



**CITY OF WINTER GARDEN, FLORIDA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**



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**For The Year Ended**  
**September 30, 2019**

**Prepared by:**  
**Finance Department**

**CITY OF WINTER GARDEN, FLORIDA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For The Year Ended September 30, 2019**

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# **INTRODUCTORY SECTION**



March 25, 2020

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

City of Winter Garden

P: 407.656.4111

300 West Plant Street

Winter Garden, FL

34787

wintergarden-fl.gov

The Comprehensive Annual Financial Report (CAFR) of the City of Winter Garden, Florida (the “City”) for the fiscal year ended September 30, 2019 is hereby submitted. This report consists of management’s representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City’s financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City’s financial statements have been audited by Binney Accounting & Assurance Services, PLLC. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent certified public accountant concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City’s financial statements for the fiscal year ended September 30, 2019, are fairly presented in all material respects in conformity with GAAP. The Independent Auditor’s Report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the Independent Auditor’s Report.

## ***Profile of the City***

The City, incorporated in 1903, is located in Central Florida in West Orange County. The City experienced significant growth from 1999 to 2007, which slowed considerably for several years, but has now begun to pick up again. The City currently occupies a land area of approximately seventeen square miles and serves a population of 47,245. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Commission (the “Commission”).

The City operates under the commission-manager form of government. Policy-making and legislative authority are vested in the Commission consisting of the Mayor and four commissioners. The Commission is responsible, among other things, for passing ordinances and resolutions, adopting the budget, authorizing indebtedness, appointing advisory boards, and hiring the City Manager, City Clerk, Attorney, and Auditor. The City Manager is responsible for carrying out the policies and ordinances of the Commission, for overseeing the day-to-day operations of the City, and for appointing the heads of various departments. The Commission is elected on a non-partisan basis. Commission members serve three-year staggered terms, with the Mayor and one Commissioner elected every three years and the other three Commissioners elected the following year. The Commissioners are elected by district, and the Mayor is elected at large.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets, sidewalks, and other infrastructure; planning, community, and economic development; cemetery management and maintenance; code enforcement and building inspections; parks maintenance; and recreational activities and cultural events. In addition, the City operates four enterprises: water and sewer service, solid waste collection service, stormwater service, and management of the City owned mobile home park.

The Commission is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City’s financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may transfer resources within the same fund with approval of the City Manager. Fund revenue and expenditure amounts may be increased or decreased by formal action of the City Commission following proper public notice.

## ***Local economy***

The City’s economic environment is heavily influenced by the economy of Orlando and the Central Florida area. The unemployment rate for Orange County was 2.7 percent in 2019, as compared to 3.1 percent in 2018, and is expected to stay low in the near-term. Major industries located in Central Florida include the tourism industry, as well as digital media, software and hardware, and medical industries.

While many residents commute to jobs in Orlando and the major tourist attractions, the City maintains a diverse economy within its boundaries. In addition to an industrial component in the City's northeast area, the City has three main commercial districts:

- The downtown historical district is situated along a stretch of the 19 mile West Orange Trail, which attracts bicyclists, roller-bladers, walkers, and joggers year-round. Its brick-lined streets, decorative fountain, and clock tower give this area a quaint, small town feel. The district boasts a number of specialty shops, restaurants, museums, offices, an historic hotel, and an historic theatre.
- The State Road 50 corridor is the major thoroughfare through the City and home to a number of major and specialty retail stores, offices, fast-food and full-service restaurants, and financial institutions.
- Winter Garden Village at Fowler Groves (the "Mall") is a 1.15 million square foot regional open-air shopping center on 175 acres in the City's southern area, the largest of its kind in Central Florida. It draws shoppers from all of West Orange County in addition to providing convenient shopping for local residents, and contains a mix of big-box, specialty shops, financial institutions, and more than 20 eateries.

### ***Long-term financial planning***

Unassigned fund balance in the General Fund as a percentage of total expenditures was 70% as of September 30, 2019, which is above management's target level of 30%. While the City has undertaken several major capital projects in recent years using General Fund dollars, other funding sources will need to be utilized for such projects in future years. In order to keep fund balance in line with the target level, difficult decisions will need to be made regarding the allocation of available dollars among the various services the City provides to its citizens.

### ***Relevant financial policies***

Given the expectation of rising interest rates in the near future, durations of investments were held fairly constant during the fiscal year. Effective durations at the beginning of the fiscal year were 1.86 years for the governmental fund portfolio and 1.84 years for the enterprise fund portfolio, and 1.81 years and 1.84 years at the end of the fiscal year, respectively.

The City provides postemployment healthcare benefits in the form of an implied rate subsidy for group health insurance for retirees and their dependents. In addition, the City pays a portion of the health premium for retirees meeting certain criteria. As of the end of the current fiscal year there were 22 retired employees receiving these benefits, of which the City was paying a portion of the premiums for 18. These benefits are financed on a pay-as-you-go basis. The Governmental Accounting Standards Board (GASB) Statement Number 75 requires governments to report a liability in the financial statements in connection with the obligation to provide these benefits. The liability reported by the City in 2019 for these benefits is \$8,997,892.

### ***Major initiatives***

The following projects were and are being funded primarily from the General Fund.

The City has been working on the development of the City-owned Tucker Ranch, a 209-acre property on the west side of Avalon Road, boasting an impressive oak hammock. The ranch will be developed into a regional park with trails, camping, a 15-acre working farm and access to John's Lake for canoeing.

The City has also been working on the Dillard Street Redesign which includes state-of-the-art complete street practices spanning from Plant Street to Colonial Drive (SR50). This one-mile corridor is an important gateway into historic downtown Winter Garden. The project design removes two lanes from the current five-lane section to incorporate three roundabouts, a bike trail and onstreet parking. The City has started the design and engineering phase of the project in FY2019 and the actual construction of the project is budgeted to commence in FY2020.

### ***Awards and Acknowledgements***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended September 30, 2018. This was the thirteenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR that satisfied both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the Department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

*Michael Bollhoefer*

Michael L. Bollhoefer, C.P.A.  
City Manager

*Laura Zielonka*

Laura L. Zielonka, C.P.A.  
Finance Director



Government Finance Officers Association

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

Presented to

**City of Winter Garden  
Florida**

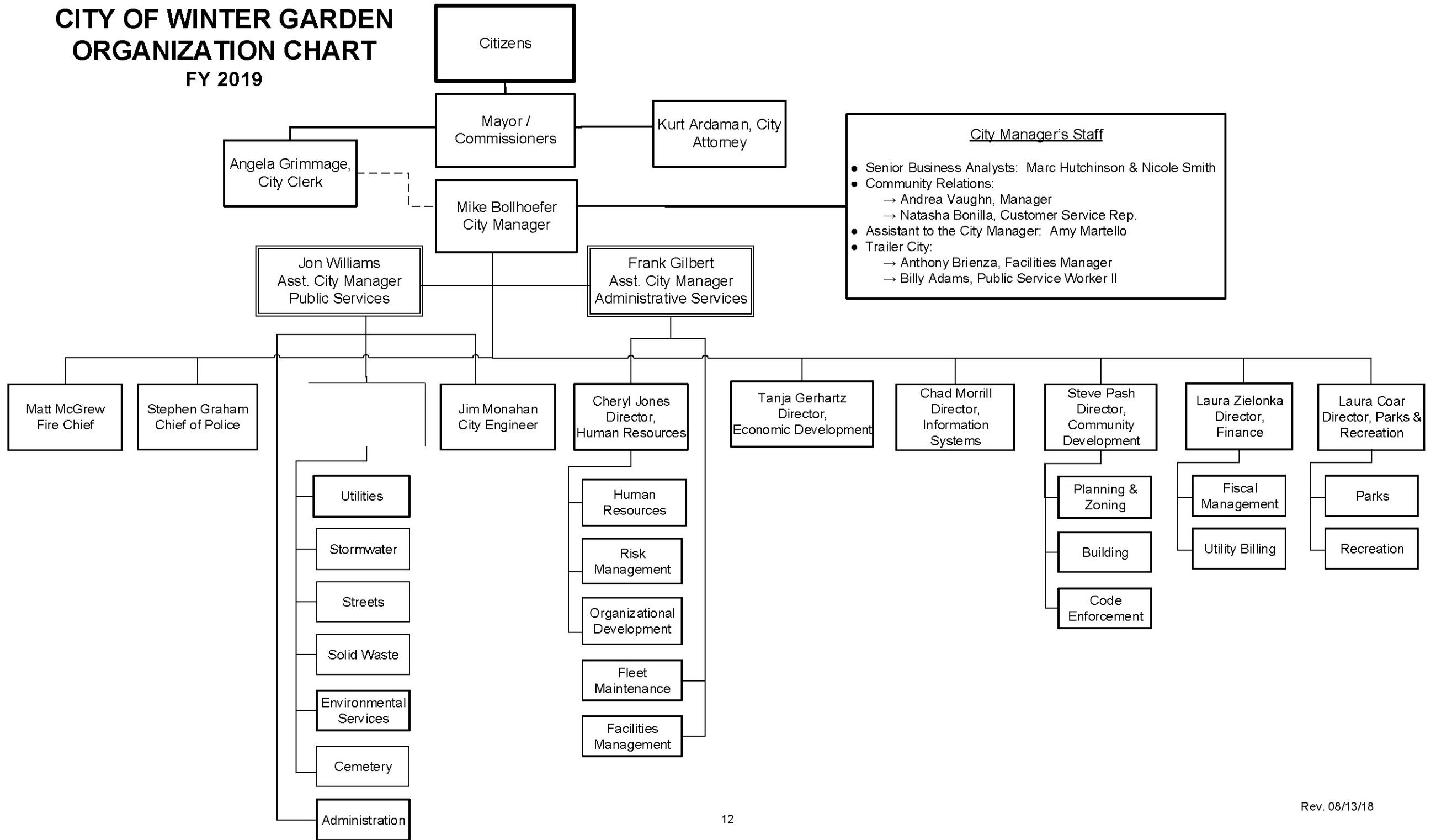
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2018**

*Christopher P. Morill*

Executive Director/CEO

# CITY OF WINTER GARDEN ORGANIZATION CHART FY 2019



- City Manager's Staff**
- Senior Business Analysts: Marc Hutchinson & Nicole Smith
  - Community Relations:
    - Andrea Vaughn, Manager
    - Natasha Bonilla, Customer Service Rep.
  - Assistant to the City Manager: Amy Martello
  - Trailer City:
    - Anthony Brienza, Facilities Manager
    - Billy Adams, Public Service Worker II

**CITY OF WINTER GARDEN, FLORIDA**  
**LIST OF ELECTED AND APPOINTED OFFICIALS**  
**As of September 30, 2019**

Elected Officials

Mayor	John Rees
City Commissioner—District 1	Lisa Bennett
City Commissioner—District 2	James R. Buchanan
City Commissioner—District 3	Mark A. Maciel
City Commissioner—District 4	Colin P. Sharman

Appointed Officials

City Manager	Michael L. Bollhoefer
Assistant City Manager - Administrative Services	Frank Gilbert
Assistant City Manager - Public Services	Jon Williams
City Clerk	Angela Grimmage
City Attorney	A. Kurt Ardaman
Economic Development Director	Tanja Gerhartz
Finance Director	Laura Zielonka
Information Technology Director	Chad Morrill
Community Development Director	Stephen Pash
Police Chief	Stephen Graham
Fire Chief	Matt McGrew
Parks and Recreation Director	Laura Coar



WINTER GARDEN

**FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Winter Garden, Florida (the "City"), as of and for the fiscal year ended September 30, 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 City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2019, and the respective changes in financial position, and where applicable, cash flows thereof, and the respective budgetary comparison for the general and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, 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, other supplementary information section, and statistical section, as listed in the table of contents and the Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") as required by the audit requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information and the Schedule are 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 other supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Binney Accounting and  
Assurance Services, PLLC*

Clermont, Florida  
March 25, 2020

## MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

As management of the City of Winter Garden (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 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 7-10 of this report.

### Financial Highlights

- The assets and deferred outflows of resources for the City exceeded the liabilities and deferred inflows of resources on September 30, 2019 by \$276,221,464. The unrestricted net position on this date was \$66,728,310. These funds are available to meet the ongoing obligations of the City.
- The net position of governmental activities on September 30, 2019 equaled \$152,934,406. Of this amount, \$40,527,935 was unrestricted. The net position of business-type activities equaled \$123,287,058. Of this amount \$26,200,375 was unrestricted.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$63,296,897. Of this amount, \$26,160,155 is available for spending at the City's discretion (unassigned fund balance).
- Unassigned fund balance in the General Fund was \$26,160,155 at the end of the fiscal year, or 70 percent of total expenditures.
- Net position in the Pension Trust Fund for General Employees increased \$982,444. Net position restricted in the Pension Trust Fund for Firefighters and Police Officers increased \$2,062,354 for a total fiduciary fund increase of \$3,044,798.

### Overview of the Financial Statements

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

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

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as

the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, physical environment, transportation, economic environment, public assistance, and culture and recreation. The business-type activities of the City include water and sewer services, solid waste collection, stormwater services, and management of the City owned mobile home park.

The government-wide financial statements can be found on pages 29-31 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Redevelopment Agency Fund, and the Impact Fee Fund all of which are considered to be major funds. Data from the other seven funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements and schedules have been provided for these funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 32-41 of this report.

***Proprietary Funds.*** These Funds, also known as Enterprise Funds, are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer utility, solid waste collection operation, stormwater utility, and the City owned mobile home park.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utility, solid waste collection operation, stormwater utility, and the City owned mobile home park. The water and sewer utility and the solid waste collection operation are considered major funds of the City.

The basic proprietary fund financial statements can be found on pages 42-44 of this report.

***Fiduciary Funds.*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 45-46 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 47-85 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on pages 86-93 of this report.

The other supplementary information referred to earlier in connection with nonmajor governmental and enterprise funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 95-110 of this report.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded

liabilities and deferred inflows of resources by \$276,221,464 at the close of the most recent fiscal year. The City's increase in net position for this fiscal year amounts to \$15,538,819.

The largest portion of the City's net position reflects its net investment in capital assets, (e.g., land, buildings, improvements, and equipment), used to acquire those assets that is still outstanding. They make up \$193,894,888 or 70 percent of total net position. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

**CITY OF WINTER GARDEN'S Net Position**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current and other assets	\$70,111,158	\$62,782,244	\$34,487,218	\$34,912,212	\$104,598,376	\$97,694,456
Capital assets	116,970,825	114,257,683	100,092,845	95,227,186	217,063,670	209,484,869
Total assets	187,081,983	177,039,927	134,580,063	130,139,398	321,662,046	307,179,325
Deferred Outflows	2,004,936	2,703,653	233,825	332,599	2,238,761	3,036,252
Long-term liabilities outstanding	28,201,723	28,576,837	7,390,734	7,960,974	35,592,457	36,537,811
Other liabilities	4,813,646	5,760,236	3,677,750	3,228,444	8,491,396	8,988,680
Total liabilities	33,015,369	34,337,073	11,068,484	11,189,418	44,083,853	45,526,491
Deferred Inflows	3,137,144	3,546,666	458,346	459,775	3,595,490	4,006,441
Net position:						
Net investment in capital assets	98,171,951	96,106,307	95,722,937	90,054,786	193,894,888	186,161,093
Restricted	14,234,520	13,464,500	1,363,746	5,099,678	15,598,266	18,564,178
Unrestricted	40,527,935	32,289,034	26,200,375	23,668,340	66,728,310	55,957,374
Net position, Restated	\$152,934,406	\$141,859,841	\$123,287,058	\$118,822,804	\$276,221,464	\$260,682,645

An additional portion of the City's net position (six percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$66,728,310) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

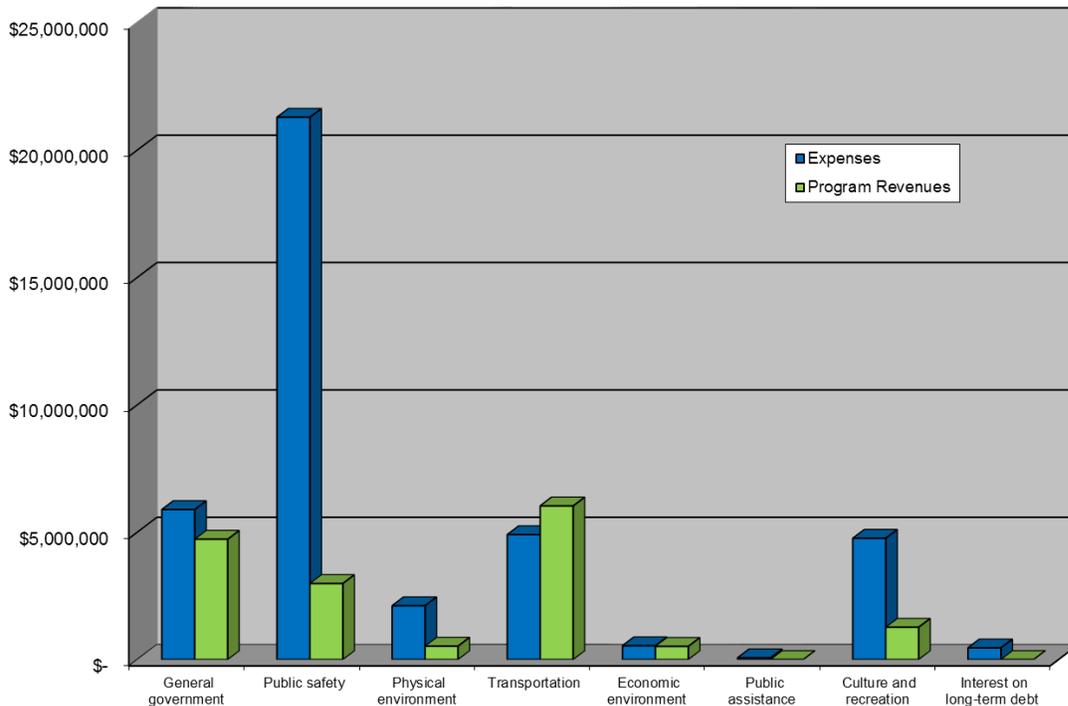
The City's net position increased by \$15,538,819 during the current fiscal year. The majority of this increase is mostly due to capital asset additions greater than depreciation for both governmental and business-type activities.

**CITY OF WINTER GARDEN'S Changes in Net Position**

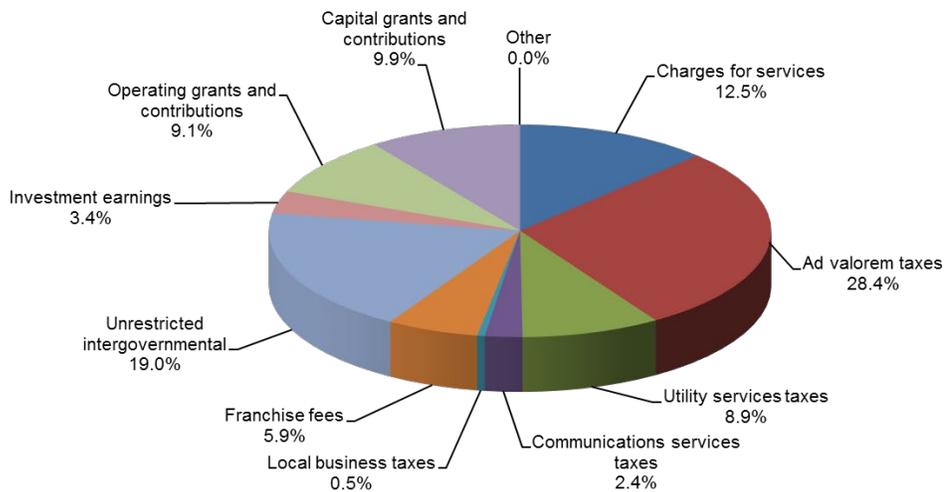
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Revenues:						
Program revenues:						
Charges for services	\$6,377,084	\$5,745,708	\$18,949,885	\$18,541,194	\$25,326,969	\$24,286,902
Operating grants and contributions	4,628,875	3,240,974	948,037	-	5,576,912	3,240,974
Capital grants and contributions	5,044,777	5,206,975	3,879,743	5,295,230	8,924,520	10,502,205
General revenues:						
Ad valorem	14,525,067	12,430,487			14,525,067	12,430,487
Utility service taxes	4,554,033	4,102,963			4,554,033	4,102,963
Communication services						
Taxes	1,225,583	1,229,609			1,225,583	1,229,609
Local business tax	249,981	257,642			249,981	257,642
Franchise fees	3,013,656	2,694,094			3,013,656	2,694,094
Unrestricted intergovernmental	9,715,786	9,150,856			9,715,786	9,150,856
Investment earnings	1,739,481	231,104	1,320,009	117,329	3,059,490	348,433
Gain on sale of capital assets	21,830	38,308	1,373,844	2,639	1,395,674	40,947
Other	-	-			-	-
Total revenues	<u>51,096,153</u>	<u>44,328,720</u>	<u>26,471,518</u>	<u>23,956,392</u>	<u>77,567,671</u>	<u>68,285,112</u>
Expenses:						
General government	5,887,603	3,160,329			5,887,603	3,160,329
Public safety	21,290,810	18,271,961			21,290,810	18,271,961
Physical environment	2,112,580	965,509			2,112,580	965,509
Transportation	4,905,134	2,858,115			4,905,134	2,858,115
Economic environment	540,132	123,541			540,132	123,541
Public assistance	66,140	64,957			66,140	64,957
Culture and recreation	4,761,444	7,828,330			4,761,444	7,828,330
Interest on long-term debt	457,745	478,628			457,745	478,628
Water and sewer			14,584,770	14,098,897	14,584,770	14,098,897
Solid Waste			5,937,060	5,467,844	5,937,060	5,467,844
Stormwater			1,238,841	1,154,476	1,238,841	1,154,476
Mobile home lot rentals			246,593	254,513	246,593	254,513
Total expenses	<u>40,021,588</u>	<u>33,751,370</u>	<u>22,007,264</u>	<u>20,975,730</u>	<u>62,028,852</u>	<u>54,727,100</u>
Increase (decrease) in net position	11,074,565	10,577,350	4,464,254	2,980,662	15,538,819	13,558,012
Net position - beginning	141,859,841	131,282,491	118,822,804	115,842,142	260,682,645	247,124,633
Net position - ending	<u>\$152,934,406</u>	<u>\$141,859,841</u>	<u>\$123,287,058</u>	<u>\$118,822,804</u>	<u>\$276,221,464</u>	<u>\$260,682,645</u>

**Governmental activities.** Governmental activities increased the City’s net position by \$11,074,565. A key element of this increase was due to general revenues exceeding expenditures by \$8,177,616. The City’s main source of revenue comes from tax revenues which totaled \$20,554,664, and from intergovernmental revenues which totaled \$13,102,802.

