549
<u>\$ -</u>	<u>\$ 1,297,007</u>	<u>\$ -</u>	<u>\$ 24,542</u>	<u>\$ 1,321,549</u>

(Continued)

City of Winter Springs, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019

Capital Projects

	<u>1999 Construction Fund</u>	<u>Revolving Rehab Fund</u>	<u>Public Facilities</u>
Assets:			
Cash and cash equivalents	\$ 62,220	\$ 82,360	\$ 295,630
Investments	803,950	1,064,195	3,819,882
Prepays	-	-	-
Advances to other funds	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Total assets	\$ 866,170	\$ 1,146,555	\$ 4,115,512
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 229,160
Due to other funds	-	-	-
Total liabilities	-	-	229,160
Fund Balances:			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	866,170	1,146,555	3,886,352
Unassigned	-	-	-
Total fund balances	866,170	1,146,555	3,886,352
Total liabilities, deferred inflows of resources	\$ 866,170	\$ 1,146,555	\$ 4,115,512

<u>Capital Projects</u>		
<u>Excellence in Customer Service</u>	<u>Total Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 42,653	\$ 482,863	\$ 1,220,570
551,132	6,239,159	15,771,205
-	-	1,390
860,000	860,000	860,000
-	-	2,890
<u>\$ 1,453,785</u>	<u>\$ 7,582,022</u>	<u>\$ 17,856,055</u>
\$ 5,250	\$ 234,410	\$ 331,042
-	-	908,217
<u>5,250</u>	<u>234,410</u>	<u>1,239,259</u>
-	-	1,390
-	-	7,964,663
-	-	879,315
1,448,535	7,347,612	8,644,619
-	-	(873,191)
<u>1,448,535</u>	<u>7,347,612</u>	<u>16,616,796</u>
<u>\$ 1,453,785</u>	<u>\$ 7,582,022</u>	<u>\$ 17,856,055</u>

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended September 30, 2019

	Special Revenue			
	Police Education Fund	Special Law Enforcement Trust Fund- Local	Transportation Improvement Fund	Transportation Impact Fee Fund
Revenues:				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	-
Intergovernmental revenues	-	-	635,716	-
Charges for services	-	-	43,100	-
Fines and forfeitures	4,782	300	-	-
Impact fees/assessments	-	-	-	341,510
Investment income	593	422	57,348	37,526
Total revenues	5,375	722	736,164	379,036
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	3,820	10,721	-	-
Physical environment	-	-	511,457	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Capital Outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	225,944	240
Culture and recreation	-	-	-	-
Total expenditures	3,820	10,721	737,401	240
Excess (Deficiency) of Revenues Over Expenditures	1,555	(9,999)	(1,237)	378,796
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources(uses)	-	-	-	-
Net change in fund balances	1,555	(9,999)	(1,237)	378,796
Fund balances, beginning	18,319	21,630	1,859,776	1,106,655
Fund balances, ending	\$ 19,874	\$ 11,631	\$ 1,858,539	\$ 1,485,451

Special Revenue

Police Impact Fee Fund	Fire Impact Fee Fund	Parks Impact Fee Fund	Arbor Fund	TLBD Maintenance Fund
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	11,255	-
-	-	-	-	-
-	-	-	-	-
-	-	-	138,730	-
97,900	61,232	592,740	-	509,575
17,401	72,379	41,998	18,384	11,531
<u>115,301</u>	<u>133,611</u>	<u>634,738</u>	<u>168,369</u>	<u>521,106</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	144,778	473,570
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	1,224,912	-	-
-	-	<u>1,224,912</u>	<u>144,778</u>	<u>473,570</u>
115,301	133,611	(590,174)	23,591	47,536
-	-	178,051	300,000	-
-	-	-	(23,663)	(52,738)
-	-	<u>178,051</u>	<u>276,337</u>	<u>(52,738)</u>
115,301	133,611	(412,123)	299,928	(5,202)
<u>548,725</u>	<u>2,443,297</u>	<u>1,401,399</u>	<u>579,387</u>	<u>223,642</u>
<u>\$ 664,026</u>	<u>\$ 2,576,908</u>	<u>\$ 989,276</u>	<u>\$ 879,315</u>	<u>\$ 218,440</u>

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended September 30, 2019

	Special Revenue			Total Special Revenue
	Oak Forest Maintenance Fund	Special Law Enforcement Trust Fund - Federal	Tuscawilla Phase III	
Revenues:				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Permits and fees	-	-	-	11,255
Intergovernmental revenues	-	-	-	635,716
Charges for services	-	-	-	43,100
Fines and forfeitures	-	24,540	-	168,352
Impact fees/assessments	55,928	-	12,214	1,671,099
Investment income	3,361	1,826	488	263,257
Total revenues	59,289	26,366	12,702	2,792,779
Expenditures:				
Current:				
General government	-	-	5,640	5,640
Public safety	-	4,264	-	18,805
Physical environment	51,534	-	-	1,181,339
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	1,428	1,428
Capital Outlay:				
General government	-	-	-	-
Public safety	-	33,782	-	33,782
Physical environment	-	-	-	226,184
Culture and recreation	-	-	-	1,224,912
Total expenditures	51,534	38,046	7,068	2,692,090
Excess (Deficiency) of Revenues Over Expenditures	7,755	(11,680)	5,634	100,689
Other Financing Sources (Uses):				
Transfers in	3,845	-	-	481,896
Transfers out	(9,466)	-	(2,627)	(88,494)
Total other financing sources(uses)	(5,621)	-	(2,627)	393,402
Net change in fund balances	2,134	(11,680)	3,007	494,091
Fund balances, beginning	91,965	59,489	(40,740)	8,313,544
Fund balances, ending	\$ 94,099	\$ 47,809	\$ (37,733)	\$ 8,807,635

Debt Service

2003 Debt Service Fund	1999 Debt Service Fund	Oak Forest Debt Service Fund	Central Winds GO Debt Service Fund	Total Debt Service
\$ -	\$ -	\$ -	\$ 110,662	\$ 110,662
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
4,238	19,290	80	3,011	26,619
<u>4,238</u>	<u>19,290</u>	<u>80</u>	<u>113,673</u>	<u>137,281</u>
2,000	2,500	-	-	4,500
-	-	-	-	-
-	-	-	-	-
831,000	233,129	-	-	1,064,129
3,656	2,751	-	-	6,407
-	-	-	-	-
-	-	-	-	-
-	-	4,734	-	4,734
-	-	-	-	-
<u>836,656</u>	<u>238,380</u>	<u>4,734</u>	<u>-</u>	<u>1,079,770</u>
<u>(832,418)</u>	<u>(219,090)</u>	<u>(4,654)</u>	<u>113,673</u>	<u>(942,489)</u>
-	1,280,000	-	-	1,280,000
(8,650)	-	(3,845)	-	(12,495)
<u>(8,650)</u>	<u>1,280,000</u>	<u>(3,845)</u>	<u>-</u>	<u>1,267,505</u>
(841,068)	1,060,910	(8,499)	113,673	325,016
<u>841,068</u>	<u>236,097</u>	<u>8,499</u>	<u>(949,131)</u>	<u>136,533</u>
<u>\$ -</u>	<u>\$ 1,297,007</u>	<u>\$ -</u>	<u>\$ (835,458)</u>	<u>\$ 461,549</u>

(Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended September 30, 2019

	Capital Projects		
	1999 Construction Fund	Revolving Rehab Fund	Public Facilities
Revenues:			
Taxes:			
Property taxes	\$ -	\$ -	\$ -
Permits and fees	-	-	-
Intergovernmental revenues	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Impact fees/assessments	-	-	-
Investment income	24,694	32,683	30,469
Total revenues	24,694	32,683	30,469
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Debt Service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Capital Outlay:			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Culture and recreation	-	-	-
Total expenditures	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	24,694	32,683	30,469
Other Financing Sources (Uses):			
Transfers in	-	-	1,900,000
Transfers out	-	-	(178,051)
Total other financing sources(uses)	-	-	1,721,949
Net change in fund balances	24,694	32,683	1,752,418
Fund balances, beginning	841,476	1,113,872	2,133,934
Fund balances, ending	\$ 866,170	\$ 1,146,555	\$ 3,886,352

Capital Projects		Total Nonmajor Governmental Funds
Excellence in Customer Service	Total Capital Projects	
\$ -	\$ -	\$ 110,662
-	-	11,255
-	-	635,716
-	-	43,100
-	-	168,352
-	-	1,671,099
10,618	98,464	388,340
<u>10,618</u>	<u>98,464</u>	<u>3,028,524</u>
-	-	10,140
-	-	18,805
-	-	1,181,339
-	-	1,064,129
-	-	7,835
186,791	186,791	186,791
-	-	33,782
-	-	230,918
-	-	1,224,912
<u>186,791</u>	<u>186,791</u>	<u>3,958,651</u>
<u>(176,173)</u>	<u>(88,327)</u>	<u>(930,127)</u>
200,000	2,100,000	3,861,896
-	(178,051)	(279,040)
<u>200,000</u>	<u>1,921,949</u>	<u>3,582,856</u>
23,827	1,833,622	2,652,729
<u>1,424,708</u>	<u>5,513,990</u>	<u>13,964,067</u>
<u>\$ 1,448,535</u>	<u>\$ 7,347,612</u>	<u>\$ 16,616,796</u>

Police Education Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 5,400	\$ 5,400	\$ 4,782	\$ (618)
Investment income	225	225	593	368
Total revenues	5,625	5,625	5,375	(250)
Expenditures:				
Current:				
Public Safety	7,800	7,800	3,820	3,980
Total expenditures	7,800	7,800	3,820	3,980
Excess (Deficiency) of Revenues Over Expenditures	(2,175)	(2,175)	1,555	3,730
Net change in fund balances	(2,175)	(2,175)	1,555	3,730
Fund balances, beginning	18,319	18,319	18,319	-
Fund balances, ending	\$ 16,144	\$ 16,144	\$ 19,874	\$ 3,730

Special Law Enforcement Trust Fund- Local

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ -	\$ 300	\$ 300
Investment income	175	175	422	247
Total revenues	175	175	722	547
Expenditures:				
Current:				
Public Safety	20,150	13,650	10,721	2,929
Total expenditures	20,150	13,650	10,721	2,929
Excess (Deficiency) of Revenues Over Expenditures	(19,975)	(13,475)	(9,999)	3,476
Net change in fund balances	(19,975)	(13,475)	(9,999)	3,476
Fund balances, beginning	21,630	21,630	21,630	-
Fund balances, ending	\$ 1,655	\$ 8,155	\$ 11,631	\$ 3,476

Transportation Improvement Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 625,000	\$ 625,000	\$ 635,716	\$ 10,716
Charges for services	42,000	42,000	43,100	1,100
Investment income	15,000	15,000	57,348	42,348
Total revenues	682,000	682,000	736,164	54,164
Expenditures:				
Current:				
Physical environment	334,900	531,667	511,457	20,210
Capital Outlay:				
Physical environment	701,700	340,733	225,944	114,789
Total expenditures	1,036,600	872,400	737,401	134,999
Excess (Deficiency) of Revenues Over Expenditures	(354,600)	(190,400)	(1,237)	189,163
Net change in fund balances	(354,600)	(190,400)	(1,237)	189,163
Fund balances, beginning	1,859,776	1,859,776	1,859,776	-
Fund balances, ending	\$ 1,505,176	\$ 1,669,376	\$ 1,858,539	\$ 189,163

City of Winter Springs, Florida
Transportation Impact Fee Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ -	\$ 197,250	\$ 341,510	\$ 144,260
Investment income	4,250	12,250	37,526	25,276
Total revenues	4,250	209,500	379,036	169,536
Expenditures:				
Current:				
Physical environment	1,000	1,000	-	1,000
Capital Outlay:				
Physical environment	850,000	100,000	240	99,760
Total expenditures	851,000	101,000	240	100,760
Excess (Deficiency) of Revenues Over Expenditures	(846,750)	108,500	378,796	270,296
Net change in fund balances	(846,750)	108,500	378,796	270,296
Fund balances, beginning	1,106,655	1,106,655	1,106,655	-
Fund balances, ending	\$ 259,905	\$ 1,215,155	\$ 1,485,451	\$ 270,296

Police Impact Fee Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ -	\$ 46,500	\$ 97,900	\$ 51,400
Investment income	5,000	5,000	17,401	12,401
Total revenues	5,000	51,500	115,301	63,801
Expenditures:				
Current:				
Public Safety	-	-	-	-
Total expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	5,000	51,500	115,301	63,801
Net change in fund balances	5,000	51,500	115,301	63,801
Fund balances, beginning	548,725	548,725	548,725	-
Fund balances, ending	\$ 553,725	\$ 600,225	\$ 664,026	\$ 63,801

Fire Impact Fee Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ -	\$ 22,800	\$ 61,232	\$ 38,432
Investment income	25,000	25,000	72,379	47,379
Total revenues	25,000	47,800	133,611	85,811
Expenditures:				
Current:				
Public Safety	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	25,000	47,800	133,611	85,811
Net change in fund balances	25,000	47,800	133,611	85,811
Fund balances, beginning	2,443,297	2,443,297	2,443,297	-
Fund balances, ending	\$ 2,468,297	\$ 2,491,097	\$ 2,576,908	\$ 85,811

Parks Impact Fee Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ -	\$ 592,000	\$ 592,740	\$ 740
Investment income	12,000	54,000	41,998	(12,002)
Total revenues	12,000	646,000	634,738	(11,262)
Expenditures:				
Capital Outlay:				
Culture and recreation	550,000	1,233,540	1,224,912	8,628
Total expenditures	550,000	1,233,540	1,224,912	8,628
Excess (Deficiency) of Revenues Over Expenditures	(538,000)	(587,540)	(590,174)	(2,634)
Other Financing Sources (Uses)				
Transfers in	-	-	178,051	178,051
Total other financing sources and uses	-	-	178,051	178,051
Net change in fund balances	(538,000)	(587,540)	(412,123)	175,417
Fund balances, beginning	1,401,399	1,401,399	1,401,399	-
Fund balances, ending	\$ 863,399	\$ 813,859	\$ 989,276	\$ 175,417

Arbor Fund**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Permits and fees	\$ 18,000	\$ 18,000	\$ 11,255	\$ (6,745)
Fines and forfeitures	-	137,500	138,730	1,230
Investment income	3,000	3,000	18,384	15,384
Total revenues	21,000	158,500	168,369	9,869
Expenditures:				
Current:				
Physical environment	264,150	264,150	144,778	119,372
Total expenditures	264,150	264,150	144,778	119,372
Excess (Deficiency) of Revenues Over Expenditures	(243,150)	(105,650)	23,591	129,241
Other Financing Sources (Uses)				
Transfers in	-	300,000	300,000	-
Transfers out	(23,663)	(23,663)	(23,663)	-
Total other financing sources and uses	(23,663)	276,337	276,337	-
Net change in fund balances	(266,813)	170,687	299,928	129,241
Fund balances, beginning	579,387	579,387	579,387	-
Fund balances, ending	\$ 312,574	\$ 750,074	\$ 879,315	\$ 129,241