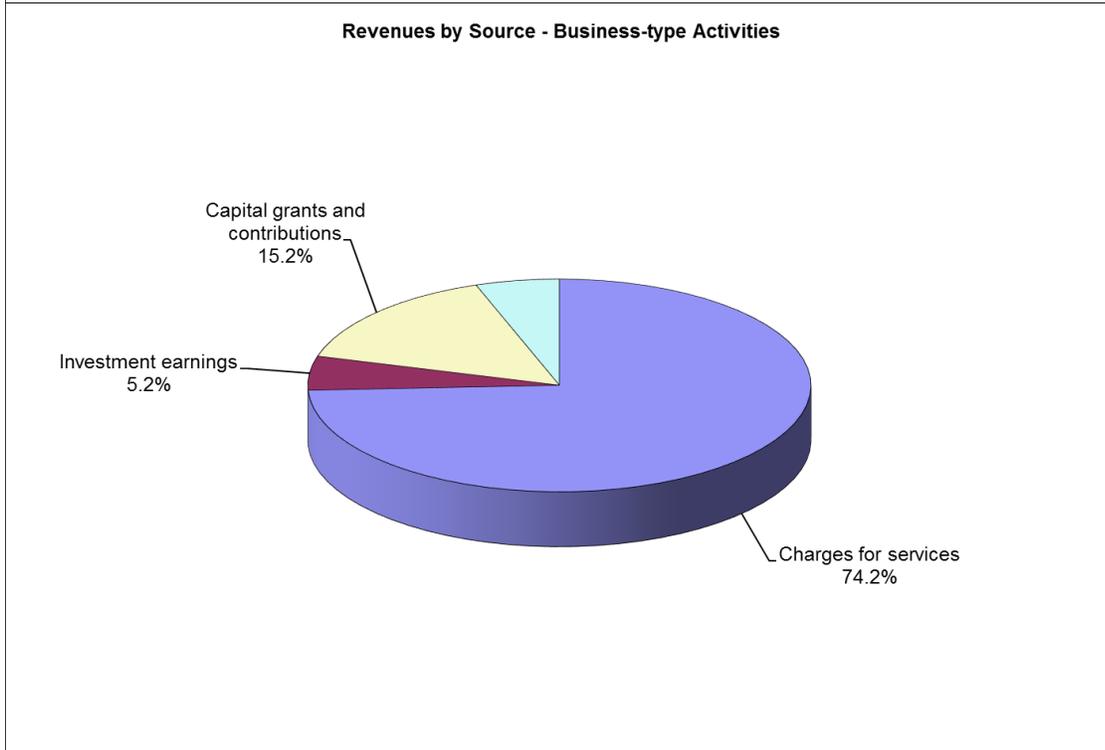
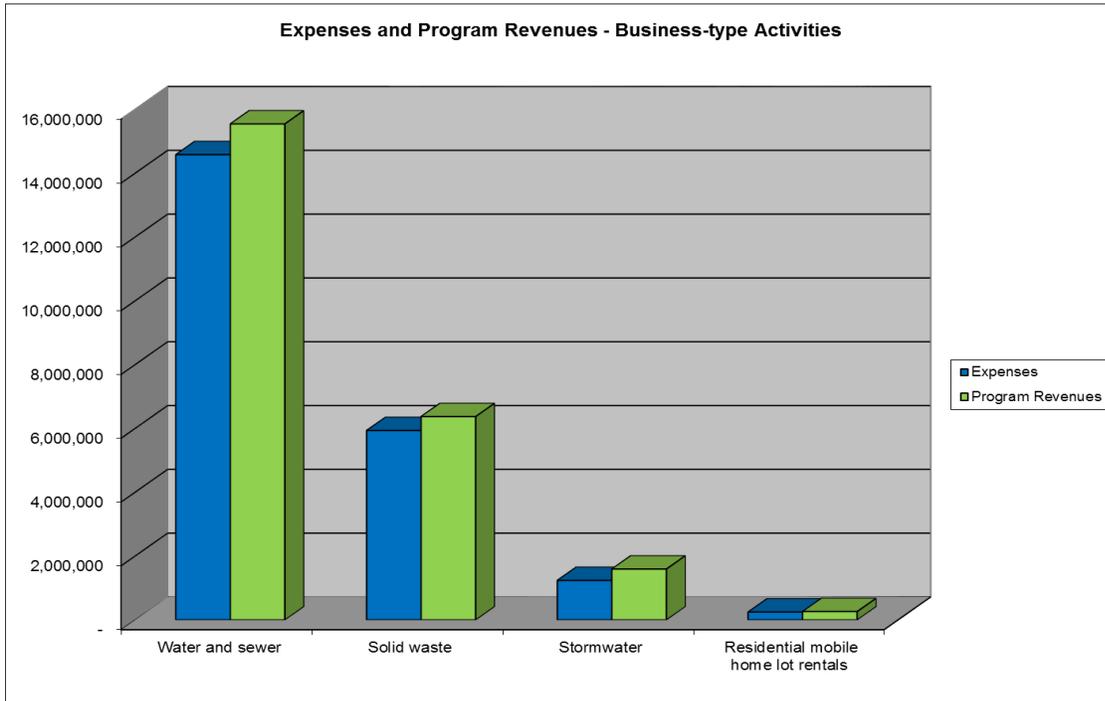
### Expenses and Program Revenues - Governmental Activities



### Revenues by Source - Governmental Activities



**Business-type activities.** Business-type activities increased the City's net position by \$4,464,254. The City experienced new construction during the current fiscal year, resulting in the collection of \$1,515,778 for water and sewer impact fees, plus \$1,722,277 for developer contributed subdivision assets. While these funds are used for major capital purchased, the related assets are depreciated over many years.



## Financial Analysis of the City's Funds

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

**Governmental funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The City's governmental funds reported combined ending fund balances of \$63,296,897 at September 30, 2019, which consisted of \$263,314 in nonspendable, \$14,829,482 in restricted, \$22,043,946 in committed, and \$26,160,155 in unassigned fund balance. The fund balance is a net increase of \$8,199,446 from the reported fund balance of \$55,097,451 in the prior year. This increase is due in large part to the \$6,630,253 increase in the General Fund fund balance and the \$1,722,577 increase in the Impact Fee fund.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$26,160,155, while total fund balance was \$33,765,416. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 70 percent of General Fund expenditures, while total fund balance represents 90 percent of the same amount.

The fund balance of the City's General Fund increased by \$6,630,253 during the current fiscal year. There are two main reasons for the increase in the fund balance. The first key factor is that total General Fund revenues of \$44,229,457 exceeded General Fund expenditures of \$36,474,808 by \$7,754,649. The millage rate remained unchanged, however, the Ad Valorem taxes were up \$2,094,580 from FY2018 due to an increase in value of taxable property. The second key factor for the significant change in fund balance is due to the timing of planned capital projects, causing expenditures to be \$7,345,512 lower than the budgeted allocation.

The Community Redevelopment Agency Fund is used to account for receipts of tax increment revenues from Orange County and the City and to account for expenditures for the redevelopment of the community redevelopment area. Fund balance increased \$389,577 in this fund. The key factor in this increase was due to timing of planned capital projects which caused expenditures to be \$647,596 lower than the budgeted amount.

The Impact Fee Fund is used to account for the receipt of police, fire, road, and recreation impact fees. The purpose of an impact fee is to assign, to the extent practical, growth-related capital costs to those new residents and businesses responsible for such costs. These fees are segregated by function (police, fire, road, and recreation) and are required to be used for capital projects and equipment purchases related to growth within each function. Fund balance increased \$1,722,577 in this fund largely due to impact fee revenues from Fire and Police impact fees of \$307,113 and

\$220,993 respectively and Recreation impact fees of \$473,117. The road impact fee revenues totaled \$1,738,371 for the fiscal year 2019.

**Proprietary funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail.

Unrestricted net position of the Water and Sewer Utility Fund at the end of the year amounted to \$19,875,638. Total growth in net position for this fund was \$2,050,694 which is a 2% increase. Factors concerning this increase have already been addressed in the discussion of the City's business-type activities. Unrestricted net position in the Solid Waste Fund at the end of the year amounted to \$2,083,169, with an increase in net position of \$536,760 due to revenues exceeding expenditures.

### **General Fund Budgetary Highlights**

Total General Fund revenues budget was increased by \$6,167,775 largely due to the Carryforward budget to carry forward prior year appropriations for projects, machinery and equipment and other items budgeted but not purchased and projects budgeted but not completed by fiscal year ending FY 2018. These increases can be summarized as follows:

- \$1,947,195 increase in transportation activities. This was primarily due to the carryforward budget requests. The project to do the design/engineering for the Dillard street improvements from SR50 to Plant Street for \$1,124,195 was approved to carryforward as well as the \$400,000 budget for the West Orange Trail enhancement.
- \$626,179 increase in general government activities. There are three large projects as the main reasons for this increase. The \$100,000 budget for the Fiber Internet Connection was carried forward from FY2018 budget, \$126,277 was carried forward for the wayfinding signage project, as well as \$116,107 for the Tremaine/Boyd cleanup project.
- \$3,332,558 increase in culture and recreation activities. This was largely due to the \$1,700,000 grant that was approved during the FY2018 from the West Orange Health District for the Tucker Ranch Farm. The rest of the increase was largely due to the carry forward of budgeted projects that were not complete including improvements to the Tucker Ranch park for \$926,812, the Newton Park Pier Replacement for \$210,000, and the 9<sup>th</sup> Street Community Farm and Pavilion for \$225,000.

### **Capital Asset and Debt Administration**

**Capital assets.** The City's investment in capital assets for its governmental and business-type activities as of September 30, 2019 amounts to \$217,063,670 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and construction work in progress. The total increase in the City's investment in capital assets for the current fiscal year was 3.6 percent (a 2.4 percent increase for governmental activities and a 5.1 percent increase for business-type activities).

**CITY OF WINTER GARDEN'S Capital Assets**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
Land	\$26,790,075	\$1,024,601	\$27,814,676
Buildings	38,196,982	6,968,251	45,165,233
Improvements other than buildings	18,684,246	27,407,343	46,091,589
Machinery and equipment	19,287,374	11,882,252	31,169,626
Infrastructure	72,347,414	108,967,784	181,315,198
Construction work in progress	5,771,094	10,219,159	15,990,253
Less: accumulated depreciation	(64,106,360)	(66,376,545)	(130,482,905)
Net capital assets	<u>\$116,970,825</u>	<u>\$100,092,845</u>	<u>\$217,063,670</u>

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

- The Stoneybrook West Parkway/Roberson Road/Windermere Road Roundabout improvements were completed this fiscal year, changing this intersection from being signalized to a round-about. Work consisted of utility relocations and stormwater collection installations, with a final cost to the City of \$1,248,555 after factoring in the \$750,000 payment share received from Orange County last fiscal year.
- The Fire Department purchased a new Pierce Ladder Truck to maintain their commitment to the safety of our citizens. The truck was purchased for \$1,076,125 and it can serve as both an engine and an aerial ladder, providing 110' of vertical reach and 90' of horizontal reach during emergency fire events.
- The City received \$4,564,000 in donated infrastructure assets from the developer of the McAllister Landing community. The assets received included roads, stormwater collection features and utility lines.

Additional information on the City's capital assets can be found in note *IV.C*.

**Long-term debt.** At the end of the current fiscal year, the City had total debt outstanding of \$21,772,909. The debt represents debt secured solely by specified revenue sources.

**CITY OF WINTER GARDEN'S Outstanding Debt, at year end**

Governmental Revenue Bonds:	
Parking Garage and other Downtown Projects	8,866,000
Refinance City Hall Loan	8,537,000
Sub-total	<u>17,403,000</u>
Business Type Notes from Direct Borrowings:	
2004 SRF Loan	343,060
2003 SRF Loan	3,396,767
2001 SRF Loan	630,082
Sub-total	<u>4,369,909</u>
Total	<u><u>\$21,772,909</u></u>

The City's total debt decreased by (\$1,618,491), (7) percent, during the current fiscal year due to the payment of the principal due on the revenue bonds.

There are no limitations placed upon the amount of debt the City may issue either by the City's Charter, Code of Ordinances, or Florida Statutes. The City's Charter requires a voter referendum for general obligation bonds.

Additional information on the City's long-term liabilities can be found in Note *IV.F* in the notes to the financial statements.

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

The City has experienced moderate growth over the past several years, thus the costs of providing governmental services have likewise been increasing. For fiscal year 2020, the City maintained its millage rate of 4.5000. During the budget process for fiscal year 2020, department heads focused on controlling costs and were successful in doing so.

### **Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, Fiscal Management Division, 300 West Plant Street, Winter Garden, Florida, 34787.

# **BASIC FINANCIAL STATEMENTS**

**City of Winter Garden, Florida**  
**Statement of Net Position**  
**September 30, 2019**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 9,535,357	\$ 771,915	\$ 10,307,272
Receivables (net of allowance for uncollectibles)	777,908	2,685,962	3,463,870
Internal balances	-	951,239	951,239
Due from other governmental units	1,397,459	-	1,397,459
Inventories	25,509	407,473	432,982
Investments	56,938,952	25,680,749	82,619,701
Prepaid items	40,099	-	40,099
Restricted cash, cash equivalents, and investments	-	3,989,880	3,989,880
Net pension asset	1,395,874	-	1,395,874
Capital assets (net of accumulated depreciation):			
Land	26,790,075	1,024,601	27,814,676
Buildings	26,060,716	1,877,907	27,938,623
Improvements other than buildings	10,290,356	10,271,978	20,562,334
Machinery and equipment	5,483,774	4,027,056	9,510,830
Infrastructure	42,574,810	72,672,144	115,246,954
Construction work in progress	5,771,094	10,219,159	15,990,253
Total assets	<u>187,081,983</u>	<u>134,580,063</u>	<u>321,662,046</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows for pensions	<u>2,004,936</u>	<u>233,825</u>	<u>2,238,761</u>
Total deferred outflows of resources	<u>2,004,936</u>	<u>233,825</u>	<u>2,238,761</u>
<b>LIABILITIES</b>			
Accounts payable	1,797,874	832,606	2,630,480
Due to other governmental units	199,295	840	200,135
Accrued interest payable	-	28,978	28,978
Accrued wages payable	610,920	106,912	717,832
Deposits	922,206	-	922,206
Unearned revenue	1,278,294	104,243	1,382,537
Other current liabilities	5,057	-	5,057
Liabilities payable from restricted assets	-	2,604,171	2,604,171
Noncurrent liabilities:			
Due within one year	1,086,380	869,870	1,956,250
Due in more than one year	<u>27,115,343</u>	<u>6,520,864</u>	<u>33,636,207</u>
Total liabilities	<u>33,015,369</u>	<u>11,068,484</u>	<u>44,083,853</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows for other postemployment benefits	1,827,650	457,064	2,284,714
Deferred inflows for pensions	<u>1,309,494</u>	<u>1,282</u>	<u>1,310,776</u>
Total deferred inflows of resources	<u>3,137,144</u>	<u>458,346</u>	<u>3,595,490</u>
<b>NET POSITION</b>			
Net investment in capital assets	98,171,951	95,722,937	193,894,888
Restricted for:			
Public safety	246,085	-	246,085
Television production equipment	28,440	-	28,440
Transportation	7,241,450	-	7,241,450
Recreation	220,000	-	220,000
Enforcement of Florida Building Code	6,498,545	-	6,498,545
Debt service	-	560,282	560,282
Capital projects	-	803,464	803,464
Unrestricted	<u>40,527,935</u>	<u>26,200,375</u>	<u>66,728,310</u>
Total net position	<u>\$ 152,934,406</u>	<u>\$ 123,287,058</u>	<u>\$ 276,221,464</u>

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

**City of Winter Garden, Florida**  
**Statement of Activities**  
**For the Year Ended September 30, 2019**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Indirect Expenses Allocation</b>	<b>Program Revenues</b>		
			<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
Governmental activities:					
General government	\$ 7,421,064	\$ (1,533,461)	\$ 3,451,388	\$ 1,236,923	\$ 35,008
Public safety	21,290,810	-	1,330,596	1,126,912	528,106
Physical environment	2,845,473	(732,893)	459,589	65,931	-
Transportation	4,905,134	-	443,805	1,579,027	4,008,547
Economic environment	540,132	-	-	517,276	-
Public assistance	66,140	-	-	-	-
Culture and recreation	4,761,444	-	691,706	102,806	473,116
Interest on long-term debt	457,745	-	-	-	-
Total governmental activities	<u>42,287,942</u>	<u>(2,266,354)</u>	<u>6,377,084</u>	<u>4,628,875</u>	<u>5,044,777</u>
Business-type activities:					
Water and sewer	13,179,045	1,405,725	11,668,556	-	3,879,743
Solid waste	5,262,684	674,376	5,425,535	948,037	-
Stormwater	1,069,945	168,896	1,594,652	-	-
Residential mobile home lot rentals	229,236	17,357	261,142	-	-
Total business-type activities	<u>19,740,910</u>	<u>2,266,354</u>	<u>18,949,885</u>	<u>948,037</u>	<u>3,879,743</u>
Total Functions/Programs	<u>\$ 62,028,852</u>	<u>\$ -</u>	<u>\$ 25,326,969</u>	<u>\$ 5,576,912</u>	<u>\$ 8,924,520</u>

General revenues:  
Taxes:  
  Ad valorem  
  Utility services  
  Communications services  
  Local business  
  Franchise fees  
  Unrestricted intergovernmental  
  Investment earnings  
  Gain on sale of capital assets  
  Total general revenues  
Change in net position  
Net position—beginning  
Net position—ending

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

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

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (1,164,284)	\$ -	\$ (1,164,284)
(18,305,196)	-	(18,305,196)
(1,587,060)	-	(1,587,060)
1,126,245	-	1,126,245
(22,856)	-	(22,856)
(66,140)	-	(66,140)
(3,493,816)	-	(3,493,816)
(457,745)	-	(457,745)
<u>(23,970,852)</u>	<u>-</u>	<u>(23,970,852)</u>
-	963,529	963,529
-	436,512	436,512
-	355,811	355,811
-	14,549	14,549
-	1,770,401	1,770,401
<u>(23,970,852)</u>	<u>1,770,401</u>	<u>(22,200,451)</u>
14,525,067	-	14,525,067
4,554,033	-	4,554,033
1,225,583	-	1,225,583
249,981	-	249,981
3,013,656	-	3,013,656
9,715,786	-	9,715,786
1,739,481	1,320,009	3,059,490
21,830	1,373,844	1,395,674
<u>35,045,417</u>	<u>2,693,853</u>	<u>37,739,270</u>
11,074,565	4,464,254	15,538,819
<u>141,859,841</u>	<u>118,822,804</u>	<u>260,682,645</u>
<u>\$ 152,934,406</u>	<u>\$ 123,287,058</u>	<u>\$ 276,221,464</u>

**City of Winter Garden, Florida  
Balance Sheet  
Governmental Funds  
September 30, 2019**

	<b>General</b>	<b>Community Redevelopment Agency</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,118,849	\$ 745,602
Receivables (net of allowance for uncollectibles)	777,908	-
Advances to other funds	223,215	-
Due from other governmental units	747,197	-
Investments	34,680,388	640,936
Prepaid items	40,099	-
Total assets	\$ 38,587,656	\$ 1,386,538
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>		
Liabilities:		
Accounts payable	\$ 1,743,469	\$ -
Due to other governmental units	199,295	-
Accrued wages payable	610,920	-
Deposits	922,206	-
Unearned revenue	1,278,294	-
Other current liabilities	5,057	-
Advances from other funds	-	223,215
Total liabilities	4,759,241	223,215
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue	62,999	-
Total Deferred Inflows of Resources	62,999	-
Fund balances:		
Nonspendable:		
Advances to other funds	223,215	-
Prepaid items	40,099	-
Restricted for:		
Law enforcement	-	-
Television production equipment	28,440	-
Enforcement of Florida Building Code	6,498,545	-
Recreation	220,000	-
Cemetery	594,962	-
Transportation projects	-	1,163,323
Committed to:		
Law enforcement	-	-
Fire control	-	-
Recreation	-	-
Transportation projects	-	-
Unassigned	26,160,155	-
Total fund balances	33,765,416	1,163,323
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 38,587,656</b>	<b>\$ 1,386,538</b>

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

Impact Fee Fund	Other Governmental Funds	Total Governmental Funds
\$ 5,349,888	\$ 1,321,018	\$ 9,535,357
-	-	777,908
-	-	223,215
-	650,262	1,397,459
16,687,504	4,930,124	56,938,952
-	-	40,099
<u>\$ 22,037,392</u>	<u>\$ 6,901,404</u>	<u>\$ 68,912,990</u>
\$ 27,304	\$ 27,101	\$ 1,797,874
-	-	199,295
-	-	610,920
-	-	922,206
-	-	1,278,294
-	-	5,057
-	-	223,215
<u>27,304</u>	<u>27,101</u>	<u>5,036,861</u>
-	516,233	579,232
-	516,233	579,232
-	-	223,215
-	-	40,099
-	246,085	246,085
-	-	28,440
-	-	6,498,545
-	-	220,000
-	-	594,962
-	6,078,127	7,241,450
1,026,763	-	1,026,763
2,206,637	-	2,206,637
959,226	-	959,226
17,817,462	33,858	17,851,320
-	-	26,160,155
<u>22,010,088</u>	<u>6,358,070</u>	<u>63,296,897</u>
<u>\$ 22,037,392</u>	<u>\$ 6,901,404</u>	<u>\$ 68,912,990</u>

**City of Winter Garden, Florida**  
**Reconciliation of the Balance Sheet of**  
**Governmental Funds to the Statement of Net Position**  
**September 30, 2019**

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

Fund balances-total governmental funds	\$ 63,296,897
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	116,970,825
Inventories are recognized as an expenditure at the time of purchase in the governmental funds.	25,509
The pension assets resulting from contributions in excess of the annual required contribution in previous years are not financial resources and therefore are not reported in the funds.	1,395,874
Earned but unavailable revenue is recognized as a deferred inflow in the governmental funds on the funds statement, but is converted to revenues in the Statement of Activities. No longer unavailable revenue in full accrual statement.	579,232
Deferred outflows and inflows of resources related to pension and other postemployment benefits are applicable to future periods and, are not reported in governmental funds	
Deferred outflows of resources for pensions	2,004,936
Deferred inflows of resources for other postemployment benefits	(1,827,650)
Deferred inflows of resources for pensions	(1,309,494)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(28,201,723)</u>
Net position of governmental activities	<u>\$ 152,934,406</u>

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



# WINTER GARDEN

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

	<u>General</u>	<u>Community Redevelopment Agency</u>
<b>REVENUES</b>		
Taxes:		
Ad valorem	\$ 14,525,067	\$ -
Utility services	4,554,033	-
Communications services	1,225,583	-
Local business	249,981	-
Permits, fees, and special assessments	5,679,476	-
Intergovernmental	10,397,627	517,276
Charges for services	4,377,195	-
Fines and forfeits	25,423	-
Investment earnings	1,451,147	53,075
Rents and royalties	355,302	-
Contributions and donations	1,241,860	-
Other	146,763	-
Total revenues	<u>44,229,457</u>	<u>570,351</u>
<b>EXPENDITURES</b>		
Current:		
General government	5,437,540	-
Public safety	21,049,760	-
Physical environment	2,012,043	-
Transportation	3,308,017	-
Economic environment	278,594	27,284
Public assistance	66,140	-
Culture and recreation	4,322,714	-
Debt service:		
Principal	-	-
Interest	-	5,914
Total expenditures	<u>36,474,808</u>	<u>33,198</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,754,649</u>	<u>537,153</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	-	497,593
Transfers out	(1,146,226)	(645,169)
Sale of capital assets	21,830	-
Total other financing sources and (uses)	<u>(1,124,396)</u>	<u>(147,576)</u>
Net change in fund balances	6,630,253	389,577
Fund balances—beginning	27,135,163	773,746
Fund balances—ending	<u>\$ 33,765,416</u>	<u>\$ 1,163,323</u>

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

<b>Impact Fee Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ 14,525,067
-	-	4,554,033
-	-	1,225,583
-	-	249,981
2,739,593	-	8,419,069
-	2,187,899	13,102,802
-	-	4,377,195
-	26,008	51,431
788,730	235,259	2,528,211
-	-	355,302
-	-	1,241,860
-	-	146,763
<u>3,528,323</u>	<u>2,449,166</u>	<u>50,777,297</u>
-	-	5,437,540
77,939	721,773	21,849,472
-	-	2,012,043
1,727,807	2,296,325	7,332,149
-	-	305,878
-	-	66,140
-	-	4,322,714
-	816,000	816,000
-	451,831	457,745
<u>1,805,746</u>	<u>4,285,929</u>	<u>42,599,681</u>
<u>1,722,577</u>	<u>(1,836,763)</u>	<u>8,177,616</u>
-	1,293,802	1,791,395
-	-	(1,791,395)
-	-	21,830
-	1,293,802	21,830
<u>1,722,577</u>	<u>(542,961)</u>	<u>8,199,446</u>
<u>20,287,511</u>	<u>6,901,031</u>	<u>55,097,451</u>
<u>\$ 22,010,088</u>	<u>\$ 6,358,070</u>	<u>\$ 63,296,897</u>

**City of Winter Garden, Florida**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended September 30, 2019**

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

Net change in fund balances—total governmental funds	\$ 8,199,446
Governmental funds report revenues earned during the period but not yet available as a deferred inflow. However, in the statement of activities revenues are reported when earned.	(37,147)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	2,745,690
The pension assets resulting from contributions in excess of the annual required contribution in previous years are not financial resources and therefore are not reported in the funds. Net change in pension assets	103,891
In the statement of activities, only the gain on the sale or scrap of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.	(32,548)
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. Repayment of principal of long-term debt	816,000
Deferred outflows and inflows of resources related to pension and other postemployment benefits are applicable to future periods and, are not reported in governmental funds Net change in deferred outflows Net change in deferred inflows	(698,717) 409,522
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 such as compensated absences and other postemployment benefits. Governmental funds also report City pension contributions as expenditures. In the Statement of Activities, the cost of pension benefits earned net of contributions is reported as pension expense.	(440,886)
In the governmental funds, purchases of inventories are reported as expenditures, whereas in the Statement of Activities, only the change in the balance of inventories is expensed.	9,314
Change in net position of governmental activities	\$ 11,074,565

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

**City of Winter Garden, Florida**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended September 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem	\$ 14,531,796	\$ 14,531,796	\$ 14,525,067	\$ (6,729)
Utility services	3,922,322	3,922,322	4,554,033	631,711
Communications services	1,203,198	1,203,198	1,225,583	22,385
Local business	204,416	204,416	249,981	45,565
Permits, fees, and special assessments	4,749,106	4,749,106	5,679,476	930,370
Intergovernmental	9,094,023	9,094,023	10,397,627	1,303,604
Charges for services	4,676,440	4,676,440	4,377,195	(299,245)
Fines and forfeits	104,437	104,437	25,423	(79,014)
Investment earnings	104,877	104,877	1,451,147	1,346,270
Rents and royalties	259,067	259,067	355,302	96,235
Contributions and donations	11,826	1,711,826	1,241,860	(469,966)
Other	98,065	98,065	146,763	48,698
Total revenues	<u>38,959,573</u>	<u>40,659,573</u>	<u>44,229,457</u>	<u>3,569,884</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative	157,586	157,586	89,468	68,118
Executive	1,256,877	1,665,484	1,456,842	208,642
Financial and administrative	3,231,918	3,449,490	2,976,693	472,797
Legal counsel	269,932	269,932	397,740	(127,808)
Comprehensive planning	468,021	468,021	516,797	(48,776)
Total general government	<u>5,384,334</u>	<u>6,010,513</u>	<u>5,437,540</u>	<u>572,973</u>
Public safety:				
Law enforcement	11,492,712	11,581,350	11,228,275	353,075
Fire control	8,754,116	8,757,967	8,526,167	231,800
Protective inspections	1,580,878	1,600,881	1,295,318	305,563
Total public safety	<u>21,827,706</u>	<u>21,940,198</u>	<u>21,049,760</u>	<u>890,438</u>
Physical environment:				
Cemetery	200,958	200,958	200,701	257
Building maintenance	862,018	865,566	778,655	86,911
Fleet maintenance	760,924	780,450	827,719	(47,269)
Public Services Administration	283,865	283,865	204,968	78,897
Total physical environment	<u>2,107,765</u>	<u>2,130,839</u>	<u>2,012,043</u>	<u>118,796</u>
Transportation:				
Engineering	773,506	773,506	695,094	78,412
Construction and maintenance	2,308,289	4,255,484	2,612,923	1,642,561
Total transportation	<u>3,081,795</u>	<u>5,028,990</u>	<u>3,308,017</u>	<u>1,720,973</u>
Economic environment	272,076	398,353	278,594	119,759
Public assistance	68,880	68,880	66,140	2,740
Culture and recreation	4,809,989	8,142,547	4,322,714	3,819,833
Reserve for contingencies	100,000	100,000	-	100,000
Total expenditures	<u>37,652,545</u>	<u>43,820,320</u>	<u>36,474,808</u>	<u>7,345,512</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,307,028</u>	<u>(3,160,747)</u>	<u>7,754,649</u>	<u>10,915,396</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(1,146,615)	(1,146,615)	(1,146,226)	389
Sale of capital assets	3,735	3,735	21,830	18,095
Total other financing sources and (uses)	<u>(1,142,880)</u>	<u>(1,142,880)</u>	<u>(1,124,396)</u>	<u>18,484</u>
Net change in fund balances	164,148	(4,303,627)	6,630,253	10,933,880
Fund balances—beginning	27,135,163	27,135,163	27,135,163	-
Fund balances—ending	<u>\$ 27,299,311</u>	<u>\$ 22,831,536</u>	<u>\$ 33,765,416</u>	<u>\$ 10,933,880</u>

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

**City of Winter Garden, Florida**  
**Community Redevelopment Agency Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
<b>REVENUES</b>				
Intergovernmental	\$ 519,218	\$ 519,218	\$ 517,276	\$ (1,942)
Investment earnings	11,039	11,039	53,075	42,036
Total revenues	<u>530,257</u>	<u>530,257</u>	<u>570,351</u>	<u>40,094</u>
<b>EXPENDITURES</b>				
Current:				
Economic environment	277,303	637,303	27,284	610,019
Debt service:				
Interest	3,397	3,397	5,914	(2,517)
Total expenditures	<u>280,700</u>	<u>640,700</u>	<u>33,198</u>	<u>607,502</u>
Excess of revenues over expenditures	<u>249,557</u>	<u>(110,443)</u>	<u>537,153</u>	<u>647,596</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	497,593	497,593	497,593	-
Transfers out	<u>(747,150)</u>	<u>(747,150)</u>	<u>(645,169)</u>	<u>101,981</u>
Total other financing sources and (uses)	<u>(249,557)</u>	<u>(249,557)</u>	<u>(147,576)</u>	<u>101,981</u>
Net change in fund balances	-	(360,000)	389,577	749,577
Fund balances—beginning	<u>773,746</u>	<u>773,746</u>	<u>773,746</u>	<u>-</u>
Fund balances—ending	<u>\$ 773,746</u>	<u>\$ 413,746</u>	<u>\$ 1,163,323</u>	<u>\$ 749,577</u>

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

**City of Winter Garden, Florida**  
**Impact Fee Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
<b>REVENUES</b>				
Permits, fees, and special assessments	\$ 3,260,525	\$ 3,260,525	\$ 2,739,593	\$ (520,932)
Investment earnings	<u>202,720</u>	<u>202,720</u>	<u>788,730</u>	<u>586,010</u>
Total revenues	<u>3,463,245</u>	<u>3,463,245</u>	<u>3,528,323</u>	<u>65,078</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Law enforcement	-	39,408	30,991	8,417
Fire control	-	<u>1,817,652</u>	<u>46,948</u>	<u>1,770,704</u>
Total public safety	-	<u>1,857,060</u>	<u>77,939</u>	<u>1,779,121</u>
Transportation	-	<u>4,317,252</u>	<u>1,727,807</u>	<u>2,589,445</u>
Culture and recreation	-	<u>1,600,000</u>	-	<u>1,600,000</u>
Total expenditures	-	<u>7,774,312</u>	<u>1,805,746</u>	<u>5,968,566</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,463,245</u>	<u>(4,311,067)</u>	<u>1,722,577</u>	<u>6,033,644</u>
Net change in fund balances	3,463,245	(4,311,067)	1,722,577	6,033,644
Fund balances—beginning	<u>20,287,511</u>	<u>20,287,511</u>	<u>20,287,511</u>	<u>-</u>
Fund balances—ending	<u>\$ 23,750,756</u>	<u>\$ 15,976,444</u>	<u>\$ 22,010,088</u>	<u>\$ 6,033,644</u>

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

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

**Business-type Activities—Enterprise Funds**

	<b>Water and Sewer Utility</b>	<b>Solid Waste</b>	<b>Other Enterprise Funds</b>	<b>Totals</b>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 172,028	\$ 9,337	\$ 590,550	\$ 771,915
Accounts receivable (net of allowance for uncollectibles)	1,879,013	497,475	176,157	2,552,645
Due from other funds	2,442	948,037	760	951,239
Interest receivable	133,317	-	-	133,317
Inventories—materials and supplies	407,473	-	-	407,473
Investments	20,048,713	1,903,246	3,728,790	25,680,749
Restricted cash, cash equivalents, and investments for payment of current liabilities	3,429,598	-	-	3,429,598
Total current assets	<u>26,072,584</u>	<u>3,358,095</u>	<u>4,496,257</u>	<u>33,926,936</u>
Noncurrent assets:				
Restricted cash, cash equivalents, and investments:				
Debt service	560,282	-	-	560,282
Total restricted	<u>560,282</u>	<u>-</u>	<u>-</u>	<u>560,282</u>
Capital assets:				
Land	700,149	261,152	63,300	1,024,601
Buildings	6,027,911	727,116	213,224	6,968,251
Improvements other than buildings	23,862,908	349,018	3,195,417	27,407,343
Machinery and equipment	5,034,352	5,560,345	1,287,555	11,882,252
Infrastructure	97,226,609	-	11,741,175	108,967,784
Construction work in progress	10,188,248	544	30,367	10,219,159
Less accumulated depreciation	<u>(56,008,312)</u>	<u>(4,114,528)</u>	<u>(6,253,705)</u>	<u>(66,376,545)</u>
Total capital assets (net of accumulated depreciation)	<u>87,031,865</u>	<u>2,783,647</u>	<u>10,277,333</u>	<u>100,092,845</u>
Total noncurrent assets	<u>87,592,147</u>	<u>2,783,647</u>	<u>10,277,333</u>	<u>100,653,127</u>
Total assets	<u>113,664,731</u>	<u>6,141,742</u>	<u>14,773,590</u>	<u>134,580,063</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows for pensions	155,548	62,321	15,956	233,825
Total deferred outflows of resources	<u>155,548</u>	<u>62,321</u>	<u>15,956</u>	<u>233,825</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	600,836	203,051	28,719	832,606
Due to other governmental units	840	-	-	840
Compensated absences	30,230	9,139	5,074	44,443
Accrued interest payable	28,978	-	-	28,978
Accrued wages payable	61,681	39,388	5,843	106,912
Unearned revenue	98,185	-	6,058	104,243
Payable from restricted assets:				
Accounts payable	482,292	-	-	482,292
Notes from direct borrowings	825,427	-	-	825,427
Contracts payable	422,807	-	-	422,807
Customer deposits	<u>1,699,072</u>	<u>-</u>	<u>-</u>	<u>1,699,072</u>
Total current liabilities	<u>4,250,348</u>	<u>251,578</u>	<u>45,694</u>	<u>4,547,620</u>
Noncurrent liabilities:				
Notes from direct borrowings	3,544,481	-	-	3,544,481
Compensated absences	146,161	52,158	14,381	212,700
Other postemployment benefits	1,120,531	562,684	117,238	1,800,453
Net pension liability	<u>568,884</u>	<u>339,734</u>	<u>54,612</u>	<u>963,230</u>
Total noncurrent liabilities	<u>5,380,057</u>	<u>954,576</u>	<u>186,231</u>	<u>6,520,864</u>
Total liabilities	<u>9,630,405</u>	<u>1,206,154</u>	<u>231,925</u>	<u>11,068,484</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows for other postemployment benefits	279,788	140,228	37,048	457,064
Deferred inflows for pensions	<u>8,745</u>	<u>(9,135)</u>	<u>1,672</u>	<u>1,282</u>
Total deferred inflows of resources	<u>288,533</u>	<u>131,093</u>	<u>38,720</u>	<u>458,346</u>
<b>NET POSITION</b>				
Net investment in capital assets	82,661,957	2,783,647	10,277,333	95,722,937
Restricted for:				
Capital projects	803,464	-	-	803,464
Debt service	560,282	-	-	560,282
Unrestricted	<u>19,875,638</u>	<u>2,083,169</u>	<u>4,241,568</u>	<u>26,200,375</u>
Total net position	<u>\$ 103,901,341</u>	<u>\$ 4,866,816</u>	<u>\$ 14,518,901</u>	<u>\$ 123,287,058</u>

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

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

	<b>Business-type Activities—Enterprise Funds</b>			
	<b>Water and Sewer Utility</b>	<b>Solid Waste</b>	<b>Other Enterprise Funds</b>	<b>Totals</b>
Operating revenues:				
Permits, fees, and special assessments	\$ 9,125	\$ -	\$ 1,593,892	\$ 1,603,017
Charges for services	11,634,770	5,416,064	-	17,050,834
Other	24,660	9,472	261,902	296,034
Total operating revenues	<u>11,668,555</u>	<u>5,425,536</u>	<u>1,855,794</u>	<u>18,949,885</u>
Operating expenses:				
Personal services	2,696,950	1,590,685	253,617	4,541,252
Contractual services	1,804,193	1,877,629	191,552	3,873,374
Utilities	999,068	-	5,651	1,004,719
Supplies	1,056,749	464,033	44,263	1,565,045
Depreciation	5,395,905	544,094	716,880	6,656,879
Other services and charges	2,445,806	1,460,619	273,471	4,179,896
Total operating expenses	<u>14,398,671</u>	<u>5,937,060</u>	<u>1,485,434</u>	<u>21,821,165</u>
Operating income (loss)	<u>(2,730,116)</u>	<u>(511,524)</u>	<u>370,360</u>	<u>(2,871,280)</u>
Nonoperating revenues (expenses):				
Investment earnings	1,082,165	91,686	146,158	1,320,009
Intergovernmental	-	948,037	-	948,037
Gain on sale of capital assets	5,001	8,561	1,360,282	1,373,844
Interest expense	(186,099)	-	-	(186,099)
Total nonoperating revenues	<u>901,067</u>	<u>1,048,284</u>	<u>1,506,440</u>	<u>3,455,791</u>
Income (loss) before contributions	<u>(1,829,049)</u>	<u>536,760</u>	<u>1,876,800</u>	<u>584,511</u>
Capital contributions:				
Permits, fees, and special assessments	1,515,778	-	-	1,515,778
Intergovernmental	641,688	-	-	641,688
Contributions	1,722,277	-	-	1,722,277
Total capital contributions	<u>3,879,743</u>	<u>-</u>	<u>-</u>	<u>3,879,743</u>
Change in net position	2,050,694	536,760	1,876,800	4,464,254
Total net position—beginning	<u>101,850,647</u>	<u>4,330,056</u>	<u>12,642,101</u>	<u>118,822,804</u>
Total net position—ending	<u>\$ 103,901,341</u>	<u>\$ 4,866,816</u>	<u>\$ 14,518,901</u>	<u>\$ 123,287,058</u>

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

**City of Winter Garden, Florida**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended September 30, 2019**

	<b>Business-type Activities—Enterprise Funds</b>			
	<b>Water and Sewer Utility</b>	<b>Solid Waste</b>	<b>Other Enterprise Funds</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 11,589,182	\$ 5,402,732	\$ 1,847,533	\$ 18,839,447
Payments to suppliers	(6,009,509)	(3,777,623)	(524,729)	(10,311,861)
Payments to employees	(2,747,426)	(1,485,290)	(254,863)	(4,487,579)
Payments to other governmental units	(10,321)	-	-	(10,321)
Interest paid on deposits	(50,266)	-	-	(50,266)
Net cash provided by operating activities	<u>2,771,660</u>	<u>139,819</u>	<u>1,067,941</u>	<u>3,979,420</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
(Increase) Decrease in due from other funds	43,394	(942,414)	3,918	(895,102)
Increase intergovernmental grants	-	948,037	-	948,037
Net cash provided (used) by noncapital and related financing activities	<u>43,394</u>	<u>5,623</u>	<u>3,918</u>	<u>52,935</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Grants received	641,688	-	-	641,688
Cash proceeds/receipts from sales of capital assets	5,001	8,561	1,360,282	1,373,844
Purchases of capital assets	(6,239,648)	(685,999)	(2,208,720)	(9,134,367)
Principal paid on capital debt	(802,491)	-	-	(802,491)
Interest paid on capital debt	(34,301)	-	-	(34,301)
Impact fees received	1,515,778	-	-	1,515,778
Net cash provided (used) by capital and related financing activities	<u>(4,913,973)</u>	<u>(677,438)</u>	<u>(848,438)</u>	<u>(6,439,849)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sales and maturities of investments	16,390,807	1,263,578	1,446,744	19,101,129
Purchase of investments	(16,834,393)	(1,319,646)	(2,585,416)	(20,739,455)
Interest expense	(186,099)	-	-	(186,099)
Interest received	1,040,877	91,686	146,158	1,278,721
Net cash provided (used) by investing activities	<u>411,192</u>	<u>35,618</u>	<u>(992,514)</u>	<u>(545,704)</u>
Net (decrease) in cash and cash equivalents	(1,687,727)	(496,378)	(769,093)	(2,953,198)
Cash and cash equivalents, October 1 (including \$328,724 for the water and sewer fund reported in restricted accounts)	<u>1,883,317</u>	<u>505,715</u>	<u>1,359,643</u>	<u>3,748,675</u>
Cash and cash equivalents, September 30 (including \$23,563 for the water and sewer fund reported in restricted accounts)	<u>\$ 195,590</u>	<u>\$ 9,337</u>	<u>\$ 590,550</u>	<u>\$ 795,477</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ (2,730,116)	\$ (511,524)	\$ 370,360	\$ (2,871,280)
Adjustments to reconcile operating income to net cash used by operating activities:				
Depreciation	5,395,905	544,094	716,880	6,656,879
(Increase) in accounts receivable	(32,090)	(20,082)	(7,719)	(59,891)
Increase (decrease) in allowance for uncollectible accounts	3,053	(2,722)	(1,424)	(1,093)
(Increase) in inventories—materials and supplies	(23,382)	-	-	(23,382)
(Decrease) in customer deposits	(89,441)	-	-	(89,441)
Increase (decrease) in accounts payable	309,368	24,658	(9,792)	324,234
(Decrease) in due to other governmental units	(78)	-	-	(78)
Increase (decrease) in accrued wages payable	9,503	7,066	(171)	16,398
Increase (decrease) in unearned revenue	(11,083)	-	882	(10,201)
Increase in net pension liability	190,139	127,423	17,646	335,208
Increase (decrease) in deferred inflows of resources	12,875	(17,324)	3,020	(1,429)
Decrease in deferred outflows of resources	56,027	37,547	5,200	98,774
Increase (decrease) in compensated absences	(211,692)	4,579	(15,711)	(222,824)
(Decrease) in other postemployment benefits	(107,328)	(53,896)	(11,230)	(172,454)
Total adjustments	<u>5,501,776</u>	<u>651,343</u>	<u>697,581</u>	<u>6,850,700</u>
Net cash provided by operating activities	<u>\$ 2,771,660</u>	<u>\$ 139,819</u>	<u>\$ 1,067,941</u>	<u>\$ 3,979,420</u>
<b>Noncash investing, capital, and financing activities:</b>				
Increase in fair value of investments	610,069	-	-	
Developer contributions for subdivision assets	1,722,277	-	1,360,282	

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

**City of Winter Garden, Florida  
Statement of Fiduciary Net Position  
Fiduciary Funds  
September 30, 2019**

	<b>Pension Trust Funds</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 3,297,945
Receivables:	
From Police Officers' & Firefighters' Trust	46
Investment income	173,183
Total receivables	173,229
Investments, at fair value:	
U.S. Bonds and Bills	5,244,221
Federal Agency Guaranteed Securities	508,796
Corporate Bonds	8,850,337
Stocks	26,389,203
Real estate	6,619,833
Fixed income securities	2,801,517
Equities	20,968,329
Total investments	71,382,236
Total assets	74,853,410
<b>LIABILITIES</b>	
Payables:	
Refunds of Member Contributions	18,130
Investment expenses	25,252
Administrative expenses	2,615
Miscellaneous	16
To General Employee's Trust Fund	46
Total liabilities	46,059
<b>NET POSITION</b>	
Restricted for pensions	\$ 74,807,351

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

**City of Winter Garden, Florida**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended September 30, 2019**

	<b>Pension Trust Funds</b>
<b>ADDITIONS</b>	
Contributions:	
City	\$ 2,387,523
State	665,085
Member	517,689
Total contributions	3,570,297
Investment earnings:	
Net Increase in Fair Value of Investments	829,481
Interest and Dividends	2,150,972
Less investment expense	(321,921)
Net Investment Income	2,658,532
Total additions	6,228,829
<b>DEDUCTIONS</b>	
Benefit Payments	2,844,057
Lump Sum DROP Distributions	63,018
Lump Sum Share Distributions	9,704
Lump Sum PLOP Distributions	104,903
Refunds of Member Contributions	69,854
Administrative Expense	92,495
Total deductions	3,184,031
Change in net position	3,044,798
Net position—beginning of year	71,762,553
Net position—ending of year	\$ 74,807,351

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



# **NOTES TO THE FINANCIAL STATEMENTS**



# WINTER GARDEN

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CITY OF WINTER GARDEN, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended September 30, 2019

**I. Summary of significant accounting policies**

The accounting policies of the City of Winter Garden (the “City”) conform to accounting principles generally accepted in the United States as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting board for establishing governmental accounting and financial reporting principles. The more significant of these accounting policies are summarized below.

**A. Reporting entity**

The City was incorporated November 10, 1908 in the “Miscellaneous Record” Orange County volume 37, page 444, and reincorporated May 31, 1913 by the “Laws of Florida” chapter 6798. The City is a municipal corporation governed by a five-member City Commission comprised of the Mayor (elected at large) and four district Commissioners. The accompanying financial statements present the City and one component unit, an entity for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City’s operations, and their financial transactions are included as though they are part of the City.

**Blended component unit.** The Community Redevelopment Agency was created by the City Commission pursuant to the requirements of Chapter 163, Part III of the Florida Statutes through Ordinance Number 92-48, adopted on June 25, 1992 with the consent of the Orange County Board of County Commissioners. The Community Redevelopment Agency serves to renew economic interest and improve the commercial diversity and viability of a redevelopment area in and around the City’s downtown. The governing body of the Agency is made up of the City Commission, a sixth member appointed by the Orange County Board of County Commissioners, and a seventh member appointed by the City Commission. The City approves the budget, provides funding and performs all accounting functions for the CRA. The CRA’s services are provided exclusively to the City. The Agency is presented as a special revenue fund and does not prepare individual financial statements.

**B. Government-wide and fund financial statements**

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

The statement of activities presents a comparison between direct expenses and program revenues for each function or segment of the City’s governmental activities. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from

CITY OF WINTER GARDEN, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended September 30, 2019

goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

**C. Measurement focus, basis of accounting, and financial statement presentation**

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

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

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

The City reports the following major governmental funds:

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

The *Community Redevelopment Agency Fund* accounts for the activities of the Community Redevelopment Agency, which is an incremental tax district established pursuant to Florida Statutes and accounted for as a special revenue fund. The fund

CITY OF WINTER GARDEN, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended September 30, 2019

accounts for the incremental increase in ad valorem tax revenue collected within the designated community redevelopment area. Revenues must be utilized and expended in accordance with the Community Redevelopment Plan.

The *Impact Fee Fund* accounts for revenue received from impact fees and legal expenditures of these funds.

The City reports the following major proprietary funds:

The *Water and Sewer Utility Fund* accounts for the activities of the City's water treatment plants, the water distribution system, the sewage pumping stations and collection systems, and the sewage treatment plant.

The *Solid Waste Fund* accounts for the activities of the City's residential and commercial collection system and the costs of disposal fees charged at the County landfill.

Additionally, the government reports the following fund type:

The *Pension Trust Funds* account for the activities of the Pension Plan for General Employees and the Pension Plan for Firefighters and Police Officers, which accumulate resources for pension benefit payments to qualified employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned and as such are not eliminated in the process of consolidation.

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The Water and Sewer Utility Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CITY OF WINTER GARDEN, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended September 30, 2019

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

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States requires management to make use of estimates that affect reported amounts in the basic financial statements. Actual results could differ from those estimates.

**D. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position or fund balance**

**1. *Deposits and investments***

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The City maintains a cash and investment pool that is utilized by all funds except those that require separate accounts. Each pooled cash fund is allocated interest on ending monthly cash balances held by the fund throughout the year.

State statutes authorize the City to invest in the State Board of Administration's (SBA) Local Government Surplus Funds Trust Fund (Florida PRIME), United States government securities, United States government agencies, federal instrumentalities, non-negotiable interest bearing time certificates of deposit, repurchase agreements, bankers' acceptances, commercial paper, state and local government taxable and tax-exempt debt, registered investment companies, and intergovernmental investment pools.

The City's investments are reported at fair value. Investments in Florida PRIME are reported at amortized cost. The Office of the Auditor General of the State of Florida performs the operational audit of the activities and investments of Florida PRIME.

**2. *Receivables and payables***

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

Balances of advances between funds, as reported in the fund financial statements, are considered non-spendable fund balances of the respective funds since these balances are not available for appropriation.

CITY OF WINTER GARDEN, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended September 30, 2019

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 90 days and half of those between 60 and 90 days comprise the trade accounts receivable allowance for uncollectibles. Property taxes receivable in excess of 21 months and half of those between nine months and 21 months comprise the property taxes receivable allowance for uncollectibles.

**3. *Inventories and prepaid items***

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

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

**4. *Restricted assets***

Certain resources of the Water and Sewer Utility Fund are classified as restricted assets on the statement of net position because their use is limited to the repayment of customer deposits, to capital projects to expand the capacity of the system, and to fund asset renewals and replacements. Certain proceeds of the Water and Sewer Utility Fund's loan agreements, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable loan agreement covenants. These resources are set aside to subsidize potential deficiencies from the Fund's operation that could adversely affect debt service payments and to segregate resources accumulated for debt service payments over the next six months.

**5. *Capital assets***

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at 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 the life of the asset are not capitalized.

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

CITY OF WINTER GARDEN, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended September 30, 2019

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

Assets	Years
Buildings	50
Building improvements	15-25
Public domain infrastructure	25-50
System infrastructure	15-25
Vehicles	5-10
Office and Computer equipment	5

**6. *Compensated absences***

It is the City’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Sick leave is accrued in the government-wide and proprietary fund financial statements for employees who are expected to become eligible for payment at termination since the City’s policy is to only pay these amounts when employees separate from service with the City due to retirement. Vacation pay is accrued when incurred for employees who have met their probationary period in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**7. *Long-term obligations***

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

**8. *Net Pension Liability***

In the government-wide and proprietary statements, net pension liability represents the present value of projected benefit payments to be provided through the single employer defined benefit pension plans to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension plans, pension expense, information about the fiduciary net position, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are

CITY OF WINTER GARDEN, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended September 30, 2019

reported at fair value. The City allocated the net pension liability, deferred outflows for pensions, deferred inflows for pensions, and pension expense to funds and functions/activities based on their respective contributions made to the pension plans during the measurement year.