TLBD Maintenance Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ 507,549	\$ 507,549	\$ 509,575	\$ 2,026
Investment income	2,500	2,500	11,531	9,031
Total revenues	510,049	510,049	521,106	11,057
Expenditures:				
Current:				
Physical environment	486,834	486,834	473,570	13,264
Total expenditures	486,834	486,834	473,570	13,264
Excess (Deficiency) of Revenues Over Expenditures	23,215	23,215	47,536	24,321
Other Financing Sources (Uses)				
Transfers out	(53,583)	(53,583)	(52,738)	845
Total other financing sources and uses	(53,583)	(53,583)	(52,738)	845
Net change in fund balances	(30,368)	(30,368)	(5,202)	25,166
Fund balances, beginning	223,642	223,642	223,642	-
Fund balances, ending	\$ 193,274	\$ 193,274	\$ 218,440	\$ 25,166

Oak Forest Maintenance Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ 55,725	\$ 55,725	\$ 55,928	\$ 203
Investment income	1,000	3,000	3,361	361
Total revenues	56,725	58,725	59,289	564
Expenditures:				
Current:				
Physical environment	46,205	54,205	51,534	2,671
Total expenditures	46,205	54,205	51,534	2,671
Excess (Deficiency) of Revenues Over Expenditures	10,520	4,520	7,755	3,235
Other Financing Sources (Uses)				
Transfers in	-	3,885	3,845	40
Transfers out	(8,558)	(8,558)	(9,466)	(908)
Total other financing sources and uses	(8,558)	(4,673)	(5,621)	(868)
Net change in fund balances	1,962	(153)	2,134	2,287
Fund balances, beginning	91,965	91,965	91,965	-
Fund balances, ending	\$ 93,927	\$ 91,812	\$ 94,099	\$ 2,287

Special Law Enforcement Trust Fund - Federal

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ 24,540	\$ 24,540	\$ -
Investment income	100	100	1,826	1,726
Total revenues	100	24,640	26,366	1,726
Expenditures:				
Current:				
Public Safety	9,985	9,985	4,264	5,721
Capital Outlay:				
Public Safety	30,304	30,304	33,782	(3,478)
Total expenditures	40,289	40,289	38,046	2,243
Excess (Deficiency) of Revenues Over Expenditures	(40,189)	(15,649)	(11,680)	3,969
Net change in fund balances	(40,189)	(15,649)	(11,680)	3,969
Fund balances, beginning	59,489	59,489	59,489	-
Fund balances, ending	\$ 19,300	\$ 43,840	\$ 47,809	\$ 3,969

Tusawilla Phase III

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees/assessments	\$ 12,162	\$ 12,162	\$ 12,214	\$ 52
Investment income	100	100	488	388
Total revenues	12,262	12,262	12,702	440
Expenditures:				
Current:				
General government	7,975	9,930	5,640	4,290
Debt Service:				
Principal	2,785	2,785	-	2,785
Interest and other charges	1,428	1,428	1,428	-
Total expenditures	12,188	14,143	7,068	7,075
Excess (Deficiency) of Revenues Over Expenditures	74	(1,881)	5,634	7,515
Other Financing Sources (Uses)				
Transfers out	(1,981)	(1,981)	(2,627)	(646)
Total other financing sources and uses	(1,981)	(1,981)	(2,627)	(646)
Net change in fund balances	(1,907)	(3,862)	3,007	6,869
Fund balances, beginning	(40,740)	(40,740)	(40,740)	-
Fund balances, ending	\$ (42,647)	\$ (44,602)	\$ (37,733)	\$ 6,869

2003 Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ 4,700	\$ 4,238	\$ (462)
Total revenues	-	4,700	4,238	(462)
Expenditures:				
General government	3,500	2,000	2,000	-
Debt Service:				
Principal	831,000	831,000	831,000	-
Interest and other charges	3,660	3,660	3,656	4
Total expenditures	838,160	836,660	836,656	4
Excess (Deficiency) of Revenues Over Expenditures	(838,160)	(831,960)	(832,418)	(458)
Other Financing Sources (Uses)				
Transfers in	10,000	-	-	-
Transfers out	-	(9,108)	(8,650)	458
Total other financing sources and uses	10,000	(9,108)	(8,650)	458
Net change in fund balances	(828,160)	(841,068)	(841,068)	-
Fund balances, beginning	841,068	841,068	841,068	-
Fund balances, ending	\$ 12,908	\$ -	\$ -	\$ -

1999 Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 1,500	\$ 1,500	\$ 19,290	\$ 17,790
Total revenues	1,500	1,500	19,290	17,790
Expenditures:				
Current:				
General government	7,000	8,500	2,500	6,000
Debt Service:				
Principal	233,130	233,130	233,129	1
Interest and other charges	431,315	2,751	2,751	-
Total expenditures	671,445	244,381	238,380	6,001
Excess (Deficiency) of Revenues Over Expenditures	(669,945)	(242,881)	(219,090)	23,791
Other Financing Sources (Uses)				
Transfers in	1,280,000	1,280,000	1,280,000	-
Total other financing sources and uses	1,280,000	1,280,000	1,280,000	-
Net change in fund balances	610,055	1,037,119	1,060,910	23,791
Fund balances, beginning	236,097	236,097	236,097	-
Fund balances, ending	\$ 846,152	\$ 1,273,216	\$ 1,297,007	\$ 23,791

Oak Forest Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 50	\$ 120	\$ 80	\$ (40)
Total revenues	50	120	80	(40)
Expenditures:				
Capital Outlay:				
Physical environment	5,947	4,734	4,734	-
Total expenditures	5,947	4,734	4,734	-
Excess (Deficiency) of Revenues Over Expenditures	(5,897)	(4,614)	(4,654)	(40)
Other Financing Sources (Uses)				
Transfers out	-	(3,885)	(3,845)	40
Total other financing sources and uses	-	(3,885)	(3,845)	40
Net change in fund balances	(5,897)	(8,499)	(8,499)	-
Fund balances, beginning	8,499	8,499	8,499	-
Fund balances, ending	\$ 2,602	\$ -	\$ -	\$ -

Central Winds GO Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 110,449	\$ 110,449	\$ 110,662	\$ 213
Investment income	400	400	3,011	2,611
Total revenues	110,849	110,849	113,673	2,824
Expenditures:				
Debt Service:				
Principal	105,000	105,000	-	105,000
Total expenditures	105,000	105,000	-	105,000
Excess (Deficiency) of Revenues Over Expenditures	5,849	5,849	113,673	107,824
Net Change in Fund Balances	5,849	5,849	113,673	107,824
Fund balances, beginning	(949,131)	(949,131)	(949,131)	-
Fund balances, ending	\$ (943,282)	\$ (943,282)	\$ (835,458)	\$ 107,824

1999 Construction Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 7,200	\$ 7,200	\$ 24,694	\$ 17,494
Total revenues	7,200	7,200	24,694	17,494
Expenditures:				
Capital Outlay:				
Physical environment	1,015,000	75,000	-	75,000
Total expenditures	1,015,000	75,000	-	75,000
Excess (Deficiency) of Revenues Over Expenditures	(1,007,800)	(67,800)	24,694	92,494
Other Financing Sources (Uses)				
Transfers in	212,000	-	-	-
Total other financing sources and uses	212,000	-	-	-
Net change in fund balances	(795,800)	(67,800)	24,694	92,494
Fund balances, beginning	841,476	841,476	841,476	-
Fund balances, ending	\$ 45,676	\$ 773,676	\$ 866,170	\$ 92,494