**9. *Other Postemployment Benefits Liability***

It is the City's policy to allow retirees to participate in its employee health, hospitalization and prescription insurance programs. The City accrues total other postemployment benefit liabilities for the cost of providing those benefits in the government-wide and proprietary fund financial statements based on actuarial measurement annually in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The City allocated the total OPEB liability, deferred outflows for OPEB, deferred inflows for OPEB, and OPEB expense to funds and functions/activities based on the headcounts.

**10. *Deferred Outflows of Resources/Deferred Inflows of Resources***

In addition to assets and liabilities, the City reports the financial statement elements of deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expenditure or expense) until that applicable time. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that applicable time.

The City reports one item that qualifies as deferred outflows of resources on its government-wide and proprietary statements of net position, deferred outflows for pensions. The deferred outflows for pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred outflows for pensions will be recognized as pension expense or a reduction of the net pension liability in future reporting years.

The City reports two items that qualify as deferred inflows of resources on its government-wide and proprietary statements of net position – deferred inflows related to OPEB and deferred inflows related to pensions. The deferred inflows for pensions is an aggregate of items related to pensions and the deferred inflows for OPEB is an aggregate of items related to OPEB. The deferred inflows related to pensions and OPEB will be recognized as reductions to expense in future reporting years. Details on the composition of the deferred inflows related to pensions and OPEB are further discussed in Notes *V.E.* and *V.F.*

The City also reports deferred inflows of resources on applicable governmental fund statements that represent revenues which are measurable but not available in accordance with the modified accrual basis of accounting. These deferred inflows will be recognized as

CITY OF WINTER GARDEN, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended September 30, 2019

revenue in the fiscal year they are earned and become available. The majority of these deferred inflows of resources represent intergovernmental receipts and reimbursements.

**11. Fund balances**

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

***Restricted*** Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of the City Commission. Those committed amounts cannot be used for any other purpose unless the City Commission removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the City Commission, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the City Commission. The City has not adopted a formal policy to delegate this authority.

CITY OF WINTER GARDEN, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended September 30, 2019

**Unassigned** Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, or committed.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**E. Property taxes**

For property taxes budgeted for the fiscal year ended September 30, 2019, all property was assessed according to its fair market value on January 1, 2018, and a lien was placed on the property for taxes at that time. The tax levy of the City was established by the City Commission on September 21, 2018. Tax bills were rendered November 1, 2018, and unpaid taxes became delinquent on April 1, 2019. On or prior to June 1, 2019, tax certificates were sold for all delinquent taxes on real property.

**II. Reconciliation of government-wide and fund financial statements**

**A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**

The governmental fund balance sheet includes a reconciliation between *fund balance—total governmental funds* and *net position—governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$(28,201,723) difference are as follows:

Bonds and notes payable	\$(17,403,000)
Compensated absences	(1,321,995)
Net pension liability	(2,279,289)
Other postemployment benefits	<u>(7,197,439)</u>
Net adjustment to reduce <i>fund balance—total governmental funds</i> to arrive at <i>net position—governmental activities</i>	<u><u>\$(28,201,723)</u></u>

CITY OF WINTER GARDEN, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended September 30, 2019

**B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances—total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$2,745,690 difference are as follows:

Capital outlay	\$8,716,669
Depreciation expense	<u>(5,970,979)</u>
Net adjustment to increase <i>net changes in fund balances—total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$2,745,690</u>

Deferred outflows and inflows of resources related to pension and other postemployment benefits are applicable to future periods and are not reported in the governmental funds. The details of this \$(289,195) difference are as follows:

Deferred outflows for pensions	\$(698,717)
Deferred inflows for other post employment benefits	(783,388)
Deferred inflows for pensions	<u>1,192,910</u>
Net adjustment to decrease <i>net changes in fund balances—total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$(289,195)</u>

Another element of that reconciliation states that “some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$(440,886) difference are as follows:

Compensated absences	\$(352,382)
Other postemployment benefits	689,396
Net pension liability	<u>(777,900)</u>
Net adjustment to increase <i>net changes in fund balances—total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$(440,886)</u>

CITY OF WINTER GARDEN, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended September 30, 2019

**III. Budgetary compliance and accountability**

**A. Budgetary information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end.

On or before July 31st of each year, all departments of the City submit requests for appropriations to the City Manager so that a budget may be prepared. Before August 31st, the proposed budget is presented to the City Commission for review. The Commission holds public hearings and a final budget must be prepared and adopted no later than September 30th.

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a fund. Any revisions that alter the total expenditures of any fund must be approved by the City Commission. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as committed fund balance and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

**IV. Detailed notes on all funds**

**A. Deposits and investments**

As of September 30, 2019, the City had the following investments:

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<u>Investment Type</u>	<u>Government-wide</u>		<u>Pension Trust Funds</u>	
	<u>Fair Value and Amortized Cost</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value and Amortized Cost</u>	<u>Weighted Average Maturity (Years)</u>
Money market funds/Cash	178,255	-	3,293,116	1.49
US Government securities	71,444,964	2.08	508,796	4.74
US Government agencies	10,787,262	1.82	5,244,220	2.42
Commercial paper	4,142,084	0.18	-	0.00
Fixed income mutual funds	-	-	2,801,517	8.23
Equity	-	-	95,635	2.19
Equity mutual funds	-	-	20,872,693	0.73
Unit investment trusts	-	-	514,788	3.94
Real estate investment trusts	-	-	6,619,833	2.89
Corporate bonds	-	-	8,850,337	2.60
Common Stock	-	-	24,375,373	2.60
Foreign Stock	-	-	1,499,043	2.69
Total fair value	<u>86,552,565</u>	<u>1.85</u>	<u>74,675,351</u>	<u>2.22</u>

The SBA administers the Florida PRIME Fund, formerly known as the Local Government Surplus Funds Trust Fund (LGIP), which is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME, the WAM for FL PRIME was 37 days.

The City's investments in the FL PRIME are similar to money market funds in which units are owned in the fund rather than the underlying investments. These investments are reported at amortized cost and meet the requirements of GASB Statement No. 31, as amended by GASB Statement No. 79, Certain External Investment Pools and Pool Participants, which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from the FL PRIME; although in the occurrence of an event that has a material impact on liquidity or operations of the trust fund, the fund's executive director may limit contributions to or withdrawals from the trust fund for a period of 48 hours.

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. GASB Statement No. 72, Fair Value Measurement and Application, provides guidance for determining fair value of investments for financial reporting purposes and includes the fair value hierarchy, which has three levels based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. GASB 72 allows for the use of quoted prices provided by third parties. The City uses quoted prices provided by its third-

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party custodian, US Bank, and its pension funds' investment management providers. Quoted prices are categorized using a fair value evaluation matrix providing asset type, pricing method, pricing sources, evaluation frequency, and customary fair value level. At September 30, 2019, the City's fair value measurements and input levels for its investments are as follows.

	Government-wide		GE Pension Trust Funds		FP Pension Trust Funds	
	Level 1 Inputs	Level 2 Inputs	Level 1 Inputs	Level 2 Inputs	Level 1 Inputs	Level 2 Inputs
Measured at fair value:						
Money market funds	\$ 178,255		\$ 970,659		\$ 2,322,457	
US Government securities	71,444,964			\$ 287,617		\$ 221,179
US Government Agencies		\$ 10,787,262	2,223,444		3,020,776	
Corporate obligations						
Mortgage pools						
Municipal obligations		-				
Commercial paper		4,142,084				
Fixed income mutual funds			1,007,054		1,794,463	
Equity			50,679		44,956	
Equity mutual funds			6,276,747		14,595,946	
Unit investment trusts			187,339		327,449	
Real estate investment trusts				2,189,585		4,430,248
Corporate bonds				3,929,159		4,921,178
Foreign stock			706,854		792,189	
Comon stocks	-	-	9,938,848	2,462,646	9,770,411	2,203,468
	<u>\$ 71,623,219</u>	<u>\$ 14,929,346</u>	<u>\$ 21,361,624</u>	<u>\$ 8,869,007</u>	<u>\$ 32,668,647</u>	<u>\$ 11,776,073</u>
Measured at amortized cost:						
FL PRIME	\$ 165,032					

*Interest rate risk, credit risk, and concentration of credit risk.* In accordance with its investment policy, the City manages its exposure to (1) interest rate risk, and thus declines in fair values, by limiting the maximum length to maturity of investments; (2) credit risk by limiting the minimum credit quality of investments, as rated by nationally recognized statistical rating organizations (NRSROs); and (3) concentration of credit risk by limiting the maximum percentage that may be invested with a single issuer. These limitations are as follows:

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<u>Investment Type</u>	<u>Maximum Length to Maturity (Years)</u>	<u>Minimum Credit Quality (S&amp;P/ Moody's)</u>	<u>Maximum Percent with a Single Issuer</u>
<b>Government-wide</b>			
United States Government Securities	5.00	NA	100
United States Government Agencies	5.00	NA	25
Federal Instrumentalities	5.00	NA	40
Non-negotiable interest bearing time deposit or saving accounts	1.00	NA	15
Repurchase agreements	0.25	NA	25
Commercial paper	0.49	A-1/P-1	15
Corporate obligations (United States Government supported)	3.00	NA	25
Bankers acceptances	0.49	A-1/P-1	15
State and/or local government debt	3.00	AA/Aa or SP-2/MIG-2	20
Registered investment companies (Money market funds)	NA	AAA/Aaa	25
Intergovernmental investment pool	NA	NA	25
<b>Pension Plan for General Employees</b>			
Equities	NA	NA	5
Fixed income	No Maximum	85% BBB/Baa	3
Money market	No Maximum	A-1/P-1	NA
Pooled funds	No Maximum	NA	NA
<b>Pension Plan for Firefighters and Police Officers</b>			
Equities	NA	NA	5
Fixed income	No Maximum	BBB/Baa	3
Money market	No Maximum	A-1/P-1	NA

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As of September 30, 2019, the City’s government-wide investments had the following credit ratings and portfolio asset allocations:

**Credit Risk**

Security Type	Standard & Poor's Credit Rating	Portfolio Asset Allocation
U.S. Treasury Notes	AA+	82.72%
Federal Agency	AA+	12.51%
Commercial Paper	A-1	4.77%
<b>Total</b>		<b>100.00%</b>

FL PRIME AAA<sub>m</sub>

**Issuer Allocation**

Security Type	Market Value	Portfolio Asset Allocation
U.S. Treasury Notes	\$71,444,964	82.72%
Federal Home Loan Bank Notes (FHLB)	4,808,983	5.57%
Federal National Mortgage Association Notes (FNMA)	4,297,716	4.98%
Freddie Mac Notes (FHLMC)	1,680,562	1.95%
Mitsubishi UFJ Financial Group Inc Commercial Paper	2,300,111	2.66%
Natixis NY Branch Commercial Paper	1,841,973	2.13%
<b>Total</b>	<b>\$86,374,310</b>	<b>100.00%</b>

*Custodial credit risk - deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of September 30, 2019, the City’s bank balances were \$10,411,541. Of the bank balances, \$500,000 was covered by federal depository insurance and \$9,911,541 was covered by the State of Florida Collateral Pool. Florida Statutes authorize, and the State administers, a collateral pool that ensures no loss of public funds.

*Custodial credit risk - investments.* For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2019, the City’s investments were not exposed to custodial credit risk because all securities were held by the City’s agent in the City’s name.

**B. Receivables, deferred inflows, and unearned revenues**

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

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	<u>General</u>	<u>Water and Sewer Utility</u>	<u>Solid Waste</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$ 467,024	\$ -	\$ -	\$ -	\$ 467,024
Accounts	187,029	2,253,678	644,722	313,327	3,398,806
Interest	<u>243,495</u>	<u>133,317</u>	<u>-</u>	<u>123,434</u>	<u>500,246</u>
Gross receivables	897,548	2,386,995	644,722	437,761	4,366,076
Less: allowance for Uncollectibles	<u>(119,640)</u>	<u>(374,665)</u>	<u>(147,297)</u>	<u>(87,375)</u>	<u>(728,977)</u>
Net total receivables	<u>\$ 777,908</u>	<u>\$2,012,330</u>	<u>\$ 497,475</u>	<u>\$ 349,386</u>	<u>\$3,637,099</u>
Reported in:					
Governmental					
Activities	\$ 777,908	\$ -	\$ -	\$ -	\$ 777,908
Business-type					
Activities	-	2,012,330	497,475	176,157	2,685,962
Fiduciary funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>173,229</u>	<u>173,229</u>
Net total receivables	<u>\$ 777,908</u>	<u>\$2,012,330</u>	<u>\$ 497,475</u>	<u>\$ 349,386</u>	<u>\$3,637,099</u>

Governmental funds report *unearned revenue* in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, *unearned revenue* reported in the governmental funds was as follows:

	<u>Unearned</u>
Customer Credit Balances	\$45,834
Developer agreements	422,361
Developer escrow accounts	<u>810,099</u>
Total unearned revenue for governmental funds	<u>\$1,278,294</u>

Proprietary funds report *unearned revenue* in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, *unearned revenue* reported in the proprietary funds was as follows:

	<u>Unearned</u>
Customer credit balances	<u>\$104,243</u>
Total unearned revenue for proprietary funds	<u>\$104,243</u>

**C. Capital assets and construction commitments**

Capital asset activities for the year ended September 30, 2019 are as follows:

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<b>Governmental activities:</b>	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$26,488,880	\$301,195	\$ -	\$26,790,075
Construction in progress	3,559,703	3,325,875	(1,114,484)	5,771,094
Total capital assets, not being depreciated	<u>30,048,583</u>	<u>3,627,070</u>	<u>(1,114,484)</u>	<u>32,561,169</u>
Capital assets, being depreciated:				
Buildings	37,775,654	421,328	-	38,196,982
Improvements other than buildings	17,997,982	686,264	-	18,684,246
Machinery and equipment	16,544,249	3,267,076	(523,951)	19,287,374
Infrastructure	70,517,999	1,829,415	-	72,347,414
Total capital assets, being depreciated	<u>142,835,884</u>	<u>6,204,083</u>	<u>(523,951)</u>	<u>148,516,016</u>
Less accumulated depreciation for:				
Buildings	(11,043,717)	(1,092,549)	-	(12,136,266)
Improvements other than buildings	(7,465,821)	(928,069)	-	(8,393,890)
Machinery and equipment	(13,111,917)	(1,183,086)	491,403	(13,803,600)
Infrastructure	(27,005,329)	(2,767,275)	-	(29,772,604)
Total accumulated depreciation	<u>(58,626,784)</u>	<u>(5,970,979)</u>	<u>491,403</u>	<u>(64,106,360)</u>
Total capital assets, being depreciated, net	<u>84,209,100</u>	<u>233,104</u>	<u>(32,548)</u>	<u>84,409,656</u>
Governmental activities capital assets, net	<u>\$114,257,683</u>	<u>\$3,860,174</u>	<u>(\$1,147,032)</u>	<u>\$116,970,825</u>

<b>Business-type activities:</b>	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$1,024,601	\$ -	\$ -	\$1,024,601
Construction in progress	5,856,199	6,096,388	(1,733,428)	10,219,159
Total capital assets, not being depreciated	<u>6,880,800</u>	<u>6,096,388</u>	<u>(1,733,428)</u>	<u>11,243,760</u>
Capital assets, being depreciated:				
Buildings and infrastructure	110,191,130	5,744,905	-	115,936,035
Improvements other than buildings	27,210,903	196,440	-	27,407,343
Machinery and equipment	10,868,450	1,218,231	(204,429)	11,882,252
Total capital assets, being depreciated	<u>148,270,483</u>	<u>7,159,576</u>	<u>(204,429)</u>	<u>155,225,630</u>
Less accumulated depreciation for:				
Buildings and infrastructure	(36,864,104)	(4,521,881)	-	(41,385,985)
Improvements other than buildings	(16,019,023)	(1,116,341)	-	(17,135,364)
Machinery and equipment	(7,040,970)	(1,019,982)	205,756	(7,855,196)
Total accumulated depreciation	<u>(59,924,097)</u>	<u>(6,658,204)</u>	<u>205,756</u>	<u>(66,376,545)</u>
Total capital assets, being depreciated, net	<u>88,346,386</u>	<u>501,372</u>	<u>1,327</u>	<u>88,849,085</u>
Business activities capital assets, net	<u>\$95,227,186</u>	<u>\$6,597,760</u>	<u>(\$1,732,101)</u>	<u>\$100,092,845</u>

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

Governmental activities:	
General government	\$ 680,571
Public safety	1,236,212
Physical environment	132,911
Transportation	2,876,188
Economic environment	236,912
Culture and recreation	<u>808,185</u>
Total depreciation expense—governmental activities	<u>\$5,970,979</u>
Business-type activities:	
Water and sewer	\$5,397,497
Solid waste	543,828
Stormwater	700,028
Residential mobile home lot rentals	<u>16,851</u>
Total depreciation expense—business-type activities	<u>\$6,658,204</u>

The City has active construction projects as of September 30, 2019. The projects include water improvements, reuse water improvements and sewer improvements. At year end, the City's commitments with contractors were as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Western Storage Pump Transmission	\$ 1,177,895	\$ 5,986,795
Reuse Retrofit Phase 2	1,484,924	164,992
9 <sup>th</sup> Street Sewer & Force Main Improvements	2,320,342	1,947,353
Total	<u>\$ 4,983,162</u>	<u>\$ 8,099,139</u>

The commitment for the infrastructure improvements for the Western Storage Pump project is being funded by the Utilities operating fund. The Reuse Retrofit Phase 2 project is being funded by the Water/Sewer Utilities Impact Fee fund. The 9<sup>th</sup> Street Sewer & Force Main Improvements project is being funded by Utilities Renewal and Replacement fund. At September 30, 2019, the City had encumbrance commitments as follows:

<u>Fund</u>	<u>Encumbrances</u>
Utilities Fund	<u>\$67,624</u>
Utilities Impact Fees	19,058
Utility Renewal & Replacement	190,032
Total Encumbrances	<u>\$276,714</u>

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**D. Interfund receivables, payables, and transfers**

Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
General	Community Redevelopment Agency	\$223,215

Balances reported between the General Fund and the Community Redevelopment Agency Fund were for transfers to fund downtown renovations. The advance payable from the Community Redevelopment Agency Fund has 8 semi-annual installments remaining.

Interfund transfers:

	Transfer In:		
	Community Redevelopment Agency Fund	Other Governmental	Total
Transfer out:			
General Fund	\$497,593	\$648,633	\$1,146,226
CRA	-	645,169	\$645,169
Total transfers out	\$497,593	\$1,293,802	\$1,791,395

Transfers from the General Fund to the Community Redevelopment Agency Fund were for the City's contribution of tax increment revenues. Transfers from the General Fund to the debt service fund were for debt service and the transfer from the General Fund to the Other governmental funds were for City match of law enforcement grants. Transfers from the Community Redevelopment Agency Fund to the Debt Service Fund were for the CRA's contribution to the downtown parking garage debt service loan.

**E. Leases**

Operating Leases

The City leases vehicles, holiday decorations, and other equipment under noncancelable operating leases. Total costs for such leases were \$97,878 for the year ended September 30, 2019. The future minimum lease payments for these leases are as follows:

Year Ending September 30	Amount
2020	\$ 54,112
2021	3,527
Total	\$57,639

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**F. Long-term debt**

At the end of fiscal year 2019, the City had total debt outstanding of \$21,772,909. Of this amount, \$17,403,000 represents bonds secured solely by specified revenue sources (i.e., revenue bonds), the remainder \$4,369,909 represents notes from direct borrowings.

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenue Bonds	\$17,403,000	\$18,219,000	\$0	\$0	\$17,403,000	\$18,219,000
Notes from Direct Borrowings	-	-	4,369,909	5,172,400	4,369,909	5,172,400
	<u>\$17,403,000</u>	<u>\$18,219,000</u>	<u>\$4,369,909</u>	<u>\$5,172,400</u>	<u>\$21,772,909</u>	<u>\$23,391,400</u>

The City's outstanding revenue bonds and notes from direct borrowings decreased by \$(1,618,491). This decrease is attributed to scheduled debt service principal reductions in the year.

Revenue Bonds

The par amount on the Sales Tax Revenue Bond, Series 2016A is \$10,061,000 and the par amount on the Sales Tax Refunding Revenue Bond, Series 2016B is \$9,691,000. These bonds are secured by a pledge of Local Government Half-Cent Sales Tax revenues and the bonds are payable from Local Government Half-Cent Sales Tax revenues and are payable through 2036. The Series 2016A Bonds and the Series 2016B Bonds each bear interest from their respective date at a fixed interest rate of 2.48% per annum. The total principal and interest remaining to be paid on the bonds is \$21,539,519. Principal and interest paid for the current year was \$1,267,830. The total Local Government Half-Cent Sales Tax revenues were \$7,376,234. Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Amount
Parking Garage and Downtown Capital Projects – Sales Tax Revenue Bond, Series 2016A	2.48%	8,866,000
Refinance Original City Hall Loan – Sales Tax Refunding Revenue Bond, Series 2016B	2.48%	8,537,000

Revenue bond debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest
2020	\$839,000	\$431,595
2021	855,000	410,787
2022	876,000	389,533
2023	902,000	367,859
2024	922,000	345,489

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2025-2029	4,958,000	1,373,300
2030-2034	5,610,000	726,790
2035-2036	2,441,000	91,166
	\$17,403,000	\$4,136,519

Notes from Direct Borrowings

The City has entered into loan agreements with the State of Florida’s State Revolving Funds Loan Program to finance the expansion of the City’s existing wastewater treatment plant, the construction of a water treatment plant, and the planning, design, and construction of stormwater pollution control facilities. The original amount of the loans totaled \$13,861,203. The City has pledged future water, sewer, and stormwater customer revenues, net of specified operating expenses, to repay the loans. The loans are payable solely from water, sewer, and stormwater customer net revenues and are payable through 2024. Rate Coverage for the loans require that the Pledged Revenues equal or exceed 1.15 times the sum of the Semiannual Loan Payments due in the Fiscal Year. The total principal and interest remaining to be paid on the loans is \$4,718,237. The total semi-annual principal and interest paid for the current year and total pledged revenues were \$943,646 and \$7,107,418, respectively.

Loans outstanding at year end are as follows:

Purpose	Interest Rates	Amount
Wastewater treatment pre-construction—Water and Sewer Utility	3.33%	\$ 343,060
Wastewater treatment construction—Water and Sewer Utility	2.82%	3,396,767
Water treatment construction—Water and Sewer Utility	2.67%	630,082
Total outstanding		4,369,909
Accrued interest		28,978
Total amounts outstanding		\$4,398,887

Loan debt service requirements to maturity are as follows:

Year Ending September 30	Principal	Interest
2020	\$ 825,427	\$ 118,220
2021	849,018	94,629
2022	873,286	70,362
2023	898,249	45,398
2024	923,929	19,719
	\$4,369,909	\$348,328

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Changes in long-term liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Revenue bonds	\$18,219,000	\$ -	(\$816,000)	\$17,403,000	\$839,000
Net pension liability	1,501,389	3,373,376	(2,595,476)	2,279,289	-
Other postemployment benefits	7,886,835	452,897	(1,142,293)	7,197,439	-
Compensated absences	969,613	1,024,278	(671,896)	1,321,995	247,380
Governmental activity Long-term liabilities	<u>\$28,576,837</u>	<u>\$4,850,551</u>	<u>(\$5,225,665)</u>	<u>\$28,201,723</u>	<u>\$1,086,380</u>
<b>Business-type activities</b>					
Notes from direct borrowings	\$5,172,400	\$ -	(\$802,491)	\$4,369,909	\$825,427
Net pension liability	628,022	688,448	(353,240)	963,230	-
Other postemployment benefits	1,972,908	113,293	(285,748)	1,800,453	-
Compensated absences	187,645	205,533	(136,035)	257,143	44,443
Business-type activity Long-term liabilities	<u>\$7,960,975</u>	<u>\$ 1,007,274</u>	<u>(\$1,577,514)</u>	<u>\$7,390,735</u>	<u>\$869,870</u>

The official statements and resolutions authorizing the issuance of long-term debt described above contain certain restrictive covenants. The City has covenanted that it will deposit specified amounts derived from specific revenue sources into funds and accounts established by the resolutions. The City is in compliance with all covenants. For governmental activities, other postemployment benefits, net pension liability, and compensated absences are generally liquidated by the General Fund.

**V. Other information**

**A. Risk management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for which the City is a member of the Public Risk Management of Florida (PRMF), a local government risk management pool as defined by Florida Statutes 163.01(3)(h). In the event of a loss, the City pays up to the deductible amount on the policy. All additional risk of loss has been transferred to PRMF up to the policy limits. Settlements have not exceeded coverages for each of the past three fiscal years. PRMF absorbs losses up to a specified amount annually and purchases excess and other specific coverages from third-party carriers. PRMF assesses each member its pro rata share of the estimated amount required to meet

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current year losses and operating expenses. If total member assessments do not produce sufficient funds to meet its current obligations, PRMF can make additional assessments.

**B. Grants**

In September 2017, most of the state of Florida was affected by Hurricane Irma, including the City. The President of the United States and the Governor of Florida declared most of the State a designated disaster area and issued relief to the State through public assistance grants, coordinated by the Federal Emergency Management Agency (FEMA). Expenses were incurred by the City for hurricane preparedness, debris removal, repairs and other hurricane-related costs; most of which occurred in fiscal year 2018. During the Fiscal Year 2019, a total of \$1,097,504 was obligated by FEMA for reimbursement for Hurricane Irma with a cost match grant obligation by the State of Florida in the amount of \$76,814. The City is working with State and Federal liaisons to recover these grant obligations.

**C. Contingent liabilities**

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

**D. Joint ventures**

Lake Apopka Natural Gas District was created by the 1959 Legislature of Florida for the purpose of establishing and operating a gas transmission and distribution system for the use and benefit of its member municipalities and the public. The City is one of three member municipalities and appoints two members of the District's five member governing board. The District is not a financial burden to the City and net revenues derived from the system which are not otherwise covenanted, are paid over to the member municipalities in a proportion determined by the board. The separate financial statements can be obtained from the District.

**E. Other postemployment benefits**

The City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, for its other postemployment healthcare and life insurance benefits provided by the City.

**1. Plan Description, Benefit Terms and Contribution Requirements**

The Other Postemployment Benefit Plan ("OPEB Plan") is a single-employer defined benefit plan administered by the City. Retirees and their dependents are permitted to remain covered under the City's respective health, hospitalization, life and prescription drug plans as long as they pay all or a portion of the premium applicable to coverage elected. This conforms to the minimum required of Florida governmental employers per Ch. 112.08, F.S.

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Per the requirements of a local ordinance, for employees who retired between October 11, 1990 and June 22, 1994, the City pays 100 percent of the premiums of health coverage for the life of employees who retired with twenty years of full-time service during this time period. The City also provides certain health benefits, as a matter of policy, for certain retirees who retired after May 14, 1998. The City pays \$250 per month of the premiums for health coverage for ten years or until the attainment of age 65, whichever comes first, for those employees who retired under their respective pension plan and who agree to pay the remaining premium. Retirees also receive \$10,000 of life insurance coverage at no cost. In addition to this, the City subsidizes the premium rates paid by retirees by allowing them to participate in the plans at reduced or blended group (implicit subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

The City Commission has the authority to amend the benefits of the OPEB Plan. The OPEB Plan does not issue a stand-alone report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

At measurement date September 30, 2019, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	81	
Active employees	276	
Total	357	

Contributions (benefit payment reductions) to the OPEB Plan are shared by the retiree and the City. OPEB Plan participants must reimburse the City for the City's average blended cost. Contribution requirements of the City are established and may be amended through action by the City Commission.

**2. Total OPEB Liability and Changes in Total OPEB Liability**

The measurement date for the City's total/net OPEB liability was September 30, 2019. The measurement period for OPEB cost was October 1, 2018 to September 30, 2019. The components of the City's net OPEB liability reported at September 30, 2019 are as follows:

Total OPEB liability	\$8,997,892
OPEB plan fiduciary net position	-
City's net OPEB liability	\$8,997,892
OPEB Plan fiduciary net position as a percentage of total OPEB liability	0%

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The components of the changes in the total OPEB liability are as follows:

<b>Total OPEB Liability</b>	<u>Fiscal Year 2019</u>
Service cost	\$ 541,253
Interest	396,722
Difference between expected and actual experience	(821,652)
Change of assumptions and other inputs	(799,584)
Benefit payments	(178,590)
Other changes	-
Net change in total OPEB liability	<u>(861,851)</u>
Total OPEB liability, beginning	<u>9,859,743</u>
Total OPEB liability, ending	<u>\$ 8,997,892</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 4.18% at the beginning of the measurement period to 3.58% as of September 30, 2019.

**3. Actuarial Assumptions and Total OPEB Liability Sensitivity to Healthcare Trend Rate**

The total OPEB liability reported at September 30, 2019 was based on an actuarial valuation dated September 30, 2019 using the following actuarial assumptions:

Inflation	2.5% per annum
Discount rate	3.58%
Salary increases	Service based; 4.0 – 6.0%
Mortality rates	Based on RP-2000 Generational tables, Scale BB; for separate healthy and disables lives (same as those used in City's pensions)
Healthcare cost trend rate	Rate of 8.0% in 2019, grading down to ultimate trend rate of 4.0% in 2075

Several assumption factors were developed using an experience study dated August 31, 2016. The healthcare cost trend rates reflect recent healthcare trend rate surveys, blended with long-term rates from the Getzen model published by the Society of Actuaries.

Sensitivity of OPEB liability to healthcare cost trend rate

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 healthcare trend rate that is 1% lower or 1% higher than the current rate.

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	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 7,347,515	\$ 8,997,892	\$ 11,283,353

**4. Discount Rate and Total OPEB Liability Sensitivity to Discount Rate**

The discount rate used to measure the total OPEB liability reported as of September 30, 2019 was 3.58%. Because the City’s OPEB costs are essentially funded on a pay-as-you-go funding structure, a municipal bond rate was used to determine the total OPEB liability for the OPEB Plan. The S&P Municipal 20-Year High-Grade Rate Index daily rate closest but not after the measurement date was used for this purpose.

Sensitivity of OPEB liability to discount rate

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% lower or 1% higher than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	2.58%	3.58%	4.58%
Total OPEB liability	\$ 11,178,032	\$ 8,997,892	\$ 7,360,674

**5. OPEB Expense and Deferred Outflows/Deferred Inflows of Resources related to OPEB**

For the year ended September 30, 2019, the City recognized OPEB expense of \$566,190. At September 30, 2019, the City had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 1,599,355
Changes in Assumptions	-	685,358
	\$ -	\$ 2,284,713

Deferred inflows of resources shown above will be recognized in OPEB expense in the following years.

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<u>Fiscal Year Ending:</u>	<u>Inflows</u>	<u>Outflows</u>
September 30, 2020	\$ 380,785	\$ -
September 30, 2021	380,785	-
September 30, 2022	380,785	-
September 30, 2023	380,785	-
September 30, 2024	380,785	-
Thereafter	380,788	-
	\$ 2,284,713	\$ -

**F. Employee retirement systems and pension plans**

**Defined Benefit Plans**

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

*Plan Description*

The City contributes to two single-employer, defined benefit pension plans: Pension Plan for General Employees (GEP) and Pension Plan for Firefighters and Police Officers (FPP). All full-time general employees of the City who have not otherwise opted out participate in the GEP. All full-time firefighters and police officers of the City participate in the FPP. Plan provisions may be established or amended by the City Commission. The plans do not issue stand-alone financial reports, and are reported as pension trust funds in the City's financial statements using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made.

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

*Membership and Plan Benefits – GEP*

As of October 1, 2018, there were 153 active members in the GEP, 114 inactive members entitled to benefits but not receiving yet, and 74 inactive plan members or beneficiaries receiving benefits. The GEP provides retirement, termination, disability and death benefits. The normal retirement benefit is 2.5% of average final compensation times credited service. Normal retirement is calculated as the earlier of age 62 with five years of credited service,

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completion of 30 years of credited service regardless of age, or attainment of age 70 regardless of credited service. The early retirement benefit is the member's accrued benefit reduced 5% per year that the benefit commencement date precedes age 62. Early retirement eligibility requires five years of credited service after age 60. Member vesting reaches 100% after five years of credited service. The member will receive the vested portion of their accrued benefit payable at the early or normal retirement date.

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

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

*Membership and Plan Benefits – FPP*

As of October 1, 2018, there were 112 active members in the FPP, 63 inactive members entitled to benefits but not receiving yet, and 45 inactive plan members or beneficiaries receiving benefits. The FPP provides retirement, termination, disability and death benefits. The FPP was established and operates within the parameters of Florida Statutes 175 and 185, which govern police and fire pension plans in the State of Florida.

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

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

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

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*Contribution Requirements*

The City Commission has the authority to establish or amend the contribution rates for the GEP and the FPP. For the GEP and FPP, the required contribution is the amount required in order to pay current costs and amortize the unfunded past service cost, if any, as provided for in Chapter 112, Florida Statutes. For the GEP, the current required contribution rate is 13.32% of annual covered payroll and the City contributed \$1,127,429 for the year ended September 30, 2019. For the FPP, the current required contribution rate is 13.26% of annual covered payroll and the City contributed \$2,387,523 for the year ended September 30, 2019.

Florida Statutes, Chapters 175 and 185, require FPP members to contribute not less than .5% of their annual salary. The FPP, as approved by the City Commission, requires members to contribute 3.5% of their annual salary. The City is required to contribute to the FPP at an actuarially determined rate, which includes the State's premium tax proceeds. Employer contributions for firefighters and police officers include on-behalf payments from the State of Florida related to state excise taxes collected on homeowner's insurance policies. The on-behalf payment amounts are recorded as revenue in the City's Police and Fire Premium Tax Trust Fund, and as an operating expenditure for the amounts contributed to the pension funds. These revenues, are then allocated to be used to offset the City's annual contribution requirement, a portion is allocated to the Share Plan and a portion is allocated to be used as a credit to the UAAL. The allocation of the State's premium tax proceeds were agreed upon between the City and Membership under Chapter 2015-39, Laws of Florida (Collective Bargaining Agreement signed July 11, 2019 for the IAFF and Memorandum of Agreement signed March 23, 2017 for the FOP). Forty percent, 40%, of the Chapter 175 premium tax revenues in excess of \$46,100.85 will be allocated to the Firefighters' portion of the Share Plan and sixty percent, 60%, will be used as a credit to the Unfunded Actuarial Accrued Liability (UAAL); Chapter 185 tax premium tax revenues in excess of \$231,706.59 will be equally allocated between the Police Officers' portion of the Share Plan and a credit to the UAAL. In absence of a UAAL, the City's portion of Excess premium tax revenues will directly offset the City's annual contribution requirement to the Police and Fire Pension Plan.

**2. Pension Plan Investments**

The GEP and FPP follow investment policies adopted by their respective Boards of Trustees, which have the authority for establishing and amending Plan investment policy decisions for the GEP and FPP. The policies outline suitable authorized investments along with asset allocations. The following table presents the adopted asset allocation policies as of September 30, 2019.

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<u>Asset Class</u>	<u>Target Allocation</u>	
	GEP	FPP
Domestic Equity	45%	50%
International Equity	15%	10%
Broad Market Fixed Income	30%	25%
Global Fixed Income	5%	5%
Real Estate	5%	10%
	100%	100%

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

For the year ended September 30, 2019, the annual money-weighted rate of return on the GEP's investments, net of pension investment expense, was 3.83%. For the year ended September 30, 2019, the annual money-weighted rate of return on the FPP's investments, net of pension investment expense, was 3.65%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**3. *Deferred Retirement Option Program***

The City Commission approved the establishment of a Deferred Retirement Option Plan ("DROP") option satisfaction of Normal Retirement eligibility for both the GEP and the FPP. The GEP participation is not to exceed 36 months, but may not participate past the age of 68. The FPP participation is up to 36 months, but not beyond age 58. For firefighters who had first reached age 55 prior to the effective date the DROP option was added to this plan, participation up to 36 month is permitted without regard to the age 58 limitation. The rate of return is the actual net rate of investment return credited to each Plan/Fiscal quarter, but not less than zero percent (0.0%). The GEP DROP balance as of September 30, 2019 was \$183,960. The FPP DROP balance as of September 30, 2019 was \$448,742.

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

The components of the net pension liability of the City as of September 30, 2019 were as follows:

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	GEP	FPP
Total Pension Liability	\$ 33,521,944	\$ 43,132,051
Plan Fiduciary Net Position	(30,279,426)	(44,527,925)
City's Net Pension Liability (Asset)	\$ 3,242,518	\$ (1,395,874)
Plan Fiduciary Net Position as a % of Total Pension Liability	90.33%	103.24%

The total pension liability and asset were determined by actuarial valuations as of October 1, 2018 updated to September 30, 2019 using the following actuarial assumptions applied to all measurement periods for both the GEP and FPP.

Inflation	2.50%
Salary Increases	Service based
Discount Rate	7.25%
Investment Rate of Return	7.25%

For the GEP, mortality rates were based on the RP-2000 Combined Healthy Table projected to the valuation date with Scale BB. Disabled lives are set forward two years for females and setback four years for males. For the FPP, mortality rates were based on the RP-2000 Combined Healthy Table projected to the valuation date with Scale BB. Disabled lives are set forward two years for females and setback four years for males.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the GEP and FPP's target asset allocations as of September 30, 2019 are summarized in the following table:

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

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

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

	1% Decrease to 6.25%	Current Discount Rate of 7.25%	1% Increase to 8.25%
GEP Net Pension Liability (Asset)	\$ 7,509,502	\$ 3,242,518	\$ (296,320)

	1% Decrease to 6.25%	Current Discount Rate of 7.25%	1% Increase to 8.25%
FPP Net Pension Liability (Asset)	\$ 4,666,042	\$ (1,395,874)	\$ (6,378,110)

**5. City Net Pension Liability (Asset)**

***Change in Net Pension Liability (Asset) for the City's Plans***

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	GEP	FPP
<b>Total Pension Liability</b>		
Service Cost	\$ 955,323	\$ 1,312,452
Interest	2,293,657	3,020,659
Share Plan Allocation	-	172,637
Changes in benefit terms	-	(21,069)
Difference Between Actual and Expected Experience	336,696	(924,805)
Contributions - Buy Back	-	-
Benefit Payments	(1,490,125)	(1,601,411)
<b>Net Change in Total Pension Liability</b>	2,095,551	1,958,463
<b>Total Pension Liability - Beginning</b>	31,426,393	41,173,588
<b>Total Pension Liability - Ending (a)</b>	33,521,944	43,132,051
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	1,172,985	1,214,538
Contributions - State	-	665,085
Contributions - Member	221,945	295,744
Net Investment Income	1,114,061	1,544,471
Benefit Payments	(1,490,125)	(1,601,411)
Administrative Expense	(36,422)	(56,073)
<b>Net Change in Plan Fiduciary Net Position</b>	982,444	2,062,354
<b>Plan Fiduciary Net Position - Beginning</b>	29,296,982	42,465,571
<b>Plan Fiduciary Net Position - Ending (b)</b>	30,279,426	44,527,925
<b>Net Pension Liability (Asset) (a) - (b)</b>	\$ 3,242,518	\$ (1,395,874)

***Pension Expense and Deferred Outflows/Deferred Inflows of Resources Related to Pensions***

For the year ended September 30, 2019, the City recognized pension expense of \$3,207,914 of which \$1,422,794 was related to the GEP and \$1,785,120 was related to the FPP plans. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	GEP	
	Deferred Outflows	(Deferred Inflows)
Difference between expected and actual experience	\$ 615,626	\$ 46,038
Changes of assumptions	-	-
Net difference between projected and actual earnings on plan investments	110,266	-
	FPP	
	Deferred Outflows	(Deferred Inflows)
Difference between expected and actual experience	629,591	1,087,145
Changes of assumptions	883,278	-
Net difference between projected and actual earnings on plan investments	-	177,595
Total GEP and FPP Plans	\$ 2,238,761	\$ 1,310,778

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

Year Ending September 30	GEP	FPP	Net Deferred Outflows
2020	\$ 121,056	\$ (76,854)	\$ 44,202
2021	188,842	(75,837)	113,005
2022	168,916	185,147	354,063
2023	201,040	256,178	457,218
2024	-	(40,505)	(40,505)
Thereafter	-	-	-
	\$ 679,854	\$ 248,129	\$ 927,983

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

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**COMBINING STATEMENT OF FIDUCIARY NET POSITION  
SEPTEMBER 30, 2019**

	PENSION PLAN FOR GENERAL EMPLOYEES	PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS	TOTAL PENSION TRUST FUNDS
<b>ASSETS</b>			
Cash and Cash Equivalents:			
Short Term Investments	\$ 970,659	\$ 2,322,456	\$ 3,293,115
Prepaid Expenses	-	4,830	4,830
Total Cash and Cash Equivalents	970,659	2,327,286	3,297,945
Receivables:			
From Police Officers' & Firefighters' Trust Fund	46	-	46
Investment Income	68,001	105,182	173,183
Total Receivables	68,047	105,182	173,229
Investments:			
U.S. Bonds and Bills	2,223,445	3,020,776	5,244,221
Federal Agency Guaranteed Securities	287,617	221,179	508,796
Corporate Bonds	3,929,159	4,921,178	8,850,337
Stocks	13,295,686	13,093,517	26,389,203
Mutual Funds:			
Fixed Income	1,007,054	1,794,463	2,801,517
Equity	6,327,426	14,640,903	20,968,329
Real Estate	2,189,585	4,430,248	6,619,833
Total Investments	29,259,972	42,122,264	71,382,236
<b>Total Assets</b>	<b>30,298,678</b>	<b>44,554,732</b>	<b>74,853,410</b>
<b>LIABILITIES</b>			
Payables:			
Refunds of Member Contributions	3,340	14,790	18,130
Investment Expenses	14,605	10,647	25,252
Administrative Expenses	1,307	1,308	2,615
Miscellaneous	-	16	16
To General Employees' Trust Fund	-	46	46
<b>Total Liabilities</b>	<b>19,252</b>	<b>26,807</b>	<b>46,059</b>
<b>NET POSITION RESTRICTED</b>			
<b>FOR PENSIONS</b>	<b>\$ 30,279,426</b>	<b>\$ 44,527,925</b>	<b>\$ 74,807,351</b>

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**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<b>PENSION PLAN FOR GENERAL EMPLOYEES</b>	<b>PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS</b>	<b>TOTAL PENSION TRUST FUNDS</b>
<b>ADDITIONS</b>			
Contributions:			
City	\$ 1,172,985	\$ 1,214,538	\$ 2,387,523
State	-	665,085	665,085
Member	221,945	295,744	517,689
Total Contributions	<u>1,394,930</u>	<u>2,175,367</u>	<u>3,570,297</u>
Investment Income:			
Net Increase in Fair Value of Investments	429,169	400,312	829,481
Interest and Dividends	842,670	1,308,302	2,150,972
Less Investment Expense <sup>1</sup>	<u>(157,778)</u>	<u>(164,143)</u>	<u>(321,921)</u>
Net Investment Income	<u>1,114,061</u>	<u>1,544,471</u>	<u>2,658,532</u>
<b>Total Additions</b>	<u>2,508,991</u>	<u>3,719,838</u>	<u>6,228,829</u>
<b>DEDUCTIONS</b>			
Benefit Payments	1,363,167	1,480,890	2,844,057
Lump Sum DROP Distributions	63,018	-	63,018
Lump Sum Share Distributions	-	9,704	9,704
Lump Sum PLOP Distributions	32,951	71,952	104,903
Refunds of Member Contributions	30,989	38,865	69,854
Administrative Expense	<u>36,422</u>	<u>56,073</u>	<u>92,495</u>
<b>Total Deductions</b>	<u>1,526,547</u>	<u>1,657,484</u>	<u>3,184,031</u>
<b>Net Increase in Net Position</b>	982,444	2,062,354	3,044,798
<b>Net Position Restricted for Pensions</b>			
Beginning of Year	<u>29,296,982</u>	<u>42,465,571</u>	<u>71,762,553</u>
End of Year	<u>\$ 30,279,426</u>	<u>\$ 44,527,925</u>	<u>\$ 74,807,351</u>

<sup>1</sup> Investment related expenses include investment advisory, custodial and performance monitoring fees.

***7. Defined Contribution Plan Description and Funding Requirements.***

The Florida Municipal Pension Trust Fund is a defined contribution pension plan established and administered by the Florida League of Cities, Inc. to provide retirement benefits for full-time general employees in certain designated positions who have elected to opt out of the Pension Plan for General Employees. At September 30, 2019, there was one plan member from the City. The City contributes 7.5 percent of the annual covered payroll of plan participants. Plan provisions and contribution requirements are established by ordinance and may be amended by the City Commission. For the year ended September 30, 2019, the City

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 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended September 30, 2019

recognized pension expense \$6,378. Employer contributions and earnings on those contributions are vested to the following schedule: Nonvested City contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the Deferred Contribution Plan's administrative expenses. For the year ended September 30, 2019, forfeitures reduced the City's pension expense by \$0.

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

<sup>1</sup>A General Employee under the FMPTF earns 20% vesting starting with one year of credited service and another 20% for each successive year of credited service through the fifth year of credited service at which time the employee will be 100% vested.

**G. Expenditures in Excess of Appropriations**

The City overspent the final budgeted expenditures in the Law Enforcement Grants Fund, Local Option Gas Tax Fund and the Police and Fire Premium Tax Fund. These expenditures were offset by available fund balance.

**H. Tax Abatements**

GASB Statement No. 77, *Tax Abatement Disclosures* is effective for the financial statements of the City. This statement requires disclosure of tax abatement information about the City's tax abatement agreements and those entered by other governments that would reduce the City's tax revenues. The City has evaluated this statement and has determined no agreements meet the criteria to be disclosed.

**City of Winter Garden**  
**Schedule of Changes in the City's Total OPEB Liability and Related Ratios**  
**Last 10 Measurement Years\***

	<b>2019</b>	<b>2018</b>
<b>Total OPEB Liability</b>		
Service cost	\$ 541,253	\$ 667,173
Interest	396,722	391,888
Difference between expected and actual experience	(821,652)	-
Change of assumptions and other inputs	(799,584)	(1,193,442)
Benefit payments	(178,590)	(207,863)
Net change in total OPEB liability	(861,851)	(342,244)
Total OPEB liability - beginning	9,859,743	10,201,987
Total OPEB liability - ending	<u>\$ 8,997,892</u>	<u>\$ 9,859,743</u>
Covered employee payroll	\$ 16,883,625	\$ 16,654,480
Total OPEB liability as a percentage of covered employee payroll	53.29%	59.20%

**Notes to the Schedule:**

Note 1: GASB 75 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Note 3: Assumptions changes in FY19:

The discount rate was changed to 3.58% from 4.18% in the prior year.

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

	PENSION PLAN FOR GENERAL EMPLOYEES 2019	PENSION PLAN FOR GENERAL EMPLOYEES 2018	PENSION PLAN FOR GENERAL EMPLOYEES 2017	PENSION PLAN FOR GENERAL EMPLOYEES 2016	PENSION PLAN FOR GENERAL EMPLOYEES 2015	PENSION PLAN FOR GENERAL EMPLOYEES 2014
<b>Total Pension Liability</b>						
Service Cost	\$ 955,323	\$ 925,627	\$ 843,298	\$ 778,104	\$ 672,735	\$ 772,422
Interest	2,293,657	2,120,581	2,012,263	1,703,548	1,644,735	1,568,252
Changes of Benefit Terms	-	-	935,549	-	-	-
Differences Between Expected and Actual Experience	336,696	726,207	(184,153)	(4,370)	(472,681)	-
Changes of Assumptions	-	-	-	2,036,904	-	-
Contributions - Buy Back	-	-	71,923	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,490,125)	(1,339,579)	(1,323,657)	(1,189,918)	(1,087,969)	(1,284,131)
Net Change in Total Pension Liability	2,095,551	2,432,836	2,355,223	3,324,268	756,820	1,056,543
Total Pension Liability - Beginning	31,426,393	28,993,557	26,638,334	23,314,066	22,557,246	21,500,703
Total Pension Liability - Ending (a)	<u>\$ 33,521,944</u>	<u>\$ 31,426,393</u>	<u>\$ 28,993,557</u>	<u>\$ 26,638,334</u>	<u>\$ 23,314,066</u>	<u>\$ 22,557,246</u>
<b>Plan Fiduciary Net Position</b>						
Contributions - City	\$ 1,172,985	\$ 995,065	\$ 776,752	\$ 861,694	\$ 986,645	\$ 883,975
Contributions - Employee	221,945	208,326	205,137	196,288	166,914	164,064
Contributions - Buy Back	-	-	71,923	-	-	-
Net Investment Income	1,114,061	2,528,497	2,585,237	1,773,733	129,983	2,259,429
Benefit Payments, Including Refunds of Member Contributions	(1,490,125)	(1,339,579)	(1,323,657)	(1,189,918)	(1,087,969)	(1,284,131)
Administrative Expense	(36,422)	(37,430)	(40,070)	(32,228)	(41,173)	(24,454)
Net Change in Plan Fiduciary Net Position	982,444	2,354,879	2,275,322	1,609,569	154,400	1,998,883
Plan Fiduciary Net Position - Beginning	29,296,982	26,942,103	24,666,781	23,057,212	22,902,812	20,903,929
Plan Fiduciary Net Position - Ending (b)	<u>\$ 30,279,426</u>	<u>\$ 29,296,982</u>	<u>\$ 26,942,103</u>	<u>\$ 24,666,781</u>	<u>\$ 23,057,212</u>	<u>\$ 22,902,812</u>
<b>City's Net Pension Liability - ending (a) - (b)</b>	<u>\$ 3,242,518</u>	<u>\$ 2,129,411</u>	<u>\$ 2,051,454</u>	<u>\$ 1,971,553</u>	<u>\$ 256,854</u>	<u>\$ (345,566)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.33%	93.22%	92.92%	92.60%	98.90%	101.53%
Covered Payroll	\$ 8,814,930	\$ 8,322,284	\$ 8,134,647	\$ 7,808,002	\$ 6,617,337	\$ 6,562,550
Net Pension Liability as a Percentage of Covered Payroll	36.78%	25.59%	25.22%	25.25%	3.88%	-5.27%

**Note to the Schedule:**

Plan information is only available for 2014 to 2019. Subsequent years will be added for a full ten-year trend to be presented.