Revolving Rehab Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 12,000	\$ 12,000	\$ 32,683	\$ 20,683
Total revenues	12,000	12,000	32,683	20,683
Expenditures:				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	12,000	12,000	32,683	20,683
Net change in fund balances	12,000	12,000	32,683	20,683
Fund balances, beginning	1,113,872	1,113,872	1,113,872	-
Fund balances, ending	\$ 1,125,872	\$ 1,125,872	\$ 1,146,555	\$ 20,683

Public Facilities Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 7,800	\$ 7,800	\$ 30,469	\$ 22,669
Total revenues	7,800	7,800	30,469	22,669
Expenditures:				
Capital Outlay:				
Physical environment	4,400,000	1,221,948	-	1,221,948
Total expenditures	4,400,000	1,221,948	-	1,221,948
Excess (Deficiency) of Revenues Over Expenditures	(4,392,200)	(1,214,148)	30,469	1,244,617
Other Financing Sources (Uses)				
Transfers in	3,900,000	1,900,000	1,900,000	-
Transfers out	-	(178,052)	(178,051)	1
Total other financing sources and uses	3,900,000	1,721,948	1,721,949	1
Net change in fund balances	(492,200)	507,800	1,752,418	1,244,618
Fund balances, beginning	2,133,934	2,133,934	2,133,934	-
Fund balances, ending	\$ 1,641,734	\$ 2,641,734	\$ 3,886,352	\$ 1,244,618

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For The Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 1,800	\$ 1,800	\$ 10,618	\$ 8,818
Total revenues	1,800	1,800	10,618	8,818
Expenditures:				
Capital Outlay:				
General government	140,000	262,848	186,791	76,057
Total expenditures	140,000	262,848	186,791	76,057
Excess (Deficiency) of Revenues Over Expenditures	(138,200)	(261,048)	(176,173)	84,875
Other Financing Sources (Uses)				
Transfers in	105,000	305,000	200,000	(105,000)
Total other financing sources and uses	105,000	305,000	200,000	(105,000)
Net change in fund balances	(33,200)	43,952	23,827	(20,125)
Fund balances, beginning	1,424,708	1,424,708	1,424,708	-
Fund balances, ending	\$ 1,391,508	\$ 1,468,660	\$ 1,448,535	\$ (20,125)

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Statistical Section

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Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends	103
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	110
These schedules contain information to help the reader assess the government's most significant local revenue.	
Debt Capacity	115
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	121
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	123
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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 42,819	\$ 43,961	\$ 40,328	\$ 44,711	\$ 45,826	\$ 45,650	\$ 48,555	\$ 52,573	\$ 52,292	\$ 53,663
Restricted	8,229	8,287	8,305	8,963	8,802	12,336	12,027	12,755	14,736	17,089
Unrestricted	14,349	13,241	17,136	12,856	11,737	768 (1)	1,746	1,594	3,052	5,634
Total governmental activities net position	\$ 65,397	\$ 65,489	\$ 65,769	\$ 66,530	\$ 66,365	\$ 58,754	\$ 62,328	\$ 66,922	\$ 70,080	\$ 76,406
Business-type activities										
Net investment in capital assets	\$ 15,839	\$ 17,973	\$ 20,937	\$ 20,729	\$ 21,541	\$ 21,426	\$ 21,802	\$ 23,922	\$ 23,079	\$ 22,713
Restricted	1,730	461	507	468	482	567	561	560	515	613
Unrestricted	3,264	3,227	4,213	6,472	7,873	9,112	11,427	13,003	15,945	21,197
Total business-type activities net position	\$ 20,833	\$ 21,661	\$ 25,657	\$ 27,669	\$ 29,896	\$ 31,105	\$ 33,790	\$ 37,485	\$ 39,539	\$ 44,523
Primary government										
Net investment in capital assets	\$ 58,658	\$ 61,934	\$ 61,265	\$ 65,440	\$ 67,367	\$ 67,076	\$ 70,357	\$ 76,495	\$ 75,371	\$ 76,396
Restricted	9,959	8,748	8,812	9,431	9,284	12,903	12,588	13,315	15,251	17,702
Unrestricted	17,613	16,468	21,349	19,328	19,610	9,880	13,173	14,597	18,997	26,831
Total primary government net position	\$ 86,230	\$ 87,150	\$ 91,426	\$ 94,199	\$ 96,261	\$ 89,859	\$ 96,118	\$ 104,407	\$ 109,619	\$ 120,929

(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)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities:										
General government	\$ 5,720	\$ 5,381	\$ 5,069	\$ 4,903	\$ 5,498	\$ 5,708	\$ 6,131	\$ 6,298	\$ 6,233	\$ 7,052
Public safety	7,356	7,671	7,102	7,415	7,476	7,101	6,764	6,228	5,791	6,892
Physical environment	5,654	5,610	5,589	5,658	5,874	5,924	5,798	6,625	6,933	6,563
Culture and recreation	2,323	2,161	2,043	2,078	2,170	2,109	2,163	2,045	2,301	2,282
Interest and other fiscal charges on long-term det	944	907	833	773	782	657	668	635	589	673
Total Governmental Activities Expenses	21,997	21,730	20,636	20,827	21,800	21,499	21,524	21,831	21,847	23,462
Business-type Activities:										
Water and Sewer	7,447	7,186	6,512	7,040	6,945	6,943	7,295	7,881	7,985	8,569
Development Services	349	333	342	369	409	501	510	665	574	647
Stormwater	916	979	976	1,155	1,150	1,162	1,223	941	1,043	2,321
Total Business-type Activities Expenses	\$ 8,712	\$ 8,498	\$ 7,830	\$ 8,564	\$ 8,504	\$ 8,606	\$ 9,028	\$ 9,487	\$ 9,602	\$ 11,537
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 2,378	\$ 2,075	\$ 2,021	\$ 1,838	\$ 2,058	\$ 2,218	\$ 2,150	\$ 2,061	\$ 2,206	\$ 2,404
Public safety	608	369	424	461	458	731	418	1,075	232	180
Physical environment	3,191	3,139	3,168	3,347	3,590	4,177	3,605	4,315	3,181	3,583
Culture and recreation	301	260	391	430	363	846	418	1,079	378	321
Operating grants and contributions	485	89	221	-	23	16	2	87	74	1,284
Capital grants and contributions	2,935	1,985	1,056	2,043	1,382	2,756	3,583	2,781	2,897	5,122
Total Governmental Activities Program Revenues	9,898	7,917	7,281	8,119	7,874	10,744	10,176	11,398	8,968	12,894
Business-type Activities:										
Charges for services:										
Water and Sewer	8,015	8,837	9,363	8,540	9,240	9,691	9,877	10,267	9,893	10,802
Development Services	331	339	1,100	1,099	821	2,075	1,315	1,968	1,055	3,031
Stormwater	1,051	1,068	1,117	995	1,097	871	1,117	1,167	1,120	1,150
Operating grants and contributions	-	46	-	-	-	-	-	-	8	926
Capital grants and contributions	2,885	709	2,226	2,062	1,526	1,452	1,311	1,617	1,248	1,484
Total Business-type Activities Program Revenues	12,282	10,999	13,806	12,696	12,684	14,089	13,620	15,019	13,324	17,393
Total Government Program Revenues	\$ 22,180	\$ 18,916	\$ 21,087	\$ 20,815	\$ 20,558	\$ 24,833	\$ 23,796	\$ 26,417	\$ 22,292	\$ 30,287

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (Expense)/Revenue	\$ (12,099)	\$ (13,813)	\$ (13,355)	\$ (12,708)	\$ (13,926)	\$ (10,755)	\$ (11,348)	\$ (10,433)	\$ (12,879)	\$ (10,568)
Governmental Activities	3,570	2,501	5,976	4,132	4,180	5,483	4,592	5,532	3,722	5,856
Business-type Activities	\$ (8,529)	\$ (11,312)	\$ (7,379)	\$ (8,576)	\$ (9,746)	\$ (5,272)	\$ (6,756)	\$ (4,901)	\$ (9,157)	\$ (4,712)
Total Government Net Expense										

General Revenues and Other Changes in Net Position

Governmental Activities:										
Taxes										
Property taxes	\$ 4,538	\$ 4,209	\$ 3,901	\$ 3,853	\$ 4,015	\$ 4,284	\$ 4,516	\$ 4,727	\$ 5,150	\$ 5,487
Utility taxes	4,536	4,169	3,963	3,923	4,035	3,887	3,976	3,879	4,003	4,213
Business tax receipts	204	119	106	109	105	120	122	123	126	122
Intergovernmental revenues - unrestricted	2,897	3,015	3,044	3,100	3,269	3,481	3,557	3,706	3,967	4,036
Investment income and miscellaneous	731	532	573	454	336	424	711	616	1,246	1,338
Gain (Loss) on disposal of capital assets	-	-	-	34	17	26	-	-	-	-
Transfers	1,796	1,862	2,047	2,070	1,985	2,064	2,041	1,975	1,873	1,697
Total Governmental Activities	14,702	13,906	13,634	13,543	13,762	14,286	14,923	15,026	16,365	16,893
Business-type Activities:										
Investment income and miscellaneous	103	189	67	88	32	108	135	138	323	825
Loss on disposal of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	(1,796)	(1,862)	(2,047)	(2,070)	(1,985)	(2,064)	(2,041)	(1,975)	(1,873)	(1,697)
Total Business-type Activities	(1,693)	(1,673)	(1,980)	(1,982)	(1,953)	(1,956)	(1,906)	(1,837)	(1,550)	(872)
Total Government	\$ 13,009	\$ 12,233	\$ 11,654	\$ 11,561	\$ 11,809	\$ 12,330	\$ 13,017	\$ 13,189	\$ 14,815	\$ 16,021

Change in Net Position

Governmental Activities	\$ 2,603	\$ 93	\$ 279	\$ 835	\$ (164)	\$ 3,531	\$ 3,575	\$ 4,593	\$ 3,486	\$ 6,325
Business-type Activities	1,877	828	3,996	2,150	2,227	3,527	2,686	3,695	2,172	4,984
Total Government	\$ 4,480	\$ 921	\$ 4,275	\$ 2,985	\$ 2,063	\$ 7,058	\$ 6,261	\$ 8,288	\$ 5,658	\$ 11,309

CITY OF WINTER SPRINGS, FLORIDA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

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

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Franchise Tax ¹</u>	<u>Utility Tax</u>	<u>Business Tax Receipts ²</u>	<u>Total</u>
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
2018	5,150	-	4,003	126	9,279
2019	5,487	-	4,213	122	9,822

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>
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
2018	2,552	1,313	101	3,966
2019	2,559	1,376	101	4,036

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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 235									
Unreserved	8,544									
Total General Fund	<u>\$ 8,779</u>									
All Other Governmental Funds										
Reserved	\$ 1,141									
Unreserved, reported in:										
Special revenue funds	6,724									
Capital projects funds	2,854									
Total All Other Governmental Funds	<u>\$ 10,719</u>									
General Fund	\$ 1,179	\$ 650	\$ 409	\$ 416	\$ 333	\$ 275	\$ 256	\$ 226	\$ 287	
Nonspendable	607	343	581	433	-	-	-	-	-	
Assigned	7,044	7,839	7,498	7,647	8,163	8,226	8,250	8,289	8,411	
Unassigned	8,830	8,832	8,488	8,496	8,496	8,501	8,506	8,515	8,698	
Total General Fund										
All Other Governmental Funds										
Nonspendable	\$ 4,825	\$ 4,470	\$ 5,468	\$ 5,298	\$ 11,304	\$ 12,025	\$ 12,751	\$ 14,736	\$ 17,088	
Restricted	1,616	1,687	1,528	1,285	1,032	799	1,292	972	1,830	
Committed	4,710	5,509	5,589	5,258	5,506	6,240	5,938	7,578	9,859	
Assigned	(264)	(217)	(191)	(172)	(129)	(81)	(1,120)	(990)	(873)	
Unassigned	10,887	11,449	12,394	11,669	17,713	18,984	18,864	22,297	27,905	
Total All Other Governmental Funds										

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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes										
Property	\$ 4,345	\$ 4,030	\$ 3,733	\$ 3,686	\$ 3,841	\$ 4,098	\$ 4,320	\$ 4,595	\$ 5,026	\$ 5,377
Utility	4,536	4,169	3,963	3,923	4,035	3,887	3,976	3,879	4,003	4,213
General Obligation	193	179	168	167	174	186	196	132	124	111
Business Tax	204	119	105	109	106	120	122	123	126	122
Licenses and Permits										
Franchise Fees	2,313	1,999	1,868	1,672	1,953	2,024	2,042	1,986	2,166	2,331
Other	38	44	63	75	40	47	62	91	44	39
Intergovernmental	5,628	5,447	3,948	4,684	4,059	8,727	8,144	6,575	6,972	8,660
Charges for Services	2,929	2,922	2,979	2,858	3,071	3,231	3,302	3,341	3,342	3,351
Fines and Forfeitures	566	289	211	165	281	168	178	175	256	283
Impact Fees/Assessments	721	685	1,000	1,380	1,247	2,627	1,232	3,162	819	1,764
Investment Income	439	308	280	195	139	226	275	247	428	1,067
Miscellaneous	292	224	293	328	219	225	364	281	690	177
Total revenues	22,204	20,415	18,611	19,242	19,165	25,566	24,213	24,587	23,996	27,495
Expenditures										
General Government	5,401	5,441	4,842	4,995	5,012	5,051	5,187	5,161	5,057	5,407
Public Safety	6,890	7,156	6,584	6,918	6,987	7,151	6,916	6,739	6,574	6,503
Physical Environment ¹	4,015	3,939	3,873	3,927	4,128	4,225	4,303	5,057	5,296	4,907
Culture and Recreation	1,878	1,737	1,644	1,702	1,787	1,784	1,785	1,865	1,891	1,866
Capital Outlay	2,738	2,681	1,814	1,834	1,925	2,571	5,370	4,251	2,410	3,509
Debt Service										
Principal	1,996	2,387	5,342	1,007	5,101	610	1,232	3,453	1,138	1,158
Interest	594	584	485	373	424	192	188	149	65	49
Payments to escrow agent	-	-	-	-	-	-	-	-	-	-
Other charges	-	15	-	-	-	-	-	-	-	-
Total expenditures	23,512	23,940	24,584	20,756	25,364	21,584	24,981	26,675	22,431	23,399
Excess of Revenues Over (Under) expenditures	(1,308)	(3,525)	(5,973)	(1,514)	(6,199)	3,982	(768)	(2,088)	1,565	4,096