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

	PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS 2019	PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS 2018	PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS 2017	PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS 2016	PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS 2015	PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS 2014
<b>Total Pension Liability</b>						
Service Cost	\$ 1,312,452	\$ 1,326,301	\$ 1,249,018	\$ 1,285,416	\$ 1,247,782	\$ 1,170,789
Interest	3,020,659	2,768,703	2,588,829	2,406,315	2,207,981	2,055,663
Change in Excess State Money	-	-	-	(1,201,957)	186,993	171,237
Share Plan Allocation	172,637	167,449	145,812	-	-	-
Changes of Benefit Terms	(21,069)	-	-	142,867	-	-
Differences Between Expected and Actual Experience	(924,805)	795,401	(97,499)	(608,444)	368,676	-
Changes of Assumptions	-	-	-	2,060,985	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,601,411)	(1,493,957)	(1,470,879)	(1,497,286)	(1,223,698)	(1,321,368)
Net Change in Total Pension Liability	1,958,463	3,563,897	2,415,281	2,587,896	2,787,734	2,076,321
Total Pension Liability - Beginning	41,173,588	37,609,691	35,194,410	32,606,514	29,818,780	27,742,459
Total Pension Liability - Ending (a)	\$ 43,132,051	\$ 41,173,588	\$ 37,609,691	\$ 35,194,410	\$ 32,606,514	\$ 29,818,780
<b>Plan Fiduciary Net Position</b>						
Contributions - City	\$ 1,214,538	\$ 946,156	\$ 939,856	\$ 1,035,014	\$ 1,043,187	\$ 992,159
Contributions - State	665,085	612,706	569,430	527,035	464,800	449,044
Contributions - Employee	295,744	271,701	240,164	262,084	242,212	247,075
Net Investment Income	1,544,471	4,159,949	3,780,423	2,655,638	515,399	2,495,803
Benefit Payments, Including Refunds of Member Contributions	(1,601,411)	(1,493,957)	(1,470,879)	(1,497,286)	(1,223,698)	(1,321,368)
Administrative Expense	(56,073)	(63,781)	(63,529)	(52,087)	(43,046)	(35,402)
Net Change in Plan Fiduciary Net Position	2,062,354	4,432,774	3,995,465	2,930,398	998,854	2,827,311
Plan Fiduciary Net Position - Beginning	42,465,571	38,032,797	34,037,332	31,106,934	30,108,080	27,280,769
Plan Fiduciary Net Position - Ending (b)	\$ 44,527,925	\$ 42,465,571	\$ 38,037,797	\$ 34,037,332	\$ 31,106,934	\$ 30,108,080
<b>City's Net Pension Liability (Asset) - ending (a) - (b)</b>	\$ (1,395,874)	\$ (1,291,983)	\$ (423,106)	\$ 1,157,078	\$ 1,499,580	\$ (289,300)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	103.24%	103.14%	101.12%	96.71%	95.40%	100.97%
Covered Payroll	\$ 8,363,002	\$ 7,112,354	\$ 7,456,214	\$ 7,478,083	\$ 6,920,183	\$ 7,059,293
Net Pension Liability as a Percentage of Covered Payroll	-16.69%	-18.17%	-5.67%	15.47%	21.67%	-4.10%

**Note to the Schedule:**

Plan information is only available for 2014 to 2019. Subsequent years will be added for a full ten-year trend to be presented.

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

	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 1,127,429	\$ 972,043	\$ 776,859	\$ 819,059	\$ 986,645	\$ 883,975
Contributions in Relation to the Actuarially Determined Contribution	<u>1,172,985</u>	<u>995,065</u>	<u>776,752</u>	<u>861,694</u>	<u>986,645</u>	<u>883,975</u>
Contribution Deficiency (Excess)	<u>\$ (45,556)</u>	<u>\$ (23,022)</u>	<u>\$ 107</u>	<u>\$ (42,635)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 8,814,930	\$ 8,322,284	\$ 8,134,647	\$ 7,808,002	\$ 6,617,337	\$ 6,562,550
Contributions as a Percentage of Covered Payroll	13.31%	11.96%	9.55%	11.04%	14.91%	13.47%

**Note to the Schedule:**

Plan information is only available from 2014 to 2019. Subsequent years will be added for a full ten-year trend to be presented.

Valuation Date: 10/1/2017

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

**Methods and assumptions used to determine contribution rates:**

Funding Method: Entry Age Normal Actuarial Cost Method  
 Amortization Method: Level Percentage of Pay, Closed  
 Remaining Amortization Method: 19 Years (as of 10/01/2017)  
 Asset Valuation Method: The actuarial value of assets utilizes a five-year smoothing methodology. The annual difference between expected and actual investment earnings (market value net of related expenses) is phased-in over a five-year period.

Cost of Living Adjustments: None

Payroll Increases: None

Salary Increases	<u>Credited Service</u>		<u>Assumed Rate</u>	
	First Year		15-24	4.50%
	1		25+	4.00%
	2-4			
	5-9			
	10-14			

This assumption was approved in conjunction with an actuarial experience dated 08/31/2016

Interest Rate: 7.25% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Normal Retirement Rates	<u>Years Following First Eligibility</u>		<u>Probability of Retirement</u>	
	0		60%	
	1-2		50%	
	3-6		20%	

7+ 100%  
 This assumption was approved in conjunction with an actuarial experience dated 08/31/2016

Early Retirement Rates

<u>Age</u>	<u>Probability of Retirement</u>
60	5.0%
61-64	10.0%

This assumption was approved in conjunction with an actuarial experience dated 08/31/2016

Termination Rates

<u>Credited Service</u>	<u>Probability of Termination Rate</u>
Less than 3	18.00%
3-6	12.00%
7-24	6.00%
25+	6.00%

This assumption was approved in conjunction with an actuarial experience dated 08/31/2016

Terminal Leave Pay

<u>Present Value of Retirement Liability</u>	<u>% Increase to Liability (Hired Before 10/1/2000)</u>	<u>% Increase to Liability (Hired After 09/30/2000)</u>
Normal	6.0%	3.0%
Early	3.0%	1.5%
Vesting	3.0%	1.5%
Death	3.0%	1.5%
Disability	3.0%	1.5%

Mortality

*Healthy Lives:*

Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: RP2000 Generational, 50% Annuitant White Collar / 50% Annuitant Blue Collar, Scale BB.

*Disabled Lives:*

Female: 100% RP2000 Disabled Female set forward two years.

Male: 100% RP2000 Disabled Male setback four years.

The above assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2016 FRS valuation report for non-risk participants.

Disability Rates

<u>Age</u>	<u>Disability Probability</u>
20	0.07%
25	0.09%
30	0.11%
35	0.14%
40	0.19%
45	0.30%
50	0.51%
55	0.96%
60	1.66%
65	0.00%

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

	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 1,507,013	\$ 1,215,501	\$ 1,124,397	\$ 1,312,404	\$ 1,270,544	\$ 1,269,966
Contributions in Relation to the Actuarially Determined Contribution	<u>1,492,345</u>	<u>1,223,964</u>	<u>1,217,663</u>	<u>1,312,821</u>	<u>1,320,994</u>	<u>1,269,966</u>
Contribution Deficiency (Excess)	<u>\$ 14,668</u>	<u>\$ (8,463)</u>	<u>\$ (93,266)</u>	<u>\$ (417)</u>	<u>\$ (50,450)</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 8,363,002	\$ 7,112,354	\$ 7,456,214	\$ 7,478,083	\$ 6,920,183	\$ 7,059,293
Contributions as a Percentage of Covered Employee Payroll	17.84%	17.21%	16.33%	17.56%	19.09%	17.99%

**Note to the Schedule:**

Plan information is only available from 2014 to 2019. Subsequent years will be added for a full ten-year trend to be presented.

Valuation Date: 10/1/2017

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

**Methods and assumptions used to determine contribution rates:**

Funding Method	Entry Age Normal Actuarial Cost Method	
Amortization Method	Level Dollar, Closed.	
Remaining Amortization Method	28 Years (as of 10/01/2017)	
Asset Valuation Method	The actuarial value of assets utilizes a five-year smoothing methodology. The annual difference between expected and actual investment earnings (market value net of related expenses) is phased-in over a five-year period.	
Cost of Living Adjustments	None	
Payroll Increases	None	
Salary Increases	<u>Credited Service</u>	<u>Rates</u>
	First Year	12.00%
	1-4	5.00%
	5-14	4.50%
	15+	4.00%

Interest Rate This assumption was approved in conjunction with an actuarial experience dated 08/31/2016 7.25% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Normal Retirement Rates

<u>Service</u>	<u>Age</u>	<u>Probability of Retirement</u>
6-24	55	40%
	56-63	10%
	64+	100%
25-27	All	0%
28+	All	100%

This assumption was approved in conjunction with an actuarial experience dated 08/31/2016

Early Retirement Rates

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

This assumption was approved in conjunction with an actuarial experience dated 08/31/2016

Termination Rates

<u>Credited Service</u>	<u>Rates</u>
First Year	9.00%
1	8.00%
2	8.00%
3	9.00%
4	9.00%
5-9	4.00%
10-14	4.00%
15+	2.00%

This assumption was approved in conjunction with an actuarial experience dated 08/31/2016

Terminal Leave Pay

<u>Present Value of</u>	<u>Liability (Hired</u>	<u>Liability (Hired</u>	<u>Liability (Hired</u>
-------------------------	-------------------------	-------------------------	-------------------------

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

**PENSION PLAN FOR GENERAL EMPLOYEES**

	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return, Net of Investment Expense	3.83%	9.44%	10.55%	7.76%	0.58%	10.97%

**PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS**

	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return, Net of Investment Expense	3.65%	10.99%	11.19%	8.61%	1.72%	9.20%

**Note to the Schedule:**

Plan information is only available for 2014 to 2019. Subsequent years will be added for a full ten-year trend to be presented.



# WINTER GARDEN

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## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditure for particular purposes.

Downtown Parking District Fund—This fund is used to account for parking user fees assessed on new and expanding developments and all changes of use of existing properties within the downtown core. Revenues are restricted for the acquisition, construction, and maintenance of on-street and off-street parking serving land uses in the downtown core.

Law Enforcement Trust Fund—This fund is used to account for law enforcement expenditures financed with forfeited funds originating from illegal activities.

Law Enforcement Grants Fund—This fund is used to account for law enforcement grants.

Local Option Gas Tax Fund—This fund is used to account for specific road improvements and maintenance utilizing the City's portion of the six-cent Local Option Gas Tax.

Police and Fire Premium Tax Trust Fund—This fund is used to account for excise tax imposed on homeowners' insurance premiums collected by the State and remitted to the City. Revenues are restricted to be used as retirement contributions to police and fire pension plans.

### **Other Nonmajor Governmental Funds**

Capital Projects Fund—This fund is used to account for capital projects that do not fall under the other fund categories.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and the payment of, general government long-term debt principal and interest.

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

	<b>Special</b>		
	<b>Downtown Parking District Fund</b>	<b>Law Enforcement Trust Fund</b>	<b>Law Enforcement Grants Fund</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 34,171	\$ 119,936	\$ 126,149
Investments	-	-	-
Due from other governmental units	-	-	-
Total assets	<u>\$ 34,171</u>	<u>\$ 119,936</u>	<u>\$ 126,149</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 313	\$ -	\$ -
Total liabilities	<u>313</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Restricted for:			
Public Safety	-	119,936	126,149
Transportation	-	-	-
Committed to:			
Transportation	<u>33,858</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>33,858</u>	<u>119,936</u>	<u>126,149</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 34,171</u>	<u>\$ 119,936</u>	<u>\$ 126,149</u>

<b>Revenue</b>			<b>Total</b>		
<b>Local Option Gas Tax Fund</b>	<b>Police and Fire Premium Tax Trust Fund</b>	<b>Total</b>	<b>Capital Projects Funds</b>	<b>Debt Service Fund</b>	<b>Nonmajor Governmental Funds</b>
\$ 857,395	\$ -	\$ 1,137,651	\$ 183,367	\$ -	\$ 1,321,018
1,574,276	-	1,574,276	3,355,848	-	4,930,124
134,029	516,233	650,262	-	-	650,262
<u>\$ 2,565,700</u>	<u>\$ 516,233</u>	<u>\$ 3,362,189</u>	<u>\$ 3,539,215</u>	<u>\$ -</u>	<u>\$ 6,901,404</u>
\$ 26,788	\$ -	\$ 27,101	\$ -	\$ -	\$ 27,101
<u>26,788</u>	<u>-</u>	<u>27,101</u>	<u>-</u>	<u>-</u>	<u>27,101</u>
-	516,233	516,233	-	-	516,233
<u>-</u>	<u>516,233</u>	<u>516,233</u>	<u>-</u>	<u>-</u>	<u>516,233</u>
-	-	246,085	-	-	246,085
2,538,912	-	2,538,912	3,539,215	-	6,078,127
-	-	33,858	-	-	33,858
<u>2,538,912</u>	<u>-</u>	<u>2,818,855</u>	<u>3,539,215</u>	<u>-</u>	<u>6,358,070</u>
<u>\$ 2,565,700</u>	<u>\$ 516,233</u>	<u>\$ 3,362,189</u>	<u>\$ 3,539,215</u>	<u>\$ -</u>	<u>\$ 6,901,404</u>

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

	<b>Special</b>		
	<b>Downtown Parking District Fund</b>	<b>Law Enforcement Trust Fund</b>	<b>Law Enforcement Grants Fund</b>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ 14,078
Fines and forfeits	-	26,008	-
Investment earnings	<u>757</u>	<u>2,482</u>	<u>2,680</u>
Total revenues	<u>757</u>	<u>28,490</u>	<u>16,758</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	-	19,500	37,188
Transportation	2,821	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>2,821</u>	<u>19,500</u>	<u>37,188</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,064)</u>	<u>8,990</u>	<u>(20,430)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>8,000</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>8,000</u>
Net change in fund balances	(2,064)	8,990	(12,430)
Fund balances—beginning	<u>35,922</u>	<u>110,946</u>	<u>138,579</u>
Fund balances —ending	<u>\$ 33,858</u>	<u>\$ 119,936</u>	<u>\$ 126,149</u>

<b>Revenue</b>			<b>Total</b>		
<b>Local Option Gas Tax Fund</b>	<b>Police and Fire Premium Tax Trust Fund</b>	<b>Total</b>	<b>Capital Projects Funds</b>	<b>Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 1,508,736	\$ 665,085	\$ 2,187,899	\$ -	\$ -	\$ 2,187,899
-	-	26,008	-	-	26,008
90,431	-	96,350	138,909	-	235,259
<u>1,599,167</u>	<u>665,085</u>	<u>2,310,257</u>	<u>138,909</u>	<u>-</u>	<u>2,449,166</u>
-	665,085	721,773	-	-	721,773
2,293,504	-	2,296,325	-	-	2,296,325
-	-	-	-	816,000	816,000
-	-	-	-	451,831	451,831
<u>2,293,504</u>	<u>665,085</u>	<u>3,018,098</u>	<u>-</u>	<u>1,267,831</u>	<u>3,018,098</u>
<u>(694,337)</u>	<u>-</u>	<u>(707,841)</u>	<u>138,909</u>	<u>(1,267,831)</u>	<u>(1,836,763)</u>
17,971	-	25,971	-	1,267,831	1,293,802
<u>17,971</u>	<u>-</u>	<u>25,971</u>	<u>-</u>	<u>1,267,831</u>	<u>1,293,802</u>
(676,366)	-	(681,870)	138,909	-	(542,961)
<u>3,215,278</u>	<u>-</u>	<u>3,500,725</u>	<u>3,400,306</u>	<u>-</u>	<u>6,901,031</u>
<u>\$ 2,538,912</u>	<u>\$ -</u>	<u>\$ 2,818,855</u>	<u>\$ 3,539,215</u>	<u>\$ -</u>	<u>\$ 6,358,070</u>

**City of Winter Garden, Florida**  
**Downtown Parking District Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Permits, fees, and special assessments	\$ 6,646	\$ -	\$ (6,646)
Investment earnings	<u>-</u>	<u>757</u>	<u>757</u>
Total revenues	<u>6,646</u>	<u>757</u>	<u>(5,889)</u>
<b>EXPENDITURES</b>			
Current:			
Transportation:			
Construction and maintenance	<u>6,646</u>	<u>2,821</u>	<u>3,825</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(2,064)</u>	<u>(2,064)</u>
Net change in fund balances	-	(2,064)	(2,064)
Fund balances—beginning	<u>35,922</u>	<u>35,922</u>	<u>-</u>
Fund balances—ending	<u>\$ 35,922</u>	<u>\$ 33,858</u>	<u>\$ (2,064)</u>

**City of Winter Garden, Florida**  
**Law Enforcement Trust Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Fines and forfeits	\$ 11,995	\$ 26,008	\$ 14,013
Investment earnings	<u>26,533</u>	<u>2,482</u>	<u>(24,051)</u>
Total revenues	<u>38,528</u>	<u>28,490</u>	<u>(10,038)</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Law enforcement	<u>46,845</u>	<u>19,500</u>	<u>27,345</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,317)</u>	<u>8,990</u>	<u>17,307</u>
Fund balances—beginning	<u>110,946</u>	<u>110,946</u>	<u>-</u>
Fund balances—ending	<u>\$ 102,629</u>	<u>\$ 119,936</u>	<u>\$ 17,307</u>

**City of Winter Garden, Florida**  
**Law Enforcement Grants Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Intergovernmental	\$ 19,480	\$ 14,078	\$ (5,402)
Investment earnings	<u>-</u>	<u>2,680</u>	<u>2,680</u>
Total revenues	<u>19,480</u>	<u>16,758</u>	<u>(2,722)</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Law enforcement	<u>27,480</u>	<u>37,188</u>	<u>(9,708)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,000)</u>	<u>(20,430)</u>	<u>(12,430)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u>10,400</u>	<u>8,000</u>	<u>(2,400)</u>
Net change in fund balances	2,400	(12,430)	(14,830)
Fund balance—beginning	<u>138,579</u>	<u>138,579</u>	<u>-</u>
Fund balance—ending	<u>\$ 140,979</u>	<u>\$ 126,149</u>	<u>\$ (14,830)</u>

**City of Winter Garden, Florida**  
**Local Option Gas Tax Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Intergovernmental	\$ 1,426,220	\$ 1,508,736	\$ 82,516
Investment Earnings	-	90,431	90,431
Total revenues	<u>1,426,220</u>	<u>1,599,167</u>	<u>172,947</u>
<b>EXPENDITURES</b>			
Current:			
Transportation:			
Construction and maintenance	<u>2,043,977</u>	<u>2,293,504</u>	<u>(249,527)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(617,757)</u>	<u>(694,337)</u>	<u>(76,580)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u>18,360</u>	<u>17,971</u>	<u>(389)</u>
Net change in fund balances	(599,397)	(676,366)	(76,969)
Fund balances—beginning	<u>3,215,278</u>	<u>3,215,278</u>	<u>-</u>
Fund balance—ending	<u>\$ 2,615,881</u>	<u>\$ 2,538,912</u>	<u>\$ (76,969)</u>

**City of Winter Garden, Florida**  
**Police and Fire Premium Tax Trust Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Intergovernmental	\$ 637,762	\$ 665,085	\$ 27,323
Total revenues	<u>637,762</u>	<u>665,085</u>	<u>27,323</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Law enforcement	378,121	408,965	(30,844)
Fire control	<u>259,641</u>	<u>256,120</u>	<u>3,521</u>
Total public safety	<u>637,762</u>	<u>665,085</u>	<u>(27,323)</u>
Net change in fund balances	-	-	-
Fund balances—beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Winter Garden, Florida**  
**Capital Projects Funds**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment earnings	\$ -	\$ 138,909	\$ 138,909
Total revenues	<u>-</u>	<u>138,909</u>	<u>138,909</u>
<b>EXPENDITURES</b>			
Current:			
Transportation:			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>138,909</u>	<u>138,909</u>
Net change in fund balances	-	138,909	138,909
Fund balances—beginning	<u>3,400,306</u>	<u>3,400,306</u>	<u>-</u>
Fund balances—ending	<u>\$ 3,400,306</u>	<u>\$ 3,539,215</u>	<u>\$ 138,909</u>

**City of Winter Garden, Florida**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual**  
**For the Year Ended September 30, 2019**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	\$ 816,000	816,000	\$ -
Interest	<u>451,830</u>	<u>451,831</u>	<u>(1)</u>
Total expenditures	<u>1,267,830</u>	<u>1,267,831</u>	<u>(1)</u>
(Deficiency) of revenues (under) expenditures	<u>(1,267,830)</u>	<u>(1,267,831)</u>	<u>(1)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u>1,369,812</u>	<u>1,267,831</u>	<u>(101,981)</u>
Net change in fund balances	101,982	-	(101,982)
Fund balances—beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances—ending	<u>\$ 101,982</u>	<u>\$ -</u>	<u>\$ (101,982)</u>

## **Nonmajor Enterprise Funds**

Stormwater Utility Fund—This fund is used to account for the revenues, expenses, assets, deferred outflows or resources, liabilities and deferred inflows of resources associated with the Stormwater Utility.

Trailer City Fund—This fund is used to account for the revenues, expenses, assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with residential mobile home lot rentals.

**City of Winter Garden, Florida**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**September 30, 2019**

	<u>Stormwater Utility</u>	<u>Trailer City</u>	<u>Totals</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 464,745	\$ 125,805	\$ 590,550
Accounts receivable (net of allowance for uncollectibles)	175,538	619	176,157
Due from other government unit	760	-	760
Investments	3,728,790	-	3,728,790
Total current assets	<u>4,369,833</u>	<u>126,424</u>	<u>4,496,257</u>
Noncurrent assets:			
Capital assets:			
Land	-	63,300	63,300
Buildings	-	213,224	213,224
Improvements other than buildings	2,934,402	261,015	3,195,417
Machinery and equipment	1,250,923	36,632	1,287,555
Infrastructure	11,706,620	34,555	11,741,175
Construction work in progress	30,367	-	30,367
Less accumulated depreciation	<u>(5,972,030)</u>	<u>(281,675)</u>	<u>(6,253,705)</u>
Total capital assets (net of accumulated depreciation)	<u>9,950,282</u>	<u>327,051</u>	<u>10,277,333</u>
Total assets	<u>14,320,115</u>	<u>453,475</u>	<u>14,773,590</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows for pensions	<u>6,535</u>	<u>9,421</u>	<u>15,956</u>
Total deferred outflows of resources	<u>6,535</u>	<u>9,421</u>	<u>15,956</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	24,454	4,265	28,719
Compensated absences	992	4,082	5,074
Accrued wages payable	3,341	2,502	5,843
Unearned revenue	-	6,058	6,058
Total current liabilities	<u>28,787</u>	<u>16,907</u>	<u>45,694</u>
Noncurrent liabilities:			
Compensated absences	14,381	-	14,381
Other postemployment benefits	58,619	58,619	117,238
Net pension liability	<u>20,264</u>	<u>34,348</u>	<u>54,612</u>
Total noncurrent liabilities	<u>93,264</u>	<u>92,967</u>	<u>186,231</u>
Total liabilities	<u>122,051</u>	<u>109,874</u>	<u>231,925</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows for other postemployment benefits	18,524	18,524	37,048
Deferred inflows for pensions	<u>438</u>	<u>1,234</u>	<u>1,672</u>
Total deferred inflows of resources	<u>18,962</u>	<u>19,758</u>	<u>38,720</u>
<b>NET POSITION</b>			
Net investment in capital assets	9,950,282	327,051	10,277,333
Unrestricted	<u>4,235,355</u>	<u>6,213</u>	<u>4,241,568</u>
Total net position	<u>\$ 14,185,637</u>	<u>\$ 333,264</u>	<u>\$ 14,518,901</u>

**City of Winter Garden, Florida**  
**Combining Statement of Revenues, Expenses, and Changes**  
**in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2019**

	<u>Stormwater Utility</u>	<u>Trailer City</u>	<u>Totals</u>
Operating revenues:			
Permits, fees, and special assessments	\$ 1,593,892	\$ -	\$ 1,593,892
Other	<u>760</u>	<u>261,142</u>	<u>261,902</u>
Total operating revenues	<u>1,594,652</u>	<u>261,142</u>	<u>1,855,794</u>
Operating expenses:			
Personal services	115,755	137,862	253,617
Contractual services	176,958	14,594	191,552
Utilities	-	5,651	5,651
Supplies	41,356	2,907	44,263
Depreciation	700,029	16,851	716,880
Other services and charges	<u>204,743</u>	<u>68,728</u>	<u>273,471</u>
Total operating expenses	<u>1,238,841</u>	<u>246,593</u>	<u>1,485,434</u>
Operating income	<u>355,811</u>	<u>14,549</u>	<u>370,360</u>
Nonoperating revenues:			
Investment earnings	143,494	2,664	146,158
Gain on sale of capital assets	<u>1,360,282</u>	<u>-</u>	<u>1,360,282</u>
Total nonoperating revenues	<u>1,503,776</u>	<u>2,664</u>	<u>1,506,440</u>
Income before contributions	<u>1,859,587</u>	<u>17,213</u>	<u>1,876,800</u>
Change in net position	1,859,587	17,213	1,876,800
Total net position—beginning	<u>12,326,050</u>	<u>316,051</u>	<u>12,642,101</u>
Total net position—ending	<u>\$ 14,185,637</u>	<u>\$ 333,264</u>	<u>\$ 14,518,901</u>

**City of Winter Garden, Florida**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2019**

	<b>Stormwater Utility</b>	<b>Trailer City</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 1,585,699	\$ 261,834	\$ 1,847,533
Payments to suppliers	(435,980)	(88,749)	(524,729)
Payments to employees	(106,423)	(148,440)	(254,863)
Net cash provided by operating activities	1,043,296	24,645	1,067,941
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Decrease in due from other funds	3,918	-	3,918
Net cash provided by noncapital and related financing activities	3,918	-	3,918
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from sales of capital assets	1,360,282	-	1,360,282
Purchases of capital assets	(2,082,490)	(126,230)	(2,208,720)
Net cash (used) by capital and related financing activities	(722,208)	(126,230)	(848,438)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sales and maturities of investments	1,446,744	-	1,446,744
Purchase of investments	(2,585,416)	-	(2,585,416)
Interest received	143,494	2,664	146,158
Net cash provided (used) by investing activities	(995,178)	2,664	(992,514)
Net (decrease) in cash and cash equivalents	(670,172)	(98,921)	(769,093)
Cash and cash equivalents, October 1	1,134,917	224,726	1,359,643
Cash and cash equivalents, September 30	\$ 464,745	\$ 125,805	\$ 590,550
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>			
Operating income	\$ 355,811	\$ 14,549	\$ 370,360
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	700,029	16,851	716,880
(Increase) decrease in accounts receivable	(7,850)	131	(7,719)
(Decrease) in allowance for uncollectible accounts	(1,103)	(321)	(1,424)
Increase (decrease) in accounts payable	(12,923)	3,131	(9,792)
Increase (decrease) in accrued wages payable	667	(838)	(171)
Increase in unearned revenue	-	882	882
Increase in net pension liability	6,637	11,009	17,646
Increase (Decrease) in deferred inflows of resources	3,138	(118)	3,020
Decrease in deferred outflows of resources	1,956	3,244	5,200
Increase (decrease) in compensated absences payable	2,549	(18,260)	(15,711)
(Decrease) in other postemployment benefits	(5,615)	(5,615)	(11,230)
Total adjustments	687,485	10,096	697,581
Net cash provided by operating activities	\$ 1,043,296	\$ 24,645	\$ 1,067,941
<b>Noncash investing, capital, and financing activities:</b>			
Developer contributions for subdivision assets	1,360,282	-	-



## **STATISTICAL SECTION**



# WINTER GARDEN

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# STATISTICAL SECTION

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

## Contents

### Financial Trends – Pages 114-123

*These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.*

### Revenue Capacity – Pages 124-128

*These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.*

### Debt Capacity – Pages 129-132

*These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.*

### Demographic and Economic Information – Pages 133-134

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.*

### Operating Information – Pages 135-139

*These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.*

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

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Governmental activities			
Net investment in capital assets	\$ 98,171,951	\$ 96,106,307	\$ 93,878,988
Restricted	14,234,520	13,464,500	11,684,211
Unrestricted	<u>40,527,935</u>	<u>32,289,034</u>	<u>29,898,107</u>
Total governmental activities net position	<u>\$152,934,406</u>	<u>\$141,859,841</u>	<u>\$135,461,306</u>
Business-type activities			
Net investment in capital assets	\$ 95,722,937	\$ 90,054,786	\$ 86,234,423
Restricted	1,363,746	5,099,678	3,526,194
Unrestricted	<u>26,200,375</u>	<u>23,668,340</u>	<u>27,126,844</u>
Total business-type activities net position	<u>\$123,287,058</u>	<u>\$118,822,804</u>	<u>\$116,887,461</u>
Primary government			
Net investment in capital assets	\$193,894,888	\$186,161,093	\$180,113,411
Restricted	15,598,266	18,564,178	15,210,405
Unrestricted	<u>66,728,310</u>	<u>55,957,374</u>	<u>57,024,951</u>
Total primary government net position	<u>\$276,221,464</u>	<u>\$260,682,645</u>	<u>\$252,348,767</u>

Note: GASB 68 was implemented in 2015 and reflects new beginning net position balances for 2015. No periods prior to FY2015 were adjusted as a result of implementation of GASB 68.

Note: GASB 75 was implemented in 2018 and reflects new beginning net position balances for 2017. No periods prior to FY 2017 was adjusted as a result of implementation of GASB 75.

**Fiscal Year**

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 91,469,859	\$ 92,892,328	\$ 90,186,299	\$ 85,907,752	\$ 84,043,498	\$ 83,198,158	\$ 76,625,652
26,281,113	19,100,224	17,317,531	18,028,037	21,033,800	19,723,001	24,149,817
9,521,289	9,545,364	8,305,815	6,503,304	6,246,039	6,206,755	8,390,451
<u>\$127,272,261</u>	<u>\$121,537,916</u>	<u>\$115,809,645</u>	<u>\$110,439,093</u>	<u>\$111,323,337</u>	<u>\$ 109,127,914</u>	<u>\$ 109,165,920</u>
\$ 81,126,153	\$ 79,812,583	\$ 69,782,370	\$ 62,613,697	\$ 61,492,810	\$ 57,568,018	\$ 53,906,667
3,573,175	4,771,897	7,048,365	9,488,903	10,391,672	13,430,411	15,315,140
27,002,860	24,288,727	22,749,669	19,538,822	16,135,350	13,452,679	13,123,233
<u>\$111,702,188</u>	<u>\$108,873,207</u>	<u>\$ 99,580,404</u>	<u>\$ 91,641,422</u>	<u>\$ 88,019,832</u>	<u>\$ 84,451,108</u>	<u>\$ 82,345,040</u>
\$172,596,012	\$172,704,911	\$159,968,669	\$148,521,449	\$145,536,308	\$ 140,766,176	\$ 130,532,319
29,854,288	23,872,121	24,365,896	27,516,940	31,425,472	33,153,412	39,464,957
36,524,149	33,834,091	31,055,484	26,042,126	22,381,389	19,659,434	21,513,684
<u>\$238,974,449</u>	<u>\$230,411,123</u>	<u>\$215,390,049</u>	<u>\$202,080,515</u>	<u>\$199,343,169</u>	<u>\$ 193,579,022</u>	<u>\$ 191,510,960</u>

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

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Expenses</b>										
Governmental activities:										
General government	\$ 5,887,603	\$ 3,160,329	\$ 4,192,778	\$ 3,329,946	\$ 3,994,130	\$ 3,499,783	\$ 4,805,546	\$ 3,613,453	\$ 3,866,245	\$ 4,204,008
Public safety	21,290,810	18,271,961	16,192,937	16,813,358	16,587,009	15,378,649	14,698,706	14,358,645	15,081,176	15,694,684
Physical environment	2,112,580	965,509	12,378	1,030,811	1,129,164	961,101	1,350,793	880,896	926,611	896,501
Transportation	4,905,134	2,858,115	5,474,447	4,350,897	3,824,157	3,363,662	4,860,760	2,984,277	2,738,141	3,307,541
Economic environment	540,132	123,541	711,809	907,541	467,846	448,065	363,154	472,447	414,062	579,934
Public assistance	66,140	64,957	61,880	63,360	65,660	68,815	68,460	66,395	58,415	49,692
Culture and recreation	4,761,444	7,828,330	4,109,191	3,920,165	3,700,721	3,346,135	3,156,005	2,906,672	2,846,859	2,578,911
Interest and long-term debt	457,745	478,628	540,254	491,370	443,360	463,941	496,478	528,365	560,482	592,295
Total government activities expenses	<u>40,021,588</u>	<u>33,751,370</u>	<u>31,295,674</u>	<u>30,907,448</u>	<u>30,212,047</u>	<u>27,530,151</u>	<u>29,799,902</u>	<u>25,811,150</u>	<u>26,491,991</u>	<u>27,903,566</u>
Business-type activities:										
Water and Sewer	14,584,770	14,098,897	12,868,801	12,470,929	11,150,139	9,905,026	8,245,758	9,328,982	8,894,936	8,491,442
Solid waste	5,937,060	5,467,844	5,556,512	4,747,976	4,153,446	3,984,331	3,264,385	3,829,306	3,793,048	3,345,376
Stormwater	1,238,841	1,154,476	986,873	984,286	883,246	727,278	592,206	654,299	1,036,094	860,946
Residential mobile home lot rentals	246,593	254,513	239,005	260,303	233,857	205,793	217,422	246,233	227,000	209,187
Total business-type activities expenses	<u>22,007,264</u>	<u>20,975,730</u>	<u>19,651,191</u>	<u>18,463,494</u>	<u>16,420,688</u>	<u>14,822,428</u>	<u>12,319,771</u>	<u>14,058,820</u>	<u>13,951,078</u>	<u>12,906,951</u>
Total primary government expenses	<u>\$ 62,028,852</u>	<u>\$ 54,727,100</u>	<u>\$ 50,946,865</u>	<u>\$ 49,370,942</u>	<u>\$ 46,632,735</u>	<u>\$ 42,352,579</u>	<u>\$ 42,119,673</u>	<u>\$ 39,869,970</u>	<u>\$ 40,443,069</u>	<u>\$ 40,810,517</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 3,451,388	\$ 256,257	\$ 229,266	\$ 181,722	\$ 234,953	\$ 251,863	\$ 168,104	\$ 96,612	\$ 104,751	\$ 114,377
Public safety	1,330,596	3,889,918	3,350,445	3,141,207	3,195,970	1,610,641	1,257,015	816,653	809,341	1,103,146
Transportation	443,805	565,855	515,761	611,058	604,675	263,016	415,181	174,518	22,733	38,239
Other activities	1,151,295	1,033,678	976,160	955,074	947,489	1,172,245	820,125	749,169	710,147	659,558
Operating grants and contributions	4,628,875	3,240,974	2,492,667	2,706,957	2,162,381	2,089,704	2,171,833	2,109,519	2,119,603	2,027,849
Capital grants and contributions	5,044,777	5,206,975	4,073,535	3,510,620	5,973,319	5,049,195	1,264,890	3,741,057	2,142,478	3,711,145
Total government activities program revenues	<u>16,050,736</u>	<u>14,193,657</u>	<u>11,637,834</u>	<u>11,106,638</u>	<u>13,118,787</u>	<u>10,436,664</u>	<u>6,097,148</u>	<u>7,687,528</u>	<u>5,909,053</u>	<u>7,654,314</u>
Business-type activities:										
Charges for services:										
Water and Sewer	11,668,556	11,470,187	11,154,260	10,836,364	10,155,407	9,743,951	9,449,881	9,535,538	9,494,183	9,503,437
Solid waste	5,425,535	5,277,894	4,917,629	4,722,880	4,604,187	4,416,779	4,300,684	4,187,622	4,143,071	4,119,340
Stormwater	1,594,652	1,542,839	1,500,903	1,470,236	1,435,688	1,401,641	1,380,755	1,354,001	1,352,635	1,348,220
Residential mobile home lot rentals	261,142	250,274	252,988	250,402	236,149	234,292	230,063	224,714	222,226	220,549
Operating grants and contributions	948,037	-	-	-	-	-	-	-	-	-
Capital grants and contributions	3,879,743	5,295,230	6,866,620	3,793,038	8,922,580	6,862,632	2,423,465	2,171,441	721,044	1,427,272
Total business-type activities program revenues	<u>23,777,665</u>	<u>23,836,424</u>	<u>24,692,400</u>	<u>21,072,920</u>	<u>25,354,011</u>	<u>22,659,295</u>	<u>17,784,848</u>	<u>17,473,316</u>	<u>15,933,159</u>	<u>16,618,818</u>
Total primary government program revenues	<u>\$ 39,828,401</u>	<u>\$ 38,030,081</u>	<u>\$ 36,330,234</u>	<u>\$ 32,179,558</u>	<u>\$ 38,472,798</u>	<u>\$ 33,095,959</u>	<u>\$ 23,881,996</u>	<u>\$ 25,160,844</u>	<u>\$ 21,842,212</u>	<u>\$ 24,273,132</u>
Net (expense)/revenue										
Governmental activities	\$ (23,970,852)	\$ (19,557,713)	\$ (19,657,840)	\$ (19,800,810)	\$ (17,093,260)	\$ (17,093,487)	\$ (23,702,754)	\$ (18,123,622)	\$ (20,582,938)	\$ (20,249,252)
Business-type activities:	1,770,401	2,860,694	5,041,209	2,609,426	8,933,323	7,836,867	5,465,077	3,414,496	1,982,081	3,711,867
Total primary government net expense/revenue	<u>\$ (22,200,451)</u>	<u>\$ (16,697,019)</u>	<u>\$ (14,616,631)</u>	<u>\$ (17,191,384)</u>	<u>\$ (8,159,937)</u>	<u>\$ (9,256,620)</u>	<u>\$ (18,237,677)</u>	<u>\$ (14,709,126)</u>	<u>\$ (18,600,857)</u>	<u>\$ (16,537,385)</u>

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes:										
Ad valorem	\$ 14,525,067	\$ 12,430,487	\$ 11,306,597	\$ 10,022,088	\$ 8,997,819	\$ 8,164,335	\$ 7,790,846	\$ 7,837,097	\$ 8,348,452	\$ 8,741,248
Utility services	4,554,033	4,102,963	4,054,276	3,777,159	3,505,482	3,554,248	3,093,927	2,959,428	3,158,550	3,254,555
Communications services	1,225,583	1,229,609	1,236,498	1,177,105	1,224,261	1,291,136	1,313,968	1,335,434	1,309,236	1,386,589
Local business	249,981	257,642	203,452	204,322	229,132	209,938	189,172	216,115	142,891	203,056
Franchise fees	3,013,656	2,694,094	2,436,443	2,382,018	2,457,976	2,399,459	2,066,681	2,219,911	2,280,401	2,445,559
Unrestricted intergovernmental	9,715,786	9,150,856	8,483,064	7,752,970	7,342,302	6,715,362	6,142,848	5,546,151	4,930,295	4,500,340
Investment earnings	1,739,481	231,104	117,931	124,794	152,809	41,617	77,619	128,671	282,625	358,149
Gain (loss) on sale of capital assets	21,830	38,308	8,624	-	13,124	23,837	365	-	-	32,032
Other	-	-	-	94,699	18,747	64,107	238,894	76,238	92,482	164,333
Total governmental activities	<u>35,045,417</u>	<u>30,135,063</u>	<u>27,846,885</u>	<u>25,535,155</u>	<u>23,941,652</u>	<u>22,464,039</u>	<u>20,914,320</u>	<u>20,319,045</u>	<u>20,544,932</u>	<u>21,085,861</u>
Business-type activities:										
Investment earnings	1,320,009	117,329	140,442	219,449	253,928	102,115	58,287	141,859	123,987	301,818
Gain (loss) on sale of capital assets	1,373,844	2,639	3,622	106	2,459	-	2,416	12,369	-	25,112
Total business-type activities	<u>2,693,853</u>	<u>119,968</u>	<u>144,064</u>	<u>219,555</u>	<u>256,387</u>	<u>102,115</u>	<u>60,703</u>	<u>154,228</u>	<u>123,987</u>	<u>326,930</u>
Total primary government	<u>\$ 37,739,270</u>	<u>\$ 30,255,031</u>	<u>\$ 27,990,949</u>	<u>\$ 25,754,710</u>	<u>\$ 24,198,039</u>	<u>\$ 22,566,154</u>	<u>\$ 20,975,023</u>	<u>\$ 20,473,273</u>	<u>\$ 20,668,919</u>	<u>\$ 21,412,791</u>
<b>Change in Net Position</b>										
Governmental activities	\$ 11,074,565	\$ 10,577,350	\$ 8,189,045	\$ 5,734,345	\$ 6,848,392	\$ 5,370,552	\$ (2,788,434)	\$ 2,195,423	\$ (38,006)	\$ 836,609
Business-type activities	4,464,254	2,980,662	5,185,273	2,828,981	9,189,710	7,938,982	5,525,780	3,568,724	2,106,068	4,038,797
Total primary government	<u>\$ 15,538,819</u>	<u>\$ 13,558,012</u>	<u>\$ 13,374,318</u>	<u>\$ 8,563,326</u>	<u>\$ 16,038,102</u>	<u>\$ 13,309,534</u>	<u>\$ 2,737,346</u>	<u>\$ 5,764,147</u>	<u>\$ 2,068,062</u>	<u>\$ 4,875,406</u>

Note: GASB 68 was implemented in 2015 and reflects new beginning net position balances for 2015. No periods prior to FY2015 were adjusted as a result of implementation of GASB 68.

Note: GASB 75 was implemented in 2018 and reflects new beginning net position balances for 2017. No periods prior to FY 2017 was adjusted as a result of implementation of GASB 75.



# WINTER GARDEN

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**City of Winter Garden, Florida**  
**Governmental Activities Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

<b>Fiscal Year</b>	<b>Ad Valorem</b>	<b>Utility Services</b>	<b>Communications Services</b>	<b>Local Business Tax</b>	<b>Total</b>
2019	\$ 14,525,067	\$ 4,554,033	\$ 1,225,583	\$ 249,981	\$ 20,554,664
2018	12,430,487	4,102,963	1,229,609	257,642	18,020,701
2017	11,306,597	4,054,276	1,236,498	203,452	16,800,823
2016	10,022,088	3,777,159	1,177,105	204,322	15,180,674
2015	8,997,819	3,505,482	1,224,261	229,132	13,956,694
2014	8,164,335	3,554,248	1,291,136	209,938	13,219,657
2013	7,790,846	3,093,927	1,313,968	189,172	12,387,913
2012	7,837,097	2,959,428	1,335,434	216,115	12,348,074
2011	8,348,452	3,158,550	1,309,236	142,891	12,959,129
2010	8,741,248	3,254,555	1,386,589	203,056	13,585,448

<sup>1</sup>Local business tax, formerly referred to as occupational licenses, was reclassified in the State of Florida Uniform Accounting System Manual from permits and fees to taxes.

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund				
Non-spendable	\$ 263,314	\$ 345,672	\$ 639,968	\$ 664,353
Restricted	7,341,947	6,420,607	4,363,468	2,818,493
Committed	-	-	-	-
Unassigned	26,160,155	20,368,884	15,436,243	11,867,895
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total General Fund	<u>\$ 33,765,416</u>	<u>\$ 27,135,163</u>	<u>\$ 20,439,679</u>	<u>\$ 15,350,741</u>
All other governmental funds				
Restricted for:				
Law enforcement	\$ 246,085	\$ 249,525	\$ 204,964	\$ 223,181
Economic Environment	-	-	-	-
Debt Service	-	-	1	9,691,000
Transportation projects	7,241,450	7,389,330	7,115,778	5,559,273
Committed to:				
Encumbrances	-	67,624	82,864	-
Law enforcement	1,026,763	800,462	674,939	415,700
Fire control	2,206,637	1,862,032	2,162,215	1,630,041
Recreation	959,226	465,021	1,477,058	958,850
Transportation	17,851,320	17,128,294	13,567,007	14,389,768
Unassigned (deficit):	-	-	-	-
Reserved	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Permanent funds	-	-	-	-
Total all other governmental funds	<u>\$ 29,531,481</u>	<u>\$ 27,962,288</u>	<u>\$ 25,284,826</u>	<u>\$ 32,867,813</u>

Note: GASB 54 was implemented in 2011 and reflects new fund balance classifications for 2011. The new classifications have not been restated for 2010 and prior.

<b>Fiscal Year</b>					
<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 698,735	\$ 590,346	\$ 910,500	\$ 606,371	\$ 872,198	\$ -
1,747,925	426,314	236,198	156,249	310,372	-
12,786	-	-	80,923	-	-
8,890,557	8,235,384	6,028,343	5,457,922	4,478,790	-
-	-	-	-	-	1,906,721
-	-	-	-	-	5,418,984
<u>\$ 11,350,003</u>	<u>\$ 9,252,044</u>	<u>\$ 7,175,041</u>	<u>\$ 6,301,465</u>	<u>\$ 5,661,360</u>	<u>\$ 7,325,705</u>

\$ 168,258	\$ 201,628	\$ 186,973	\$ 146,099	\$ 61,281	\$ -
413,396	-	-	-	-	-
-	-	-	-	-	-
2,207,656	1,238,632	1,016,461	1,647,542	1,575,301	-
21,135	-	-	-	-	-
579,178	461,526	533,612	441,211	435,073	-
1,281,979	806,203	629,674	502,328	414,944	-
441,260	-	-	-	-	-
15,119,347	15,038,573	15,755,912	18,330,179	17,294,851	-
-	(4,600)	-	(15,065)	(80,584)	-
-	-	-	-	-	-
-	-	-	-	-	23,988,770
-	-	-	-	-	-
-	-	-	-	-	30,114
<u>\$ 20,232,209</u>	<u>\$ 17,741,962</u>	<u>\$ 18,122,632</u>	<u>\$ 21,052,294</u>	<u>\$ 19,700,866</u>	<u>\$ 24,018,884</u>

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Revenues</b>				
Taxes	\$ 20,554,664	\$ 18,020,701	\$ 16,800,823	\$ 15,180,674
Permits, fees, and special assessments	8,419,069	10,239,966	9,234,977	8,414,341
Intergovernmental	13,102,802	12,159,129	10,814,323	10,444,602
Charges for services	4,377,195	4,411,749	4,032,878	3,809,495
Fines and forfeits	51,431	104,338	68,415	246,708
Investment earnings	2,528,211	312,605	192,366	290,046
Rents and royalties	355,302	331,413	267,358	272,465
Contributions and donations	1,241,860	982,701	399,476	15,327
Other	146,763	118,354	628,421	167,262
Total revenues	<u>50,777,297</u>	<u>46,680,956</u>	<u>42,439,037</u>	<u>38,840,920</u>
<b>Expenditures</b>				
General government	5,437,540	4,844,114	4,752,091	4,622,490
Public safety	21,849,472	19,185,307	16,959,871	17,157,543
Physical environment	2,012,043	1,965,477	1,793,731	1,679,759
Transportation	7,332,149	3,557,088	5,746,104	13,461,909
Economic environment	305,878	309,205	818,609	780,227
Public assistance	66,140	64,957	61,880	63,360
Culture and recreation	4,322,714	6,146,542	3,840,170	3,580,920
Debt Service				
Principal	816,000	795,000	10,429,000	119,000
Interest	457,745	478,628	540,254	491,370
Total expenditures	<u>42,599,681</u>	<u>37,346,318</u>	<u>44,941,710</u>	<u>41,956,578</u>
Excess (deficiency) of revenues over (under) expenditures	8,177,616	9,334,638		(3,115,658)
<b>Other financing sources (uses)</b>				
Debt proceeds	-	-	-	19,752,000
Transfers in	1,791,395	1,730,814	1,687,246	8,800,890
Transfers out	(1,791,395)	(1,730,814)	(1,687,246)	(8,800,890)
Sale of capital assets	21,830	38,308	8,624	-
Total other financing sources (uses)	<u>21,830</u>	<u>38,308</u>	<u>8,624</u>	<u>19,752,000</u>
Net change in fund balances	<u>\$ 8,199,446</u>	<u>\$ 9,372,946</u>	<u>\$ 8,624</u>	<u>\$ 16,636,342</u>
Debt service as a percentage of noncapital expenditures	3.8%	4.3%	-16.1%	2.2%