Other Financing Sources (Uses)												
Transfers In	9,616	3,836	3,911	3,422	3,642	7,043	4,659	4,494	5,763	5,744		
Transfers Out	(7,811)	(1,965)	(1,879)	(1,350)	(1,653)	(4,977)	(2,617)	(2,520)	(3,889)	(4,047)		
Notes Issued	-	1,377	4,504	-	3,494	-	-	-	-	-		
Capital Leases	-	-	-	-	-	-	-	-	-	-		
Sale of Capital Assets	-	-	-	40	-	-	-	-	-	-		
Total Other Financing Sources (Uses)	<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>	<u>1,874</u>	<u>1,697</u>		
Prior Period Fund Balance Adjustment	-	-	-	-	-	-	-	-	-	-		
Net Change in Fund Balances	<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>	<u>\$ 3,439</u>	<u>\$ 5,793</u>		
Debt Service as a Percentage of Noncapital expenditures	14.24%	13.98%	25.60%	7.29%	23.57%	4.22%	7.24%	16.06%	5.99%	5.73%		

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										Estimated Actual Taxable Value ¹
	Total Residential and Commercial Real Property ¹	Residential Property ¹	% Residential	Commercial Property ¹	Personal Property ¹	Centrally Assessed ¹	Tax Exempt Real Property ¹	Total Taxable Assessed Value ¹	Total Direct Tax Rate ²		
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	
2018	3,128,578	2,716,013	86.81%	412,565	78,213	56	1,059,572	2,147,275	2.4900	3,389,902	
2019	3,370,872	2,923,507	86.73%	447,365	82,498	58	1,159,460	2,293,988	2.4800	3,650,558	

Note

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

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

CITY OF WINTER SPRINGS, FLORIDA

PROPERTY TAX RATES
DIRECT AND OVERLAPPING¹ GOVERNMENTS

Last Ten Fiscal Years ²

Overlapping Rates ¹

Fiscal Year	Winter Springs			Seminole County			School District			St. John's Water Management District	County Fire Protection (MSTU)	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage			
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
2018	2.4300	0.0600	2.4900	4.8751	0.0000	4.8751	6.5690	0.0000	6.5690	0.2724	2.7649	16.9714
2019	2.4300	0.0500	2.4800	4.8751	0.0000	4.8751	6.3130	0.0000	6.3130	0.2562	2.7649	16.6892

Note

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

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

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

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			Tusawilla Lighting and Beautification (TLBD) - Phase I Assessments			Tusawilla Lighting and Beautification (TLBD) - Phase II Assessments			Tusawilla III Assessments		
		Billed	Collected ¹	Difference	Billed ²	Collected ¹	Difference	Billed	Collected ¹	Difference	Billed	Collected ¹	Difference
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
2017	2018	58,047	55,872	2,175	673,128	648,946	24,182	-	8	(8)	12,668	12,217	451
2018	2019	58,047	55,916	2,131	673,128	648,654	24,474	-	-	-	12,668	12,212	456

Note

¹ Includes prepayments

² 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.
Tusawilla III	Financed internally

CITY OF WINTER SPRINGS, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS

September 30, 2019

(amounts expressed in thousands)

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
WE Park at Laurel Oaks LLC	\$ 45,623	1	1.99%	\$ 24,242	1	1.21%
KMF XI Winter Springs LLC	\$ 41,386	2	1.80%			0.00%
Courtney Springs LLC	\$ 30,675	3	1.34%	\$ 15,126	4	0.75%
Duke Energy (formerly Progress Energy)	\$ 30,122	4	1.31%	\$ 19,935	2	0.99%
Winter Springs Station LLC	\$ 20,527	5	0.89%			0.00%
CIP 2014/Winter Springs 360	\$ 16,817	6	0.73%			0.00%
Standard Pacific of Florida	\$ 15,519	7	0.68%			0.00%
United Dominion Realty Trust Inc.	\$ 12,561	8	0.55%	\$ 7,625	6	0.38%
Bright House Networks LLC	\$ 6,353	9	0.28%			0.00%
Moss Park Partners LTD	\$ 6,347	10	0.28%			0.00%
Capital Green I LLC			0.00%	\$ 18,175	3	0.90%
Winter Springs Holdings, Inc			0.00%	\$ 9,079	5	0.45%
BRI 1813 Villagio Co-op Inc.			0.00%	\$ 6,316	7	0.31%
Bank of America			0.00%	\$ 5,853	8	0.29%
Baxley Robert & Annmarie TRS			0.00%	\$ 5,703	9	0.28%
Hacienda Village Co-op Inc.			0.00%	\$ 5,602	10	0.31%
Totals	\$ 225,930		9.85%	\$ 117,656		5.87%

Source: Seminole County Property Appraiser (www.scpafl.org)

CITY OF WINTER SPRINGS, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS³

Last Ten Fiscal Years

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount ²	Percentage of Levy		Amount	Percentage of Levy
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%
2018	5,346,715	5,145,529	96.24%	4,436	5,149,965	96.32%
2019	5,574,343	5,481,310	98.33%	4,763	5,486,073	98.42%

Note

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

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

³ Includes voted debt service not to exceed 0.2500 mills for Central Winds General Obligation Debt (voted debt eliminated in fiscal year 2020)

CITY OF WINTER SPRINGS, FLORIDA

LEGAL DEBT MARGIN

September 30, 2019

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 ¹	Assessed Value ²	Gross		Net Gen Obligation Debt	Ratio of Net Gen Obligation	Gen Obligation Debt per Capita
			Debt ³	Less Debt Service Fund ⁴		Debt to Assessed Value	
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
2018	36,635	2,147,274,968	-	(949,131)	949,131	0.044%	26
2019	37,321	2,293,968,241	-	(835,458)	835,458	0.036%	22

Note

¹ Source: American Fact Finder; previous statistics from multiple sources

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

³ Amount does not include special assessment bonds and revenue bonds

⁴ Amount available for repayment of limited general obligation note. During fiscal year 2017, the external loan was retired and replaced with an internal interest-free loan from the City's General Fund which was forgiven at the beginning of fiscal year 2020.

CITY OF WINTER SPRINGS, FLORIDA

RATIO OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

(dollars in thousands, except per capita)

Fiscal Year Ended September 30,	Governmental Activities					Business-Type Activities					Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹	
	Revenue Bonds	Refunding Revenue Bonds ²	Limited General Obligation Bonds	Special Assessment Revenue Bonds	Refunding Notes	Limited General Obligation Notes	Capital Leases	Water and Sewer Revenue Notes	Water and Sewer Refunding Revenue Bonds ²	State Revolving Loan				Capital Leases
2010	-	14,683	2,850	2,091	-	-	-	-	42,590	-	-	62,214	5.94%	\$1,822
2011	-	12,826	2,770	2,005	1,377	-	-	13,066	8,880	-	-	40,924	3.52%	\$1,230
2012	-	12,526	-	-	3,260	2,739	-	12,152	9,302	-	-	39,979	3.38%	\$1,190
2013	-	12,232	-	-	3,054	2,639	-	10,897	9,751	2,853	-	41,426	3.75%	\$1,235
2014	-	7,931	-	-	6,282	2,534	-	9,601	10,226	1,635	-	38,209	3.52%	\$1,128
2015	-	8,386	-	-	5,781	2,425	-	8,266	10,730	1,568	-	37,156	3.41%	\$1,065
2016	-	8,866	-	-	4,661	2,313	-	6,497	11,264	1,498	-	35,099	3.07%	\$995
2017	-	9,374	-	-	3,621	-	-	5,747	11,830	4,307	-	34,779	2.97%	\$977
2018	-	9,850	-	-	2,383	-	-	6,165	10,555	6,272	-	35,225	2.92%	\$962
2019	-	10,478	-	-	1,225	-	-	4,639	11,192	6,669	-	34,203	2.49%	\$916

Note: Details regarding the city's outstanding debt can be found in the notes to the Financial Statements: Note 7: Long-Term Debt.