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

<b>Fiscal Year</b>					
<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 13,956,694	\$ 13,219,657	\$ 12,387,913	\$ 12,348,074	\$ 12,959,129	\$ 13,585,448
9,720,461	6,682,685	5,002,350	4,180,556	4,452,634	4,902,083
9,529,673	8,787,279	9,117,076	7,869,044	7,222,284	6,672,663
3,520,265	3,056,281	2,900,804	2,741,038	2,699,080	2,793,277
169,509	197,551	201,500	79,575	124,675	184,688
342,927	127,789	140,985	311,128	611,514	853,684
292,672	324,044	295,471	253,512	224,426	167,579
26,789	17,787	36,233	2,051,489	15,677	1,111,622
87,402	64,108	237,910	76,238	92,482	164,333
<u>37,646,392</u>	<u>32,477,181</u>	<u>30,320,242</u>	<u>29,910,654</u>	<u>28,401,901</u>	<u>30,231,040</u>
4,969,575	4,475,162	4,599,049	4,604,402	4,751,328	4,954,865
16,790,787	15,289,561	13,827,039	13,261,208	13,654,417	14,617,230
1,624,115	1,510,376	1,455,848	1,243,531	1,263,198	1,241,023
4,975,322	5,357,515	8,243,322	4,526,474	5,649,128	5,403,945
510,954	237,339	174,414	506,987	215,570	425,799
65,660	68,815	68,460	66,395	58,415	49,692
3,401,537	2,953,799	2,820,801	2,510,042	7,560,152	3,549,299
290,000	448,177	690,917	671,717	685,574	667,197
443,360	463,941	496,478	528,365	560,482	592,295
<u>33,071,310</u>	<u>30,804,685</u>	<u>32,376,328</u>	<u>27,919,121</u>	<u>34,398,264</u>	<u>31,501,345</u>
4,575,082	1,672,496	(2,056,086)	1,991,533	(5,996,363)	(1,270,305)
-	-	-	-	-	-
1,275,697	1,350,609	1,887,726	1,912,474	1,630,942	1,691,092
(1,275,697)	(1,350,609)	(1,887,726)	(1,912,474)	(1,630,942)	(1,660,959)
13,124	23,837	-	-	14,000	41,971
<u>13,124</u>	<u>23,837</u>	<u>-</u>	<u>-</u>	<u>14,000</u>	<u>72,104</u>
<u>\$ 4,588,206</u>	<u>\$ 1,696,333</u>	<u>\$ (2,056,086)</u>	<u>\$ 1,991,533</u>	<u>\$ (5,982,363)</u>	<u>\$ (1,198,201)</u>
2.8%	4.0%	4.4%	5.1%	5.2%	5.0%

**City of Winter Garden, Florida**  
**General Governmental Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

<b>Fiscal Year</b>	<b>Ad Valorem</b>	<b>Utility Services</b>	<b>Communications Services</b>	<b>Local Business Tax</b>	<b>Total</b>
2019	\$ 14,525,067	\$ 4,554,033	\$ 1,225,583	\$ 249,981	\$ 20,554,664
2018	12,430,487	4,102,963	1,229,609	257,642	18,020,701
2017	11,306,597	4,054,276	1,236,498	203,452	16,800,823
2016	10,022,088	3,777,159	1,177,105	204,322	15,180,674
2015	8,997,819	3,505,482	1,224,261	229,132	13,956,694
2014	8,164,335	3,554,248	1,291,136	209,938	13,219,657
2013	7,790,846	3,093,927	1,313,968	189,172	12,387,913
2012	7,837,097	2,959,428	1,335,434	216,115	12,348,074
2011	8,348,452	3,158,550	1,309,236	142,891	12,959,129
2010	8,741,248	3,254,555	1,386,589	203,056	13,585,448

**City of Winter Garden, Florida**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended September 30<sup>1</sup></b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Less Tax Exempt Real Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
2019	3,852,119,517	252,674,805	758,980,008	3,345,814,314	4.5000	3,345,814,314	100.00%
2018	3,856,977,167	252,577,495	748,694,278	3,360,860,384	4.2500	3,361,195,465	99.99%
2017	3,515,395,083	227,443,514	694,696,986	3,048,141,611	4.2500	3,048,413,779	99.99%
2016	3,213,849,729	162,756,752	620,104,898	2,756,501,583	4.2500	2,764,323,509	99.72%
2015	2,828,757,782	209,467,966	588,221,489	2,450,004,259	4.2500	3,038,225,748	80.64%
2014	2,460,586,841	190,013,845	663,125,367	1,987,475,319	4.2500	2,650,660,686	74.98%
2013	2,355,808,219	185,392,987	641,224,613	1,899,976,593	4.2500	2,541,201,206	74.77%
2012	2,355,772,909	184,152,336	634,121,843	1,905,803,402	4.2500	2,539,925,245	75.03%
2011	2,461,883,108	198,393,995	628,770,830	2,031,506,273	4.2500	2,660,277,103	76.36%
2010	2,921,457,010	215,114,811	725,044,206	2,411,527,615	3.7500	3,136,571,821	76.88%

Source: Orange County Property Appraiser's Office

<sup>1</sup>Information is reported based on the fiscal year in which associated tax revenue is recognized - e.g., the 2018 tax roll data is reported here for Fiscal Year 2019, as that is the period of collection and revenue recognition.

**City of Winter Garden, Florida  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years**

Millage Rates (dollars per \$1,000 of assessed value)

<b>Fiscal Year</b>	<b>City Direct Rates</b>		<b>Overlapping Rates</b>				<b>Total Direct &amp; Overlapping Rates</b>
	<b>Basic Millage</b>	<b>Total Direct</b>	<b>County Millage</b>	<b>School District Millage</b>	<b>Library Millage</b>	<b>St. Johns River Water Mgmt. District Millage</b>	
2019	4.5000	4.5000	4.4347	7.2990	0.3748	0.2562	16.8647
2018	4.2500	4.2500	4.4347	7.4700	0.3748	0.2724	16.8019
2017	4.2500	4.2500	4.4347	7.8110	0.3748	0.2885	17.1590
2016	4.2500	4.2500	4.4347	8.2180	0.3748	0.3023	17.5798
2015	4.2500	4.2500	4.4347	8.3620	0.3748	0.3283	17.7498
2014	4.2500	4.2500	4.4347	8.4780	0.3748	0.3313	17.8688
2013	4.2500	4.2500	4.4347	8.5450	0.3748	0.3313	17.9358
2012	4.2500	4.2500	4.4347	7.8940	0.3748	0.4158	17.3693
2011	3.7500	3.7500	4.4347	7.6730	0.3748	0.4158	16.6483
2010	3.3866	3.3866	4.4347	7.1500	0.3748	0.4158	15.7619

Source: Orange County Property Appraiser's Office

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

Taxpayer	2019			2010		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
DDR Winter Garden LLC	\$ 166,472,724	1	4.97 %	\$ -	-	- %
Duke Energy Florida	43,609,213	2	1.30	-	-	-
SHP V Sonata Winter Garden	20,975,786	3	0.63	-	-	-
EI-Ad Promenade LLC	19,209,337	4	0.57	9,672,176	3	0.40
Standard Pacific of Florida	13,156,384	5	0.39	-	-	-
Stoneybrook West LLC	12,985,460	6	0.39	9,000,000	7	0.37
Target Corp	12,976,764	7	0.39	8,843,066	8	0.37
Embarq	12,505,457	8	0.37	-	-	-
H&E Equipment Services	12,474,883	9	0.37	-	-	-
Hyde Park Communities	12,305,796	10	0.37	8,702,002	9	0.36
Cole MT Winter Garden LLC	-	-	-	120,685,968	1	5.00
West Pointe Villas LTD	-	-	-	10,911,799	2	0.45
Manheim Remarketing L P	-	-	-	9,488,133	4	0.39
Castle & Cooke Florida LTD	-	-	-	9,135,763	5	0.38
Misty Ridge Adventures	-	-	-	9,009,070	6	0.37
Sembler WG Partnership	-	-	-	8,019,850	10	0.33
	<u>\$ 326,671,804</u>		<u>9.75 %</u>	<u>\$ 203,467,827</u>		<u>8.42 %</u>

Source: Orange County Property Appraiser's Office

**City of Winter Garden, Florida  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

<b>Fiscal Year Ended September 30</b>	<b>Total Tax Levy for Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2019	\$ 15,064,769	\$ 14,494,720	96.2%	\$ -	\$ 14,494,720	96.2%
2018	12,896,784	12,415,214	96.3%	8,210	12,423,424	96.3%
2017	11,717,496	10,022,088	85.5%	5,147	10,027,235	85.6%
2016	10,414,523	8,971,028	86.1%	2,431	8,973,459	86.2%
2015	9,323,743	8,131,862	87.2%	10,475	8,142,337	87.3%
2014	8,450,436	7,763,437	91.9%	13,052	7,776,489	92.0%
2013	8,077,121	7,796,124	96.5%	34,574	7,830,698	96.9%
2012	8,102,282	8,327,773	102.8%	10,218	8,337,991	102.9%
2011	8,674,809	8,689,850	100.2%	17,771	8,707,621	100.4%
2010	9,045,633	8,641,588	95.5%	23,565	8,665,153	95.8%

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

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita <sup>1</sup>
	Revenue Bonds	Revenue Notes	Notes from Direct Borrowings	Capital Leases			
2019	\$ 17,403,000	\$ -	\$ 4,369,909	\$ -	\$ 21,772,909	1.27%	\$ 461
2018	18,219,000	-	5,172,400	-	23,391,400	1.44%	521
2017	19,014,000	-	5,952,596	-	24,966,596	1.60%	581
2016	29,443,000	-	6,711,118	-	36,154,118	2.39%	869
2015	9,810,000	-	7,403,569	-	17,213,569	1.19%	432
2014	10,100,000	-	8,169,711	-	18,269,711	1.32%	475
2013	10,380,000	168,177	8,862,592	-	19,410,769	1.50%	522
2012	10,650,000	589,094	9,540,288	78,613	20,857,995	1.73%	578
2011	10,905,000	1,005,811	10,203,068	153,618	22,267,497	1.75%	631
2010	11,155,000	1,441,384	10,850,340	225,194	23,671,918	1.91%	685

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

<sup>1</sup>See the schedule of Demographic and Economic Statistics for personal income and population data.

**City of Winter Garden, Florida  
Direct and Overlapping Governmental Activities Debt  
As of September 30, 2019**

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable<sup>1</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes: County	\$ -	2.6%	\$ -
Subtotal, overlapping debt			<u>-</u>
City of Winter Garden direct debt		100.0%	<u>17,403,000</u>
Total direct and overlapping debt			<u>\$ 17,403,000</u>

Sources: Assessed value data used to estimate applicable percentages provided by the County Property Appraiser. Debt outstanding data provided by the County.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Winter Garden. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

<sup>1</sup>The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

**City of Winter Garden, Florida  
Legal Debt Margin Information  
September 30, 2019**

Neither the City of Winter Garden Charter or Code of Ordinances nor the Florida Statutes limit the amount of debt the City of Winter Garden can issue.

**City of Winter Garden, Florida  
Pledged-Revenue Coverage by Type  
Last Ten Fiscal Years**

<b>Governmental Activities</b>					<b>Business-Type Activities</b>									
<b>Sales Tax Revenue Bonds, Series 2016</b>					<b>State Revolving Fund Loans</b>									
<b>Year</b>	<b>Local Government</b>		<b>Debt Service</b>		<b>Coverage</b>	<b>Water/Sewer</b>		<b>Debt Service</b>		<b>Coverage</b>				
	<b>Half-cent Sales</b>	<b>Tax Revenues</b>	<b>Principal</b>	<b>Interest</b>		<b>Stormwater</b>	<b>Net Revenues</b>	<b>Principal</b>	<b>Interest</b>					
2019	\$	7,376,234	\$	816,000	\$	451,831	5.82	\$	7,107,418	\$	802,491	\$	141,155	7.53
2018		6,999,989		795,000		471,547	5.53		3,935,453		780,196		163,451	4.17
2017		6,357,957		10,429,000		532,031	0.58		5,801,346		758,522		185,126	6.15
2016		5,920,848		119,000		482,031	9.85		6,045,978		737,451		206,196	6.41
2015		5,614,331		290,000		432,838	7.77		5,832,420		716,968		226,679	6.18
2014		5,209,592		280,000		454,838	7.09		6,815,938		697,055		246,593	7.22
2013		4,823,757		270,000		454,838	6.65		6,398,723		677,696		265,951	6.78
2012		4,488,577		255,000		465,038	6.23		5,469,093		662,281		284,811	5.77
2011		3,979,791		250,000		475,038	5.49		4,907,920		647,771		303,771	5.16
2010		3,637,662		240,000		484,638	5.02		5,570,251		630,630		321,069	5.85

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

**City of Winter Garden, Florida  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

Fiscal Year	Population <sup>1</sup>		Personal Income <sup>2</sup>		Labor Force (Countywide) <sup>3</sup>			Unemployment Rate <sup>4</sup>
	City of	Orange	City of Winter Garden		Civilian			
	Winter Garden	County	Annual Income	Per Capita	Labor Force	Employed	Unemployed	
2019	47,245	1,386,080	\$ 1,719,105,232	\$ 36,387	784,788	763,604	21,184	2.7
2018	44,935	1,349,597	1,626,916,610	36,206	755,616	732,303	23,313	3.1
2017	42,959	1,313,880	1,563,149,133	36,387	717,674	683,711	33,963	4.7
2016	41,606	1,280,387	1,512,419,706	36,351	715,726	684,812	30,914	4.3
2015	39,871	1,252,396	1,442,134,070	36,170	692,813	659,768	33,045	4.8
2014	38,442	1,227,995	1,383,527,580	35,990	681,320	643,006	38,314	5.6
2013	37,172	1,202,978	1,297,897,552	34,916	649,312	608,781	40,531	6.2
2012	36,063	1,172,493	1,206,704,043	33,461	637,823	584,475	53,348	8.4
2011	35,281	1,157,342	1,274,208,596	36,116	609,366	547,964	61,402	10.1
2010	34,568	1,145,956	1,236,289,952	35,764	609,900	537,799	72,101	11.8

<sup>1</sup>Source: University of Florida, Bureau of Economic and Business Research

<sup>2</sup>Source: University of Florida, Bureau of Economic and Business Research (2010-2011), other years estimated.

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

<sup>3</sup>Source: Florida Department of Economic Opportunity - Local Area Unemployment Statistics

<sup>4</sup>Countywide

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

Employer	Location	2019			2010		
		Employees <sup>1</sup>	Rank	Percentage of Total City Employment <sup>2</sup>	Employees	Rank	Percentage of Total City Employment <sup>2</sup>
Orange County Public Schools	Various (9)	978	1	4.25%	1347	1	15.71%
City of Winter Garden	Plant Street	359	2	1.56%	264	4	3.09%
Publix Super Markets	SR 50/SBW	353	3	1.53%	229	5	2.67%
Heller Bros Packing Co	9th Street	264	4	1.15%	275	2	3.21%
Ranger Construction	Elboc Way	237	5	1.03%	135	9	1.57%
Adventist Health <sup>3</sup>	Various (3)	225	6	0.98%	N/A		
Health Central, OrlandoHealth <sup>3</sup>	N Dillard Street	200	7	0.87%	263	3	3.10%
Garney/Encore Construction	Crown Park Circle	196	8	0.85%	151	7	1.76%
Target Super Center <sup>3</sup>	Daniels Rd	180	9	0.78%	208	6	2.43%
Dewitt Construction	E Crown Pt Rd	162	10	0.70%	N/A		
C & W Trucking Inc	Hennis Road				142	8	1.66%
Louis Dreyfus Citrus	9th Street				128	10	1.49%
Total				<u>13.70%</u>			<u>36.69%</u>

<sup>1</sup>Source: Surveys of employers listed.

<sup>2</sup>Source: Total City employment - estimated using Orange County data reported by the Florida Department of Economic Opportunity.

<sup>3</sup>Source: Employers did not disclose their employee count information. Estimated based on past reported counts.

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

<b>Function</b>	<b>Full-time Equivalent Employees as of September 30</b>									
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
General government	42	41	41	41	41	41	42	42	35	35
Public Safety										
Police										
Officers	90	87	85	83	79	75	71	71	66	66
Civilians	42	42	38	38	37	22	23	23	16	16
Fire										
Firefighters and officers	62	62	43	43	43	43	44	44	45	45
Civilians	2	2	2	2	2	2	2	2	2	2
Building	22	23	21	20	19	18	16	16	8	8
Public Works	18	17	16	16	15	15	14	15	25	28
Sanitation	18	18	18	19	19	19	19	19	19	19
Culture and recreation	9	9	8	8	8	8	8	8	8	8
Engineering	5	5	5	5	5	5	4	5	5	5
Administration	4	4	4	4	4	4	5	4	2	2
Water	17	17	17	17	17	17	14	14	12	11
Sewer	22	22	22	22	22	22	19	19	16	13
Environmental Services	2	2	2	3	3	3	3	3	2	2
Stormwater	2	2	2	2	2	2	2	2	2	3
Trailer park	2	2	2	2	2	2	2	2	2	2
<b>Total</b>	<b>359</b>	<b>355</b>	<b>326</b>	<b>325</b>	<b>318</b>	<b>298</b>	<b>288</b>	<b>289</b>	<b>265</b>	<b>265</b>

Source: City of Winter Garden Human Resource Department

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

<b>Function</b>	<b>Fiscal</b>				
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Police					
Physical arrests	1,015	1,617	1,214	1,293	1,468
Parking violations	89	102	133	145	162
Traffic violations	2,907	3,019	3,366	5,055	6,939
Fire					
Number of calls answered	5,459	5,484	5,311	4,957	4,737
Inspections	1,848	1,945	1,767	1,589	1,238
Public Works					
Potholes repaired	370	207	184	290	210
Sanitation					
Refuse collected (tons/day)	114	112	110	108	105
Recyclables collected (tons/day)	11	10	9	8	7
Culture and recreation					
Field permits issued	563	893	798	747	1,251
Facility rentals	415	496	463	489	502
Water					
New connections	643	957	542	992	638
Water main breaks	9	7	7	5	4
Average daily consumption	5,395,000	5,224,000	5,668,710	5,813,000	5,566,000
Wastewater					
Average daily sewage treatment	3,399,000	3,331,000	3,184,000	2,990,000	2,870,000

Sources: Various City departments.

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

**Year**

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
1,405	1,320	1,273	1,525	1,216
83	87	115	114	321
5,527	4,592	5,211	7,491	9,082
4,449	4,252	4,280	4,049	3,880
1,223	1,127	1,244	1,270	1,226
144	149	107	134	220
102	93	88	89	133
5	5	5	6	8
1,206	981	1,024	1,139	376
519	481	493	335	294
928	506	176	338	373
5	8	9	11	55
4,996,986	5,092,583	5,695,000	5,966,000	5,308,000
2,750,000	2,560,000	2,490,000	2,380,000	2,410,000

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

<b>Function</b>	<b>Fiscal</b>			
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Public Safety				
Police:				
Stations	1	1	1	1
Patrol units	44	43	50	50
Fire stations	3	3	3	3
Sanitation				
Collection trucks	26	26	26	26
Public Works				
Streets (miles)	145	142	136	135
Sidewalks	176	174	170	162
Streetlights	2,924	2,920	2,920	2,918
Traffic signals	33	33	34	33
Culture Recreation				
Parks acreage	340	340	340	340
Parks	17	17	17	17
Swimming pools	2	2	2	2
Tennis courts	6	6	6	6
Community centers	1	1	1	1
Water				
Water mains (miles)	219	216	213	211
Reclaim Mains (miles)	104	100	97	96
Fire hydrants	1,726	1,715	1,574	1,554
Maximum daily capacity	13,020,000	13,020,000	13,020,000	13,020,000
Sewer				
Sanitary sewers (miles)	203	200	197	195
Maximum daily treatment capacity	4,750,000	4,750,000	4,750,000	4,750,000
Stormwater				
Storm sewers (miles)	78	77	74	73

Sources: Various City departments.

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

Year

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
1	1	1	1	1	1
47	43	39	39	39	38
3	3	3	3	3	3
21	18	15	16	18	17
133	131	127	129	170	176
155	154	147	141	133	130
2,920	2,666	2,590	2,496	2,462	2,429
33	31	29	29	28	20
340	307	307	301	297	90
17	12	12	12	12	11
2	2	2	2	2	2
6	6	6	6	6	6
1	1	1	1	1	1
209	200	195	190	190	190
90	80	78	77	73	72
1,545	1,472	1,447	1,403	1,403	1,380
12,912,000	12,912,000	12,912,000	12,912,000	12,912,000	12,912,000
192	186	182	175	175	175
4,750,000	4,750,000	4,000,000	4,000,000	4,000,000	4,000,000
72	70	67	121	121	117



# **COMPLIANCE AND INTERNAL CONTROL**

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Winter Garden, Florida (the "City"), as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated March 25, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

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

**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.

Binney Accounting and  
Assurance Services, PLLC

Clermont, Florida  
March 25, 2020

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

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

**Report on Compliance for Each Major Federal Program and State Project**

We have audited the City of Winter Garden's (the "City") compliance with the types of compliance requirements described in the US Office of Management and Budget (*OMB Compliance Supplement*) and Florida Department of Financial, *Services State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs or major state projects for the year ended September 30, 2019. The City's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal awards and state projects applicable to its federal programs and state projects.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 Auditor General*. Those standards, the Uniform Guidance and the rules of the Auditor General 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 and state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major Federal Program and State Project***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2019.

### **Report on Internal Control over Compliance**

The 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 and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project to test and report on internal control over compliance in accordance with the Uniform Guidance and *Chapter 10.550, Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 and *Chapter 10,550, Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

*Binney Accounting and  
Assurance Services, PLLC*

Clermont, FL  
March 25, 2020

**City of Winter Garden, Florida**  
**Schedule of Expenditures of Federal Awards and State Financial Assistance**  
**For the Year Ended September 30, 2019**

**EXPENDITURES OF FEDERAL AWARDS**

Grantor/Pass-through Grantor/Program	Identification Number	CFDA Number	Expenditures of Federal Awards
<u>U.S. Department of Homeland Security</u>			
<i>FEMA - DR4337 - Hurricane Irma</i>			
Passed through the Florida Department of Emergency Management Public Assistance Grants	FEMA - DR4337 - PW# 18419	97.036	\$ 1,097,504
 <i>FEMA 2017 SAFER Grant</i>			
Passed through the Florida Department of Emergency Management Public Assistance Grants	EMW-2017-FH-00530	97.083	\$ 301,179
 <u>U.S. Department of Justice</u>			
Bulletproof Vest Partnership Program		16.607	37,145
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 1,435,829</b>

**EXPENDITURES OF STATE FINANCIAL ASSISTANCE**

Grantor/Pass-through Grantor/Program	Identification Number	CSFA Number	Expenditures of State Awards
<u>Florida Department of Environmental Protection</u>			
<i>Florida Springs Grant Program</i>			
Passed through the St Johns River Water Management District	SJRWMD Contract No 28432	37.052	50,474
Passed through the St Johns River Water Management District	SJRWMD Contract No 32327	37.052	\$625,000
<b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>			<b>\$ 675,474</b>

**Notes to Schedule of Expenditures of Federal Awards**

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal award activity and state award activity of The City of Winter Garden, Florida, under programs of the federal government and state government for the year ended September 30, 2019. The information in this Schedule is presented in accordance with the 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 the Section 215.97, Florida Statutes. Because the Schedule presents only a selected portion of the operations of The City of Winter Garden, Florida, it is not intended to and does not present the financial position, changes in net assets, or cash flows of The City of Winter Garden, Florida

**2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable, or are limited as to reimbursement.

**3. Sub recipients**

The City of Winter Garden, Florida provided no federal awards to sub recipients during the fiscal year ended September 30, 2019.

**4. Noncash Awards**

The City of Winter Gaeden, Florida received no noncash awards in the fiscal year ended September 30, 2019.

**5. Indirect Cost Rate**

The City of Winter Garden, Florida has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Schedule of Findings and Questioned Costs - Federal Programs and State Projects**

Year Ended September 30, 2019

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

*Financial Statements*

Type of auditors' report issued:	Unmodified Opinion	
Internal control over financial reporting:		
• Material weakness identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
• Significant deficiency identified	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Noncompliance material to financial Statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

*Federal Programs and State Projects*

Type of auditors' report issued on compliance for major programs:	Unmodified Opinion	
Internal control over major Federal program:		
• Material weakness identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
• Significant deficiency identified	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Any audit findings disclosed that are required to be reported in accordance with Section 200.516 of the Uniform Guidance and Chapter 10.550?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Identification of Major Federal Programs and State Projects**

U.S. Department of Homeland Security	CFDA 97.036	Disaster Grants
Florida Department of Environmental Protection	CFSA 37.052	Florida Springs Grant
Dollar threshold used to distinguish between type A and type B programs:		
Federal	\$750,000	
State	\$300,000	
Auditee qualified as a low-risk auditee?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N

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

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

**Section IV - State Award Summary**

**Schedule of Prior Year Findings:** There were no audit findings for the year ended September 30, 2018.

## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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

### Report on Financial Statements

We have audited the financial statements of the City of Winter Garden, Florida (the "City") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated March 25, 2020.

### Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirement, Cost Principles, Audit Requirements for Federal Regulations for Federal Award (Uniform Guidance)*; and Chapter 10.550, *Rules of the Auditor General*.

### Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance in Accordance; Schedule of Findings and Question Costs; Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 25, 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 report. There were no findings or recommendations made in the preceding audit report.

### Official Title and Legal Authority

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

### Financial Condition and Management

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

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'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*, require 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 address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

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

*Binney Accounting and  
Assurance Services, PLLC*

Clermont, Florida  
March 25, 2020

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE  
WITH SECTION 218.415, FLORIDA STATUTES**

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

We have examined the City of Winter Garden, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, as of and for the fiscal year ended September 30, 2019, as required by Section 10.556(10)(a), *Rules of the Auditor General*. 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with those requirements. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.

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

*Binney Accounting and  
Assurance Services, PLLC*

Clermont, Florida  
March 25, 2020