* Information is not available.

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

² Amounts includes accreted Interest Payable for 1999 Improvement Refunding Revenue Bonds (\$6,979,057) and 2000 Water and Sewer Refunding Revenue Bonds (\$7,398,420)

CITY OF WINTER SPRINGS, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of September 30, 2019

(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ¹	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	100%	3,498,970
Accreted Interest	6,979,057	100%	6,979,057
City of Winter Springs General Obligation Debt ²	-		-
City of Winter Springs Capital Improvement Notes	1,225,395	100%	1,225,395
Total direct and overlapping debt	\$ 11,703,422		\$ 11,703,422

Note

Sources:

Seminole County Property Appraiser (www.scpafl.org)

Seminole County Finance Department

Seminole County School Board

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

² Through fiscal year 2019, the City of Winter Springs had a "limited" general obligation note being repaid through a levy not to exceed one quarter of one mill on all taxable property in the City. Fiscal year 2019 was the last year of the levy as the internal loan was forgiven effective October 1, 2019.

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CITY OF WINTER SPRINGS, FLORIDA

PLEGGED-REVENUE COVERAGE

Last Ten Fiscal Years

General Government

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
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	-	167,640	-	-	185,336	-	-	6,064,283	1,669,984	3.63
2013	3,923,336	1,541,741	-	166,863	-	-	119,299	-	-	5,751,239	1,669,984	3.44
2014	4,034,667	1,816,567	-	173,876	-	-	165,152	-	-	6,190,262	1,838,498	3.37
2015	3,887,124	1,941,840	-	185,527	-	-	162,442	-	-	6,176,933	1,838,498	3.36
2016	3,975,578	1,874,893	-	195,560	-	-	159,347	-	-	6,205,378	1,838,498	3.38
2017	3,879,197	1,812,388	-	132,374	-	-	160,024	-	-	5,983,983	1,838,498	3.25
2018	4,003,425	1,960,722	-	124,109	-	-	135,163	-	-	6,223,419	1,633,823	3.81
2019	4,212,706	2,124,125	-	110,662	-	-	138,063	-	-	6,585,556	1,633,823	4.03

CITY OF WINTER SPRINGS, FLORIDA

PLEGGED-REVENUE COVERAGE - CONTINUED

Last Ten Fiscal Years

Water Revenue Bonds

Fiscal Year Ended Sept 30,	Gross Revenues ¹	Operating Expenses ²	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
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 ⁴	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 ⁴	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
2018	10,260,680	6,140,468	4,120,212	1,875,000	99,668	1,974,668	2.09
2019	12,259,418	6,450,421	5,808,997	1,888,696	159,542	2,048,238	2.84

Note

- 1 Gross revenue is computed per bond resolution requirements, and is equivalent to revenue recognized under generally accepted accounting principles (GAAP). Revenues include investment income and other income.
- 2 "Direct operating expense" is computed per bond resolution requirements, and is equal to expenses recognized under GAAP (less interest, depreciation, and amortization expense) losses on disposal of fixed assets, and non-recurring transfers out.
- 3 Data has been restated
- 4 Excludes principal paid on refunding
- 5 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

Fiscal Year	Population ¹	Personal Income (amounts expressed in thousands)	Per Capita Personal Income ¹	Median Age ¹	Education Level in Years of Formal Schooling ¹	School Enrollment ²	Unemployment Rate ³
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%
2018	36,635	1,204,962	32,891	43.4	14.31	5,366	3.3%
2019	37,321	1,375,615	36,859	43.4	14.36	5,258	3.0%

* Data not available

Note

¹ Source: American Fact Finder; US Census; previous statistics from multiple sources

² Source: American Fact Finder; Seminole County Public Schools

³ Source: Bureau of Economic and Business Research (BEBR)

Source: https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml?src=bkmk

CITY OF WINTER SPRINGS, FLORIDA

PRINCIPAL EMPLOYERS

Current Year and Ten Years Ago

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Seminole County School Board	1,308	1	19.22%	1,423	1	30.28%
Dearborn Electronics	213	2	3.13%	123	4	2.62%
Publix (Winter Springs Town Center)	180	3	2.65%	128	3	2.72%
City of Winter Springs	177	4	2.60%	231	2	4.91%
Modern Plumbing	135	5	1.98%	80	6	1.70%
Tuscawilla Country Club	70	6	1.03%	86	5	1.83%
Watermark at Vistawilla	65	7	0.96%			
Budget Tree	58	8	0.85%			
United States Post Office	50	9	0.73%	47	7	1.00%
McDonald's	45	10	0.66%	38	10	0.81%
The Grove Counseling Center			0.00%	39	9	0.83%
Dittmer Architectural Aluminum				42	8	0.89%
Total	<u>2,301</u>		<u>33.81%</u>	<u>2,237</u>		<u>47.59%</u>

¹ Per survey of local businesses

CITY OF WINTER SPRINGS, FLORIDA

BUDGETED FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION¹

Last Ten Fiscal Years

Full-time Equivalent Employees as of September 30,

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Development Services	5	4	4.46	5.46	5.46	5.46	4.73	5.46	3.46	3.73
General Government	42	41	36.79	37.23	36.67	36.38	36.95	36.08	33.13	33.05
Public Safety:										
Police										
Sworn Officers	70	70	65	65	65	65	65.70	65.00	65	55
Civilians ²	20.75	20.75	18.45	16.45	16.88	17.13	17.13	17.13	15.07	15.5
Fire ³	-	-	-	-	-	-	-	-	-	-
Public Works	20.73	18.73	18	16	16	16	16	16	16	14
Culture and Recreation	31.86	29.10	25.68	24.07	24.06	21.84	21.11	21.76	20.84	20.79
Utilities	45	42	37	35	35.73	36.17	36.45	38.45	38.45	38.73
Stormwater	9	9	9	9	9	9	9	10	9	8
Total	244.34	234.58	214.38	208.21	208.8	206.98	207.07	209.88	200.95	188.8
Part-time FTEs (included above)	16.34	17.58	18.38	22.36	21.95	20.98	23.07	22.88	19.95	17.8

Note

¹ City of Winter Springs Annual Budget Documents

² Police civilians include emergency communications center personnel.

³ 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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Auto accidents	345	277	327	396	423	399	560	479	526	489
Physical arrests	1,347	1,401	1,098	1,141	1,106	1,456	1,220	1,034	824	704
Criminal investigations conducted	441	544	374	386	522	408	533	419	388	1,384
Total calls for service	131,587	125,392	116,773	143,763	152,367	111,943	106,477	102,146	101,086	101,356
911 calls received	3,654	3,720	3,665	3,771	3,691	3,573	3,539	3,607	4,175	4,338
Evidence processed (pieces)	1,730	2,215	2,160	1,900	2,327	2,240	2,606	2,509	1,814	1,603
Fire¹										
Public education programs	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of emergency calls answered	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Medical transports	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Highways and streets										
Streets paved (miles)	2.00	3.38	1.76	2.04	0.98	3.57	0.05	0.00	0.00	107.52
Streets resurfaced (square yards)	36,927	47,622	41,850	39,958	39,958	46,114	63,674	70,324	53,925	51,783
Sidewalks/bike paths built or repaired (feet)	3,980	5,575	4,677	5,622	5,122	4,329	11,344	7,384	6,428	15,127
Culture and recreation										
Games - Baseball/Softball	1,075	1,259	1,104	998	978	842	879	939	646	715
Games - Basketball	458	606	683	689	738	608	578	749	749	734
Games - Football	222	271	257	209	256	103	22	61	61	39
Games - Soccer	816	856	880	650	1,140	1,176	879	882	1,130	950
Senior Activities	1,071	1,162	1,246	1,523	1,102	1,363	1,573	1,906	2,632	3,477
Civic Center & Pavilion Rentals	430	383	428	429	438	463	400	461	474	553
Program Events	275	340	307	241	167	79	264	1,037	2,623	4,411
Water										
New connections	3	24	100	180	112	176	165	32	61	227
Number of customers	12,749	12,806	12,647	13,254	13,363	13,496	13,727	13,822	13,597	13,967
Water main breaks	12	10	16	18	9	4	2	10	6	5
Average daily consumption (gallons/per capita)	106	114	109	106	98	103	104	97	103	119
Meter reads	171,976	176,001	176,531	177,752	181,145	183,256	187,468	188,358	192,930	189,072
Community Development										
Total permits issued	3,105	3,132	3,243	2,564	3,466	2,923	2,956	3,275	3,741	3,627
Building inspections	4,832	6,032	8,108	9,540	5,921	8,189	8,885	6,194	7,154	7,690
Business tax receipts issued	1,275	1,384	1,470	891	968	1,007	897	1,227	984	1,182
Land use amendments & rezonings	2	-	-	7	11	13	3	8	1	-
Permit files created/reviews initiated	3,754	2,190	2,427	3,764	3,669	3,201	3,111	3,436	3,868	3,829
General Government										
Personnel actions processed	166	227	375	106	309	182	283	426	201	288
Worker's Comp Injuries	41	44	33	44	32	30	30	37	35	25
Legal notices published	28	16	21	21	40	40	18	26	25	22
Payroll - Checks	242	229	210	380	499	425	334	334	335	296
Payroll - Direct Deposit	5,927	5,942	5,767	5,821	6,858	6,468	7,209	6,034	5,695	5,555
Receipts deposited	189,977	153,687	153,762	266,563	266,630	247,363	134,565	130,754	127,820	129,349
A/P checks issued	6,348	6,111	5,651	6,936	5,285	5,442	5,364	4,974	6,659	4,537
Purchase orders processed	3,667	3,160	2,720	2,787	2,968	3,262	2,262	2,319	2,138	1,905

Source: Summary of Departmental Reports

Note

* Information not available

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

City of Winter Springs, Florida

CAPITAL ASSET STATISTICS BY FUNCTION¹

Last Ten Fiscal Years

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public safety										
Police:										
Stations	2	2	1	1	1	1	1	1	1	1
Fleet	78	91	83	82	85	82	82	80	73	68
Fire stations ²	3	3	3	3	2	2	2	2	2	2
Highways and streets										
Streets - paved (miles)	97.32	100.70	99.63	101.16	102.69	102.69	103.25	103.25	103.40	107.52
Streets - unpaved (miles)	4.40	1.02	0.51	0.51	0.51	0.51	0.00	0.00	0.00	0.00
Street lights	2300	2311	2431	2471	2616	3404	3432	3432	3452	3638
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	266.70	266.70	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	6	6	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	167.8	169.1	171	173.0	173.1	173.2	173.6	175.2	243.9
Fire hydrants	1,000	1,002	1,019	1,037	1,055	1,057	1,060	1,064	1,080	1,092
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)	111.57	111.6	112.8	114.30	115.75	115.75	115.76	116.31	117.95	199.09
Storm sewers (miles)	91.56	91.59	92.78	94.27	95.76	95.76	95.79	95.79	95.87	187.71
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)	2.100	1.866	2.043	2.358	2.067	2.097	2.080	2.140	2.280	2.124

Note

* Information not available

¹ City of Winter Springs Departmental Reports

² 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, 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, 2019, 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 13, 2020.

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.

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 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.

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.

McDermitt Davis

Orlando, Florida
March 13, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Honorable Mayor and City Council
City of Winter Springs, Florida

Report on Compliance for Each Major Federal program

We have audited the *City of Winter Springs's* (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2019. The City's major federal programs 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 federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 federal program 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 each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

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 federal program for the year ended September 30, 2019.

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 federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 federal program 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 federal program 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 federal program 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "McDiarmid Davis". The signature is written in a cursive, slightly slanted style.

Orlando, Florida
March 13, 2020

City of Winter Springs, Florida
Schedule of Expenditures of Federal Awards
 Year Ended September 30, 2019

Award type				
Grantor				
Pass-through grantor		CFDA	Agency or Pass-through	
Grantor program title		Number	Entity Grant Number	Expenditures
Federal Grants				
United States Department of Justice				
passed through State of Florida, Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant (JAG) Program		16.738	2019-JAGC-SEMI-5-N2	\$ 17,772
Equitable Sharing Program		16.922		38,045
United States Executive Office of the President				
passed through Seminole County Sheriff's Office				
High Intensity Drug Trafficking Areas Program		95.001	G18CF0008A	24,378
United States Department of Homeland Security				
passed through State of Florida, Division of Emergency Management				
Disaster Grants - Public Assistance*		97.036	FEMA 4337-DR-FL	1,277,114
United States Department of Agriculture				
Emergency Watershed Protection - Debris Removal and Bank Stabilization*		10.923	NR184209XXXXC034	796,706
Total federal awards				<u>\$ 2,154,015</u>

* Denotes a major program

NOTE 1 BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Winter Springs (the City) under programs of the federal government for the year ended September 30, 2019. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. 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, 2019, even if grant or loan was received subsequent to that date. Pass-through entity identifying numbers are presented where available.

NOTE 3 - INDIRECT COST RATE:

The Uniform Guidance allows an organization to elect a 10% de minimis indirect cost rate. For the year ended September 30, 2019 the City did not elect to use this rate.

NOTE 4 - SUB-RECIPIENTS:

During the year ended September 30, 2019, the City had no sub-recipients.

NOTE 5 - FEMA EXPENDITURES:

Expenditures for CFDA No. 97.036, *Disaster Grants – Public Assistance*, include \$1,277,114 of expenditures that were incurred in prior fiscal years.

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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

Federal Awards

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 2 CFR 200.516(a)?	___ Yes	<u> X </u> No

Identification of major federal programs CFDA No. 97.036 **Disaster Grants - Public Assistance**
CFDA No. 10.923 **Emergency Watershed Protection**

Dollar threshold used to distinguish between type A and type B programs \$750,000

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

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

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

Section IV - Federal Award Summary Schedule of Prior Year Findings: There were no audit findings for the year ended September 30, 2018.

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, 2019, and have issued our report thereon dated March 13, 2020.

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; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); 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 Federal Program 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 Month XX, 2020, 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.

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.b. 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.

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.

McDiarmid Davis

Orlando, Florida
March 13, 2020



934 North Magnolia Avenue, Suite 100
Orlando, Florida 32803
Tel. 407-843-5406
www.mcdermittdavis.com

**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, 2019. 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, 2019.

McDermitt Davis

Orlando, Florida
March 13, 2020



CITY OF WINTER SPRINGS, FLORIDA

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

March 9th, 2020

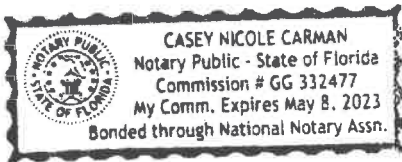
AFFIDAVIT OF IMPACT FEE COMPLIANCE

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.

Kelly Balagia
Finance Director

STATE OF FLORIDA
COUNTY OF SEMINOLE

The foregoing instrument was acknowledged before me this 9 day of March, 2020, by Kelly Balagia.



(Name of Notary Typed, Printed, or Stamped)

Personally Known OR Produced Identification _____